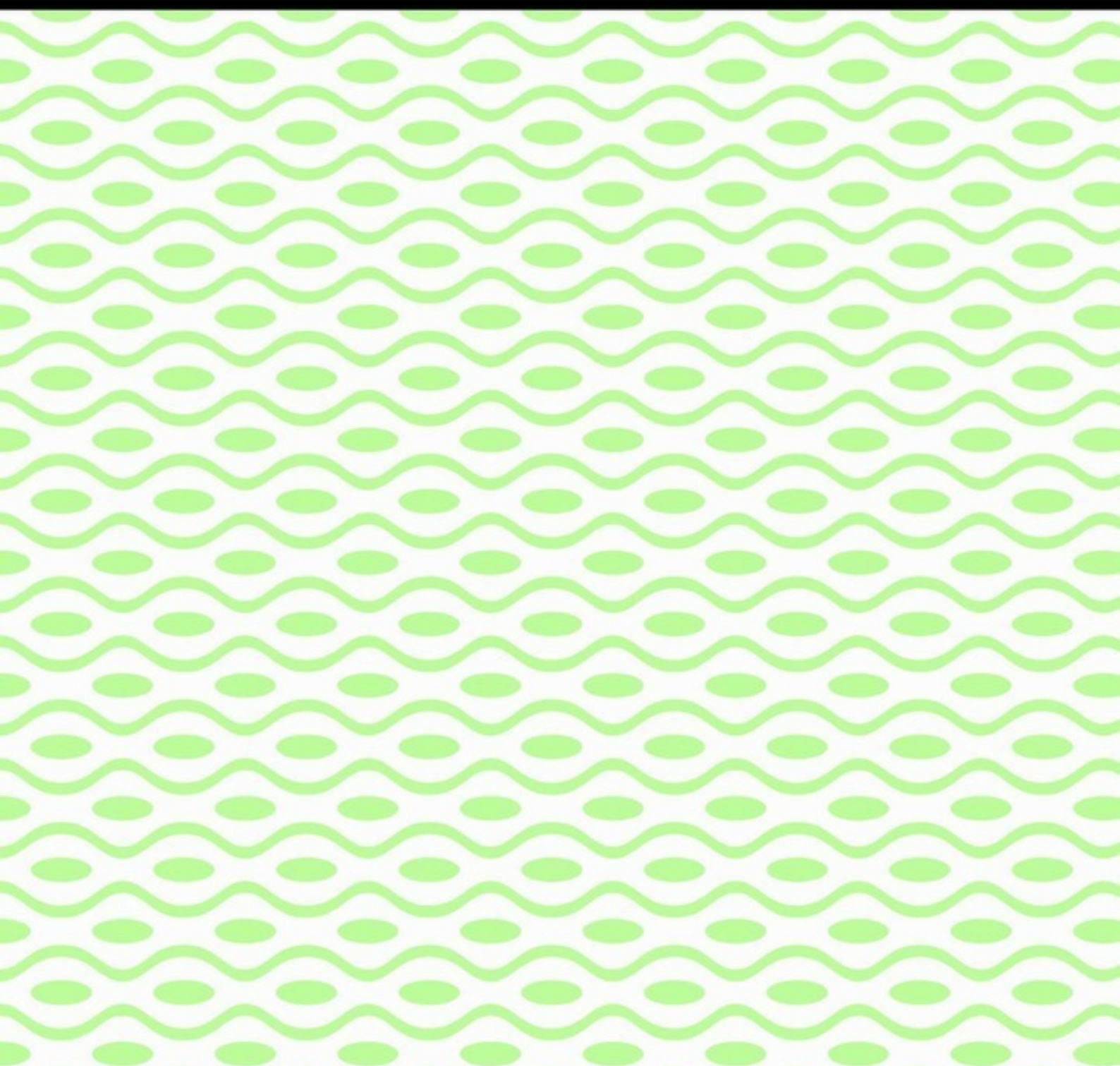


NISHANT BAXI

All You Need to Know About Real Estate



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About Real Estate**

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Baxi N.

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Purchasing a home can be a very challenging task. It is hard to know how much you can afford to spend on a home and it can even be frightening to think that you may not be able to afford a home. There are also many other questions that you have to think about when purchasing a home. • Is the market is good for buying a home? • Do you need the assistance of a realtor? • What type of loan is best for me? • Are you purchasing a home to live in or to try and turn a profit?

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Introduction

Purchasing a home can be a very challenging task. It is hard to know how much you can afford to spend on a home and it can even be frightening to think that you may not be able to afford a home. There are also many other questions that you have to think about when purchasing a home.

Is the market is good for buying a home?

Do you need the assistance of a realtor?

What type of loan is best for me?

Are you purchasing a home to live in or to try and turn a profit?

What tax advantages are there to owning a home?

This eBook will serve as guide to assist you when it comes to purchasing a home. We will talk about how to obtain good credit, finding a realtor to assist you in finding the perfect home, the different types of loans that are available, and how to invest in property and turn a profit.

It does not matter if you are purchasing your first home, or if you are looking for property that you can turn a profit on, this eBook will provide you with the information that you need to make any real estate buying experience a good one.

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Chapter 1

Getting Ready to Purchase a Home

Many people think that all they have to do to purchase a home is find one that they like, obtain a loan, and move in. Unfortunately, this is not how the home buying process actually works. There are many things that you have to do before you even set foot into an open house.

To Buy or Lease a Home

It is not always an easy decision when it comes to purchasing a home, you have to know exactly what you want or need before you decide to make an investment. It does not matter what is going on in the market, you will always have an option when it comes to purchasing or selling your home.

If you want to get into the real estate market, but you are not ready to make the big leap and purchase a home, you could always lease a home instead. In fact, this is a good step for many people who are not quite ready to purchase a home. One benefit is that you will have lower payments when you lease. You will also be able to build up your credit and increase your credit score. Many homes

that are for lease will give you the option of purchasing them after a certain amount of time. This will allow you to live on the property for a while and decide if you like it before you purchase it.

Leasing can also be a great option if you are trying to sell your home. You may find that you are having trouble selling your home and you do not want to have to pay double mortgages. Leasing your home is one option that will prevent you from having to make two mortgage payments every month. If you decide to lease your home, you will become the landlord for a period of time that will be determined by the contract that is signed by both you and the tenants that states all of the terms, conditions, and how much the tenants will have to pay each month. After the contract ends, the tenant will have the option to purchase the property from you.

It does not matter if you are trying to sell your home or if you are looking to get in the real estate market without having to purchase a home, leasing a home can be a great option no matter what your situation may be.

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Understanding Your Credit

It does not matter if you are purchasing your first home, or if you are an investor and are purchasing your tenth property, your credit score will play a big role in getting approved for your mortgage loan. By properly managing your credit and understanding how your credit score will affect your mortgage, you will be able to make the most out of your investment.

Before you ever apply for a home loan, you will want to check your credit report and verify that you have the proper credit score to be able to obtain the loan that you want. Your credit score is a number that is given to you by the major credit reporting agencies based on how good your credit is. The higher your credit score, the better your credit is. There are three major companies that you can obtain your credit score from and they are Experian, Equifax, and Transunion.

By having a higher credit score, you will be able to get a better loan. Many lending companies will be more willing to work with if you have a high credit score and they will also be able to lend you a higher amount of money.

The best way to get a high credit score is to be responsible when it comes to paying your bills. You will want to avoid having late payments and large amounts of outstanding bills, like large credit cards. However, your credit score is not the only deciding factor that will determine if you are approved for a home loan. Lenders will also consider your financial stability, your income, and your job status.

By understanding how to maintain your credit and how your credit score will affect the type of loan that you will be approved for, you will be one step closer to being able to purchase the home of your dreams.

Can You Afford a Home?

You have reviewed your credit report and your credit score is high enough for you to be approved for a home loan, the only problem is that you do not think that you can afford a home. There are many people that are in similar situations and many

of these people do not invest in homes because they do not have the large amounts of money that are

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normally required up front. If you are finding yourself in this situation, you should know that there are programs available to help you purchase a home and stop wasting your money paying rent.

One option that you can take advantage of are grant programs. Every locality will have several different grant programs that you can apply for and most of them are easy to qualify for. The grant programs that are available will vary depending on your specific needs and your current living situation. There are some grant programs that will simply give you the money that you need to purchase your first home while other programs will only give grants for special situations, like starting your own business.

If you do not know what type of grant program is best suited for you, simply ask your real estate agent. Many times they will be familiar with all of the local grant options that are available and they will be able to assist you in selecting the one that will provide you with the most benefit.

You do not have to have thousands of dollars saved up to be able to purchase a home. All you have to do is know where to look to find the assistance that you need and with a small amount of research, you will be able to stop paying rent and start applying your money toward an investment instead.

Fear of Investing

Making the choice to invest in real estate is often a very difficult one because there are several unknown factors that have to be accounted for that will relate to your money. There are also several fears that are associated with investing in real estate.

One of the hardest things to deal with in real estate is taking a risk. To purchase a home, you will usually have to borrow a loan and if you find yourself in financial trouble later on down the road and you are unable to pay on your loan, you will be at risk of losing your home and damaging your credit. This fear may lead to you making the wrong decision about what type of loan to apply for. It is important for you to understand all of the risks that are associated with purchasing a home and also knowing how much risk you are willing to take when deciding on a loan type.

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Another common fear that most people have is investing in real estate at the wrong time. If the economy is low and the market is not on your side, investing in a certain property could result in you actually losing money. Just like everything else, you will have to eventually face your fears and in doing so, you will be able to set boundaries in relation to your fears. This will enable you to not go overboard when you purchase a home, but you will also not be letting your fears stop you from making a good decision.

There will always be some amount of risk when you are investing in real estate, but if you do your research and set realistic expectations, you will be able to make an informed decision that will result in a good investment.

Initial Investments

Many people think when they are purchasing a home that they will only have to make one payment during the closing procedures, but this is not always the case. There are several initial investments that you will have to make as soon as the first contract is signed.

Most real estate investments will require a down payment, which includes a set amount of money that is given to the person that is selling the home. This amount of money will then be placed on your credit towards the investment that you are making. The more money that you have saved for the down payment, the better off you will be. All of the money that is placed in the down payment will have an effect on your investment later on and it can help you with the financial approvals for the loan that you are receiving.

Another set of investments that you will have to pay for is the real estate team that you assembled to help you find the home of your dreams. One example of this is the cost of the home inspection. There may also be some other extra fees that are linked to the lenders paper work and other things that are related to the contract. Every person that you hire to help you find the home of your dreams will receive a commission or part of the investment that you are making in the beginning.

It is important that you understand all of the initial investments that you will have to make before you ever begin your search for the perfect home. Setting aside a specific amount of money for your home purchase or knowing how much money to include in a down

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payment will help you to make the right investments from the beginning. You do not want to purchase a home and not have enough money left to get you through the door.

Knowing the Market

When it comes to purchasing or selling a home, it is important to know if the market is right. Real estate is

a profession that works directly alongside the economy and how the flow of cash is moving through the economy will determine whether or not it is a good time to purchase or sell a home. If you want to get

a good deal, you need to make sure that the market is on your side.

The first thing that you will want to look at when you are evaluating the market is the current trends. There are typically two markets that you will have to look at and both of them will be dependent on the current economy and the conditions that are linked to the different neighborhoods. The first market is the buyer's market. This is where the prices of real estate are low and

a buyer will be able to easily find good deals. The second market is the seller's market. This is the market that you will want to be in when you are selling a home because the economy is in your favor.

Another sign that you can look at besides the market is the environment that you will be in. Most communities have specific types of people and demographics. If you know the demographics

of an area, you will be able to make observations about the current rates and you will be able to tell when it is the best time to make a home purchase.

If you take the time to observe and do your research about the different markets and trends in real estate, then it will only be a matter of time before you are able to find what you want and get the most out of your real estate investment.

Finding a Real Estate Team

Now that you have evaluated your credit score, budgeted some money, and evaluated the market, you are ready

to find a realtor to help you find the home of your dreams. By utilizing the help of a realtor, you will greatly improve your chances of finding the perfect home and getting a great deal in the process. If you do not know what you are looking

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for, there are a few simple guidelines that you can follow to assist you in finding a realtor that will be able

to assist you.

One of the easiest and best ways to make ensure that you are getting involved with a person that has your needs and wants in mind is to do your research. Most of the good realtors will have a reputation about how well their services are and what they were able to accomplish for other clients. A great way to find a good realtor is to ask your friends and acquaintances for a referral. A good friend will not refer you to a realtor that did not do a good job. You can also use the Internet to help you find the right realtor, or to possible eliminate some people that you do not think will work well for you.

You do not have to base your decision on what the realtors tell you, you can also look at how they have had their services set up and look at their performance record. The longer they have worked in the area, the more they are going to know and they will be able to better assist you than a realtor that is new

to the area. One of the most important factors that you will need to consider when selecting a realtor is the commission that they charge. This will make a difference in how much you end up paying for your home.

If you are a first time home buyer, it is important for you to know the standard procedures that are associated with utilizing the help of a realtor. For example, you should not have to sign a contract at the beginning of the deal and you should not have to provide any money until you have found a home and signed

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