## **Buying a home tips**

- Unless you are loaded with cash you will need financing and a loan application to purchase a home – you should obtain a preapproval letter from your lender – we can't submit an offer without one.
- Look for properties you are financially able to buy no sense in looking at \$million dollar homes when you can only afford \$150,000.
- 3) You are buying two things:
  - a) the home and
  - b) the money to buy the home.
- 4) Foreclosures are not necessarily a deal. Banks will always ask for market value and will get a 'BPO,' broker's price opinion or an appraisal – they don't give them away.
- 5) Auctions at the courthouse steps are 100% cash and you don't get to inspect the property for any problems or issues.
- 6) You should pick a home that you like and not just because it is a bargain.
- 7) Consider the location, schools, and distance from your work driving can become a burden and expensive.
- 8) You will need to have cash available in the bank to cover closing costs – just like a car, you'll need to pay for insurance and tax escrows, a survey if necessary, title company fees and the down payment.

- 9) The seller normally pays agent commissions per the MLS listing and typically the title insurance.
- 10) The Texas Real Estate Commission conducts background checks on agents and agents have their fingerprints submitted before they can be licensed.
- 11) The property will have to be appraised and meet lender's requirements before a loan can be approved if it does not appraise, either the seller will lower the price or the buyer will have to make up the difference.
- 12) Buyers should get a home inspection and be aware of any deficiencies. Properties may be sold 'as is' and may or may not meet code requirements for the lender otherwise the seller may agree to repair the deficiencies. A lender may also agree to a 'rehab loan' if that will work.
- 13) Finally, call us if you have questions we'll do our very best to answer them.