> **"In 2009 — while most agents left the industry — I made more money than any previous year. The secret? I knew where to find distressed properties before anyone else. Here are the 5 free databases I used." — William C. DeShon**

Why Distressed Properties Right Now?

Rising interest rates. Record national debt. The next foreclosure wave is already beginning. NAR's new SFR certification course does not launch until December 2026. Right now — today — there are pre-foreclosure properties in YOUR county that no other agent knows about. They are in the public record. They are completely FREE to access. Here is exactly where.

Database 1: HUD Home Store — Government Foreclosures

HUD homes are FHA-insured properties that went through foreclosure and are now owned by the US government. They are listed directly on the HUD website and updated daily.

- URL: hudhomestore.gov
- Updated: Daily
- Best for: First-time buyers + investors after 30-day owner-occupant period
- Pro tip: Owner-occupants get priority for 30 days — know this when advising clients

Database 2: Fannie Mae HomePath — Bank REO

When Fannie Mae forecloses on a property they list it on HomePath. Special financing is available with no mortgage insurance required — a major selling point for your buyers.

- URL: homepath.fanniemae.com
- Updated: Daily
- Best for: Owner-occupants and investors after 20-day period
- Pro tip: HomePath mortgage requires no appraisal — faster closings

Database 3: County Recorder — Lis Pendens (Pre-Foreclosure GOLD)

THIS is the most powerful database most Realtors never use. When a homeowner falls 3-4 payments behind the lender files a Lis Pendens — a public notice — at the county courthouse. This is filed BEFORE the property goes to foreclosure. You can find these sellers at their most motivated moment.

- URL: Your county recorder / clerk of courts website

- Search terms: "Lis Pendens" or "Notice of Default"
- Updated: Weekly in most counties

> **William's insight: "The Lis Pendens lead is your golden window. The homeowner still owns the property, needs help and has 30-90 days before auction. Approach with compassion — not as a predator."**

Database 4: PACER — Bankruptcy Forced Sales

The federal bankruptcy court system publishes all Chapter 7 and Chapter 13 filings publicly. Many include real property that must be sold. This is completely free and updated constantly.

- URL: pacer.gov
- Cost: FREE (small per-page fee after $30 quarterly)
- Best for: Properties with motivated sellers in financial crisis
- Pro tip: Chapter 7 = liquidation = fastest motivated sellers

Database 5: Probate Court — Estate Sales

When a homeowner passes away and heirs want to sell quickly — often below market — the estate goes through probate court. These records are completely public. Heirs frequently live out of state and want a fast clean sale.

- URL: Your county probate court website
- Search: Recent estate filings with real property listed
- Best for: Patient agents willing to handle emotional transactions
- Pro tip: Contact the estate attorney — they refer agents who handle these well

> **BONUS TIP: Auction.com lists thousands of bank-owned properties available for purchase. Free to browse at auction.com — investor-friendly after initial periods.**

What To Do With These Leads

- Pull county Lis Pendens weekly — contact 10 owners per week
- Register with 3 bank asset management companies for REO listings
- Check probate filings monthly — contact estate attorneys
- Use AI tools to research, prioritize and write outreach letters in minutes

Want the complete system? DistressShield AI gives you 50 ready-to-use AI prompts, a 4-phase workflow and income projections of $177,500+ in additional annual income. NAR's SFR course does not launch until December. Get ahead now.