

What every home buyer should know

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Buying property is a huge commitment and can be very daunting. Here are some buying tips that you should follow before you take the leap.

There may be thousands upon thousands of online articles which discuss the ins and outs of purchasing property, but that doesn't make it any less daunting for those who are considering buying a new home. It's a major financial commitment and making a rash decision without the right knowledge can prove costly in the long run.

So what should you know before you sign on the dotted line? We've put together a few basic ground rules that every buyer (regardless whether it's the first time they are dabbling in the property market or whether they are seasoned property shoppers) should follow.

- **Find a real estate agent who knows his stuff**

We're not only talking about the ability to hammer in a 'for sale' sign after the property has been sold here, we're referring to someone who knows the area in which you want to buy like the back of their hand.

We're referring to agents who know the prices in an area and who are most qualified to find you a good deal. A good agent (who must have a valid Fidelity Fund certificate) will walk you through every aspect of the sale, guiding and protecting your interests along the way.

- **Read the sales agreement**

Don't just skim it, study it and ensure that you understand every clause and every amendment. If you don't understand something, ask the agent to clarify. While it's easy to assume that sale agreements are pretty standard, they're not and signing a contract without digesting all of its contents can be disastrous.

- **Get your paperwork in order**

There is a legal process to follow when you buy a home and you are going to be required to provide a great deal of documentation in order for the sale to be concluded. Ask your agent exactly what is going to be needed and ensure that everything is at hand in order to speed things up.

- **Plan ahead**

Look at all the options and base your buying decision on your future plans. There really isn't any point in buying a one bedroom flat if you are planning to start a family in the next few years. Of course there are those who will argue that any property purchase is vital and that the quicker you get on the property ladder the better. However, while there may be some truth to this, property is not a short term investment and

those who are able to hang on to a property for an extended period are generally able to sell for more than those who 'flip' and sell within a year or two.

- **Check the affordability**

Just because the bank is willing to lend you a certain sum doesn't mean that you have to spend every cent on the purchase. There is nothing worse than buying something only to discover that although theoretically you can afford it, the reality is a little different. It's great to be able to live in a home that has all the bells and whistles, but if you can't afford to go out with friends or even entertain in your 'castle', you are going to become disillusioned.

- **Calculate all the costs**

Buying a home is not cheap and this isn't just linked to the size of the mortgage. Conveyancing fees, registration fees and the like only form part of the equation. Costs such as moving expenses and deposits for essential services also need to be factored in.

- **Limit home improvements**

One of the first things most of us do when buying a home is to look for ways to improve on it. Unfortunately renovations cost money and although some improvements may not be too costly, completely renovating rooms like the bathroom or kitchen can be expensive options. Find a home that basically ticks all the right boxes rather than buying something that doesn't suit your personal needs.

- **Research your market**

Get to know the price of property in the area in which you want to live. If the average price is around R800 000 then focus on properties within that price range. If you do want to buy a more expensive home, ask yourself if it is really worth it and if you will be able to sell at a profit down the line.

- **Negotiate**

Find out as much about the seller as you can. Ask questions like why is he selling and how long has the property been on the market. Make a reasonable offer that's market related.

- **Don't rush in**

You don't have to buy immediately. It's often wiser to rent before you commit to buying if you are unsure of an area or are unfamiliar with a suburb. Flying off to the Cape, KZN or Gauteng for a weekend of property shopping may be exciting, but buying blind can prove troublesome once reality sets in.