

# Home buyers willing to go over budget to get an edge in competitive market By Sarah D. Young

Stress is the theme of this year's spring real estate season, says Owners.com

Stiff competition in the real estate market may lead many home buyers to go over budget this spring buying season, according to a new study by [Owners.com](#).

More than half (55%) of consumers who responded to a survey by the online real estate brokerage said they were willing to go beyond their budget on a home purchase. Those who were willing to shell out extra for their dream home stated they would go an average of nearly 40,000 over budget.

The survey suggests potential buyers are aware that housing inventory remains low while mortgage rates keep climbing. But while an impressive display of finances may help boost a buyer's chances of getting their dream home, going over budget on a house could lead to added stress brought on by financial concerns.

## Stress-inducing financial concerns

Most buyers appear to be bracing for a tumultuous home buying process. The survey showed that 72% of potential home buyers expect to encounter stress before being handed the keys to their new home.

Financial stressors stemming from overspending were the most concerning aspect of buying a home for many consumers. Top concerns and issues cited when buying a house included:

- Fear of losing earnest money deposit (64%)
- Becoming house poor (61%)
- Bidding wars driving up house price (59%)

## Cutting costs

Overspending on a home probably isn't the best idea, says Lou Cannataro, senior partner at Cannataro Park Avenue Financial in Manhattan.

More expensive homes usually come with higher monthly costs that can devastate even the best of incomes. This can lead to "an expensive spending vortex and a financial risk many would be better off avoiding," he told NewsDay.com.

To offset the financial stress brought on by high market competition, some consumers are considering real estate models that offer opportunities to cut costs in the transaction.

A majority (85%) of the 1,200 potential home buyers surveyed by Owners.com said they would be willing to consider handling the process themselves if it meant they would be charged a lower a commission and be given access to the more complicated transaction services, like the appraisal or legal documents.

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