

# FIRST TIME HOMEBUYERS

You've picked a great time to buy your first home! You can enjoy peace of mind working with a Sandy Lim. Here are some tips to help you with the process of becoming a homeowner.

- ◆ **Prequalify for a loan** Being prequalified for a loan determines how much you can afford. Homebuyers respond to a prequalified buyer, which gives you a competitive edge over other homebuyers.
- ◆ **Shop for mortgage rates and terms** A difference of even .5% can make a huge difference in how much you pay over the life of your loan. For example, the difference in the monthly payment on a \$100,000 mortgage at 5.5% vs. 5% is about \$35 per month. Over 30 years that's \$12,500!
- ◆ **Use a Buyers Agent** A Buyers Agent is legally responsible for representing the buyers' best interest in a real estate transaction. In Arizona, the buyers agent is generally compensated by the seller. Ask me to explain the advantages of using a buyers agent.
- ◆ **Features that help or hurt resale** Always consider the home's features and if they will help you sell your home later. For example, in neighborhoods with two car garages, a single car garage or a carport may impact the home on resale and its future value.
- ◆ **Rate the houses you tour** While touring each home, write down what you liked and didn't like about the home. If there are more negatives than positives delete it from your list and move on. Be realistic however. Remember there is no perfect house!
- ◆ **Read, Read, Read** Ask for copies of the contract as well as any addendums to the contract. Read them and ask questions about anything you don't understand. It's important to have a firm grasp of the contract prior to entering into an offer to purchase. Review the Buyers Advisory and prepare for any home inspections you may want to perform on the property.