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A modern, multi-story house with a mix of dark stone masonry and large glass windows. The house features a balcony with a glass railing and a white wall. In the foreground, there is a stone planter box containing a small green plant. The background shows a calm body of water, distant hills, and a bright sunset sky with the sun low on the horizon, creating a warm, golden glow. The overall scene is serene and picturesque, suggesting a high-end residential property.

# The Ultimate Guide to Buying a Home

How to find your Dream House at your Dream Price

**The average home buyer in 2021 searched for listings for 10 weeks and ultimately visited 9 listings.**



Despite all the technology available to buyers these days, searching for a dream home still takes time and careful research - whether you're a first-time home buyer or a veteran who's purchased multiple residences over the years.

Use this guide to help navigate your home search, become even more knowledgeable about what to look for in your ideal home, and, in the end, find the right property to purchase in 2021 and beyond.



# Preparing your finances



**Build up your savings**



**Improve your credit score**



**Get mortgage pre-approval**



**Begin the home search**

**Prior to hitting the market and checking out listings, you need to take care of some necessary tasks, including saving up plenty of money for a new home, enhancing your credit score, and getting pre-approved for a home loan.**

of the coronavirus pandemic and historically low mortgage rates. Employment in many industries also took a hit, and lenders will want to be sure that you have plenty of savings socked away - even after your down payment and closing costs.

## Build up your savings

While the economy took a beating in 2020, more buyers than ever were interested in finding a new house, driven by the twin variables

Focus on building wealth before even considering your home purchase to ensure you have more than enough to convince lenders you're ready to become a homeowner and handle the subsequent mortgage payments with ease.

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## Improve your credit score

Another factor lenders strongly take into consideration is the strength of potential borrowers' credit scores. The math here is simple: The higher your score, the better you look in the eyes of lenders. Doing things like paying all of your bills on time and in full, eliminating outstanding debts, and avoiding taking on new lines of credit can bolster your credit score and enhance your odds of securing not only a home loan, but also more favorable loan terms.

## Get mortgage pre-approval

After getting all of your finances in order, it's time to head to lenders to get pre-approved for a home loan. Whereas pre-qualification is an estimate of how much house you can afford, pre-approval is when lenders deem you worthy of receiving a mortgage.

Once you've been pre-approved, you can search online to find the most favorable mortgage rates and terms from various lenders and, ultimately, choose the one that's best for you and your finances in the long term.

## Begin the home search

You've completed all of the dirty work, and now, it's time to actually begin the home search in earnest by checking out what listings are available in the area in which you intend to purchase a home. Having said that, it's in your best interest to find a buyer's agent who knows the local real estate market well and has a proven track record of getting their clients in the right home that fits their budget and preferences.



**Real estate agents were considered useful to 91% of home buyers in 2020.**

**It's hard to argue with all of the quality traits experienced real estate agents bring to the table for their clients: savvy negotiating skills, a rich understanding of the local housing landscape, legal knowledge, and indepth advice for home buyers on how to approach the entire process.**

Here's exactly what you can (and should) expect when hiring a real estate agent ...

## **Why work with an agent?**

### **Market expertise**

Everything from where home values are rising the most to the best internet connections and hiking trails: That's the kind of intricate knowledge real estate agents have about the markets in which they work.

Sure, anyone can Google housing statistics and local community information, but agents are constantly in the know and building their networks so they can provide buyers with every last detail they need to know about their market.

## Negotiation skills

With a veteran real estate agent comes veteran sales techniques. Put your trust in an experienced buyer's agent who has proven to get great prices and the best terms possible for their past clients.

The best place to find out about the local agents? Head online to examine real estate agent websites and their social media presence. This is where you'll find reviews and testimonials that can guide your decision-making.

## Legal knowledge

Legalese is not something the average home buyer knows a great deal about - but then again, they don't have to, so long as they employ a real estate agent.

Agents are well-versed in the language of home

purchase agreements and other legal documents, meaning you don't have to study up on real estate law and, in turn, you'll avoid headaches during the home buying process.

## Referral networks

Buying a home entails a lot more than attending open houses and making bids. It involves dealing with lenders, title insurers, appraisers, inspectors, and other real estate professionals who have a necessary hand in sale agreements.

Real estate agents work tirelessly to grow their vendor networks and build relationships with reputable pros and firms who know how to conduct business correctly and efficiently.

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# Home search factors



## Condition

It's vital to discover which homes for sale are in prime condition and which will require some investment to fix.



## Size & type

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## Price

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## Location

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# Condition

Whether you're interested in properties built in the last couple of years or residences constructed at the turn of the 20th century, chances are there are some blemishes - and perhaps even some major issues - that require attention and action. Here are the main home problems to look for..

## Issues

**Foundation:** Any cracks, breaks, mold, and pests discovered near a home's foundation are big red flags that indicate you may want to head to the next listing on your list.

**Power and Heat:** Faulty switches, poor wiring and insulation, lowperforming air and heating systems, and window leaks are telltale signs of a residence that's in dire need of some serious updates.

**Exterior:** Closely inspect panel siding, roofing, window shutters, holes - cracks in walls and take a close look around the yard, like driveways, pools, sheds, and other outdoor areas for any potential defects.

**Odors:** Smell doesn't lie. If something in or around a real estate listing causes a physical reaction - whether it's general air quality or a specific problem area with mold - it may not be an ideal choice

## Size & type

It doesn't matter if you're a growing household in need of an upgrade or a couple looking for a cozy retirement property, it's imperative to consider what residence size and type is both acceptable and desired.



Each listing your real estate agent shows you will have its own unique shape, size, and style, so it's important to know what you want in your home, what you can live with, and how much space you actually need.

## Type

The type of residence you want to buy likely isn't available in every community. For instance, townhomes are more prevalent in cities, whereas ranches are more common in suburban and rural areas.

Regardless of your home style preference, each one comes with its own benefits. Living in a condo in an urban area, for example, means you have just about everything you need within walking distance: grocery stores, gyms, theaters, etc.

Conversely, if you plan to purchase a standalone, single-family property in the 'burbs, you'll have more privacy and space for your kids to enjoy the outdoors.

Another consideration for home type is how many previous owners a specific home has had. Pre-owned listings tend to sell far cheaper than newly built properties, so if you have your heart set on a brand new home, realize that it will likely mean a larger down payment than previously owned residences.

## Price

Now that you have a specific budget for your property purchase, you now have a crystal clear idea about how to conduct your home search. Having said that, there are still other financial considerations to take into account with any listing you plan to bid on.

## Price factors

Prior to touring a single property your agent wants to show you, figure out what the maximum monthly mortgage payment is that you can easily handle paying off in full. There are countless mortgage calculators online, so find one, enter in the figures representing your financial situation - current income, projected income, savings, etc. - to help you determine what a feasible monthly home loan payment would look like.

Aside from your finances, also factor in payments for things like home insurance, property taxes, and, depending on where you buy, homeowners/condo association fees or flood insurance.

The silver lining to taking on these payments is you may be eligible for some tax deductions for items like mortgage interest, so consider that extra money coming back to you as well.

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## Location

What kind of businesses are nearby? What's the quality of the area's school system? Where's the closest public transportation? It's these questions - and seemingly innumerable ones just like them - that prospective homeowners such as yourself need to ask during the home search.

Though you may fall in love with a home's living area, backyard, or roof deck, you also need to take into account what the community can offer you and your family — not only to ensure you live near great and useful amenities, but also to make certain you're paying the appropriate price for a listing.

## Location factors

**Work Commute:** Make sure you consider whether it's easy for you and any other adults you intend to live with to get to and from work when touring

listings. Ask about local bus and train schedules and the nearest highways.

**Child care services:** Are there any reputable day care centers nearby? It's important for parents with young children to find quality care for their kids.

**School system:** It doesn't matter if you have kids or not — the quality of a school system greatly impacts home values and how a community evolves.

**Public services:** Discover all you can about nearby hospitals, local police and fire departments, and general municipal services to get a feel for the community in which the listings you check out reside.

**Infrastructure and development:** How easy is it to get to the closest grocery store, and can you get food delivered to your house? What does the best possible internet connection speed look like? You'll want to

make sure you're comfortable in this location, no matter what happens.

## Location factors Cont'd

**Crime:** The rate and total number of crime committed in an area can have a drastic impact on home values in the long run.

**Shopping and attractions:** Where are the best clothing stores? Are there are great nightlife spots around? Knowing you have plenty to do and enjoy near your new home is just as important as finding a suitable residence.

**Water and power:** Knowing that all of the plumbing and electrical work done in a home and its surrounding neighborhood is essential. Also, ensure there's no history of pipe breaks and power outages in your area, as that could spell trouble.

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**Ownership situation:** What are the most common types of properties in the area? Mostly real-estate owned residences? Newly built homes? This, too, can impact home values and neighborhood growth.



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# Offer and closing



**Determine the  
right bid**



**Get a home  
inspection**



**Get an  
appraisal**



**It's closing time**



**Handle the  
logistics**

**After you've completed a comprehensive search across the local market and zeroed in on the home for sale you want, it's time to get the purchase process in full gear.**

Of course, bidding on a listing is just one step in the buying a home. There's plenty to do once the paperwork gets going and after all of the t's have been crossed and i's have been dotted.

## Determine the right bid

While those selling the listing you bid on have a specific list price, that doesn't necessarily mean your first (or second or third) bid needs to meet their pricing requirement. Rather, work with your real estate agent to develop a price point that you're comfortable with and that still leaves room for negotiation with the sellers. One major factor in your

bid should be what other homes near the listing have sold for in recent months and years, what types of residences sold, how long they sat on the market, and any other relevant details you and your agent can secure.

A Comparative Market Analysis (CMA) conducted by your agent can provide you with an understanding of all of this information. From there, you can figure out what you're willing to offer for a home for sale. Just remember that there may be one or more other buyers willing to make a better offer than yours.

## Get a home inspection

Once a seller has tentatively accepted your offer to purchase their property, it's time to bring in a home inspector to comb over the residence and surrounding yard to ensure everything is up to snuff. Any serious issues that pop up - whether it's old

wiring or fragile roofing - should be brought to the attention of the seller so you two can determine who should take care of fixing them.

Consult with your agent to figure out how to negotiate who should take care of problems in and around the home.

After the inspector has confirmed everything else looks in order and you and the seller are still intent on moving forward, it's time to start signing the paperwork and moving the deal along.

## Get an appraisal

Your lender is going to require an appraisal, an estimate of the home's value that a qualified appraiser will put together on request.

If the appraisal comes in above or at your offer price, then you're all set to move ahead! If it comes in



below the home's purchase price, you might have to come up with some more money somewhere to make up the difference, or ask the seller to lower the price. Your agent will know the best route to take.

Keep in mind that appraisals and inspections can be delayed when there's a lot of demand for those services, or when there are restrictions on what's allowed (or both, like when there is a pandemic). When mortgage rates are low, refinancing can look appealing to homeowners, and appraisal return times can stretch from days to weeks

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## It's closing time

You're on the cusp of closing the deal and owning your very own home ... but it's important to pay attention to all of the minor details that need to be handled in order to make the purchase official. Thankfully, your real estate agent can help you with these tasks, like facilitating paperwork between your mortgage lender and signing the requisite forms.

Of all times during the home search process, this is the one when it's absolutely vital to double-check every document and agreement to make sure you

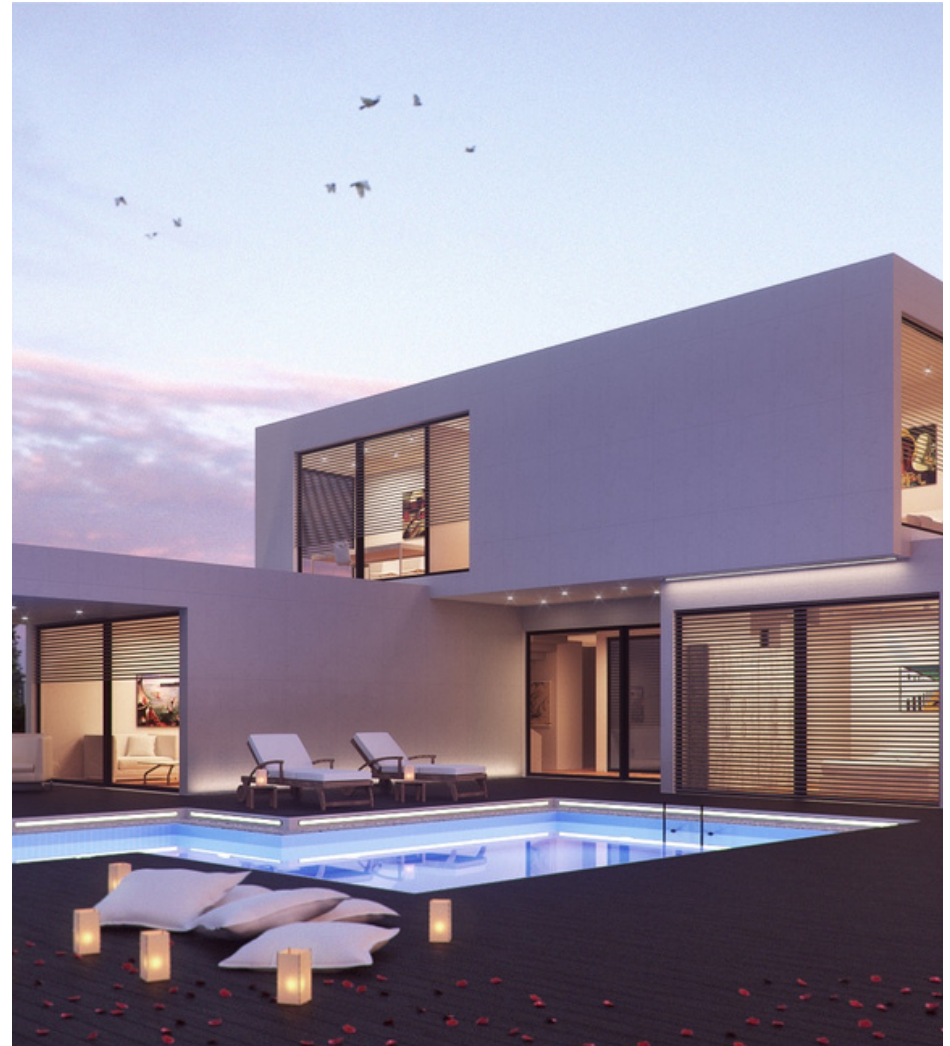
and the seller are on the same page. Many deals fall through at the last minute due to miscommunication, so work with your agent diligently to get the deal past the finish line in a timely and efficient manner

## Handle the logistics

The deal is done. You've started moving your things into your new residence. The one final hurdle to leap? Setting up all of your utilities, getting your mail sent to your new address, and, more generally speaking, settling in to your new abode. As with the closing process, though, this isn't something you have to (or should) go through alone. A top-notch real estate agent sticks around for his clients to make sure the transition to their new properties is a smooth, headache-free one.

Moreover, a quality agent keeps in touch with their

clients and checks in to see their progress made with their homes and how their families are doing.



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# Thank you!

Thanks for checking out The Ultimate Guide to buying a home.

For more insight into the world of real estate marketing, be sure to visit our [Real Estate Marketing Academy](#).

**Our creative team can  
customize this guide to  
match your brand**

Check it out

