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## Loose Change: Investors swoop into real estate, try bulk buying

### Lenders have been warming up to idea of selling homes in bulk

As the glut of foreclosed homes swells, banks and other lenders are starting to warm to the idea of selling some of the homes in bulk to investors, a departure from the practice of selling homes one at a time.

For the past year, investors have been eager to buy large numbers of homes from lenders at knock-down prices. Lenders have generally resisted that idea, but now some are trying it out on a small scale.

Barclays Capital estimates that banks and loan investors owned 871,000 foreclosed homes as of Nov. 1, up from 414,000 a year earlier. Barclays forecasts that this inventory will peak at around 1.4 million homes in mid-2010.

That deluge has persuaded some banks to start bargaining. In recent months, Wells Fargo & Co., Fannie Mae and Synovus Financial Corp. have negotiated a few transactions and have signaled to investors that they might be willing to do others.

So far, no major lender has fully embraced the idea of selling in bulk. In many cases, they say prices that investors are demanding remain too low. The banks say they can get more money for most homes selling them through local agents. If investors buy homes and quickly flip them for a higher price, banks feel they have just let a middleman earn proceeds they should have been able to get on their own.

"We are getting a ton of bottom fishers," says Barbara Desoer, president of mortgage and insurance services at Bank of America Corp. — The Wall Street Journal