

# Things to avoid if you're A Home Buyer

Are you a home buyer looking to purchase a home sometime soon?

If so, there are several things you should avoid when you enter the home buying process. And if you aren't careful to avoid them it is possible that your closing will be delayed or even canceled. Your adherence to the following rules will put the keys to the house in your hands quickly.

First, don't damage your debt to income ratio by making a major purchase before closing. If you decide you can't live without that brand new Benz, you might have to wait on owning a home. The bank could easily determine that your sky high car payment would hinder your ability to pay your mortgage. Wait until after you get the house to do some spending. No one expects a brand new house full of furniture and a sports car in the driveway unless you are a famous sports figure or Donald Trump.

Secondly, don't change jobs if you don't have to. The lenders like to see consistency versus constant job hopping. If you are just miserable with your job, maybe you can switch to a different job within the same field. Or you can tough it out until you have the house and then start putting out resumes.

Also, a home buyer should never surrender their earnest money to a For Sale by Owner Seller. There isn't anything stopping the sellers from spending the money before the transaction goes through. If the deal should fall through you'll have to fight tooth and nail to get that deposit back. You should put the deposit into a trust account. You should be able to find an attorney willing to hold the deposit for you until the transaction is finalized. Your contract needs to state what will happen to the deposit in the event that the transaction falls through.

In addition, never let emotions guide you. Stay practical and realistic during the home buying process. Some sellers are willing to fix some of the problems with the home and others may not be as willing. Don't let that refusal close the door on your dream home. Conversely, you shouldn't let your loyalty to the home blind you to costly repairs down the road. You certainly don't want to be in a money pit.

Furthermore, don't forget to have the utilities activated. The utility companies might need a few days to switch the service. Don't forget to cancel the service at the old residence. That seems simple enough, yet many people forget that step entirely.

Another costly mistake a home buyer might make is forgetting to secure hazard insurance. Talk to your insurance company right away because the lender will want to see proof of coverage for the new home at closing. Failing to line up the insurance will lead to delays in closing.

You should not get too personal with the seller. After all, this is a business transaction, so it should be treated professionally. If you get into too many personal discussions, you might say something that could be taken the wrong way by the seller. You might have

been joking about the ugly green carpet in the guest bedroom, but the seller might have taken that as offensive. In the end, it could hurt the dynamics of the transaction. You should be friendly, but professional.

If the appraisal comes in too low, don't freak out. There are several solutions to this dilemma. The seller might be willing to come down on the price of the home. The buyer can put more money down if they are committed to that home. The buyer and seller can negotiate the deal or the appraisal can be disputed.

Don't forget to use your agent. It is the agent's job to keep up with the daily details of the deal, including the lender, the seller, and the seller's agent. It is also your agent's responsibility to set up a final walkthrough prior to closing.

Lastly, don't forget to take care of your end of the deal. You must be on the same page as the lender. Provide them with the paperwork they need and answer their questions in a timely manner. Failure to do so will keep you from opening the front door of your new home.

These are some of the most common mistakes home buyers make. Educating yourself about the process will ensure a smoother transaction and a definite housewarming party.