



# **BUYER** **BEWARE!**

# *The* **5**

**Most *Expensive* Mistakes  
Homebuyers Make**  
**(And How to Buy Like an Agent)**

Joe Holland

# About the author

As a vibrant and driven force in Central Ohio's real estate market, Joe Holland combines 20+ years of expertise in relational sales, marketing, negotiation, and real estate investing to deliver exceptional results.

His diverse background, including owning a marketing company and working in the home inspection industry's sales and marketing department, provides a distinct edge in understanding clients' needs.

Joe's strengths include:

- Effective communication
- Passionate client advocacy
- Simplifying complex transactions

Awards and accolades aside, Joe's true passion lies in empowering clients to achieve their real estate goals.

Whether finding dream homes or securing lucrative investments, he is dedicated to turning aspirations into reality.

He is actively involved in the Columbus community and is well-versed in local market trends. His dedication to exceptional client service has earned him a reputation as a trusted and knowledgeable real estate professional.

When Joe isn't helping clients achieve their real estate dreams, he's focused on his own. He loves spending time with his family, working on home projects, and unwinding with friends over karaoke.



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## **“Stuck like Chuck, in a Pick-Up Truck”**

Donating plasma, and making sales calls to businesses at the height of the Covid shutdown. - This was how I was attempting to pay my bills not so long ago. And saying that I was paying them, is a gross overstatement. It was more like playing an anxiety-filled game of Tetris.

Feeling stuck, like many do, I thought I was failing my wife and son. We felt like everyone around us had it figured out, while we were struggling to make ends meet. Our families' financial struggles and personal doubts made our marriage a statistical improbable success. Yet, we made a strong resolve for a healthy marriage and to hit our goals.

I'm willing to bet that my story sounds familiar.

We've all been there - feeling stuck, overwhelmed, and uncertain about the future. But what if I told you that there's a way out?

Before getting licensed, buying a home seemed out of reach for us. We thought we needed perfect credit scores and thousands of dollars in savings - \$10,000 to \$20,000, to be exact. The thought of it felt daunting, impossible even. But that's exactly why I wrote this book.

This book is for those who desire to own a home but feel like it's slipping through their fingers. It's for those who've been waiting for years, watching the market fluctuate, and wondering if they'll ever find their footing. It's for anyone who's felt stuck, like us.

After two decades of successful sales and marketing experience, I discovered the

power of serving others. In real estate, I found my passion. That's when I met Theresa Barron, a 30-year veteran in real estate. Her guidance transformed my approach. She taught me to focus on serving others, not just closing deals. With her mentorship, I learned to write offers that won, and helped those who thought they were helpless.

Theresa's wisdom was a game-changer.

She showed me that real estate isn't just about buying and selling homes; it's about changing lives.

In the following pages, I'll share:

- The 5 Most Expensive Mistakes Buyers Make and how to avoid them
- Home Buying Hacks to save thousands of dollars and hours of anxiety

My goal is to empower you with the knowledge and strategies to succeed. I understand the hunger to own a home and the grit it takes to push forward. I've been in your shoes.

Let's get real – buying a home isn't this big, scary monster we've been led to believe. With the right mindset and tools, you can achieve your goals. My story is proof.

Are you ready to change your address?  
Let's do this!

All the best on your real estate journey!

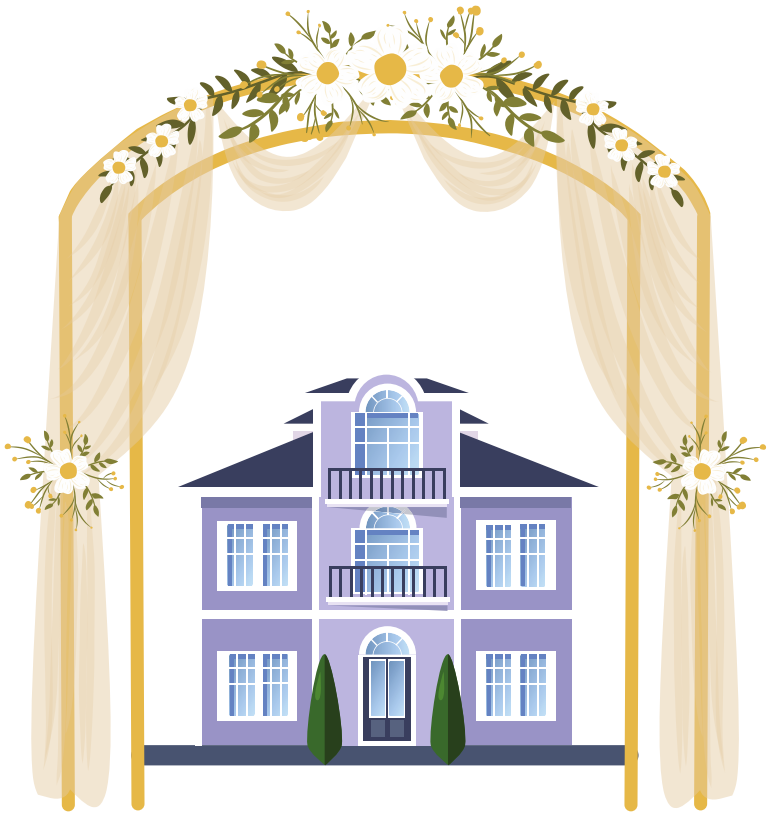
A handwritten signature in black ink, consisting of a stylized 'J' and 'H'.

-Joe Holland



**Special thanks to:  
Theresa Barron, Broker-Owner  
Take A Look Real Estate**





## **Mistake 1: Marrying the House**

The American Dream has long been synonymous with owning a home. We envision a picturesque life behind a white picket fence, in a desirable neighborhood, with the perfect house. However, this romanticized vision can lead to financial pitfalls.

## **The Rental Reality: You're Already Paying a Mortgage**

As a renter, you're paying someone else's mortgage without building equity.

You're tolerating:

- Lack of privacy
- Shared walls with neighbors
- Limited parking
- Small, confined living spaces
- Restrictions on customizing your surroundings
- Ongoing repairs and maintenance

In return, your landlord rewards your loyalty with:

- Rent increases
- Lease restrictions
- Limited control over your living space

## The Landlord's Perspective: Investing for Growth

Now, let's view real estate through the lens of your landlord:

- Affordable properties with growth potential
  - Rising equity
  - Rental income
- Long-term appreciation

Applying this mindset to your home purchase can lead to financial success.



## A Real-Life Example: Growing Equity

A client I helped buy a home less than a year ago (Dec. 2023) experienced remarkable growth:

- Purchased for slightly less than market value
- Used a \$0 down conventional loan with no PMI
- Gained \$50,000 in equity over 11 months (as of Oct. 2024)

This modest home's rapid appreciation created options:

- Leverage gained equity for a bigger house
  - Secure a new build
- Enjoy peace of mind and financial stability



## **The Benefits of Homeownership My clients now enjoy:**

- A growing financial asset
  - Peace of mind
- Customization freedom
  - Stability

### **Key Takeaways**

1. Separate emotions from financial decisions.
2. View real estate as an investment.
3. Prioritize affordability & growth potential.
4. Recognize the benefits of homeownership.

### **Questions to Consider**

1. What are your non-negotiables in a home purchase?
2. How will you measure the success of your investment?
3. What are the potential downsides of your dream home?



## **Mistake #2: "Fixing" Your Credit**

Many aspiring homeowners try to improve their credit score on their own, paying off debts and making responsible decisions.

However, they often overlook a valuable resource: a free, specialized financial coach.

## **The Credit Game**

Credit scores aren't a measure of responsibility; they gauge eligibility for debt. Paying off credit cards or loans might actually harm your chances of securing a mortgage.

Mortgage lenders want:

- Open accounts
- Regular payments
- Strategic credit utilization

## **Beware of Free Credit Score Sites**

Avoid using free credit score sites like Credit Karma, Credit Sesame, or NerdWallet.

These companies profit by:

- Partnering with credit card companies as affiliates
- Promoting targeted credit cards

Lenders often warn that these sites:

- Overestimate credit scores
- Fail to account for lender-specific credit reporting



## **The Reality of Credit Reporting**

There are three major credit reporting bureaus:

1. Equifax
2. Experian
3. TransUnion

Lenders may consider:

- All three reports
- Only one report
- A combination of reports

# The Reality of Mortgage Lending

Mortgage lenders profit from selling debt. If your credit score doesn't qualify you for a mortgage, they'll provide a tailored plan to boost your eligibility – often within 30-90 days.

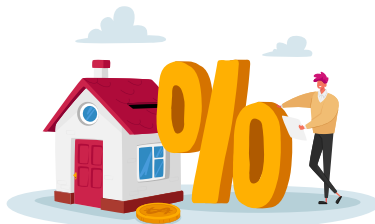
## Finding the Right Lender

Your real estate agent can recommend lenders with:

- Competitive lending products
  - Incentives
  - Streamlined processes

Avoid corporate banks with:

- Lengthy approval times
- Less favorable terms



## **Key Takeaways**

1. Don't try to "fix" your credit alone.
2. Seek recommendations from your real estate agent.
3. Utilize free financial coaching from recommended mortgage lenders.
4. Understand credit scoring and its implications.

## **Questions to Consider**

1. What's your current credit score?
2. What is your current credit utilization look like?

## **Additional Tips**

- Keep open accounts to demonstrate creditworthiness.
- Maintain strategic credit utilization (5-10%).
- Avoid unnecessary credit inquiries.



## **Mistake #3**

### **Not Raising Your Hand**

The most common mistake I've seen clients make is not seeking professional guidance soon enough. This delay can result in lost time, missed opportunities, and significant financial consequences.

## **The Power of Early Action**

Real estate values historically appreciate over time. The familiar adage "The best time to buy a house is five years ago" highlights this trend. However, many potential homebuyers hesitate to reach out to a buyer's agent due to embarrassment about their financial readiness.

## **The Pitfalls of DIY Planning**

The experts sharing real estate information online or through media often lack a personal stake in your success. In contrast, a dedicated buyer's agent:

- Has your best interests in mind
- Understands local market nuances
  - Can connect you with valuable resources and hidden opportunities.

## Hidden Opportunities

In Columbus, OH, for instance, there's a lesser-known lending program that can:

- Enable \$0-down duplex purchases with 620 credit scores
- Provide grants covering closing costs

For those seeking financial freedom, this program can eliminate housing costs:

- Live in one side of the duplex
- Rent out the other side, covering your mortgage payments
- Build equity and wealth over time

But here's the best part: this program isn't just for real estate investors. It's also available for individuals and families looking to purchase their primary residence.

This is a prime example of uncommon knowledge in the marketplace.

Most people aren't aware of these opportunities, and that's where a dedicated buyer's agent can make all the difference.

### **The Value of Expert Guidance**

A good agent:

- Doesn't judge your financial situation -  
Invests in your success
- Provides personalized guidance
- Owes you fiduciary duties

### **Don't Go It Alone**

You don't need to be an expert or have all your ducks in a row. Creating a solution without exploring all options will cost you. Consulting a reliable agent, however, costs nothing.



### **Key Takeaways:**

1. Seek professional guidance sooner rather than later.
2. You're likely closer to mortgage eligibility than you think.
3. Expert agents prioritize your goals.
4. Fiduciary duties ensure agents act in your best interests.

### **Action Steps:**

1. Consult with a reputable agent.
2. Focus on your goals
3. Explore your options.



**Mistake #4:  
Chasing Your Dreams...  
Don't Quit Your Day Job!**

As a fellow entrepreneur, I understand the desire for freedom and pursuing passions. However, mortgage lenders prioritize stability.

## The Lender's Perspective

To qualify for a loan:

- 2+ years of steady employment in the same industry, profession, or company is crucial.
- Self-employed individuals need 2+ years of verifiable income.
- Retirees are approved based on regular retirement income, excluding one-time lump sums.



## Timing is Everything

If you're planning to:

- Launch a full-time business
- Retire

Wait until after closing on your new home! Changing income status mid-application can derail the process.

## **Love What You Do?**

If you're happy in your current role:

- Consider negotiating a raise
- Explore better-paying opportunities within your field
- Invest in your growth and increase your earning potential

### **Key Takeaways:**

1. Stability matters in mortgage lending.
  2. Wait until after closing to make significant career changes.
3. Leverage your strengths to improve your financial situation.

Plan wisely and avoid unnecessary risks.

### **Action Steps:**

1. Assess your employment stability.
  2. Consider long-term financial implications.



## **Mistake #5: Relying on the Big "Z" & Any Old Realtor**

Now that you're pre-approved, it's tempting to start shopping online. As an internet-savvy buyer, you might send listings from popular real estate websites to your agent. However, beware: these sites aren't always reliable.

## **The Pitfalls of Relying on Big Real Estate Websites**

- Inaccurate listing status (leading to heartbreak when you discover your dream home is already under contract)
- Inflated/deflated property values:
  - Lead generation: Many big sites prioritize selling leads to agents over providing accurate information.

## **The Power of a Proactive Buyers Agent**

A top-notch agent will:

- Provide direct MLS access through a personalized portal
- Utilize expired listings, FSBOs, and other hidden gems
- Employ strategic search methods tailored to your needs
- Stay ahead of the market with up-to-date information .

### **Action Steps:**

1. Ask your agent about direct MLS access.
2. Verify listing accuracy before getting attached.
3. Ask you agent about proactive strategies.
4. Stick to the plan!

**Avoid costly mistakes and find your dream home with confidence!**

# Summary

You've taken the first step towards homeownership by educating yourself on common mistakes to avoid. That's a huge accomplishment!

With the right mindset, knowledge, and guidance, you'll navigate the process with confidence.

Best wishes on starting your home buying journey! May your path to homeownership be smooth, successful, and rewarding.

Stay Connected! For ongoing real estate insights, market trends, and community news, follow me on social media: @RealtorJoe614 And when you're ready to take the next step, don't hesitate to reach out. I'm here to guide you every step of the way.

Best regards,  
Joe Holland

Realtor & Homeownership Expert