

# **How to avoid the 7 Most Common Mistakes Homebuyers Make**

Report provided by:

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# 1

## **Understanding the difference between 'qualified' and 'approved'.**

Homebuyers that take the time to speak with a reputable lender and get 'conditionally approved' are in a much stronger buying position than those that are just pre-qualified. By having a conditional approval it shows the seller that the lender has already verified a buyer's income, assets and credit worthiness and confirmed that the buyer is able to make a purchase subject to the property meeting the lender's qualifications. A homebuyer with a 'conditional approval' letter is something the seller can take to the bank!

# 2

## **Don't put too much faith in on-line loan information.**

There is so much information available on-line that it is often overwhelming and confusing to the average consumer. What works on the East coast may not work on the West or even in the Southwest. Although the federal lending regulations have tried to remove some of the confusion with home loans there is still a lot to learn. Speaking with a local, reputable mortgage specialist is the best way to ensure you are getting the right mortgage product for you. Do NOT make multiple applications with multiple lenders on-line or in person; this WILL LOWER your credit rating!

**3 Understanding the Importance of a home Inspection.** A common mistake made is not having a home inspections or multiple inspections as may be the case. In an effort to save costs many homebuyers will skip the home inspection saving \$450—\$700 dollars, only to find themselves spending thousands of dollars later on needed repairs that could have been discovered up front and even negotiated to be fixed by the seller. Your home inspections should include all mechanicals, structural and wood destroying insects. Don't skimp on the front end it may just bite you on the back side!

**4 Don't put too much faith in on-line home value sites.** With the abundance of information available on-line many homebuyers will scour the internet in search of what properties may be worth only to find incomplete information. In states like Texas, for example, which is still a 'non-disclosure' state these on-line platforms are only pulling data from public records or recorded deeds and not actual comparative values. Additionally, with homestead laws regulating tax valuations in the state on-line sources may greatly under value a property thus doing an injustice to the homebuyer, especially in an aggressive and highly competitive market. Trust your REALTORS® expertise; after all that's why you hired them.

**5 Assuming the market is the same as the last time.** Real estate markets have cycles just like the stock market. There are times when the competition will be fierce. Simply because you've purchase a home in the past doesn't mean it's going to be the same real estate market the next time. When the market shifts, so does leverage. Maybe the last time you purchased a home was in 2009 or 2010, just after the big real estate crash where many people had trouble selling their homes. Fast forward to 2018 and you'll see homes are on the market for less than three days and sellers are able to solicit dozens of offers in some instances. Listen to your REALTOR®; he/she has the strongest pulse on the market.

**6 Make sure you're working with a 'Full-time' Professional.** Not all REALTORS® are the same and not all real estate agents are REALTORS®. Ask for credentials. Make certain that the professional you select is a full-time REALTOR® not a hobbyist or someone just selling a property or two a year. REALTORS® are held to a higher standard and professional ethics that ensure YOUR (the client's) interest are protected and put first. Full-time professionals keep abreast of market changes, new developments and the latest documentation available to ensure a secure and smooth transaction. Don't be afraid to ask!

# 7

**Visiting the property only once.** You've selected the property you want to call Home, but you've only visited it one time! Drive by the property at different times of the day and different days of the week. Were you aware that every Saturday morning the community pool in your neighborhood is host to the area swim meets? Did you know that during school hours the street leading to that property is 'One-Way' in the opposite direction of your new home? Did you notice all the young families and children in the neighborhood; making it the perfect place for you and your family ... or just the opposite because you're down-sizing and wanting to meet others of an older crowd. Take a look around and view the entire property, the entire neighborhood. This is an investment in your future and happiness makes you thrive.

This information is provided to you based upon over twenty years of working as full-time professional REALTORS® in the real estate industry and servicing over 1,600 clients.

We look forward to helping you too. Give us a call and let's chat about your next home purchase (281) 549-6565

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