

3 mistakes people make



when buying a property

3 mistakes people make when buying a property

Buying a property is probably the largest outlay most people will make in their lifetime. Surprisingly, many people buy emotionally and don't do their homework. That means that they can end up paying more for a property than it's worth.

If you plan to profit from investing in property it's even more important to do your due diligence - or your carefully saved cash can vanish like mist in the night.

Due diligence sounds boring - but it's essential and this report will explain why:

Mistake #1: Guess at the numbers



Every property deal is different and you need to check if the numbers stack up. Without due diligence you're buying blind.

You wouldn't give your savings to someone else and let them just invest it wherever they liked, you'd want some details - what the track record of the project or shares were, what return on your investment you can expect and over what period of time. Buying a property - whether it's for your main residence or as an investment - is no different. Don't guess if this investment will pay off - check it out.

For example:

- Is it a fair price compared with others nearby that are similar in size and state of repair?
- What have similar properties in this area sold for recently?
- How long have they taken to sell?
- If you're looking to buy the property as a buy-to-let - what's the typical rental income?
- How long will it take to get your money back?

And this is just scratching the surface.

Don't guess (or let someone else, even an experienced investor, guess on your behalf) get up close and personal with the numbers.

Mistake #2: Negotiate without the right data



You can't negotiate without having done your sums so that you know what is a good price and what is more than you can afford.

If you have your sights set on a particular property, have you also worked out your absolute maximum, in case you get into a pricing battle with another potential buyer? This is also critical if you're thinking of buying at auction. It's easy to get carried away if someone else is also after the same property - and also hasn't done their sums!

Better still if you know why the buyer is selling, there may be an opportunity to negotiate the price down and ? If they want a quick sale, there might be the opportunity to bag a bargain, but you still need to know what your ROI is BEFORE you start the negotiation.

If you don't know what a good deal is, you could end up with a property that will barely break even.

Mistake #3: Pay too much



There are plenty of people who have seen Homes Under The Hammer on the TV, don't do their sums and get carried away, They turn up at auctions unprepared and buy emotionally - because they don't have the information they need that tells them where to stop.

- Ideally you need to know:
- How this property compares to others that are similar in the same location
- When a sensible price becomes 'too expensive'
- What your return on investment will be - adding in costs of refurb
- What your cash flow will be on rental
- How much the going rate for rental is in the location of the property
- How long it will be before the property has paid for itself

And that's just for starters. So it's time to put in the legwork and start asking questions.

It's worth putting in the effort up front to get a good return on your investment longer-term.

Or there is another option ...

Property Deals Insight

We know that doing your due diligence takes time and effort and - when you have a hot deal in front of you - it's hard to step away, in case you miss a fantastic opportunity.

The challenge is knowing that it IS a fantastic opportunity, not that it just SOUNDS like one.

If you had in your hand the means to check:

- The latest deals in your chosen area (and further afield)
- See properties coming up for auction
- See what the ball park prices for similar properties are
- Get an instant property valuation
- See what the rental rates are for that kind of property
- Put in your property details and have a cash flow calculator give you all the answers you need
- Hotspots showing typical figures
- Do a flip analysis

All by tapping a few keys - would that make a difference?

Instead of having to go away and do all that tedious due diligence, you can get the information to make a good decision in just a few clicks.

Up-to-date information on specific properties, comparisons with similar properties and much more are available to our subscribers.

Interested in finding out more?

Check out

<https://www.propertydealsinsight.com/>

