

In Love With Two Houses? What to Consider When Making the Final Decision

As you find yourself heavily immersed in house-hunting mode, you may encounter a situation in which you're torn between two houses. Perhaps you and your spouse each have a favorite, or perhaps you both like two houses equally - or think you do. Making a final decision and determining which house to make an offer on shouldn't be taken lightly. **The decision should be made rationally and not guided by emotion.** Of course, you may not have the luxury of taking your time on deciding which house you'd like to pursue. You may be in a market in which homes in your price range get snatched up as quickly as they go on the market, perhaps even attracting multiple offers. But in some situations, you may find yourself torn between two houses. Sometimes the easiest thing to do is take pen to paper and outline your family's needs, your budget, and the pros and cons of each house.

Some things you'll want to compare include:

The neighborhoods. If the two final contenders are in different neighborhoods, evaluate the pros and cons. If you have kids and being close to a park is important, you'll want to consider that. How close are shopping, restaurants, church, and other services? Are the streets maintained? Do homeowners landscape and maintain their homes nicely? How long will your commute to work be?

The schools. If you have school-aged children, you definitely want to consider the reputation of the neighborhood schools. You can usually find general district information and state standardized test results online. But once you're this deep in the process, you'll want to visit the schools and receive the information first-hand from school officials. You should also talk to teachers and parents.

Crime. Go to the local police or sheriff department and ask about crime in your specific neighborhood. You might find theft or vandalism to be more prevalent in one area than another.

The houses compared to others in the neighborhood. While it may boost your self-esteem to have the biggest house on the block, it's typically a better idea to stay away from purchasing the neighborhood monster. When it comes time to sell you'll find that the lower value of your neighbors' homes will shrink your home's value.

Appreciation. If the two homes you're eyeing are in different parts of town or different neighborhoods, ask your real estate agent to retrieve sales of homes in those neighborhoods over the past few years. If one neighborhood shows an annual average 8 percent increase and another is skyrocketing at 15 percent, you may have your decision made.

The sellers' situations. If you don't know already, ask your real estate agent how long each home has been on the market. Usually the longer a house has been listed, the better chance the seller will accept an offer lower than asking price. Conversely, if the house has been on the market for just a couple days, the sellers will probably wait for a better offer if you offer less than the listed price. Your real estate agent might also be able to dig up additional information about the sellers, like why they're selling. If it's a job-related move or a divorce, the sellers likely want to move as quickly as possible, meaning you have a better shot at them accepting a lower price.

The houses themselves. If you haven't already, you should make a list of the amenities and attributes you want your house to have. If you want that first-floor home office, a large, open back yard for the kids, or a gourmet kitchen, be sure to include that on your list. Then, rate how each house measures up to each need on your list.

Drawbacks. Likewise, make a list of the cons associated with each house and determine how much of a negative impact each will have.

As you carefully weigh all the factors, it might become clear that one house is more enticing than the other. Or, you may find the houses are still equally appealing. If that is the case, be sure you look at the homes more than once. You may notice something you didn't the first time around - something that could sway you one way or the other. In fact, you should probably visit each home at least two more times, at different times of the day to get a feeling for how the house and neighborhood look and feel in the morning versus late afternoon or evening. Once you make a decision and an offer, you can take comfort in knowing you may still have a back-up if the deal falls apart.