

HOW TO ACQUIRE PROPERTY WITHOUT RISK

There are a number of ways to acquire property without risk. We list a number of the most important:

- * Restrict the size of the investment and the amount of indebtedness.
- * Sell at a profit a part of what you have purchased.
- * Buy only such property as you are willing and able to hold for an indefinite period.
- * Make an estimate of gain or loss probabilities before you buy.
- * Withstand all pressure of people who try to induce you to sell at a loss.
- * Increase desirability of the property before you sell.
- * Observe the effects of local improvements, movements and activity. Develop ability to buy Real Estate with the greatest potential for the future. The successful buyers of Real Estate have a good knowledge of facts and laws, learned under a great variety of circumstances. They realize the importance of making investigations. They know economics and business conditions locally and nationally. They study trends, growth areas and property utilization. They have a correct idea of their own personal finance limitations. They have a high degree of interest, judgement and imagination.
- * Adaptability, fortitude and a high degree of resourcefulness are other attributes to successful Real Estate investing. Desire for ownership and not being adverse to going into debt are very important.
- * If a property appears to be greatly under priced never quibble over price. List all the significant advantages and disadvantages of each property. There should be some reasonably outstanding features that will generate enthusiasm. Decide to buy on the merits of the property, not because someone is suggestive. If you lose a good deal, a better one will come along. Resist speculation fervor.

- * If you are buying a property to hold for a long time, compute the taxes, interest, insurance, etc. You will have to pay while it is in your possession.
- * Realize that when the market is good and the price is rising you can always buy, but when the market is going down it is difficult to sell. Don't sell too quickly and do not over-extend yourself.
- * Realize that increasing value of improved (homes buildings, etc) result mainly from increasing population.
- * if you are interested in making money investing in REal Estate foreclosures, the best way to succeed is to develop a financial plan based on your tax bracket so that you will know when to sell off which properties and when to keep them for future increase in value. You will need to recognize when there is "concealed" equity in a property which is not visible to other investors. Look for homes from 5 to 20 years old with potential net profits of no less than \$4,000 when you convert them.
- * Know the laws in your state pertaining to the foreclosure process. Look over all the small print in contracts. Most of them favor the seller. If you are the buyer, have the contract changed to fit your requirements.
- * Be careful at auctions so that you don't get carried away with the bidding; determine in advance the top you will go and stay with it.
- * Strive to locate and purchase distressed property before foreclosure proceedings start and you can generally assume conventional loans under the same circumstances as presently exist.
- * When you have purchased the property in a slow Real Estate market, it is easier to sell since you have probably acquired it at several thousands below the current market value.
- * It can be good policy some of your property and keep some. For example, if you can sell one-half of the property and get mos of

your money back, you will be able to retain the balance for future enhancement and use the proceeds of that portion sold to speculate in other properties.

* Speculation is not all profit. As time goes by taxes and assessments increase; some properties may have to be sold to pay for such increases.

* The greatest deterrent to a person buying Real Estate is the fear of making a mistake. Of course a person can't afford to make many mistakes in Real Estate speculation just as in any other kind of business.

* During a period of inflation, land is the best investment. During a recession or depression, land is the worst investment. If a recession appears imminent sell, even if on a contract for a reasonable down payment and monthly payment on the balance. You will have an income and also have the property as collateral. You can be sure that as long as general economic conditions are good, the value of well selected Real Estate will increase.

* Populations increase by birth rate and by influx. Check to determine the past circumstances of the local economy, the demand for public services and the future growth potential. The fact that a city has increased in population is not significant in itself. Perhaps there has been an annexation of adjacent areas.

Yes! By comparing, learning and using good common sense you can profit in Real Estate regardless of recession, depression, interest rates, or inflation!...And without excessive risk!