



The Mortgage Centre

We work for **you**, not the lenders.

9 HOME BUYER TRAPS YOU SHOULD AVOID!

No matter which way you look at it, buying real estate is a major investment. At The Mortgage Centre (Guelph) we work with the areas top realtors to help you avoid common home buyer traps. For too many home buyers, the process becomes more expensive than it needs to be due to common and costly mistakes. These mistake can trap you into the following major problems:

- paying too much for the home you want;
- losing your dream home to another buyer;
- buying the wrong home for your needs.

A systemized approach to the home buying process will help you steer clear of these pitfalls and allow you to cut costs, while securing the home that's best for you. We can also help connect you with a reputable realtor who has the experience and integrity that we possess

The 9 BUYER TRAPS

1. Bidding Blind

What price should you offer when you want to buy a home? Is the asking price too high, or does it represent a great deal. If you or your realtor fail to research the market in order to understand what comparable homes are selling for, making your offer would be like bidding blind. Without this understanding of market value, you could easily bid too much, or fail to make a competitive offer on an excellent value.

2. Buying the Wrong Home

What are you looking for in a home? A simple enough question, but the answer can be quite complex. More often than not, buyers are so swept up in the emotion and excitement of the buying process that they end up with a home that is either too big or too small. So write it down! And use your criteria to compare what each home you look at has to offer.

3. Unclear Title

Make sure early on in the negotiations that you will own your new home free and clear by having a title search completed. The last thing you want to discover in the closing stages are encumbrances on the property such as tax liens, undisclosed owners, easements, leases or the like.

4. Inaccurate Survey

As part of your offer to purchase, make sure you request an updated property survey that clearly marks the property boundaries. If the survey is not current, you may discover structural changes that are not shown (e.g. additions to the house, a new swimming pool, a neighbor's new fence which is extending a boundary line, etc.). Having a current survey will aid in any future structural changes and give you an exact idea of the lot size.

5. Undisclosed Fix-ups

Don't expect the seller to disclose every potential problem that will need to be attended to. Both you and the seller are out to maximize your investment. Ensure that you conduct a thorough inspection of the home early in the process. Consider hiring an independent inspector to objectively view the home inside and out.



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6. Not having a Mortgage Pre-approval

Pre-approval is fast, easy and free. It gives you a real idea of what you can afford and presents you as a serious Buyer, since most Sellers prefer to work with buyers who have been pre-approved for mortgage financing.

7. Contract Misses

Make sure to prepare a list of any issues that the Seller has agreed to remedy and check them off as they are resolved. By knowing the terms and timeline of your contract, you won't be blindsided by any delays in the final closing or settlement.

8. Hidden Costs

Make sure you identify and uncover every type of cost that will be involved in your home buying transaction, from the title transfer to lawyer fees, to appraisal costs.

9. Rushing the Closing

Take your time during this critical part of the process, and insist on seeing all paperwork the day before you sign. At The Mortgage Centre we ensure your lawyer is aware of the transaction and gets the paper work ahead of time. If you rush this process on the day of closing, you may run into a last minute snag that you can't fix without compromising the terms of the deal, the financing, or even the sale itself.