

Seven tips for homebuyers



A real estate transaction can be complicated. I recommend the following best practices to my buyers who want to buy right.

1. **Arrange for your mortgage financing up front** before you even start to look for a home. The lender will focus on your ideal price range, your maximum loan, and whether there are any credit issues you should correct before buying. The lender will also prepare a qualification letter, which you must provide the seller when you make an offer.
2. **Review a blank contract form** before you write your contract offer. This will familiarize you with contract details and may prompt questions. Ask your agent to explain the process of negotiating and counteroffers.
3. **Use buyer representation.** It is important to have an agent who owes his total loyalty to you. Discuss your representation options with your agent. If you are purchasing one of your agent's company listings, make sure you understand what your agent can and cannot do for you.
4. **Review the seller's disclosure before you make an offer.** Your contract offer should reflect the condition of the property. The seller could disclose a repair or condition that would affect what you would be willing to pay. You should know this before you decide on an offering price.
5. **Ask for a residential service contract when you write the offer.** This will cover you for some items that malfunction during the first year of ownership. Cash used for downpayment, closing costs, and other home necessities can deplete your cash reserves. A residential service contract will reduce the risk of a future drain if a warranted item needs repair that first year.
6. **Get the property inspected by a licensed professional inspector.** This will let you know the true condition of what you are buying. Follow the inspector's advice if he recommends that you have another expert inspect a troublesome item. Ask your inspector to explain how to work or maintain appliances or systems in the home with which you are unfamiliar.
7. **Ask your agent to prepare a market analysis of the property before you make the offer.** You should know what similar properties are selling for so that you don't overbuy. Also, if the seller remains firm on his price, you will be able to tell if the value is really there.