

NINE COSTLY (BUT COMMON) SINS TO AVOID WHEN BUYING A HOME

1. THE WRONG HOUSE

Don't make this costly mistake by choosing a house too big or too small, one that needs much work, a home in the wrong location or wrong price range. Allowing **Joseph K. Kirby** to help you define your needs will help you avoid this trap.

2. BIDDING BLIND

Failing to bid on a good value because you are unfamiliar with the market or offering a contract above the market value of a property can get you into trouble. The solution? Don't go it alone. A comparative market analysis will help you avoid overpaying or underbidding the home you desire.

3. TITLE TROUBLE

Have the title search done early to avoid problems with the property like tax liens, easements, leases, etc. Buying owner's title insurance in case a problem arises later is also a good idea.

4. SURVEY SURPRISES

Ask to see the seller's survey made when the seller bought the house. This may show that the boundaries are not the same as the property plat. Review variations with your realtor and have your survey done early.

5. LAST-MINUTE DEFECTS

You may detect some serious defects during the pre-settlement final walk through that you did not notice before. After you carefully inspect the house yourself, hire an independent home inspector to check the home inside and out. A report will be issued to you with any necessary repairs and the cost to fix them. Settlement of the contract should be contingent upon the inspector's report.

6. PRE-PAID SHOCKERS

What has to be paid now and what can wait until later? Hazard insurance and taxes usually have to be paid ahead a few months while real estate taxes and homeowners dues get pro-rated at settlement. To avoid problems, ask for these figures in advance. Don't forget to check the charges. If the settlement date changes, so may some of these costs.

7. SELLER SLIP UPS

To avoid problems with items that were agreed upon with the seller, take your list to the walk-through and check off each item. An escrow account can be set up for things not done.

8. HIDDEN FEES

When you fill out an application for a loan, ask the lender what fees are included on the federal settlement forms and what fees may be charged at closing. Some lenders add charges at closing like "underwriting fee", "loan disbursement charges", "courier fees", etc. that were not shown on the Truth-In-Lending form. Sometimes these fees can be negotiated.

9. CLOSING RUSH

To avoid last minute problems, insist on seeing the settlement sheets the day before closing. Don't be trapped by a too-close closing. Lock in your interest rate for 60 days, if possible, to give you time to close the sale.

HELP IS AVAILABLE

Joseph K. Kirby is here to help you. Please call **410-604-3376** today!

