How to buy a house from a bank

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Buying home was not, in recent years, an easy task. However, since last year the market has begun to show some signs of reversal, with most banks lowering the maximum and minimum spreads applied on home purchase credit.

Despite these signs of recovery, there are some trends in the world’s real estate market that have emerged with the crisis and remain.

On the one hand, many of these properties were put on the market in auctions, with a minimum bid price that often presented a discount against its market value. That is: it was an opportunity to buy a house for a lower price and more in consideration, given its real market value.

On the other hand, in the case of real estate that is part of banks ’portfolios, financial institutions have assigned (and continue to allocate) more favorable financing conditions, such as the granting of credit up to 100% of the value of the home, or the allocation of’ spread ‘more attractive.

If you are interested in buying a house from a bank know some important information to take into account:

How to buy?

The strategy adopted by banks to "lease" the properties they hold in their portfolios is a multi-channel strategy. That is, there are several ways consumers can go to find a home that belongs to financial institutions. The most direct channel is through the banks counters. But in addition, many of the houses that belong to the banks are also placed in the networks of real estate agents and on sites that are dedicated to buying, selling and renting houses.

2. What type of real estate can you find?

The bank holds a vast portfolio of properties that are available for sale or lease, ranging from residential properties, to commercial and services, land and even industrial units. These properties can come from several sources. Most of the real estate results from a situation of default of real estate credit or leasing. There are still some properties that are disclosed by the banks and are part of the real estate funds portfolios, being placed on the market by an investment decision of the management team of those same funds.

In the portfolios you can find properties from north to south of the country, used, or even real estate ready to debut. There are some real estate developments that have been left unfinished by financial problems of contractors or developers and which the banks conclude and put on the market in a 'new' state.

3. What are the advantages of buying a home from a bank?

The advantages of acquiring a home that belongs to the bank are largely related to the financing
conditions. These can vary from bank to bank. For example, many financial institutions grant for these specific cases financing up to 100% of the value of the property.

4. What care should be taken into account?

The advice a consumer should take into account when buying a home from a bank is exactly the same as the consumer should have when buying a car or a home through more traditional or conventional channels. Whenever we are faced with the purchase of a durable good, we must know what we are buying. And it goes without saying: "All the properties are available to visit and, as such, clients should visit them, make their own assessment, check if they respond to their needs and whether or not the price of the property suits their characteristics." The consumer may need a professional help like what’s offered by [Hudson & Marshall](http://www.hudsonmarshall.com).