



Ten questions you should ask (before you hire a real estate agent)

Buying your new home is a big deal. Hopefully it will become an important part of your long-term financial plan, helping you make progress towards retirement, maybe a child's college tuition fund, paying down debt, or just having that home equity for a rainy day.

Before you sign a Buyer Representation Agreement with a real estate agent, make sure you ask a few questions first. Get to know the agent and the kind of advice the agent can give you. You'll want to know what to expect from your agent, when you have questions that come up along the way. So before you hire an agent, here's a list of the ten questions we think every Texas home buyer should ask their agent:

1. If my new home goes up in value the next few years, but I decide to sell the home sooner than I expected, what should I be aware of regarding capital gains taxes?
2. I'm going to need a mortgage to buy the home, since I don't have a wealthy uncle who left me his estate! When I apply for my mortgage, do you think I should only consider mortgage quotes from trusted professionals? Or based on my financial situation (maybe I have very simple finances), do you think it's okay for me to look at all lender quotes, and those with lower lender fees and lower interest rates?
3. I'm hoping to keep this home for quite a few years, but sometimes plans do change. If that happens and I need to move sooner than I was expecting, what if the real estate market is down and it's not a good time to sell the house? I want to know what other options I'll have in that situation, just to be prepared.
4. I'd like to be saving more for my 401k and retirement, but it's not easy sometimes. Can you talk to me about adding real estate to diversify my investment portfolio? I know you're not a financial planner, but after I buy this home, can you talk to me about adding real estate to my retirement portfolio? What questions should I be asking now, as I get ready to buy this new home, if I want to think long-term about my finances?

5. Can you walk me through the timeline of buying this new home, starting with my mortgage pre-approval through the search for my new home, visiting houses to see how I like them, making offers to the sellers, how you will negotiate for me, and what happens once I go under contract and am 30 days from being a new homeowner? What do I do each step of the way, and what will you help me with?
6. I don't have 20% for a down payment, or maybe I do have 20% but I'd prefer a 5% down payment. If I'm worried that my offer won't stand out to the sellers and get accepted, because of a smaller down payment, what other tools and techniques can you use to help buyers like me? What terms in my offer will you negotiate with the sellers that helps me stand out?
7. I know that I'll need mortgage approval to buy the home, and so you'll be working with my lender. What types of questions will you ask my loan officer, to help you better understand my financing and what is needed from me by the lender, to help you write a stronger offer for me to get under contract?
8. If the home appraisal comes in and it's lower than the purchase price by \$5000, or more, what options do I have if I really love the home, and I don't want to lose it? How will you help me navigate that process?
9. If my lender only gave me one quote with a single interest rate, but I know there are lots of choices for me to consider (like a 10-year adjustable rate, a 20-year mortgage instead of a 30-year, or a higher interest rate with a lender credit, instead of lender fees), what questions do you think I should ask the lender, to help me explore all these options?
10. Will I be working with only you during the entire home purchase process, or will there be others on your team that I will also be working with?

When you meet with your agent, one of the first questions they'll ask you is, "Have you been pre-approved yet by a lender?" We can help you with this. An online mortgage application takes only 20 minutes. We'll ask for a few documents, and then we will complete a 15-minute phone consultation to listen to your home ownership goals, ask you a few questions, and start our research for you. We'll then prepare a Pre-Qualification Letter, which will help your agent get started right away after your meeting.

Apply Online. Schedule a Consultation.

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