

On the Home Front

Bi-monthly column by: Linda Skolnick

Avoid These Common First-Time Homebuyer Mistakes

A good home-buying decision is one that fits your family, your budget, and assures you buy a house that you'll be able to resell when the time is right. Sounds simple? Not always. Here are five common mistakes frequently made by first-time buyers (and vets too)—and how to avoid them.

1. Looking outside their price range. To avoid disappointment, contact a real estate professional who can help you pre-qualify before you start looking for a home. Your agent can also provide valuable insight on taxes and other expenses associated with a home (utility bills, maintenance, etc.)

2. Buying on impulse. Buyers, especially first-timers, may be impressed by the first two or three homes they view. Look at a good selection. List the positives and negatives about each home. Narrow the prospects to three or four and then return for a closer look. Evaluate more than just the property. Look at the surrounding area and amenities. Ask yourself if this is what you and your family desire.

3. Not planning ahead. Think about personal changes you are planning in the next five to seven years. For instance, are you starting a family, and if so, is the home large enough and will it continue to be? If a double-income is necessary to qualify for financing and to make your payments, do your plans foresee an income sufficient to continue making payments?

4. Failure to focus on location. Don't just focus on the house. Examine the community. Is the area safe, well maintained, moderately quiet and close to work, stores and schools? Find out about zoning and what new construction is planned on vacant land in the immediate area. Also consider if the property will be easily marketed when you wish to sell.

5. Failure to understand the homebuying process. Once you select a home, get involved. Make sure you select a real estate professional that is willing to spend time with you and walk you through the entire homebuying process. Don't hesitate to ask questions. Have him/her explain the negotiation, financing and escrow processes and other elements involved in the transaction. Homebuying involves knowing price as well as what's inside and around the property. Consider all options carefully. Remember, this is one of the largest financial transactions of your life.

Bottom line, avoid costly mistakes by hiring a well respected Real Estate Agent who you can rely on to steer you down the right path. Do your homework, and have trust in a professional for insight and information. But at the end of the day, have faith in your own instinct to buy smart.