

# The 10 Dumbest Mistakes

Smart People Make When Buying or Selling a Home... and How to Avoid Them

## BUYERS

Mistake #1: Not knowing how much they can afford to pay for a house before they make an offer.

*You can avoid this by getting pre-qualified for a mortgage from a Lender, so you know in advance exactly how much you can afford.*

Mistake #2: Not finding out in advance whom the real estate agent represents.

*You can avoid this by asking your REALTOR®. Most people think their agent is working for them. But unless the agent is working as your buyer representative, he/she represents the seller.*

Mistake #3: Not realizing that the wrong mortgage can cost thousands of dollars in unnecessary interest and taxes.

*You can avoid this by consulting with a mortgage consultant, accountant, and/or financial planner before making a final decision on which mortgage to choose. CPAs can tell you the long-term effects on your income.*

Mistake #4: Not discovering hidden defects before buying a home.

*You can avoid this by hiring a professional to conduct a pre-purchase home inspection.*

Mistake #5: Not knowing how debt can affect their ability to buy or refinance a home.

*You can avoid this by asking your mortgage professional to help you review and repair your credit file in advance.*

## SELLERS

Mistake #1: Setting their asking price too high because of personal need or emotion rather than fair market value.

*You can avoid this by consulting with a professional real estate agent. He/she can assist you in pricing your home correctly.*

Mistake #2: Failing to “showcase” their home by highlighting the best features.

*You can avoid this by thoroughly cleaning, repairing, and readying your home for showing before you put it on the market.*

Mistake #3: Signing a listing contract with no way out.

*You can avoid this by asking your real estate agent if you can cancel your listing agreement at any time, no questions asked, prior to signing the contract or agreement.*

Mistake #4: Choosing an agent for the wrong reasons. For example, listing a home with the agent who works for the most popular company.

*You can avoid this by selecting a listing agent with the best marketing plan and track record.*

Mistake #5: Not knowing their legal rights and obligations.

*You can avoid this by consulting a knowledgeable, trustworthy professional who understands the technical and legal aspects of a real estate transaction. Contracts are legally binding. Neglected details can wind up costing sellers thousands of dollars.*