

HOME BUYERS

HOME CHECKLIST

ITEM	2	3	4	More
A: The House				
number of bedrooms	_____	_____	_____	_____
number of baths	_____	_____	_____	_____
	ABSOLUTELY REQUIRED	FAIRLY IMPORTANT	NICE EXTRA	NOT WANTED
Eat-in kitchen	_____	_____	_____	_____
Dining room	_____	_____	_____	_____
Family room	_____	_____	_____	_____
Laundry Room	_____	_____	_____	_____
Office	_____	_____	_____	_____
Basement	_____	_____	_____	_____
Patio	_____	_____	_____	_____
Garage	_____	_____	_____	_____
Carport	_____	_____	_____	_____
Barn/Stables	_____	_____	_____	_____
B: The Features				
Dishwasher	_____	_____	_____	_____
Refrigerator	_____	_____	_____	_____
Central Air	_____	_____	_____	_____
Fireplace	_____	_____	_____	_____
Whirlpool	_____	_____	_____	_____
Tub	_____	_____	_____	_____
Swimming Pool	_____	_____	_____	_____
C: The Style - Single Family				
One level ranch	_____	_____	_____	_____
Two story	_____	_____	_____	_____
Two level ranch (raised ranch or bi-level)	_____	_____	_____	_____
Split or tri level	_____	_____	_____	_____
The Style - Attached housing				
Duplex (Attached to one other home)	_____	_____	_____	_____
Townhouse (houses in a row)	_____	_____	_____	_____
Condo (like apartments)	_____	_____	_____	_____
Quads (houses grouped together)	_____	_____	_____	_____
Co-op Apartment	_____	_____	_____	_____
D: Other				
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

Whichever loan you choose, make sure that you scrutinize all the closing costs. If you are required to have a mortgage escrow account and private mortgage insurance, make sure you understand the terms and cancellation procedures. Also, make sure there are no prepayment penalties so that you can utilize an accelerated mortgage plan. A good mortgage reduction plan can save you tens of thousands in interest costs, and shorten your loan term, with only small extra principal payments. If you experience negative changes in your job, health, or marital status, you can revert to the standard payments in your mortgage contract.

Tip #6: Sign A Contract That Protects You

Make sure that the contract you put on a house allows you to arrange financing, inspect the home and negotiate any problems that you uncover. Ensuring that the contract you sign will minimize potential legal battles will let you swim in your new pool with your family and neighbors instead of with the sharks.

Tip #7: Put Yourself In The Seller's Shoes

You are about to make one of the most important decisions that will affect both your life and the life of the seller. **If you take time to understand the reasons the seller bought the home, their reasons for selling, and the home improvements they have or have not made, you'll be in a better position to evaluate the home and negotiate a better deal.** In the end, the home buying process excludes the professionals and comes down to the individuals buying and selling the home. A closer look at the seller may help you in deciding whether and for how much to buy a particular home.

Tip #8: Develop A Mortgage Shopping Chart

One of the biggest decisions to make before putting a contract on a home is how to finance the purchase. There are 10,000 lenders competing for your mortgage business. The days of simply walking into the community bank and negotiating with the loan department manager are over. Today, you can apply for a loan over the Internet or even use a mortgage broker to shop for your loan with hundreds of lenders. **When choosing a lender, you want to avoid apples to oranges contrasts by comparing fixed rates to fixed rates, not fixed to ARM's.** Create a chart that lists different types of loans, fees, and at least five mortgage providers (including a mortgage broker).

Tip #9: Get A Quality Home Inspection

Although it is hard to believe, more people pay for inspections before buying used cars than when making the biggest investment of their lives -- their homes. **Paying for a qualified home inspection before you buy a home isn't just spending "a little extra" for peace of mind; it's absolutely essential for anyone who doesn't want to spend thousands of dollars for repairs.**

Tip#10: Peace of Mind: Home Protection Plans

To protect both yourself as a buyer, and well as the seller, it is a good idea to purchase a home protection plan. *What exactly is it?* **A home warranty, or home protection plan, is a service contract, normally for one year, which protects homeowners against the cost of unexpected repairs or replacement on their major systems and appliances that break down due to normal wear and tear.** A negotiable contract between the buyers and sellers which do not overlap or replace homeowner's insurance policy, this type of warranty can save the new homeowner lots of headaches, as well as put seller's fears to rest. The warranty covers mechanical breakdowns, while insurance typically repairs the related damage, for example: if a hot water heater burst and destroyed a wall in your home, the warranty would repair the water heater and your insurance would pay to fix the wall.