

SOUND OFF *Patty McManus*

# As a buyer, how do I know if a property is a good deal?



**T**his is the burning question for every buyer. Certainly, no one ever wants to feel like they have overpaid for a property, no matter how much they love it.

The first step in the buying process is for the buyer to become familiar with the current market conditions. Touring homes and actually experiencing what are the reasonable expectations in the price point is crucial.

When the buyer actually makes the decision to move forward with purchasing a property, they should feel secure in their deci-

sion because they have seen enough properties to be in an educated position and feel comfortable with the value.

The buyer's real estate agent will provide listings of comparable properties that have sold within the past three to six months. This is not only useful to the buyer in making a decision and being comfortable, but comparable sales are also important with regard to the buyer's financing.

The bank appraisal, which is performed on behalf of the buyer by their lender, must be able to

prove the value of the home to be equal or greater than the purchase price. If the offer is too high, the bank appraisal will not support the value and there is a possibility that the lender will decline the loan. There are other factors that will influence the bank appraisal, such as upgrades or special features, but the comparable sales are the basis which the appraiser uses to determine the value.

There are instances where multiple offers on a property will drive the price higher. If this happens, I always pose the following

questions to my buyer: "Try to put yourself six months in the future. Will you feel badly because you paid more? Or, will you feel sorry that you missed the opportunity to buy this property?" Either way, it comes back to my buyer's comfort level.

After all is said and done, the motivation of both the buyer and the seller ultimately determine the price. An agent who is skilled at negotiating is your best bet.

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