

SOUND OFF *Irwin Peck*

What should first timers know before buying a home?

So you're ready to buy a house, how do you start? The easy part is deciding where you want to live, what town and what area of that town. Do you want to be near the train or commuting roads, or more in the country?

Next, choose a Realtor. A personal referral is good, or another way is to find a Realtor online. There are many real estate websites. You might want to interview several people. It's important to choose a person you'll be comfortable with as you'll be working together for the next couple of months. You and your agent will sign a "Right to represent agreement" and now the process has begun in earnest.

How much do you want to spend might be the first question from your Realtor. You have money for a down payment, but what priced house can you afford? Time now to contact a bank or mortgage broker to get a pre-approval letter. That lender will analyze your finances and tell you how much house you can afford.

Now go shopping with your agent to find the perfect house for you. You know how much you can and want to spend and after looking at only a few houses, you find yours.

Your agent writes up the offer and sends it to the seller's agent. The sellers counter-offer, you come up, they come down and somewhere in between, it's a deal.



What do you, the buyer really know about this house? The answer is not as much as you need to know. It's best to bring in an inspector to look for the hidden things, things that need fixing.

Buckle up for what could be a tough part of this roller coaster ride. The seller claims everything works well and the roof doesn't

leak. You are concerned about a possible \$15,000 to \$20,000 expenditure in the near future. Then the seller says he will allow a \$10,000 reduction in the price previously agreed to. You are back on the fun part of the ride.

The next step is when the bank sends an appraiser to the house. The appraiser will evaluate to determine if the property is worth what you are paying for it. If the appraisal comes up short, for example, the appraised price is \$10,000 less than you are paying, now what? You could go to the seller and ask them to take less than the agreed price. You could reach in your pocket and put in an additional \$10,000 down payment.

This is a free fall and not a good

one. The deal could end here. Hopefully negotiations will lead to an acceptable compromise and once again the process will be back on track.

Now you can expect a smooth ride to the closing, maybe. Other issues may pop up before the process is over, but I assure you, when the house becomes your home, it will be all worth it.

Ups and downs, whatever is thrown at you, stick with it and ride it out. You won't be sorry. Remember, the only ones that get hurt on a roller coaster ride are the ones that jump off!

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