

The NuCasa Advantage

Your Edmonton Home Buying Team

When you are buying a home there is an entire team of professionals ready to assist you in the many details that need to be completed for a successful real estate transaction. This article explains these key people and the roles they will perform during the process.

Real estate agent

A real estate agent is a professional trained in all aspects of real estate. This person can save you time and trouble. They may even save you money. That is because a Real Estate Professional has access to all of the homes available for sale, via the MLS® System. All licensed Real Estate Professionals use this national system. A home listed on the MLS® System is available to any Real Estate Professional in Canada. This is the number one place where buyers and sellers meet. More than 90 percent of homes available are sold through the MLS® System.

Due to their training, experience, and industry connections, Real Estate Professionals are an invaluable resource. They have access to resources, and possess experience most people lack. They know the detailed steps involved to assist you in finding a home that meets your needs. They are also good negotiators who work on your behalf, to get you the best price.



Here are the valuable services your Real Estate Professional will conduct on your behalf:

- Clarify your wants and needs so you do not waste time
- Preview properties for ones that most closely meet your needs
- Arrange appointments and showings
- Put you in contact with a network of resources for additional needs you might have, including mortgage brokers, lawyers, home inspectors and appraisers
- Tour the homes with you, and offer advice based on solid experience and understanding of the industry
- Keep you informed of factors that influence your buying decision
- Assist you with all closing details ensuring all items are handled smoothly and professionally

Contractors

If you are planning on making some improvements to your home prior to move-in, or sometime in the future, you will want to enlist the help of a credible contractor. This person can provide you with a price estimate on the work you would like completed.

A good place to start looking for a reliable contractor is with your friends, business associates and your Real Estate Professional. You could also check with a home builder or hardware store. When you have collected two or three names, arrange for estimates. Ask for references and a sample of the work they have previously completed. When you speak with former clients, ask about price, length of time to complete the project, communication during the project and satisfaction with the completed project.

When meeting with the contractor, ensure that he or she understands your needs and budget. They should inspect your home prior to giving you an estimate. If the project is being completed from architect's drawings, be certain that the contractor has the specific details required.

When you have completed the three estimates, review each one carefully. If there is a large difference between each price, get more explanation. A low price does not mean you will get the best work. Or on the other hand, the same could be said of the highest price. There are many factors to consider in a home renovation. A low price might mean that the contract has quoted low to get the work. Once the project is in progress, he might request payment for additional items not covered in the initial price. With a high price, the contractor may

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have factored in higher quality materials and higher workmanship. Prior to signing, be sure you understand the specific details of the contract including hours of work involved, type of products installed and quality of finishing work completed.

Here are some guidelines to help you evaluate a quotation:

- Details – are all aspects outlined
- Costs – are all costs clearly stated
- Extra costs – is there a provision for going beyond stated price
- Project cap – the project cap should be clearly stated
- Timeline – can the work be reasonably completed by the specified date
- Inspections – will all inspections be handled in a timely manner
- Bookkeeping – ensure you keep all material receipts
- Subcontract – will any of the work be subcontracted, by whom and how long will it take, and who pays sub contractor as it clearly states.



Appraisers

In many cases, you may not have to hire an independent appraiser. Your lender usually requires an appraisal from their approved professionals, prior to the purchase of a home. Your Real Estate Professional will also prepare a CMA, "Comparative Market Analysis" for you, to establish a value range. If the home is unusual in some aspect, there are huge discrepancies between the Real Estate Professionals and the bank's appraisal, you may want to consider an additional appraiser.

Lenders

A lender is anyone (a bank, your mother-in-law, a credit union, an institutional lender) who lends you money. As this financial commitment determines your future for many years to come, you will want to ensure you have a good relationship with this person or institution, with beneficial rates.

You can conduct your own search for a lender. First, get a copy of your credit history, available through Equifax. Then review the newspaper and other real estate publications and you will see the varying rates for institutions and banks. When you have got all the details established (employment history, credit history, price of home, etc), make an appointment and negotiate your best deal.

Mortgage Brokers

A mortgage broker could save you time and money. They do the legwork in finding the institution or lender which offers the mortgage terms and conditions that are best for your situation. This person works for you, not any particular lender, although they do have access to all available lenders. The lender will pay the mortgage broker a finder's fee. Some, mortgage brokers, however may charge you a fee for these services.

Lawyers/Notaries

A lawyer understands the legal documents and other aspects of buying a home, from both the buyer and seller position. They work on your behalf, ensuring that all documents are properly prepared and you are protected. These legal details must be completed prior to possession date.

Home Inspectors

A professional home inspection could save you money, and headaches in the future. In a few hours this person will provide a complete, written review of your home, citing areas in good, fair or poor condition. With this report, you will have a good idea of repairs which will be required in a few years.

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could cancel the contract, renegotiate or require that repairs be completed by a specified date. Your Real Estate Professional may be able to recommend a skilled home inspector who has the background and knowledge to provide you with an unbiased review. The \$300 – 500 you pay for this service is definitely a good investment. Scrimping on this detail or thinking you do not need an inspection, could cost you in the future.



Insurance brokers

For your safety and to protect your belongings, you will need to ensure you have insurance on your home and valuables. You can shop for insurance yourself, by phoning several insurance companies and asking for a quotation. Or, a broker can save you time and money, as they have access to information from insurance companies. Since your home is used as collateral against your mortgage, the bank insists you have full insurance to cover the property.