

## Buyer Tip - Mistakes to avoid when buying a home in Arizona

I have been working with buyers for over 22 years now and have had great success in getting all the way to the close of escrow. It is rare that something happens for the closing not to take place. Usually, the reason that a buyer's purchase in a transaction fails is due to surprises that come up because someone did not do their homework which creates events that do not meet the buyer's or seller's expectations. Great communication with your agent and other people involved in the transaction, and a checklist of what needs to be done, is the key to keep this from happening. Here are the most common mistakes that I have seen over the years that can cause problems and stress in a transaction.

1. **Buyers do not do enough research before getting started.** Buying a home is one of the largest, if not the largest financial commitment that a buyer can make in their lifetime. A buyer should research the communities they will target to find out Real Estate Agent testimonials and ratings, shopping nearby, great schools, parks, crime statistics and many other important factors before meeting with an agent. You can find out a lot of information on the web before you get started to research where you would want to buy a home. If you are buying a home in Arizona, there is a great resource that you can download to give you lots of information and web links to important information that is free from the Arizona Department of Real Estate. Here is the link: [https://www.aaronline.com/wp-content/uploads/2015/09/Buyer-Advisory\\_Sept-2015.pdf](https://www.aaronline.com/wp-content/uploads/2015/09/Buyer-Advisory_Sept-2015.pdf). Once you have done this initial research so that you have a clear idea of the community that you want to live in, it is time to contact a Real Estate Agent.
2. **Buyers do not take the time to do the research to find the Real Estate Agent that will best meet their needs.**  
Where do you start? Here are a few tips for finding a Real Estate agent in Arizona. First of all ask your friends and family who they would recommend. If they had a great experience, they will tell you who to call. If you do not have any recommendations from family and friends, you can start on Google. Search for the community subdivisions that you want to target on line. Go to Realtor.com, Zillow.com, Homes.com, or Trulia.com to research client feedback and rankings on your agent. If you have a name of an agent, google them on line to see where they specialize. You will find out all sorts of information on line about prospective agents. You can also find out the agents current education and status to check for violations with the Arizona department of Real Estate. The point is to know as much about the prospective Real Estate agents that you want to work with as possible. Like any profession, there are good and bad people out there and the bulk of the business is done by the top 20% of the agents in your area. Taking the time to do this step will pay off financially and personally in the long run.
3. **Buyers do not take the time to interview the agents they work with.** A buyer should meet the agents that they want working for them before committing to work with them. The most professional agents will have buyer packets filled with tips and checklists of what need to be done in the buying process and they will take the time to ask a lot of questions about your needs and lifestyle. This meeting is a chance for the Agent to get to know you and your needs. So,

schedule a meeting with your agent and be prepared to get a lot of helpful information and to have a good discussion about your lifestyle needs and geographic areas that you want to live. This meeting is critical for your success to find just the right home. Do not ask the agent to show you homes without doing this step. It is unfair to you and to the agent to ask them to just show you homes without having an in depth discussion of your needs.

4. **Buyers do not research for the most talented people to help you with your other needs** like finding a lender, home inspector, pest inspectors and contactors. Your agent should have a list of people that you may want to work with. Most agents want to provide you the best service possible so they have developed relationships with people that will keep you happy and get the job done. You should also do the background research for each of these people as well. Your Real Estate agent can give you quick information on where to look for these people.
5. **Buyers do not take the time to get the proof that they can purchase a home before starting to look for a home.** You will need to either have proof of your funds if you are paying cash for a home from your financial institution with the account numbers blacked out, or an Arizona Pre-qualification Form filled out and signed by your lender and you before making your offer if you are getting a loan. Once you have this, it will really help make your transaction go smoothly.
6. **Buyers do not read and review legal documents enough.** It is important for you to read and understand the following list of documents before writing an offer on a home: A blank purchase and sale document along with the addendums for the area that you will live in, the CC&R's (the covenant, conditions and restrictions), the HOA rules, in the case of new homes the subdivision disclosures, SPDS (seller property disclosure statement) and any other contracts that may be needed. This is one area that will cost you a lot of money if you do not take the time to read through them. You will be provided this information or where to find this information from your Real Estate Agent. You just need to ask for this information if they have not already provided it in your second meeting with the agent.
7. **Buyer's do not fully read and evaluate the home inspection report, pest report, and HOA report.** These all happen during your inspection period after your contract is signed and you will have a list of people to find the right inspector's provided by your agent. Not all HOA's do inspections for rules violations, but when they do, you want to see that report and make sure that the items are taken care of before closing. Your agent will help you work through these issues. There is a whole process for doing this in the purchase contract that you and your agent will need to follow.
8. **Buyers do not discuss information about their title policy, home warranty policy, home insurance, or flood plain zones enough prior to making an offer.** You may want to find out where you want to go for these items before you make an offer. Discuss this with your agent to get more information on these items. All of these can cost you extra dollars and time if you do

not investigate these enough.

9. **Buyers do not read all of the closing legal documents prior to signing them.** Your agent will not read every page that you will be signing before you get to closing. Your agent will only look for and review the HUD settlement statement required with every transaction and maybe just a few other forms. You will be asked to schedule a closing with the escrow officer to sign this stack of papers. In most signings, they only allow you enough time to go through and sign all of the documents and not enough time to read them all. Please call the escrow officer early in the process to let them know that you want to read and review all of the documents ahead of time. You do not want to miss anything here.
  
10. **Finally, buyers do not fully understand or ask questions about the closing process, when recording into their names happens, moving and when they can get the keys to their new home.** Here are a few points to know here: Buyers should always do a final walkthrough the home one or two days prior to signing documents to make sure that their expectations are being met. Your agent will have a final walkthrough form for you to sign. The term closing is not the close of escrow. Your closing will take place with your escrow officer when you sign papers. This does not mean the sale is closed. You will usually sign the papers for the close of escrow a day before it is actually closed after recording. Once both sides have signed the papers, they are sent back to the lender for final review and the funds are dispersed by wire transfer to the title escrow company. The other funds will have been collected from the seller and buyer when they sign the paperwork. For the buyer, this means you will need to come to the closing with certified funds at the time that you sign your documents. Once the escrow officer receives the final approvals from title commitment and the lenders and has received all of the funds, the escrow officer will arrange to have the transaction recorded with the county to transfer ownership. Once confirmation of this is available, the escrow company will notify the parties that it is OK to exchange keys and for the buyer to take possession. Any other method of doing the key transfer must be agreed to ahead of time by both parties in writing. Mover's should be arranged for items to be removed from the home before the close of escrow day and the movers should not move items into the home until the recording of the sale has taken place. There are both legal and insurance reasons for this. Please discuss your expectations with your agent ahead of time.

Please feel free to call or text me at 623-882-5121 or email me at [bob@bobgarwood.com](mailto:bob@bobgarwood.com) if you have any questions. I am here to help any way that I can.