

Protect yourself with preparation

Home buying should be approached as a well-planned business project

What is a home buyer's biggest worry? Paying too much? Buying a home that you end up hating? Working with an agent who leads you astray? Buying a home that turns out to be a money pit? Getting in over your head financially?

Any or all of these concerns may plague you during your home buying foray. But none of these fears need to materialize if you approach home buying like you would any well thought out business project.

The first step is to research the financial side of buying a home. Find out what you can afford. Then determine what you feel comfortable paying. With today's low interest rates, many buyers find they can qualify for more than they feel comfortable paying.

Be sure to factor the cost of home maintenance into the home buying equation. Charming older homes usually cost more to maintain. If you're cash-strapped and short of time, you might be better off buying a condominium, a town house or a new home.

The next step in your game plan is to carefully analyze what you want and need in a home. It may help to put your home buying wish list in writing. Organize the list into two sections: the absolutely essential features and those you can live without if necessary. Be sure to give your real estate agent a copy of your wish list.

Home buying inevitably involves making compromises. The more you look at the available inventory, the easier it will be for you to decide how you want to compromise. If you revise your list, let your agent know.

It's risky to buy a home unless you plan to own it for at least 5 years. So make sure that the home you buy will suit your long-term needs.

House hunting tip: A sure way to minimize the chances of a miserable real estate experience is to work with the best professionals you can find. Get recommendations from acquaintances that bought a home recently who were satisfied with the experience. Among the professionals you're searching for are: a real estate agent who knows the local area well, a good home inspector, a lender or mortgage broker and an insurance agent. In some areas, and in some situations, you'll also need a real estate attorney.

To avoid over-paying, you need to know current market values. The best way to become educated about home prices is to look at a lot of property. You should plan on looking at every listing that your agent thinks might suit your needs. If you don't have the luxury of educating yourself before you see a home you want to buy, ask your agent for recent comparable sales information.

Buying a home can be stressful. Some buyers try to avoid the anxiety by delegating their home buying responsibilities to others. This can backfire. In order to insure a successful real estate experience, you need to remain actively involved in the process. Even though you have a real estate agent-and a good agent will make process a lot easier for you-always remember that you are the decision-maker, not your agent.

Some agents try to insulate their clients from bad news, hoping to resolve issues without bothering you. While done with good intentions, this can lead to disasters. Make sure you and your agent communicate frequently during the transaction. Let your agent know that you want to hear about any problems as soon as they occur so that you can work together on a solution.



The closing: Read all documents related to your home purchase, and have the property thoroughly inspected by qualified professionals.

