How to Spot a Great Deal on a Home

What Price, Condition and Location Can Tell You About a Property

Everyone loves the idea of scoring a deal on a house—snapping up a home others overlooked or getting more for your money. But what looks like a bargain at first glance may not be a smart buy. Spotting a true deal means knowing how to evaluate price, condition and long-term value, not just searching for the lowest number.

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COMPARE, DON'T JUST BROWSE

Start by understanding what similar homes are selling for in the same area. A house priced $20,000 under market might be a fantastic find — or it could be hiding costly issues. The key is context.

Ask your agent for a comparative market analysis (CMA). This report compares recent sales of similar homes (called "comps") to help gauge whether the asking price is reasonable. Pay attention to location, square footage, number of bedrooms and bathrooms, and updates. A lower price might make sense if the home needs a new roof or has an older HVAC system.

It's also helpful to look at price per square foot, but that's just one metric. Layout, features and even the street the house is on can make a big difference.

In newer developments, prices tend to be easier to compare. In older neighborhoods, homes may vary more widely in condition and design, so it's especially important to evaluate each on its own merits.

LOOK FOR MOTIVATED SELLERS

Sometimes a deal has less to do with the house and more to do with the seller. If a home has been on the market for a while or the price has been reduced multiple times, the seller may be open to negotiation.

Common signs of motivation include:

- Homes that are vacant or staged
- Listings with notes like "must sell," "bring all offers" or "relocation"
- Sellers who have already purchased another home

These situations can work in your favor, especially if you're ready to move quickly with financing in place. However, don't confuse urgency with value. Always investigate why a seller is motivated — there could be a reason other buyers passed.

WEIGH THE BIG PICTURE

A deal on paper doesn't always mean a good investment. Be sure to factor in potential repairs, renovation costs, location quirks and long-term livability. A home next to a busy street or under power lines might be priced lower for a reason—and may be harder to sell down the line.

Also consider the direction of the local market. If prices are rising in the neighborhood, even a home that needs some work might be a wise purchase. But if values are softening, you'll want to be more conservative in what you pay.

Talk to your agent about potential resale value, and always get a thorough inspection. A home that needs minor cosmetic work could be a steal—while one with hidden structural issues could become a financial headache.

A great deal is one that fits your needs, your budget and your goals. With the right research and a clear understanding of the local market, you'll be ready to spot a true opportunity when it appears.

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REAL ESTATE 101

The Listing Price Isn't Always the Market Price

A home can be listed above, below or at market value. Use recent comparable sales — not just the price tag — to decide whether it's truly a good deal.

HOMEWISE GLOSSARY

Comparative Market Analysis (CMA): A CMA is a report prepared by a real estate agent that estimates a home's value based on recent sales of similar properties nearby. It helps buyers and sellers understand fair market pricing.