



### 3 CRITICAL MISTAKES

#### **Mistake #1: Thinking you can't afford it.**

Today, buying the home of your dreams is easier than ever before. Many people who thought that buying the home they wanted was simply out of their reach are now enjoying a new lifestyle in their very own new home. Buying a home is the smartest financial decision you will ever make. In fact, most American and Canadian home owners would be financially broke at retirement if it weren't for one saving grace - the equity in their home. Furthermore, mortgage rates are more flexible today than ever and tax allowances favor home ownership.

Real estate values have always risen steadily. Of course there are peaks and valleys, but the long term the trend is a consistent increase. This means that every month when you make a mortgage payment the amount that you owe on the home goes down and the value typically increases. This owe-less-worth-more situation is called equity build-up and is the reason you can't afford not to buy. Even if you have little money for a down payment or credit problems, chances are that you can still buy that new home. It just comes down to knowing the right strategies, and working with the right people. See below.

#### **Mistake #2: Not hiring a buyer's agent to represent you.**

Buying property is a complex and stressful task. In fact, it is often the biggest single investment you will make in your lifetime. At the same time, real estate transactions have become increasingly complicated. New technology, laws, procedures and competition from other buyers require buyer agents to perform at an ever-increasing level of professionalism. For many homebuyers, the process turns into a terrible, stressful ordeal. In addition, making the wrong decisions can end up costing you thousands of dollars. It does not have to be this way!

Work with a buyer's agent who has a keen understanding of the real estate business and who is on your side. Buyer's agents have a fiduciary duty to you. That means they are loyal to only you and are obligated to look out for your best interests. Buyer's agents can help you find the best home, the best lender and the best inspector. Best of all, in most cases, the buyer's agent is paid out of the seller's commission, even though he/she works for you. Trying to buy a home without an agent at all is, well... unthinkable.

#### **Mistake #3: Getting a cheap inspection.**

Buying a home is probably the most expensive purchase you will ever make. This is no time to shop for a cheap inspection. The cost of a home inspection is very small relative to the home being inspected. The additional cost of hiring a certified inspector is almost insignificant. As a homebuyer, you have recently been crunching the numbers, negotiating offers, adding up closing costs, shopping for mortgages and trying to get the best deals. Do not stop now. Do not let your real estate agent, a home inspector or anyone else talk you into skimping here.

NACHI front-ends its membership requirements and turns down more than 1/2 the inspectors who want to join because they can't fulfill the membership requirements. NACHI certified inspectors perform the best inspections by far. NACHI certified inspectors earn their fees many times over. They do more, they deserve more, and yes they generally charge a little more. Do yourself a favor...and pay a little more for the quality inspection you deserve.