

How to Save Thousands on Your Next Home Purchase

Although this is not a comprehensive list of everything that needs to be followed when deciding to purchase real estate it is list of important items that we have noticed at Mayfield Real Estate which can play a big role for most buyers.

- ❑ **Use a REALTOR®!** As members of the National Association of REALTORS® each member adheres to a strict code of ethics that provide a wide variety of benefits for buyers and sellers. Not all real estate agents are members of the National Association of REALTORS®.
- ❑ **Have your REALTOR® provide a detailed price evaluation of the property you are purchasing.** In other words, make sure that you REALTOR® compares the property you are purchasing with other homes in the are that have recently sold. Note: It is more important to examine recently sold properties than the current active listing inventory or expired listings. It is still important to see what other homes are listed for or have been listed which have not sold but you really want to put your infancies on what the other sold listings like the property you are purchasing have sold for.
- ❑ **Get a home inspection.** Many times buyers will choose to purchase a home without having the home inspected by a qualified professional. Many states if an inspection is performed within a timely manner you can generally ask for the seller to repair or fix the items in question or get an allowance deducted from the price of the home. If it is an issue that cannot be resolved you may even be able to be relieved from your contractual obligations.
- ❑ **Enter into a buyer's agency relationship with your REALTOR®.** It is important to understand that agency issues can play a big role in the purchase or sale of a home. By having real estate agent work with you as a buyer's agent the agent is providing duties of obligations for you the buyer and not the seller or the seller's agent. Make certain that the real estate professional you have hired has a good clear understanding of buyer's agency and how it operates before entering into any buyer's agency contract.
- ❑ **Put a good deposit.** Often time's buyers put very little earnest money down when negotiating the purchase of a home unfortunately to the seller it shows little commitment on your part as a buyer to purchase the home. A larger earnest money deposit shows your sincerity and your intent to complete the purchase and can be a big factor in the negotiating of the purchase price.
- ❑ **Watch important time lines.** With most real estate contracts to purchase real estate documents there are important dates and time lines that must be followed. How quickly the home inspection must be completed when to review the title work, how quickly your loan approval must be met and more. A good buyer's agent acting on your behalf will follow these guidelines and make sure that you meet each and very time requirement. However, it is also good practice on your part as the buyer to make note of these date and times so that nothing is overlooked or missed. A good example of this might be the date your complete your home inspection, the date to complete all of your mechanical and structural inspections. The contract may provide for you to terminate the transaction if there is a major defect that can not be corrected or fixed. If this inspection is not performed in a timely manner under the dates and times of the sales contract there maybe no remedy depending on the state law to terminate the transaction if your inspection is not done before the proper date and notice provided to the seller or sellers agent.
- ❑ **Shop around for your home mortgage.** Often buyers will go to only one lender to apply for a home loan before beginning any initial credit reporting or verification or other signed documents with a lender find out what their interest rate, closing cost and other fees are associated with your home mortgage. You can also request that the lender reduce part of the closing cost or ask if any fees are negotiable. Many times lenders fees are not set in stone and can be negotiated or removed from the cost of the loan. For example, some lenders will wave the cost of a credit report or appraisal fee to encourage you to do business with their company or if you credit is good enough and depending on your down payment some lenders may even wave all or part of their origination fees. The important point is for you as a purchaser to ask if any of the costs for the loan can be eliminated or discounted.

- **Get a survey.** Most title insurance policies in many states do not cover encroachment or survey boundary problems when they arise. After the closing it is generally too late to get help from the previous owner you purchases the home from unless they knew about it or had reason to believe there was an encroachment. Still it could cost you thousands on dollars in legal fees to correct the problem or seek a realty in the right amount of time.
- **Examine your title policy in a timely manner.** Make sure that your buyer's agent and you review the title policy in a timely manner. As noted in previous bullet points above there are certain dates and time lines that need to be followed to report any objections you might have with something attached to the real estate. Such as a restriction you would not be happy about.
- **Make sure the seller provides a detailed disclosure about the property.** Most states now require the sellers to provide comprehensive seller disclosure statements about the real estate they are selling. This can help you as a buyer to determine what or if any problems or issues the sellers have had with the real estate they are conveying.
- **Ask the seller for copies of warranties on any appliances or work they have had performed.** It is generally easier for the seller to find this information prior to closing then after the transaction has been completed. So any type of warranty question prior to the sellers receiving their funds to their house is a good idea.
- **Take your time before you purchase.** It is always a good idea to look at home some homes before making a purchase decision. Don't feel as though you have to buy the first home you look at. Comparing the one you are interested with several others can help you in determining if the value is where it should be for the home you would like to purchase.