

Communicated

## Keys to a Successful Real Estate Purchase

SHIA GETTER

### Finding the Right Place

"Location, location, location" is probably the most well-known – and clichéd – rule in the real estate industry. Is it true? And what does this phrase mean, anyway?

A home's location is one of the biggest determining factors in its desirability – and in whether a property will increase or decrease in value. What's often overlooked, though, is whether that location is in fact good for *you*. Even if a place is perfect on paper, do you actually want to live there?

When searching for a neighborhood, the single most important element is whether it meets the needs of your lifestyle. Sounds simple enough, right? But there are many aspects to examine: Is there a shul you feel comfortable *davening* in? Are the schools in line with your *chinuch* goals? Are the residents people you would want to socialize and build relationships with? Are there easily accessible amenities, like grocery stores, medical facilities, and so on? What's the atmosphere like? Do you enjoy a suburban setting, maybe even with a view, or do you prefer the round-the-clock action of a fast-paced city environment?

Though these questions may sound obvious, your answers to them form the foundation for your basic contentment, security, and well-being in any location. Visiting different neighborhoods and speaking to people who live there, *davening* in the shuls, and even just stopping by the local parks and shops can familiarize you with a neighborhood's atmosphere. Speaking to both long-term residents, as well as people who moved in more recently, can help you get a feel for what the neighborhood was – and what it's becoming. Additional features to look for are the accessibility and convenience of public transportation and/or parking; the overall aesthetics, upkeep, and cleanliness of the neighborhood; and how noisy (or quiet) it seems to be.

After you get a feel for a place, it's easier to figure out what your highest priorities are. What makes a place feel like home? What factors are nonnegotiable? What delineates the lines you will not cross? As the saying goes, you can't have *everything* you want – but you *can* have the things that really matter to you.

Though it may sound overwhelming to speak to so many people and visit so many places, this *hishtadlus* is essential *before* you start looking at (and potentially falling in love with) apartments. In Eretz Yisrael, neighbors play a very big role in a family's life, as the population density is high and people are living in close quarters. This holds true even in many places where people are purchasing villas or single-family homes, which are often situated much closer together than they would be in America or Europe. So do your homework!

Of course, if you're looking to buy property solely as an investment, "location, location, location" also holds true. It's just that what makes that location ideal is a bit different: You'll want to seek out a neighborhood that has a high – and growing – demand for rental properties. It's also a good idea to research the other building and development taking place in that area. Will the market soon be flooded with other rentals? Or is there a lockdown on new construction, meaning that every piece of existing property is precious?

Regardless of whether you're looking for a forever home or a forever investment, enlisting professional assistance from a knowledgeable real estate group



or a brokerage firm, like The Getter Group, is the way to go. Experts can give you an inside scoop – and an outside perspective – on what's really happening in any given real estate market, especially in a place like Eretz Yisrael, where being "in the know" is of prime importance.

### Building a Budget

So, now that you've figured out *where* you want to buy, you need to figure out *how* to make that possible – and that all boils down to your budget. For that, you'll need both dollars and lots of sense; after all, budgeting is not just about the apartment's ticket price, it's also about calculating for the other expenses involved, from realtors' and lawyers' fees to upgrades, renovations, mortgage rates, inflation, and more. Pre-sold apartments, purchased prior to construction, can sometimes be costlier than anticipated, due to building-material price increases, delays, and other factors.

To avoid unexpected budgetary developments, plan to spend 17% to 19% more than the apartment's ticket price. Go ahead, say "ouch" now, and then breathe a sigh of relief, recognizing that working this into your budget will help you in the end. With a solid number in your head, you can start searching for an apartment you can actually afford, both now and later on, even if "surprises" pop up. Keep in mind that having a realistic, firm budget can make you into a stronger, savvier negotiator when presenting an offer on an apartment. Realtors and sellers will quickly realize that you can't be pressured to raise your numbers.

A common pitfall buyers often run into in Eretz Yisrael involves the problem of mortgages and bank appraisals. Buyers apply for a mortgage based on the seller's asking price, but when the bank appraises the apartment, the buyer may learn that according to "official" calculations, the bank considers the apartment to be worth significantly less than the market does. This leaves the buyer in a lurch – seeking a mortgage that's actually much higher than the appraiser determines they need. Hopefully, if the buyer budgeted higher for "hidden" expenses, this won't be a major issue if it arises. Mortgage brokers are also of tremendous assistance in negotiating the best and most competitive rates.

### A Done Deal

Once a buyer reaches the point of coming to contract, he *must* hire a lawyer, as a thorough, carefully worded agreement makes all the difference. The Getter Group has seen countless examples over the years of how unique points can be incorporated into a contract to protect the buyer and prevent unpleasant surprises. Building on such experiences,



The Getter Group has created a contract appendix, which inventories exactly what is included in the deal – from fixtures to appliances and more. Additionally, The Getter Group has drafted a number of unique clauses and other safeguards that can be added to a contract to protect the buyer as needed.

Another, often overlooked, aspect of contracts is making sure that all the technical details, like the physical address, property size, and so on, listed in the document are consistent with the information registered in the municipality. Unbelievably, an apartment's address might not even correspond to the address listed in municipal records! We've seen firsthand how recording this kind of information in a contract shields the buyer from objectionable occurrences down the line.

The experts at Getter also advise buyers to update any payment schedule according to the actual date of signing. We've seen too many unfortunate examples of signings getting delayed but fee timetables remaining unrevised – meaning a buyer may need to remit payments within a week or two of signing, even though he anticipated having two or three months to begin sending the fees. Once it's signed, it's signed. We can't emphasize enough the importance of a tight contract.

Buying a home is among the biggest – and most exciting – purchases a person makes in his lifetime. Some people would add that it's also among the most stressful. Indeed, acquiring land in Eretz Yisrael is a huge *mitzvah* – and *Chazal* describe it as one of the three things that are obtained with suffering. Nevertheless, there are things that you can do to reduce the difficulties involved.

Engaging the assistance of a brokerage firm like Getter can change the whole experience. With careful planning and thorough review – and some help from a knowledgeable, trustworthy buyers' brokerage advocacy service – the process can be a smooth and even pleasant one. Then you can start making that perfect location into a warm and happy home.

*Mr. Shia Getter is an authority on real estate and buyer protection in Israel. He founded The Getter Group to help homebuyers secure their interests and avoid pitfalls when buying in Israel. Enlist the experts. Contact The Getter Group today at 718-473-3950 or via email at [mail@thegettergroup.com](mailto:mail@thegettergroup.com). Mr. Getter will be visiting New York and New Jersey from Jan. 13-16. Be in touch to arrange an appointment.*

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