

The Five Steps to Buying Real Estate

Once you have decided to buy your first *or* next home, it is *easy* to get overwhelmed by all of the information available. Everyone has an opinion and many have cute stories to tell you. The bottom line is that there are only “**Five Steps**” you need to complete in order to buy any property. However, they are fundamental and all are absolutely critical to having a successful, *settled* sale.

In reality, this is a “*business* transaction” and Real Estate is a “commodity”. Buying is an emotional decision justified with logic. Buyers want to get the best *value* for their hard-earned dollars; sellers want to *maximize* what they achieve. Sales only happen when these goals overlap, creating a “win-win”. Every property has a price at which it will sell and *everyone* can access property information 24/7. Many buyers will ignore over-priced properties although there may be an opportunity *if* a seller is anxious. If a property is priced properly, there may be *competition* so your first offer may need to be your highest and best. My job, when *hired*, is to help you identify available properties that will interest you and to “protect and promote” your interests throughout the process. The “**Five Steps**” are ...

Step One: step one includes the *planning* and *preparation* needed to make an offer. You are in control of deciding whom to hire, when to start and determining your “search criteria”, meaning the price to search and your “needs and wants”. Buyers should start with obtaining **financing**, including their determining their “comfort level”, and hiring an **agent**. I can help with the “search criteria” that will provide the best options. Price *should* relate to location, features, condition and recent local history. The importance of price in a search cannot be overstated. The MLS is the most *efficient* and *effective* way to identify options. Your level of urgency will largely determine how long the process will take.

Step Two: we identify, explore and discuss options. The goal is to commit to “the one” that best fits your “needs and wants” so you can make an offer and negotiate an agreement of sale. Narrowing the focus, visiting properties and committing to making an offer will require teamwork. You may have competition so, in addition to impressing your next home’s current owner, we need to act efficiently.

Step Three: you make an offer which a seller will *evaluate* and *negotiate* based on price, financing and terms/ contingencies). A seller may *accept* your offer, *offer* a counter-proposal or *reject* your offer without responding at all. Getting involved *after* others have, being hesitant to act or react and having “second thoughts” are common and they can undermine the best plans. Once an offer is fully executed, we move to the “Inspection and Contingency Phase”. One party will likely be *happier* than the other which *may* affect the rest of the process as both parties learn more about the house and each other.

Step Four: this is a critical period, consisting of carrying out and completing all of the terms and conditions (contingencies) of the agreement. The two primary focal points are the inspections and the mortgage/ financing approval. Other aspects may include: a municipal inspection (U&O), getting a title report, pre-settlement walk-throughs and other items as agreed to in the agreement. There may be several opportunities for both sides to *re-evaluate* their commitment to each other.

Step Five: settlement day arrives! The final walk-through and any lingering issues aside, if we have done our work, we will *enjoy* the day for what it is meant to be: a celebration!

There are many details to manage and a number of potential problems can arise unexpectedly. After all, we are dealing with people and a number of processes that all have to mesh. A sale is not over until the seller has your money and you have their keys. Success depends on hiring an experienced, trained, educated and knowledgeable professional who has the integrity, ability and resources to best represent you throughout the entire process. Who do you want on *your* side?

There is no time for inexperience, empty promises *or* false expectations!

HIRE WISELY: We are not “*all the same*”!