

Meet the Players in Real Estate

By ANNA CHANG-YEN | Green Shoot Media

You probably are familiar with the role of the real estate agent, but there are many more people involved in the purchase of a home. A real estate transaction can quickly come to involve a large cast of players.

Knowing each person's roles and responsibilities can help you navigate the complicated process of closing a purchase.

AGENT

If you're shopping for a home, you may already have a real estate agent working on your behalf. If you don't have an agent, you will be approached by agents willing to represent you as soon as you start attending open houses or making phone calls about homes that catch your eye.

A proactive agent will compile a list of properties you may want to see or sign you up for an online search of the MLS to pinpoint properties that match your requirements. The agent can provide a wealth of information about homes on the market, including details about property taxes, school districts, local government, utility companies, zoning and homeowners associations.

When you decide to make an offer, your agent is your representative at the bargaining table. He can research



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Knowing the names of the players in a real estate transaction can help you know who to turn to when you need help navigating the process of purchasing a home.

comparable sales to arrive at a fair price for the home and navigate the intricacies of making offers and evaluating counter-offers from the seller.

ATTORNEY

Price is only one of the hurdles you will face before signing a contract to purchase a home. Other terms, such as disclosure of any existing problems with the home (such as a leaky roof or pending litigation involving the home), which appliances and fixtures will stay in the home after purchase, how soon you can take possession of the property, the length of time you have to secure a mortgage and who will pay closing costs. A real estate attorney

can read the contract and make suggestions that will help prevent problems down the road. Even small changes to the wording of the contract can have a big impact on your financial responsibilities, so it's a good idea to hire an attorney even if it's not required by law in your state. The attorney also will accompany you to closing to be sure legal documents regarding the transfer of the title are handled appropriately.

MORTGAGE PROFESSIONAL

Once you've signed a contract to purchase a home, you'll want to secure financing. It's a good idea to be pre-approved before you start

shopping for a home, so if you've done that, you're ahead of the game. If not, now is the time to contact a bank or mortgage broker and submit an application.

A mortgage loan officer can provide her bank's best mortgage rates and terms, providing you meet the institution's credit, income and other requirements. A broker can look at your credit reports and offer a variety of rates for which you are qualified, from a range of banks. Shopping for a loan through a broker may provide the best opportunity to find the best loan for your situation.

INSPECTOR

The home inspector's role is to take a thorough look at all of the home's major systems to be sure you're not unknowingly taking on pricey repairs in the near future. The inspector will go through the home's interior and exterior with a fine-tooth comb and point out issues ranging from minor annoyances to unsafe conditions.

Some of the inspector's findings will be issues that you will simply make a mental note of for the future. Others may require you to return to the negotiating table and ask the sellers to either accept a lower purchase price or make repairs before closing.

TITLE COMPANY

The title company's role in a real estate transaction is to research the home's title and be sure there is no pending litigation or any liens attached to the title. If you buy a home with liens attached to a title, you will be financially responsible for the amount of the lien. For instance, if the seller has unpaid property taxes, the county may attach a lien to the home, leaving you as the new owner on the hook for that money. Obviously you don't want to end up in that situation. Enter the title company. Agents of the title company will scour public records to find any title issues and let you know before closing arrives.

If any title issues arise, your attorney will work with the seller's representatives to resolve the issues. If the title is clear, the title company will issue a title insurance policy, giving you peace of mind that if any title issues arise in the future, the title company will take responsibility.

Knowing all the players involved in your purchase will help you know where to turn when the unexpected happens. Depending on these real estate professionals will help you avoid the worst-case scenarios that can arise during the purchase process, making your home purchase a positive experience.



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REAL ESTATE 101



Ask the Pros

A home counselor is a professional who can help you navigate the home buying process. Visit <http://1.usa.gov/1t9PXsB> to find a HUD-approved counselor who can provide free or low-cost advice on a range of housing issues.

HOMEWISE GLOSSARY

Market value: The most probable price that a property should bring in a competitive and open market, provided that all conditions requisite to a fair sale are present, the buyer and seller are knowledgeable and acting prudently, and the price is not affected by any undue stimulus.

Appraisal: an opinion or estimate of value performed by a state-licensed or certified real estate appraiser in the state in which the property is located. Also refers to the process by which a value estimate (factual analysis) is obtained.

SOURCE: U.S. Department of Housing and Urban Development

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