## Land Contract Sale Can Have Advantage

the performance of the buyer paying off the seller for any remaining interest the latter may have in the property. On today's market there

are many homes for sale which cannot be disposed of, for one reason or another,



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creating a hardship on their owners. A sale using a land contract can eliminate this problem and be a benefit to both the huyer and seiler.

both the buyer and seller. Let's examine the benefits to the seller. First and fore-most the property would be-come very salable with a small down payment. In re-turn the seller's security is protected because he retains title to his home. If the seller needs additional cash and his coulty is large enough, he needs additional cash and his equity is large enough, he can probably refinance his property to 80 per cent of its value since he retains the title. This is proper provid-ing the refinance does not exceed his interest in the property after the sale.

IN REFINANCING the property the seller may bor-row money at a lower rate of interest than the buyer will be paying him on the land contract. For instance, the seller could charge his buyer 7 per cent or 7½ per cent in-terest on the total purchase price, minus his small down payment. The seller, how-ever, will be paying only 6½ per cent interest on his re-finance, under normal cir-cumstances. Notice that the seller may net 1 per cent in-IN REFINANCING the cumstances. Notice that the seller may net 1 per cent in-terest on the amount of moneyhe has borrowed. Real-izing his bargaining position. the buyer will probably not quibble about the interest or the price of the home as long as it's within reason. In many locations a down payment of as little as \$500 or \$600 is quite rare. The buyer, aware of the situation and unable to purchase elsewhere, is generally willing to pay a little more for a home. When a seller does not

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little more for a home. When a seller does not have time to wait for a buy-er, or when the market is slow in his area, there a re many advantages to selling his property by a land con-tract. This method far ex-ceeds the quick sale to a speculator or investor at a reduced price.

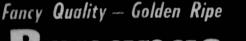
THE COMPANY guaran-tees the sale of property un-der certain conditions. Oc-casionally we will not be able

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By FRED L. FREDERICKS Torrance Realtor And contract is free when the purchasers are usually quite is transferred to the buyer when the sperfery unit the dee is transferred to the buyer to the property unit the dee is transferred to the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the dee performance of the buyer to the property unit the deel to the property unit

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pus fraternities. Pledges are Tim Shea of 18811 Patronella, Theta Chl; John Conshafter of 22622 Na-dine Circle, Sigma Pi; and Larry Huggins of 1814 Schill-ing, Sigma Phi Epsilon.

## **Resident** Named Senior Officer

Bruce A, Sizelove of 16715 Glenburn Ave. has been ap-pointed senior vice president of American City Bank. He will be in charge of overall administrative activi-ties as well as general lend-ing at the bank's main office at Wilshire and Grand in downtown Los Angeles.



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