

The Buying Process

Why have a professional real estate agent represent you in the purchase of a property?

- Do you have the time, experience, sources of information and contact to do the job yourself?
- Would you purchase at a lessor price?

The buyer's professional agent does a lot more than find a property to earn his or her commission...

Pre-qualification

You should determine your buying power; this is your financial reserves plus your borrowing capacity. This will keep your search realistic. Given some information about your available savings, income and current debt, a real estate agent can refer you to lenders best qualified to help you.

Selecting a Property

Targeted Searching - There are thousands of properties with signs on them. A real estate agent can help you focus on the properties that meet your requirements and budget.

Resources - Sometimes the property you are seeking is available, but not publicly advertised. A real estate agent has many resources to assist you.

Objectivity - Your job is to make the final selection of the right property for you. Your agent can provide objective information about each property. This includes comparable sales, community data, utilities, zoning, schools, etc.; this will assist you in making a well-informed decision, considering today's value and resale.

Negotiating

The process of negotiating consists of much more than price. Some other issues might be:

- Financing and terms
- Date of possession
- The inclusion or exclusion of repairs or furnishings and distribution of incidental costs
- Allowed time for inspections before you are bound to complete the purchase

Your agent can advise you as to which inspections are recommended or required.

Monitoring, Renegotiating and Closing

Overwhelming volume of steps - The process of appraisals, inspections and financing involves a lot of possible pitfalls. There are many required legal forms and processes. Your agent can help you in understanding different financing options and identifying qualified lenders.

Experience reading and following escrow instructions - Instructions must be clear and complete. Your agent is the best person to objectively help you communicate these issues and move the transaction to closing.

The Buying Process – continued

Organizing inspectors and other professionals – Industry contacts provide resources for professionals in many areas with knowledge as to their skill and reliability. Your agent can assist you in finding qualified, responsible professionals to do most of these investigations and provide you with written reports.

Title investigation – Title indicates ownership of property. It can be mired in confusing status of past owners or rights of access or have limitations; for example, easements (access rights) for utilities. Your agent and title company can help you resolve issues that might cause problems at a later date.

The timely closing of escrow – In California, the escrow company handles the process. In other parts of the country, an attorney does it all. Again, your real estate agent can guide you through this process and make sure everything flows together smoothly.