

So you are ready to buy a house and make it your home...

STEP 1 - PRE APPROVAL

This is one of the most important factors when starting your search. Contact your bank or a mortgage specialist and begin the process to find out what you are pre approved up to or what you will need to do to get a mortgage. Viewing homes without a pre approval can sometimes cause a bigger headache in the end, plus it makes your offer look more appealing. Yes, that means if you are buying and also selling you still need to get a pre approval.

STEP 2 - VIEWING HOMES

Now that you received your PRE APPROVAL you can start looking at homes. This is best done when both you and your Realtor are looking on MLS every day. A helpful method is being set up on an auto email system that sends you homes that are just listed that fall within your parameters almost instantly.

As a Realtor we can show all homes listed by any Real Estate brokerage. It is beneficial to stay with one Realtor because they learn your needs and wants and can at many times be aware of listings before they even show up on MLS. Especially with a brokerage as big as Remax, we are aware of listings before they hit the market.

Common Misunderstandings:

- Contacting the listing Realtor will mean a better deal. This is not the case, a realtor works for you and for your best interest. By contacting the listing Realtor they will enter a conflict of interest because it will be difficult to represent both parties and have your best interest in mind, especially when negotiations are reached. When dealing with a team such as ours, although you will be working with agents within Remax you will still have less of a conflict of interest having an individual agent working to reach your goals.
- Realtor Fee's when buying a home. In the majority of the cases as a buyer you will not pay commission, the seller does. (not all the time)
- Realtors can only show their brokerages listings – this is not true, being licenced under RECA we will be able to show any home listed by any brokerage on MLS

STEP 3 - WRITING AN OFFER

When writing an offer there a few things to expect:

- Your drivers licence will be needed
- A deposit needs to accompany the offer. Best option is to carry a cheque with you (normally \$1000-\$20,000 deposit depending on home and price)

STEP 4 - NEGOTIATION PROCESS

After the offer to purchase has been submitted it is sent to the listing Realtor and they present it to the seller. This process might take anywhere from 1 hour to 2 full days or even more depending on the situation.

Counter Offer

In most cases you will get a counter to your offer. Note that every time an offer is countered the opposite party has the choice to leave the deal.

Most commonly countered subjects

- Price
- Possession Date – this is a great negotiation tool especially when you are in a multiple offer situation. Note that if the house is tenant occupied tenants' rights can mean that possession can only happen 90 days after offer is confirmed
- Deposit – the deposit is safely held in Trust at Remax Grande Prairie. This deposit forms part of your down payment. Note that at times the seller will counter and ask for a higher amount or an additional deposit upon the removal of conditions. The only time you would not get your deposit back is if you satisfy all of the conditions and the home is deemed sold and you decide to leave the contract.
- Finance Removal – ideally you should give yourself 2 weeks or 10 business days. The quicker you can get finance approval the more attractive the offer will appear. Make sure you know where you stand with the bank/broker so that when this point is reached you give the appropriate notice and do not run into any unexpected delays

Multiple Offer Situation

You are not only dealing with the seller and trying to negotiate a price but you are bidding with another buyer/or buyers. For this reason you have to be ready to make your offer as appealing as possible.

PRICE: Depending on the house, if priced right you might need to go over list price. At times even up to \$5000. Ask yourself what it is worth to you and if an additional \$1000 would be worth it. Ask your Realtor about comparables to help in this difficult decisions.

RPR or Title Insurance

An RPR is a legal document that illustrates the boundaries of a property and the location of improvements such as a garage, patio or fence relative to those boundaries

Advantages of purchasing Title Insurance:

- Helps facilitate the transaction when a current RPR is unavailable or municipal compliance issues cannot be remedied in a timely manner
- Ensures a clear and marketable Certificate of Title for the property
- Broad coverage which may include title related and non-title related issues
- No-fault recovery of losses
- Cost-effective
- Transfers risk associated with remedying property issues to the insurer

Disadvantages of purchasing Title Insurance:

- Depending on the property issues, additional insurance may need to be purchased
- Title insurer may initiate legal action against the seller if he/she failed to disclose any issue known when a policy was issued which resulted in a claim being paid
- Does not remedy issues only insures against them if they occur
- Not transferable from current owner to new owner