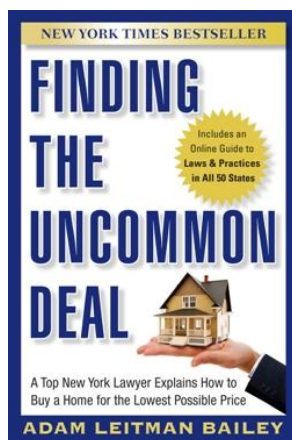


## 'Best Time Ever' to Buy a Home? Best-Selling Author Says Yes

By [Ann Brenoff](#) | Posted May 28<sup>th</sup> 2011 11:00AM



**Adam Leitman Bailey** is author of *The New York Times* best-seller "Finding the Uncommon Deal." He believes that this is the best time in modern real estate history to be buying a home.

AOL Real Estate interviewed **Bailey** about the market and how savvy home shoppers can find the steal of the century.

**So many homes today are being bought by investors. How can John Q. Public compete with the pros and snag an honest-to-goodness bargain in today's real estate market?**

Today, more than any other time in history, information is the key. You need to become an expert on your local market. There are three things you must do: Look within a small geographic area; look intensely for a short period of time; look at many, many properties.

After a while, you will know what the price should be and will spot a bargain when you see it. Spreading out your search over various neighborhoods, or taking a year to do it, or only going to open houses on Sundays won't cut it. The market is rapidly changing and very hyper-localized. Focus narrowly and focus intensely.

### Anything else to know to uncover bargains?

Yes, you need to understand the distressed market and the new tools and weapons at your disposal to find an uncommon deal. Play the short sales game. A short sale signals a seller in trouble, trying to avoid foreclosure -- but in order to do that, they need to beg the bank to let them off the hook.

Some sellers don't have the communication skills to get the deal done. As a buyer, ask the seller's permission to speak to the bank. To do that, you need a contract and make sure you can get out of the deal in no more than 90 days. Make sure you have the property inspected too. Sometimes the repairs cost as much as the house; you don't want that.



### Many people find the prospect of buying a distressed property daunting. Is it really a good idea?

This distressed market presents the greatest buying opportunity. At the same time, it's also the most

difficult market. You can become very rich. The housing market won't recover for years, but if you buy a place and live it, you likely will have enough equity over time so that it becomes an asset in your retirement. I believe prices will continue to drop for another couple of years.

**What is biggest obstacle people face right now in the homebuying market?**

Their credit scores. Banks won't give out loans unless you have great credit.

**With so many people losing their homes to foreclosures or selling short, will lenders stick to their policy of not giving loans again for seven years to those who default -- meaning none of these people will be able to re-enter the homebuying market?**

If Obama wants to really do something for Americans, he should address the seven-year rule. It needs to be legislated that short sales don't bring down your credit scores so badly. This of course raises the question of whether the government should be telling private business how to run itself.

**How's the short-term future looking to you?**

There are more problems coming. Higher unemployment.... Business can't keep making bad loans. Maybe it's not such a horrible thing to deny people loans when they can't afford them.