

The ULTIMATE Home Buyer Experience



How to Rise Above 7 Common Home Buying Mistakes

THE FEDERAL SAVINGS BANK



Brought to you by Bob Friel

Terms and conditions may vary. Subject to underwriting approval
Copyright 2015 © The Federal Savings Bank | Co. NMLS#411500 | All Rights Reserved | TheFederalSavingsBank.com



Contents

Preface	3
How Much Can You Afford?	4
Plan Your Needs	5
Mistake #1: Not Being Prepared	6
Mistake #2: Thinking Too Long Term	7
Mistake #3: Waiting Too Long	7
Mistake #4: Focusing on a Single Feature	8
Mistake #5: Overlooking New Construction	9
Mistake #6: Working without an Agent	10
Mistake #7: Rushing the Process	10

Preface



Even though each home and home buyer is unique, the same mistakes are made over and over again when making a purchase. This special report will point out seven of the most common mistakes made during home buying and how to avoid them.

Buying a home is one of the most exciting events in a person's life, whether it's the first home or the fifth one; however, it can also be one of the most stressful. Purchasing a home should be regret-free and anxiety-free.

Learning to avoid these 7 most common mistakes when buying a home can help lower your stress and help you focus more easily on possibly the single largest purchase of your lifetime.

How Much Can You Afford?

Answering these questions can help you find out how much house you can afford. When we meet, you'll also find out if you are eligible for any special mortgage packages or interest options.

Do you receive any yearly bonuses?

What is your income tax bracket?

How much of your annual earnings is overtime?

Do you have any expenses that will deplete your savings?

How much is your annual salary?

Do you have any "gift" money?

What debts do you have outstanding?

What's your credit score?

Can you pay off any debts before buying a home?

Do you have cash for down-payment and closing costs?

How much do you spend?

Set up a time to talk with me and I'll make sure your needs are met with first class service!





Plan Your Needs

It's important to plan carefully for future events and how they may affect your home buying. Plan to stay in each home for at least two years, because when you sell you want to make at least your purchase price, plus any closing costs. If the house hasn't appreciated by 6 to 8 percent (typical percentage costs associated with closing), you can lose money.



Mistake #1: Not Being Prepared

When you consider the scope of the purchase, it's surprising how many people haven't done sufficient research.

Research your buying power – It's easy to get a cursory idea of what you can afford through some of the realtor websites. Many have calculators that allow you to input your salary and debts. Better yet, sit down with a professional before you go house-hunting. You can find out exactly what you can afford in less than an hour with Me.

When it comes to making an offer on a home, sellers are far more interested in offers that come from buyers with secured financing. They know that the sale will in all likelihood go through and that there won't be any unforeseen problems at the last minute.

I would like to offer you an **EXPRESS LOAN APPROVAL**. This is secured financing.

Find out more by speaking to Me. Make an appointment [here!](#)

Mistake #2: Thinking Too Long Term

There is danger in buying a home that's not right for you because you are planning too far in advance.

Your life can change pretty dramatically in the space of a few short years. You may experience a change in health, family or financial status for example. While you can't plan for everything, you do need to consider that you may have to sell the home unexpectedly in the not-so distant future, and the house must have some resale value.

Mistake #3: Waiting Too Long

It's a big decision and only a foolish person would enter into it lightly. But it's just as easy to let caution get the better of you. The real estate market isn't fixed, it can change dramatically.

Some markets are very tight, with few homes available – a tight market probably won't get better in the next year. The National Association of Realtors estimates that the appreciation rate in most markets will be at least 4 to 6 percent.

Looking at everything before making a decision, it's tempting to think that the grass is always greener somewhere else, but you may find that the first home is the best home for you. If you wait, that home may not be available later.

Don't rush into a decision, but if a home purchase feels right, contact Me so we can prepare your Pre-Approval and get you ready to place offers on a new home.



Mistake #4: Focusing on a Single Feature

If you develop microscopic vision when looking at a house, it's possible to overlook far greater potential problems.

Interior Decorating - Don't get caught up in decorating features. These are all easy features to change. However, the layout and floor plan of the home isn't easy to change.

Exterior - It's important to have a home with nice curb appeal, but again, you can change that later. It's far easier to change landscaping than it is to rip out walls or add-on to a home to try and make it livable.

Price – Don't focus completely on the price. Most buyers go out with an idea that they will only spend a fixed amount. A budgeted amount is often the first criteria when it comes time to evaluating homes.



Mistake #5: Overlooking New Construction

Many buyers focus on existing homes, and don't consider newly constructed homes. It's hard to see the final vision of a planned home community, especially when touring through a development that is merely empty lots and partially built homes.

However, these homes have great appreciation value, especially when you get in during the initial phases of the development, before the model homes have been built and the developer has invested a lot of money in marketing the community.

Mistake #6: Working Without an Agent

Many people start looking at homes by driving by a home for sale and getting the number off the sign, or visiting an open house.

While that's a great way to get a feel for the market, it's also easy to make a commitment to buying a home that doesn't necessarily reflect your best interests. Working with a real estate agent can actually save you time and money.

Mistake #7: Rushing the Process

Let's say you found your dream home and put in an offer. What happens next?

If your sale follows most standard sales, the home is inspected and appraised, the information is shared with the buyer (via the agent) and the mortgage company. The mortgage company processes the loan agreement, the buyer and seller sign off and the home is yours!

However, in highly competitive markets, some buyers waive the home inspection so that the loan can go through more quickly.

So what's the problem? If there are defects that the home buyers discover later, they have no recourse – the house is theirs, warts and all.

In a nutshell, be patient. It's at this stage, when people try to rush the process, that some of the biggest and most costly mistakes can take place.



BOB FRIEL

Vice President, NMLS# 332039

direct : (303) 459-2298

cell : (815) 355-3785

e-fax : (312) 491-5351

[email](#) [website](#)

[facebook](#) [twitter](#) [calendly](#)

THE FEDERAL SAVINGS BANK

