

You're ready to make the move from a rental unit to your new home. You've checked and updated your credit, and you are ready to look for properties. You have saved a nice-sized [down payment](#) and you are set to pull the trigger. Be careful, however, that you don't make one of these crucial **first time homebuyer mistakes**.

## First Time Homebuyer Mistakes #1: The Wrong Agent



Let's be clear. You don't need to be represented by a real estate agent at any time during the purchase process to avoid making a [first time homebuyer](#) mistake, but many buyers like to contract with an agent because:

- It's free! The buyer pays the commission.
- You have instant access to MLS listed properties.
- The agent does the negotiating.
- You never have to meet the owner except maybe at the closing.
- The buyer can be a great information resource.



If all that's true, what could be the problem? Well, the wrong agent could slow down the buying process because:

- They are too busy.
- They don't have sufficient market knowledge in your area.
- They are inexperienced.
- They are not ethical.

Therefore, make sure you have carefully vetted your agent, and that you are comfortable that they are reputable, knowledgeable, ethical, and are not overloaded with clients. Also, at the initial meeting, understand agent contact rules. While you may expect instant answers to your questions, real estate agents and Realtors do have other clients, and you may have to be patient at times.

## **First Time Homebuyer Mistakes #2: Wrong Lender**

Many entities make [mortgages](#). Banks, credit unions, private lenders and even Internet banks regularly offer mortgages. This is one area where you need to do your homework and understand the difference between 15 and 30 year mortgages, for example, and all of the implications thereof. Mortgage rates can vary, so don't take the first deal that's offered to you. Later, we'll talk a little about MN contract for deed financing.



## **First Time Homebuyer Mistakes #3: Falling in Love with a Property Too Soon**

Just because you have always wanted a great lawn and the first property you see has impeccable landscaping doesn't mean you have to buy it at any price. Sure, it might be great to live there, but you are not living there now, and other homes are available. Don't get caught in bidding wars ([here's how to win a bidding war, should you encounter one](#)); see lots of houses before you make a decision. This isn't HGTV where you get three options and that's it.

## **First Time Homebuyer Mistakes #4: Wrong Neighborhood**

If you are from out of the area—especially if you are from a different state—it's extremely important to gain total knowledge of the municipality before you make a move. A first time homebuyer mistake, at this point, would be terribly expensive.

There are many stories of first-time out-of-state buyers that purchased a home in what they thought was a desirable location, only to find out six months later that they would have liked to have located somewhere else. Viewing many properties on the same day in an unfamiliar city can just be a blur. Sometimes renting a home in a new city before you buy is a good option since that will give you time to figure out exactly where you want to live.

# TOP 10 WORST PLACES IN TORONTO

It's all about good Realtors and agents, proper financing, not making rash decisions, and of course choosing the best location. Sometimes everything works out except the financing, and if that's the case, don't give up, because we've helped many persons that, for a number of reasons, just can't qualify for a mortgage. We use MN contract for deed, and we invite you to [visit our site](#) to learn how we make home ownership a reality when others have said no.