

Tips for Buying a Home at the Right Price in Northern Virginia

By Alan Davis, Licensed Realtor



Entering the housing market may be difficult for a buyer given concern about paying too much for a house. On the other hand, the temptation to overspend on a house sometimes can be overwhelming for a buyer who is concerned about losing his or her dream residence to a rival buyer in a competitive market.

What follows are tips to ensure a buyer can purchase a great home at the right price.

1. Get Pre-Approved for a Mortgage

Unless you are paying cash, a mortgage is a necessity for most buyers. Getting pre-approved for a mortgage by a lender or bank allows you to search for homes within your financial limits and, as a result, save you lots of time. A pre-approval is a lender's or bank's written estimate of the maximum amount that they can lend you for a home. It's free, completed online taking just a few minutes, and involves no obligation on your part.

To learn about mortgage options, speak with more than one lender or bank to compare. I tell all my clients to work with whatever lender or bank they want, but also consider asking your Realtor to suggest a reputable lender or two. Our Realty maintains a list of four independent, preferred lenders who know the Northern Virginia market well and are competitive, professional, and available to clients seven days a week.

I also suggest that clients ask lenders: "What is the average number of days you need to close on (approve) a loan?" Your offer to a seller could be more attractive if it includes an earlier settlement date than others they receive because your lender can speed up the loan approval process if necessary.

Getting pre-approved before you start looking for homes not only allows you to search far more efficiently for affordable homes, the pre-approval letter must also be attached to any offer you make. Having it in hand will allow

you to move expeditiously on that perfect home. Please keep in mind that in the current low inventory market in Northern Virginia, there may be plenty of other buyers searching within your price range and/or in your targeted neighborhood. Being ready makes a difference.

2. Assess the Housing Market

Real estate markets often fluctuate. As such, you should look closely at housing market data to find out whether you're preparing to search for a house in a buyer's or seller's market.

Often, it helps to look at the prices of recently sold houses in your desired area(s); data your Realtor can provide. This shows how much sellers received for their homes over the past 90 days and how long these homes remained on the market before being sold. Use such data to narrow your price range and establish realistic expectations for your home search.

3. Consult with a Realtor

A Realtor is a housing market expert who can help you pay the right price for your ideal house. Typically, a Realtor will want to discuss matters with you before conducting a home search to learn about you and your "must have" home features including the preferred type of house, size, interior layout, and location etc. That vital info and your pre-approval amount allow your Realtor to significantly refine the search ensuring you can check out high-quality houses at budget-friendly prices.

Let's not forget about the substantial support that a full-service Realty delivers to you throughout the entire home buying process. Your Realtor will set up private home showings and update you about newly listed houses within your price range and provide many other services. And, if you'd like to offer on the ideal house, with your cooperation and approval, a Realtor will complete a written offer to the seller with your pre-approval letter. And, in drafting your offer, a good Realtor will explain how opting for certain provisions in the written offer protect your interests.

BTW, did you know that as a buyer you pay no sales commissions? The seller pays them all. So, why wouldn't you want the professional services of an experienced Buyers Agent Realtor; who in Virginia, is legally obligated to only protect your interests? Use the above tips and you can boost the likelihood of discovering the right home at the right price. And, find that Realtor who cares about helping clients make intelligent home choices!

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