

4. How do I buy a VA home?

Answer: Your London Properties HUD/VA specialist has represented many winners and will be happy to represent you. Once again, there is no cost for our service as London Properties is paid by the VA for submitting a winning bid. The VA auctions Fresno-area houses every two weeks, and the winning bid wins!

5. If my bid is accepted, what then?

Answer: If your financial records qualify you for the VA loan, you'll be able to move in about 45 days or so.

6. How do I find information on VA Homes for Sale?

Answer: The VA home page is linked through the London Properties site @ londonproperties.com or you can call your London Properties HUD/VA specialist for a list at (559) 436-4000.

CONTACT US

- **Fresno** • 6442 North Maroa Avenue • 436.4000
- **Clovis** • 215 North Clovis Avenue • 322.4000
- **Chowchilla** • 1425 Robertson Boulevard • 665.5757
- **Hanford** • 420 North 11th Street, Ste. 105 • 589.6600
- **Kingsburg** • 939 Sierra Street • 897.4888
- **Madera** • 1445 North Schnoor Street, #101 • 661.6100
- **Merced** • 67 West Alexander • 209.725.2100
- **Oakhurst** • 40142 Highway 41 • 683.3400
- **Sanger** • 1370 Jensen Avenue, Suite C • 875.8900

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HOW TO BUY A HUD / VA HOME

LONDON
PROPERTIES



HUD/VA sell properties at reduced prices that you might want to buy!

Frequently Asked Questions About HUD Homes

1. What is “HUD”?

Answer: HUD stands for the Department of Housing and Urban Development, which is an agency of the Federal government. By insuring lenders against loss, HUD encourages lenders to make loans to individuals requiring relatively small down payments.

2. What is a “HUD Home”?

Answer: When someone with a HUD insured mortgage can't meet the payments, the lender forecloses on the home; HUD pays the lender what is owed and HUD takes ownership of the home, then sells it at market value as quickly as possible.

3. Who can buy HUD home?

Answer: Anyone! If you have the cash or have been pre-approved for a mortgage, you can buy a HUD home. You must be PRE-APPROVED for a mortgage before you may bid on a HUD house at the weekly silent auction.

4. Are HUD Homes meant for people with low incomes?

Answer: HUD homes range in price, but most are affordable for low- and moderate-income.

5. Is it true I can get a HUD Home for a dollar?

Answer: No. HUD sells homes at market value - that means that the price is set based on the price of similar homes sold in the area.

6. If the HUD Home needs repairs, will HUD make them?

Answer: HUD Homes are sold “as-is,” without warranty. That means that HUD will not pay to correct any problems. But even if a HUD Home needs fixing up - and not all of them do - it can be a real bargain! For example, HUD's asking price on the home will reflect the fact that the buyer will have to invest money to make improvements. And keep in mind that on most sales, the buyer can request HUD to pay all or a portion of the financing and closing costs.

7. How do I buy a HUD home?

Answer: Start by calling your London Properties HUD/VA specialist. HUD requires you be represented; and with London Properties you will receive all of our services at no cost to you.

As your agent we will represent you and submit a bid for you. Normally, HUD Homes are sold in an “Offering Period.” At the end of the Offering Period, all offers are opened and, basically, the highest acceptable bid wins. If the home isn't sold in the initial Offer Period, you can submit a bid any business day. If your bid is acceptable to HUD, London Properties will be notified, usually within 48 hours.

8. If my bid is accepted, then what happens?

Answer: London Properties will help you through the paper-

work process. You'll be given a settlement date, normally within 30-60 days, where the transaction will occur. HUD has an excellent booklet to help you understand the settlement process: “Buying Your Home - Settlement Costs and Helpful Information.”

9. How can I find out what HUD has for sale?

Answer: You may link to the HUD and VA site by logging on to londonproperties.com. You may call your local London Properties HUD/VA specialist who will provide you with the information anytime.

10. How can I get a loan to buy a HUD Home?

Answer: HUD doesn't make loans directly. But HUD has a number of mortgage insurance programs, like FHA, that could help you buy a home. Contact a HUD approved lender such as Royal Charter Mortgage (559) 436-4020, who will take you through the steps and actually make the loan.

11. Can I buy a HUD Home as an investment?

Answer: Most HUD Homes are initially offered on a priority basis to owner occupant purchasers (people who are buying the home as their primary residence). Following the priority period, unsold properties are then available to all buyers, including investors.

12. What's an “EEM?”

Answer: That's an Energy Efficient Mortgage, offered through London. With an EEM, your home can usually be improved to save you 20-50% off your monthly utility bills. By not spending your income on utilities you can buy a bigger house.

13. Is there anything else I should know about HUD Homes?

Answer: London Properties encourages every homebuyer and homeowner to be a wise consumer, so be sure to read HUD's Consumer Information, available from your London Properties HUD/VA specialist.

Don't forget VA Homes!

1. What is a VA Home?

Answer: The Veterans Administration, (VA) like HUD, guarantees home loans for veterans. When a veteran's home is foreclosed, the VA pays off the mortgages and resells the property at market value as soon as possible.

2. Must I be a veteran?

Answer: NO! The VA makes direct loans and will finance the property with the same benefits veterans receive! This means lower interest rates, no junk fees, and no mortgage insurance premiums! These mortgages have low acquisition costs.

3. What's the condition of the home?

Answer: The VA generally repairs the house to move-in condition. They are also eligible for an EEM saving even more of your money!