



# How to find bankruptcy properties for sale in Norwich?

Bankruptcy, foreclosure, distressed, repossession; these are all terms for bankruptcy properties for sale, often at a lower value than market price. Properties that are subject to bankruptcy are usually where the owner has defaulted on their mortgage.



In this instance, the lender applies to the court to repossess the property. The bankruptcy property is subsequently for sale at a value that's attractive to investors.

## What is a bankruptcy property?

[Bankruptcy properties for sale](#) are those that have been taken back from the owner due to an unpaid debt, i.e. a mortgage. If you have a mortgage or loan secured against the property and repayments aren't maintained, the lender can apply to the courts to repossess the property.

These types of property are often sold below market value in an attempt to secure a quick sale. All the time the lender has possession of the property, it is costing them money. Buyers could save as much as 30% off the market value, depending on the property's condition.

All styles of property can become available at bankruptcy properties for sale, from older properties that require some modernisation to new and modern properties. In recent years, it's

become quite normal that [repossessed properties are sold at auction](#). This has the advantage that not only can the lender often realise a higher price than the guaranteed minimum pre-determined price, but the sale must also be completed within 20 working days of the date of the auction.

There are two types of bankruptcy properties for sale. The first is a bank or financial lender repossessed houses. These are properties whereby owners have fallen behind with repayments and the lender has successfully taken possession of the property. The lender will want to recover their funds as soon as possible and will often sell significantly below the market value with a local agent, or via an auction.

The other is private property sales. Again, the owners of the house have fallen behind on repayments but sell the property privately, or at an auction, before the lender has taken possession of the house. This can often happen with newly build houses or flats whereby a potential owner has bought off-plan or brand new from the developer but is unable to keep up repayments or pay the balance.

Sometimes a lender or a developer will give a local estate agent the opportunity to sell the bankruptcy property initially. If the property doesn't sell within a short period of time, the decision will usually be to take the property to auction to sell.

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