

# The Buying Game

## How To Avoid Nine Costly (But Common) Home Buying Mistakes

Let's face it, buying a home is a major expense. But why make it more expensive than necessary? Play the buying game right and you can cut costs AND buy the home that's best for you. Watch out for these nine common, but costly, pitfalls:



### 1 THE WRONG HOME

One costly mistake is choosing the wrong home: maybe one too big or too small for future needs, or a fixer-upper if you're not handy, a home too far from work or too close to traffic, one likely to need extensive fixing up, or a home in the wrong price range. Avoid this #1 trap by working with us to define your present and future needs, what location is most suitable, what level of fixing-up is comfortable, and how much you can afford for maintenance, utilities and everyday life after moving in.

### 2 BIDDING BLIND

Some buyers offer a contract above the true market value of the property or fail to bid on a great value because they don't know the market. Don't try to go it alone. Ask us for a comparative market analysis to avoid overpaying or underbidding on the home you choose.

### 3 TITLE TROUBLE TRAPS

A title search may reveal encumbrances on the property title like tax liens, easements, leases or an undisclosed co-owner. Avoid this trap by having the title search done early, if possible, and by buying owner's title insurance to protect your investment in case a problem surfaces later.

### 4 SURVEY SURPRISES

The property survey may show the lot boundaries are different from the property plat, a neighbor's fence is over the line, or zoning regulations have been violated. Avoid the trap by asking to see the seller's survey made back when the seller bought the house, and go over any additions or variations with your real estate agent. Also, have your new survey done early.

### 5 LAST-MINUTE DEFECTS

During the final walk-through, some serious defects may become apparent that were not noticed before. Avoid surprises by first doing a careful inspection of the home, then hire an independent home inspector to check the home inside and out. Have the inspector report to you any items needing attention, the cost to fix them or the repercussions if they are left as is. Contract settlement should be contingent upon the inspector's report.

### 6 PRE-PAID SHOCKERS

Some items — such as real estate taxes and homeowner association dues — get pro-rated at settlement or closing, while others — including hazard insurance and taxes — have to be paid ahead a few months. Avoid inaccuracies by asking for these figures a day or two in advance, and check the charges. Remember, if the settlement or closing date changes, so do some of these pre-paid costs.

### 7 SELLER SLIP-UPS

Repairs not made, items that fail to convey, or other contractual hang-ups can delay settlement or closing. To avoid these traps, take the list of agreed-upon items to walk-through and check them off. But be prepared to set a dollar amount for an escrow fund for items that fall through the cracks.

### 8 HIDDEN JUNK FEES

Some lenders add questionable charges at closing that were not shown on the Truth-In-Lending form, such as an "underwriting fee," "loan disbursement charges," "tax service fee," "courier fees," or mark-ups on court documentation fees. Avoid these fees

To Purchase Call (703) 698-7750