

How to get THE home at the RIGHT price

Whether you are buying your first home or your fifth, the process of buying a home can be an emotional, time-consuming venture. Feeling that, in the end, you made the right decision and got a good deal can make all the difference.

As with most major decisions, the amount of work and research you undertake before you start shopping can have a dramatic effect on how well you do in the end.

#1 Do you really need that backyard tennis court?

Everyone can picture their ideal home. If you haven't thoroughly prepared yourself prior to viewing houses, chances are that you will find what you think is your ideal home, and will wind up paying too much for it.

It is essential to treat the buying process in a slightly detached manner. Those who fall emotionally in love with houses usually pay too much.

That's why it's recommended that you develop a list of needs and one of wants. When looking at houses, make sure that they cover all of your needs – things like adequate space, a good neighborhood, a 2 or 3 car garage – and then have fun with items on your wants list. Treating the process in a regimented manner will help you to make a rational, informed decision.

#2 Get pre-approved

Ask your Castle Keepers Realtor® to recommend some mortgage brokers with whom they have had good success and call them. Be sure to get a mortgage commitment in writing. Being pre-approved gives you a solid price range, and lets your Castle Keepers Realtor® and potential sellers know that you are serious and not just a browser.

#3 Get the right people behind you

Buying a home is a complicated process, with many people involved. Having the right people on your side can make a big difference. An experienced, dedicated, and knowledgeable Castle Keepers Realtor® can put a team of advocates, including lenders, lawyers, home inspectors, decorators, movers, and others on your side immediately.

#4 Communicate

The more you share with your Castle Keepers Realtor®, the better he or she will be able to represent you. Letting your representative know exactly what you're looking for, in terms of needs/wants, price range, and location, can eliminate unnecessary trips to unsuitable homes and that focus can help ensure that you wind up in the right home.



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#5 Location, location, location

It's still true. The desirability and resale value of your home depend on location more than any other factor. People want a desirable community that includes character, quality of schools, access to work, major transportation arteries, recreational facilities, etc.

On your viewing trips, take a careful look and ask the following questions: How does this home compare to others in the neighborhood? Are yards fenced? Are there many children playing in the streets? Are the front and back yards and the exteriors of the homes properly maintained? The less expensive houses in a better area tend to appreciate faster than the most expensive houses in the same neighborhood.

Additional factors that affect the property value of a home include traffic, sounds, smells, zoning by-laws, and many others. Be objective. Be sure you are completely satisfied with the neighborhood. If you choose a neighborhood with problems, you likely won't get as much as you hoped with it comes time to sell.

#6 Use your Castle Keepers Realtor's® knowledge

Your Castle Keepers Realtor® is trained in all aspects of real estate, including understanding supply and demand, economics, and the neighborhoods of DFW. Castle Keepers can do much of the work for you, by reviewing your needs, reviewing available properties, and making an informed match. A comprehensive knowledge of the available homes in your neighborhood is one of your Castle Keepers Realtor's® strongest assets. With the aid of computerized systems, your Castle Keepers Realtor® is notified within minutes when a new listing becomes available.

#7 Pay attention to red flags

When evaluating a home, be sure you know the difference between acceptable and unacceptable problems. Cosmetic items like peeling paint, worn carpeting, or unattractive wallpaper can be easily remedied, and can be used as negotiation items, as there will be costs involved in updating the home. Major problems, however, are clearly red flags. Look for items such as major foundation cracks, water damage, outdated electrical systems, and inadequate plumbing. These items could be too expensive to remedy to make the home a worthwhile investment.

#8 Hire a home inspector

A home inspection is an inexpensive way to gain peace of mind, and guard your pocket book. A proper



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inspection will cover all areas of the house including foundation, electrical, heating, plumbing, floors, walls, ceilings, attic, roof, siding and trim, porches, patios, decks, garage and drainage. A professional inspector can give you an objective view of the property, with a written report, indicating the present condition and items that will need repair. Ask your Castle Keepers Realtor® for some recommendations.

#9 Be cautious with fixer-uppers

Sometimes, a fixer-upper can be purchased below market value, and once sufficient repairs are made, can be sold at a significant profit. However, not all fixer-uppers will bring in the profits you might expect.

Consumers often overestimate their level of dedication to doing extensive renovation work, and underestimate the costs associated with such work. A wall that needs to be replaced can often lead to the discovery of faulty plumbing, electrical, or other major undertakings. Your Castle Keepers Realtor® and home inspector are your best allies when it comes to cost-benefit analyses.

#10 Consider your future needs

A move can be a major undertaking. Take a good look at your current lifestyle and consider the future. Will you need extra space for a home office, a child, or perhaps a child moving back home? Perhaps it may be easier and less expensive if you purchase a home that can meet these needs now, rather than moving up to a larger home a few years down the road.

#11 Proceed quickly

When you're ready to buy, act quickly. Good properties sell quickly. This is especially becoming true given the current state of most the DFW real estate market. However, when you work with a Castle Keepers Realtor®, you have access to the latest technology. As part of the MLS and Agent Handshake networks, a Castle Keepers Realtor® has access to properties within hours of when they are listed.

Technology works to your advantage. Castle Keepers now has a personalized website which allows you to receive notifications of new listings via email. You save time and effort, and you can view only those homes that come closest to meeting your needs.

#12 Clarify relationships

In any real estate transaction, be very clear about who is working for whom, and what the relationship represents. Unless otherwise stated, a listing agent represents the seller in transactions for the sale



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of a home. This agent, as part of his or her fiduciary duty, must ensure that the seller's (and not your) position is represented throughout the entire process. Get a Castle Keepers Realtor® act as a buyer's agent on your side, to ensure that someone is acting in your best interests. Be cautious of going to open houses, without your Castle Keeper Realtor® and revealing too much. The agent holding the open house represents the Seller and is not your friend!

#13 Ask for a written CMA

A Comparative Market Analysis (CMA) is an analysis of comparable homes in a given neighborhood. It shows you the sale prices of comparable homes in the neighborhood, along with asking prices of other homes in the area currently on the market. A Castle Keepers Realtor® can provide this report for any home and neighborhood. With this valuable document, you'll have solid, reliable information about how fairly a home is priced compared to its real market value.

#14 Know the seller

Understanding a seller's reasons for moving could work to your advantage during negotiations. For instance, a seller who has been transferred to another city may be more motivated to sell than someone who is still shopping for a new home. A vacant house, or a house that has been on the market for several months and has been reduced in price, could also provide the opportunity for lucrative negotiations.

#15 Keep it impersonal

Conversely, information could be used to your detriment. Information about your mortgage, size of down payment, move-in deadline, or circumstances for buying could be used to the seller's benefit in negotiations. While you want your Castle Keepers Realtor® to know these details, maintain a poker face and keep your cards hidden until you meet the sellers and their agent especially if you look at houses at an open house without your Castle Keepers Realtor® . Carry one of their business cards with you and show it to the agent holding the open house.

#16 Measure twice, sign once

While you definitely want to move quickly once you've made the decision to purchase, you don't want to cave in to pressure for a quick close. Someone who is trying to pressure you into buying a home is likely doing so for a reason. Make sure the reasons for you to buy a home are your reasons, not theirs.

#17 Exercise your negotiating skills

Even if you prefer not to haggle, it's worth it, especially when it's your home and one of your biggest investments. Most people expect to haggle over the price. There is always room for negotiation, and your Castle Keepers Realtor® is be a professional negotiator.



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#18 Avoid bidding wars

In some cases, the seller's Realtor® may use scare tactics to rush the sale or increase the price. Falling for this trap could cost you money. If there is another buyer, or some other reason this pressure is being applied, whoever wins also loses because they tend to overpay. Let reason be your guide, not passion.

#19 Get it in writing

Legally, sellers must disclose all known material defects of a property in a written Sellers Disclosure report. Be sure to consider the ramifications of these defects. Will they be costly down the road? Are they "serious" defects or were the problems properly handled and no longer an issue?

#20 Be aware of hidden costs

While Realtors® often tempt first-time buyers with rent/mortgage comparisons, there is more to a home than simply the mortgage. You will be responsible for other items including mortgage insurance, appraisal fees, legal fees, inspection fees, transfer taxes, title insurance, inspections, property tax, increased bills, etc. Your Castle Keepers Realtor® can give you a good idea of the costs associated with buying a home that are beyond its final negotiated price.



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