

# Tips for Home Buyers and Sellers

The current real estate market has left both prospective buyers and sellers on edge. While sellers once had the advantage and could sit back and wait for buyers to outbid each other, buyers now seem to have the upper hand. However, with lending tight and many foreclosed properties in legal limbo, buyers must meet specific financial criteria to have their loan approved and have the sale to go forward.

Sellers may be concerned that they won't be able to sell their homes for what they're worth, and buyers may be worried that their loan applications will be denied because of tighter qualification rules. However, both buyers and sellers can take steps to achieve their goals.

## For Buyers

Get prequalified by an FHA lender. Prequalification demonstrates you are serious about buying and that you are creditworthy. FHA support adds extra value to your offer.

If you are planning to sell your home and move into a new one, consider listing it immediately. On average, it takes at least three months for a house to sell. Don't wait to list it until you find the right property to buy.

Once you do find the right property, be flexible about your offer. Avoid making any offer so rigid that it leaves you no choice but to walk away if it isn't accepted. Many owners are emotionally invested in their homes and have already discounted the price based on falling real estate values. Be realistic and keep the seller's perspective in mind.

Remember, there are many houses on the market. So try to keep your enthusiasm to a minimum when you find the "perfect" home. Recognize that being able to walk away may be the best bargaining chip you hold in a buyer's market.

## For Sellers

Prepare yourself for low-ball offers that may seem more like insulting bluffs than valid offers. These offers will come your way, and the best defense may be to tactfully refuse them and politely encourage the buyer to come back with a more realistic offer.

Hire a home inspector. Having a home inspection report in hand is a good way to handle negotiations and prevent unpleasant surprises. You can get problems fixed or factor the price of repairs into the price of the home.

Be prepared to move quickly if you get an offer. A seller who needs two or three months to move out may put the sale at risk.

With the simple strategies outlined here, both buyers and sellers can be in a better position to achieve their goals, whatever the state of the real estate market.

RETIPS01-X