

## 10 Ways to Avoid "Rookie" Mistakes

- **Don't rush into the transaction.** Buyers searching for homes in tight markets may feel pressured to make an immediate offer.  
**Solution:** Become familiar with the local market before making a purchase offer.
- **Ask questions.** First-time homebuyers, by definition, simply don't have home buying experience. If you don't know, ask. It may be uncomfortable, but let's face it...a broker cannot answer an unasked question.
- **There's no such thing as the "ideal" house.** Many buyers run themselves, not to mention their brokers, ragged as they repeatedly dismiss homes that meet most...but not all...of their requirements. A buyer who turns down a house that meets most, but not all, of their criteria may miss out on the best available property as well as good financing, should market conditions change.  
**Solution:** First-timers should definitely view many different homes as possible before making an offer. However, they should definitely **not** make an offer on the first home they like...but also, and more importantly, they should not hesitate to make an offer when they find a home they love.
- **Don't "Overbuy".** Many First-timers are routinely seduced into becoming "house poor". That is, they spend so much for a home that they must forego annual vacations, restaurant meals and other forms of entertainment.  
**Solution:** Get Pre-approved with a lender. This can help determine a reasonable target price range and also identify the mortgage programs which can work best for you.
- **Don't wait for that 20% down.** It's an admirable goal, but it's often years in the future for many first-time buyers. Instead -- especially in markets with rising values -- buy now with as little down as possible. Consider VA, FHA and other loans with private mortgage insurance (PMI).
- **Be realistic.** It's tough to ignore a home's curb appeal, but what about practical matters? Is there enough space? Is there off-street parking? Is the construction solid in good shape? What about maintenance costs? How far to work? It may seem like boring

stuff...but it's important none-the-less.

- **Find out about zoning.** Is the property next door zoned for a 24-hour service station? Fire station? Super Wal-Mart? Ask the broker about zoning for the property and the surrounding area. Find out before you buy. Otherwise you might be stuck with the home of your dreams...right next door to the new landfill.
- **Don't ignore representation.** Chances are good that the seller has a broker. Who's representing you?  
**Solution:** A buyer broker, an attorney, or both can give you needed representation at the bargaining table.
- **Don't Skip an inspection.** A professional home inspection is simply a "must" whether you are buying an existing home or a new one. Speak with inspectors before you enter the marketplace to see how they work, what they cost, and what they recommend.
- **Don't under-estimate closing costs.** Closing costs comprise much of the expense when purchasing a home. In many cases, the closing costs can be as much (if not higher) than the down payment amount being required.  
**Solution:** Examine your good faith estimate provided by your lender. Talk to people who have recently been through the buying process. Ask about fees you don't understand. If some of the fees seem excessive, ask the lender if they can be waived (or at least reduced). Many lenders will work with you to secure your business. Just be realistic. If you feel that the lender is "taking advantage" of you, consult another lender.