



Secrets to buying foreclosure real estate

Ultra-complete book reveals details, examples, profit criteria

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The Pre-Foreclosure Property Investor's Kit, by Thomas J. Lucier (John Wiley and Sons, Hoboken, NJ), 2005, \$19.95, 249 pages; Available in stock or by special order at local bookstores, public libraries, and www.amazon.com.

Longtime investor in foreclosure properties, Thomas J. Lucier, reveals in his new book, "The Pre-Foreclosure Property Investor's Kit," virtually everything necessary to profitably acquire these distress properties. The author explains why purchasing before the lender's foreclosure sale auction offers the best profit potential for investors.

The book begins with Lucier's definition of "pre-foreclosure," namely acquiring a property between the time the lender began foreclosure and the moment the property goes to foreclosure sale auction. He then explains his 14-step process for acquiring these properties at prices that allow sufficient profit opportunities.

An especially valuable benefit of the book is Lucier includes the actual forms he uses when acquiring foreclosure properties, available on his Web site. Additional benefits include websites for obtaining information such as locating individual owners, finding property records online, state foreclosure statutes and timetables, and many other valuable websites, mostly free.

Throughout the book, the author shares many personal examples, starting with his first foreclosure acquisition where he earned a \$14,000 net profit. Today, however, Lucier says part-time foreclosure buyers should earn at least \$60,000 annually, probably much more. He says the number of foreclosure properties is rising so the market for foreclosure investors is improving.

This is a very realistic "how to buy foreclosures" book. But the author explains work is involved to earn large profits. He emphasizes avoidance of costly mistakes, including a few that he made.

Although Lucier says foreclosure buyers don't need a large bank account, he never says these properties can be bought for nothing down. Because his strategy is buying before the lender's foreclosure auction, he says the buyer needs enough cash to reinstate the defaulted mortgage or deed of trust.

Over and over, the author raises potential problems he has encountered acquiring pre-foreclosure properties. Then he shows investors how to solve the problems. Lucier is a big believer in using Internet Web sites to easily and quickly find essential information. He says, "This means that the front seat of your vehicle is going to have to double as a sort of office on wheels." Then he shares how he organizes his office on wheels.

An especially valuable feature is the author's Web site, www.thomaslucier.com, which includes direct links to virtually all the hundreds of Web sites mentioned throughout the book.

One drawback of the book is the many abnormally long paragraphs of 25 lines or more. This makes for hard slogging because of the publisher's saving space between paragraphs, which often makes for difficult reading.

Chapter topics include “How You Can Make \$60,000 a Year Investing in Pre-Foreclosure Properties Part-Time”; “Why Most Foreclosure Investment Strategies Being Taught Today Are Too Risky, Too Expensive, and Not Worth Doing”; “What Every Pre-Foreclosure Investor Needs to Know about Their State's Foreclosure Statute”; “Everything You Need to Know about Existing Loans on Pre-Foreclosure Properties”; “How to Finance the Purchase of a Pre-Foreclosure Property”; “How to Find Property Owners with Loans That Are in Default and Facing Foreclosure”; “How to Perform Due Diligence”; “How to Accurately Estimate the Current Market Value”; “How to Negotiate with Property Owners in Foreclosure”; “How to Prepare Your Purchase Agreements”; and “How to Package, Market, and Resell Pre-Foreclosures for Maximum Profit.”

This is the best of the many how-to-profit-from-foreclosure books. It is well written, ultra-complete, and packed with more details than readers will need. The worksheets are invaluable to simplify what can otherwise be a complicated business. On my scale of one to 10, this outstanding new book rates an off-the-chart 12.