

Buying a home is probably the biggest investment you will make, with long-term financial ramifications. It calls for many informed decisions and for good advice from a real estate professional. When buying your home, you can benefit greatly from the knowledge, skills, and caring expertise of **The Larson Team**.

What can The Larson Team do to help you buy the right home for you?

- ★ Jerry and Deb will help you determine how much home you can actually afford. They can also introduce you to a mortgage counselor and arrange to have you pre-approved, which can improve your negotiating position and enable you to achieve your home-buying objectives faster and with less stress.
- ★ They can work for you as a designated buyer's agent and help negotiate the best price and terms for you.
- ★ They will help you work out a realistic idea of the home best suited to your needs — size, style, features, location, accessibility to schools, transportation, shopping, and other personal preferences.
- ★ The Larson Team has access to a listing of all available homes in the Heartland Multiple Listing Service for the Greater Kansas City region.
- ★ They can evaluate the listings in terms of your needs and affordability, and will not waste your time showing you unsuitable homes.
- ★ They can often suggest simple, imaginative changes that could make a home more suitable for you and improve its utility and value.
- ★ They can supply information on real estate values, taxes, utility costs, municipal services and facilities, and may be aware of proposed zoning changes that could affect your decision to buy.
- ★ They can help familiarize you with the closing process and they will obtain closing figures in advance of closing for your review.
- ★ They can provide you with a list of qualified home inspectors, pest inspectors, surveyors, and help to coordinate inspection appointments.

Create A Top 10 List Of Amenities

When shopping for a home, list the features (fireplace, fenced-in yard, new appliances, etc.) that are most important to you in deciding on which home to buy. Establishing your criteria early on, will save time shopping and allow you to focus on appropriate homes.

Fixed vs. Adjustable Rate Mortgages

Adjustable rate mortgages have an initial fixed rate, which is followed by a period of adjustment intervals during which the rate adjusts based on the performance of several key indexes. Typically, the initial fixed rate on an ARM is slightly lower than the comparable rate of a fixed rate mortgage.

Fixed rate mortgages allow buyers to take out a long-term loan without having to worry about changing interest rates or monthly payments. Most fixed rate loans are offered in either 15 or 30-year terms.

Most buyers will be well served by a fixed rate loan, but each situation is unique. While ARM loans have become less popular in recent years, they can still be a viable option for some buyers — especially those who plan on selling again in the short term.

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. 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.

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.

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 ARMs. Create a chart that lists different types of loans, fees, and at least five mortgage providers (including a mortgage broker). The Larson Team can recommend some trusted lenders.

Get a Quality Home Inspection

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. The Larson Team can recommend inspectors who are ASHI certified.

Peace of Mind: Home Protection Plans

To protect both you as a buyer, as 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 of their major systems and appliances that break down due to normal wear and tear. A negotiable contract between the buyers and sellers which does 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. Most all home sales, in which The Larson Team is involved, have home warranties.

