

# House Hunters: 6 Home-Buying Tips for the Current Market



*With fewer homes for sale today, would-be buyers are having to get creative about making their bid stand out.*

*In September 2017, sales of new homes in the United States shot up to the highest level in nearly a decade.*

*The Commerce Department reported an 18.9% increase for the month, during which about 667,000 newly built homes were sold — a figure not seen since October 2007. September's increase also represented the biggest month-over-month percentage gain since January 1992.*

*While such figures may be great news for those monitoring the robustness of the country's housing market, it's not ideal news for buyers of modest means.*

*These statistics mean that Americans, unable to find existing homes, are increasingly turning to new construction. At the same time, however, homebuilders are overwhelmingly focused on creating higher-priced housing, which often shuts out buyers at the lower end of the market.*

*For home hunters who may not have a limitless budget (and that's most of us), the already challenging home-buying process may be getting harder. That doesn't mean you should give up on owning a home. But it does mean you need to bring your A game, be aggressive, and think creatively. Check out these six tips to become a home-buying master.*



## **Don't expect (or waste time looking for) hidden gems**

In rising markets, there's one thing that's fairly certain: the properties for sale have been thoroughly picked over.

"You need to have realistic expectations about what you will find," says Mary Clare Bland of Moving2Madrid.com, a property shopping company that works exclusively with buyers. "If you expect to find a bargain ... you will end up being frustrated and discouraged."

Not only that, she says, but you could waste a great deal of valuable time searching endlessly for that hidden gem.

## **Make the first offer**

When affordable houses are few and far between (and snatched up quickly at that), it's important to stay on top of new listings and be ready to pounce.

Brian Davis, co-founder and lead real estate and personal finance writer for SparkRental.com, suggests that a great way to do this is by creating alerts on property listing sites. That way, you'll be notified when new homes that meet your criteria come onto the market.

In addition, Davis recommends finding an extremely proactive realtor who will make sure you're the first person in the door when a new property is listed, so you can be the first to make an offer.

And one more note about selecting a real estate agent — it's a good idea to look at the firm they work for.

"Often, realtors who work at good firms will give preferential treatment to other realtors who work at good firms because they know that they're more likely to have a professional and smooth transaction," says Kristina McCann, a broker for Alain Pinel Realtors.



## **Consider a multi-family home**

It might not be what you had in mind, but purchasing a multi-family home can be a great way to get a taste of home ownership.

What's more, owning this type of property can be as affordable as renting, says Ray Rodriguez, regional mortgage sales manager for TD Bank.

"Multi-family homes are often priced higher, but if you buy a three- or four-unit home and rent out the other units, your monthly expenditure could be the same as when you were renting," says Rodriguez. "And often, you can use the projected rental income from the other units to help you qualify for the mortgage."

## **Buy during off-peak seasons**

As the winter months and holidays roll in, the market tends to slow down. It becomes more of a buyer's market.

"Sellers are much more willing to negotiate [in the winter]," says Alison Bernstein, founder and president of Suburban Jungle, a firm dedicated to helping young families move from urban to suburban properties. "You are also avoiding the craziness of the spring market with the competitive bidding wars and overall stress."

The most sweeping tax overhaul in three decades will make big changes to how families pay their taxes. The bill lowers tax rates for all income groups, but caps or eliminates many popular deductions. (Dec. 21) AP

## **Search off the beaten path**

Towns and communities with lower public profiles tend to have houses that cost less because they see fewer potential home buyers coming through, says Bernstein, adding, "Don't be afraid to think outside the box with your home search strategy."

## **Be aggressive**

While this has been alluded to already, being aggressive can be a tremendous asset in your housing search. But what does that mean exactly?

Beyond being the first person to make an offer on a property or setting up alerts on real estate listing sites, you need to start conversations, keep your eyes open for potential properties and do some sleuth work.

"If you see an abandoned home, contact the seller," Davis says "Ask in local real estate Facebook groups if anyone is looking to sell. Ask everyone you know if they know anyone looking to sell."

## **And above all, don't give up.**

You can become a homeowner, even with a smaller income — it may simply require some time and patience. Before you start shopping, though, don't forget to get pre-approved for a loan through a bank or credit union, and check your credit before you begin to make sure it's in good shape.