

THINGS TO CONSIDER WHEN **BUYING** A HOME



EDITION

TABLE OF CONTENTS

- 1 | 4 REASONS TO BUY A HOME [THIS SPRING!](#)
- 3 | [YOU NEED A PROFESSIONAL](#) WHEN BUYING A HOME
- 4 | HOMEOWNERSHIP REMAINS [AMERICAN DREAM](#)
- 5 | [HOME PRICES](#) OVER THE [LAST YEAR](#)
- 6 | [BUYING A HOME?](#) CONSIDER COST NOT JUST PRICE
- 7 | DON'T LET [RISING RENTS](#) TRAP YOU
- 9 | BUILDING [FAMILY WEALTH](#) OVER THE NEXT 5 YEARS
- 10 | [HARVARD:](#) 5 FINANCIAL REASONS TO BUY A HOME
- 12 | [WHAT YOU NEED TO KNOW](#) ABOUT THE MORTGAGE PROCESS
- 13 | WHAT DO YOU ACTUALLY NEED TO [QUALIFY FOR A MORTGAGE?](#)
- 15 | [GETTING A MORTGAGE:](#) WHY SO MUCH PAPERWORK?
- 16 | THE COST OF [RENTING](#) VS. [BUYING](#) [INFOGRAPHIC]
- 17 | [217,726 REASONS](#) TO BUY A HOME NOW
- 18 | [4 DEMANDS](#) TO MAKE ON YOUR [REAL ESTATE AGENT](#)
- 20 | THE [REAL REASONS](#) AMERICANS BUY A HOME

3. Either Way You are Paying a Mortgage

As a recent paper from the *Joint Center for Housing Studies at Harvard University* explains:

“Households must consume housing whether they own or rent. Not even accounting for more favorable tax treatment of owning, homeowners pay debt service to pay down their own principal while households that rent pay down the principal of a landlord plus a rate of return. That’s yet another reason owning often does—as Americans intuit—end up making more financial sense than renting.”

4. It’s Time to Move On with Your Life

The ‘cost’ of a home is determined by two major components: the price of the home and the current mortgage rate. It appears that both are on the rise.

But what if they weren’t? Would you wait?

Look at the actual reason you are buying and decide whether it is worth waiting. Whether you want to have a great place for your children to grow up, you want your family to be safer or you just want to have control over renovations, maybe it is time to buy.

If the right thing for you and your family is to purchase a home this year, buying sooner rather than later could lead to substantial savings.



YOU NEED A PROFESSIONAL WHEN BUYING A HOME

Many people wonder whether they should hire a real estate professional to assist them in buying their dream home or if they should first try to do it on their own. In today's market: you need an experienced professional!

You Need an Expert Guide if You Are Traveling a Dangerous Path

The field of real estate is loaded with land mines. You need a true expert to guide you through the dangerous pitfalls that currently exist. Finding a home that is priced appropriately and ready for you to move into can be tricky. An agent listens to your wants and needs, and can sift out the homes that do not fit within the parameters of your "dream home".

You Need a Skilled Negotiator

In today's market, hiring a talented negotiator could save you thousands, perhaps tens of thousands of dollars. Each step of the way - from the original offer, to the possible renegotiation of that offer after a home inspection, to the possible cancellation of the deal based on a troubled appraisal - you need someone who can keep the deal together until it closes.

Realize that when an agent is negotiating their commission with you, they are negotiating their own salary; the salary that keeps a roof over their family's head; the salary that puts food on their family's table. If they are quick to take less when negotiating for themselves and their families, what makes you think they will not act the same way when negotiating for you and your family? If they were Clark Kent when negotiating with you, they will not turn into Superman when negotiating with the buyer or seller in your deal.

Bottom Line

Famous sayings become famous because they are true. You get what you pay for. Just like a good accountant or a good attorney, a good agent will save you money...not cost you money.





217,726 REASONS TO BUY A HOME NOW

In the inaugural **Opportunity Cost Report** was released recently by *realtor.com*, they explained that “with interest rates and home prices expected to climb in the next year, the financial penalties of delaying or forgoing a home purchase in today’s market have become very steep”.

The report estimates that, based on today’s dollars, the average purchaser would accumulate **\$217,726** in increased wealth over a 30-year period as a homeowner.

What could this mean to someone sitting on the fence waiting to buy?

Experts believe that both home prices and mortgage interest rates will increase over the next twelve months. Obviously, if this does happen, the monthly cost of a home a year from now will be dramatically higher than it is today.

The **Opportunity Cost Report** breaks down exactly how much a purchaser could lose over increments of one year and three years.

The results based on an average purchaser in the U.S. delaying their purchase are on the right.

The **COST** of Waiting to Buy*

*Assuming projected increases in mortgage rates and continuing price appreciation



Bottom Line

If you are ready, willing and able to buy a home, **waiting doesn’t make sense.**