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Why Investors Are Purchasing Homes Damaged in Hurricane Ian, According to Real Estate Expert Andrew Shader

The aftermath of Hurricane Ian has led to a surge of investors interested in purchasing cheap properties. Real estate expert Andrew Shader explains why.

FORT LAUDERDALE, FLORIDA, UNITED STATES, January 13, 2023 /EINPresswire.com/ -- When asked about investors purchasing hurricane-damaged homes, Andrew Shader quickly points out that some unique catalysts are influencing investors and home buyers. He says that Florida is unique in that there is always a high demand for homes. Currently, housing inventories are well below demand. Because of this, buyers are willing to purchase homes that need significant repairs simply to enter the coastal real estate market.

Mr. Shader also mentions that real estate agents aren't reporting any slowdowns following the hurricane. Demand hasn't dropped in any meaningful way, and investors are still interested in purchasing homes even though they might have to devote money to repairs.

At the other end of the spectrum are homeowners who are currently dealing with the stressors of fixing damage from Hurricane Ian and dealing with homeowner's insurance headaches. Many of them are frustrated and very uninterested in investing time and money in home repairs. These homeowners are eager to work with buyers, especially those who have access to cash.

Mr. Shader points out that even with homeowner's insurance, many people simply can't afford the out-of-pocket costs of having their homes repaired. Deductibles alone can leave owners in the unfortunate position of owning a home that they can't occupy.

When the damaged property is also the homeowner's primary residence, they must raise funds to relocate, pay rent, or make a down payment on a new residence. The cash from a sale to an eager investor can help them overcome these hurdles.

Of course, Mr. Shader says, it's impossible to ignore the biggest motivation for investors moving into the Florida real estate market: These damaged homes are exceptionally cheap. Buyers are so eager that they are contacting real estate agents to inquire about properties that haven't been remediated yet, let alone listed.

It remains to be seen whether these investments will be profitable or not. Repairing flood- and wind-damaged properties isn't something that can be done quickly or cheaply. Andrew Shader says that overeager investors may struggle to get their money back out of these properties if they fail to do their due diligence. However, he also points out that investors who are willing to research carefully and turn down homes that don't have significant potential can certainly come out ahead.

Likewise, selling may be the best option for many Florida homeowners. However, they should be careful not to lose too much profit by making decisions out of desperation. Despite the hurricane, Florida remains a seller's market.

About Andrew Shader
Andrew Shader is a skilled real estate investor, developer, and entrepreneur. He has a background in the insurance industry but opened his first real estate business in 2016. He maintains a robust portfolio and specializes in improving properties to significantly increase values. In his spare time, he reads, plays sports, and socializes with friends.

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