

Tips for Home Buyers

Here are some suggestions to help you prepare for your search.

Needs and Wants List

Make a list of your needs and wants.

Do you need an extra bathroom, a garage, a fenced backyard, lower utility bills?

Do you want a fireplace, a short drive to work, a lakeside view, or maybe minimal yard work?

Once your list is made, go back over it and decide what is most important to your lifestyle. It may be privacy, creativity, or recreation.

Decide which items are musts and which you are willing to give up. Assign each item a priority so that you will know what to look for as you begin house hunting.

Location

Deciding where you want to live may be the single most important factor in choosing a home.

Location affects your day-to-day living. Proximity to employment centers, shopping centers, schools, major traffic arteries, and other attractions may be important. Evaluate location carefully. Location of a property is one of the most significant influences on value.

Your choice of location may be limited somewhat by the price you can afford. Even so, make sure you consider such things as:

Type of Home and Lot

A single-family detached home is attractive to a lot of people because it typically provides more living space and land area than other types of living units. Typically the detached structure permits you greater freedom (less restrictions) on remodeling, expanding, painting, and altering the appearances of the structure.

If you don't like spending leisure time on yard work, consider garden or patio homes. These homes are set on small lots. Many garden home developments share common garden areas. A condominium is another option. Condos and patio homes often offer shared greenbelts or membership in private recreational facilities such as swimming, golf, and tennis.

New vs. Older Homes

In selecting the type of home you want, consider new versus pre-owned homes. Pre-owned homes usually have established yards, and usually the neighborhood or subdivision is built-up. On the other hand, older homes may require more maintenance and need some repairs.

New homes are not without problems. Although they require less maintenance in the first few years, you may have to put in landscaping and call the builder back to correct faults. If home building is still active in the area, you may have to endure nearby construction.

Finally, consider size and style. You may already have in mind a wood-and-glass contemporary lodge with sun decks or a two-story Victorian mansion with a cozy attic. On the other hand, you may not know what you like until you see it. Either way, your realtor will listen to your preferences and help you find

the right home.

Making An Offer

What to Offer

A realtor can help you find your perfect home, but only you can decide how much you're willing to offer for it. The realtor can supply you with information about the selling prices and marketing time of other houses in the area.

Once you have determined the amount you are willing to offer, the realtor will help you prepare a written offer. In most transactions you will offer to deposit earnest money with the escrow agent. Earnest money manifests your sincerity in making a reasonable offer and abiding by the terms of the written contract.

Contract Forms

Your realtor will help you prepare an offer using standard forms. The offer, if accepted, will become a binding contract. This document is the most important paper you will sign because it lays out all the terms of the transaction. It will contain such things as:

a legal description of the property

any property that will be transferred with the home, (blinds, curtains, fireplace screens, etc.)

the price

financing conditions and contingencies

amount of earnest money deposit

name of the escrow agent and title company

proration of insurance, taxes, and interest

fees to be paid and who pays for which

rights to inspect the property and for repairs to be made

dates of closing and possession

what happens if either party defaults on the contract

Inspections

Before signing the contract, take precautions to protect yourself against unseen defects in the home. An inspection by a qualified inspector or other professional can provide you with unbiased opinions about the condition of components and systems in the property such as the foundation, mechanical systems,

plumbing systems, appliances, etc.

If you can, accompany the inspector at the time the inspection is conducted. When ordering the inspection, ask the inspector the approximate time needed to complete the inspection so you can reserve sufficient time from your schedule. Be sure to ask the inspector to detail the scope of the inspection. Not every inspector inspects every component in a house. For example, does the inspector inspect foundations, air conditioning and heating units, roofs, swimming pools, septic tanks, etc.? The cost of home inspection may depend on the size of the home.

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