

# Funding, Finance and Credit

## What are the benefits of seller financing?

Seller financing offers tax breaks for sellers and alternative financing for buyers who can't qualify for conventional loans.

If you are a seller, the risks you face are the same as those facing any lender: Is the borrower a good credit risk? Will the property hold enough value over time to allow for the repayment of all loans made against it?

You should run a full credit check on the borrower, require hazard insurance on the property and include a due-on-sale clause. There also are financing, disclosure and repayment-term requirements that need to be met. It is wise to consult a lawyer when putting together this kind of transaction.

Unique solution ID: #1792

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Last update: 2016-07-19 19:55