

HOME BUYER GUIDE

YOUR GUIDE TO A STRESS FREE HOME PURCHASE

THE ROAD TO

home

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THE HOME BUYING PROCESS AT A GLANCE

1. FINANCES & PRE-APPROVAL

- STEP 1 IS ALWAYS TO OBTAIN A FINANCIAL PRE-APPROVAL (OR PROOF OF FUNDS FOR CASH PURCHASE)
- PREPARE FOR ADDITIONAL COSTS (REVIEW YOUR BUDGET AND NEW EXPENSES SUCH AS UTILITIES, MAINTENANCE COSTS, AND HOA FEES IF APPLICABLE)

2. SEARCH

- PREVIEW POTENTIAL PROPERTIES ONLINE
- SCHEDULE SHOWINGS AND VIEW THE PROPERTIES YOU ARE MOST INTERESTED IN

3. OFFER & NEGOTIATIONS

- WRITE UP AND SUBMIT AN OFFER ON YOUR FAVORITE PROPERTY
- NEGOTIATE THE TERMS OF THE OFFER
- ACCEPT THE CONTRACT
- DEPOSIT ESCROW (DELIVER, MAIL, OR WIRE) WITHIN 5 DAYS
- COMPLETE LOAN APPLICATION WITHIN 7 DAYS
- OBTAIN HOMEOWNERS INSURANCE QUOTES

4. INSPECTION PERIOD

- CONDUCT INSPECTIONS (HOME, RADON, TERMITE, SEPTIC, WATER, ETC)
- RESOLVE/NEGOTIATE ANY MATERIAL DEFECTS FROM INSPECTION

5. FINANCING PERIOD

- YOUR LENDER WILL ORDER THE APPRAISAL
- OBTAIN HOMEOWNERS INSURANCE
- SUBMIT ANY NECESSARY DOCS IN TIMELY MANNER
- DO NOT OPEN ANY OTHER LINES OF CREDIT OR LOANS!

6. PREPARING TO CLOSE

- TITLE COMPANY WILL CONDUCT TITLE SEARCH AND ORDER SURVEY
- RECEIVE CLOSING STATEMENT/CLEAR TO CLOSE & ALTA SETTLEMENT STATEMENT
- WIRE FUNDS OR BRING CERTIFIED CHECK TO CLOSING
- CONDUCT A FINAL WALK-THROUGH OF PROPERTY AND CLOSE
- CLOSING DAY: SIGN THE PAPERWORK, GET YOUR KEYS- IT'S ALL YOURS!

THE COSTS OF BUYING A HOME

DEPOSIT:

THE INITIAL AMOUNT YOU PUT TO SECURE THE HOME FOR OUR OFFER. THIS RANGES FROM 2% TO 3% AND IS REDUCED FROM YOUR FINAL DOWN PAYMENT. THIS CAN BE DONE IN ONE DEPOSIT OR SPLIT INTO TWO PAYMENTS.

INSPECTIONS:

HOME INSPECTIONS ARE IMPORTANT WHEN BUYING A HOME. WE WANT TO FIND OUT EVERYTHING WE CAN THAT COULD BE WRONG WITH THE HOME. WOULD YOU BUY A CAR WITHOUT TEST DRIVING IT OR HAVING A MECHANIC CHECK IT? A GENERAL HOME INSPECTION IS A MUST, BUT YOU CAN ALSO SELECT THE TERMITE/PEST INSPECTION, RADON INSPECTION, WATER INSPECTION (IF WELL WATER), SEPTIC INSPECTION, STUCCO INSPECTION, AND LEAD PAINT INSPECTION.

APPRAISAL:

ALL HOMES THAT HAVE A MORTGAGE WILL REQUIRE AN APPRAISAL TO ENSURE THAT THE HOME IS VALUED CORRECTLY . AN APPRAISAL IS DONE STRICTLY FOR THE LENDER AND COSTS BETWEEN \$400 - \$575. THIS WILL BE PAID UPFRONT BUT WILL REDUCED FROM YOUR TOTAL CLOSING COSTS.

DOWN PAYMENT:

THIS IS NOT DUE IN FULL UNTIL SETTLEMENT! TYPICALLY RANGING FROM 3.5% (WITH AN FHA LOAN) TO 20%, AND EVERYWHERE IN BETWEEN!

CLOSING COSTS:

CLOSING COSTS ARE THE FEES THAT ARE NEEDED TO CLOSE AND GET KEYS FOR YOUR NEW HOME - SUCH AS LENDER FEES, TRANSFER TAX (1% PAID BY THE BUYER AND 1% PAID BY THE SELLER IN PA) ESCROW FEES INCLUDING YOUR TAXES, AND HOMEOWNERS INSURANCE. CLOSING COSTS TYPICALLY RANGE FROM 2.5%-3% OF THE PURCHASE PRICE OF THE HOME.

P R I C I N G	GENERAL HOME INSPECTION:
	\$450-550 (DEPENDS ON SQUARE FEET)
	RADON:
	\$125
	TERMITE:
	\$155
	WATER (IF APPLICABLE):
\$200	
ON-SITE SEPTIC (IF APPLICABLE):	
\$350-\$800	
STUCCO (IF APPLICABLE):	
\$400-\$800	

***IT IS ALSO IMPORTANT TO ELECT PROPERTY & FLOOD INSURANCE TO MAKE SURE THAT THERE WERE NO MAJOR CLAIMS ON THE PROPERTY THAT WERE NOT DISCLOSED!

*COSTS MAY VARY DEPENDING ON INSPECTION COMPANY USED

GENERAL THINGS TO KNOW

REASONS WHY NOT TO CALL THE AGENT ON THE SIGN

THE LISTING AGENT HAS A FIDUCIARY DUTY TO THE SELLER BY SIGNING A CONTRACT WITH THEM FIRST, YOU AS A BUYER ARE A **SECOND INTEREST**. IF YOU WENT TO COURT, WOULD YOU USE THE OTHER PERSON'S ATTORNEY? OF COURSE NOT, YOU WANT AN EXPERIENCED AGENT WORKING FOR YOU TO GET THE BEST PRICE AND TERMS THAT IS BEST SUITED FOR YOU, NOT ALL ONE SIDED FOR THE SELLER!

CONTINGENCIES

WE HAVE 2 MAIN CONTINGENCIES THAT REMAIN IN PLACE UNTIL WE REMOVE THEM FOR YOUR SAFETY. THESE CONTINGENCIES KEEP YOUR DEPOSIT SAFE WHILE WE COMPLETE EACH SET. IF ANY OF THE ITEMS BELOW DO OCCUR WE WILL CANCEL AND EXIT OUR CURRENT CONTRACT IMMEDIATELY. AT THIS TIME YOU WILL BE ABLE TO COLLECT AND KEEP YOUR ORIGINAL DEPOSIT.

INSPECTIONS CONTINGENCY

IF WE HAVE AN INSPECTION REPORT COME BACK WITH ISSUES THAT YOU ARE ARE NOT COMFORTABLE WITH OR ARE NOT WILLING TO PROCEED, (IE DEAL BREAKERS) WE CAN CANCEL THE CONTRACT. WE DO HAVE AN OPPORTUNITY TO ASK THE SELLER TO MAKE THE REPAIRS, HOWEVER THIS IS ONLY IF YOU ARE COMFORTABLE WITH THEM BEING COMPLETED. WE ARE FOCUSING ON THE "MATERIAL DEFECTS" THAT COME BACK IN THE INSPECTION, WHICH ARE ITEMS THAT ARE SAFETY ISSUES OR COMPROMISE THE VALUE OF THE HOME.

LOAN CONTINGENCY

IF WE RUN INTO AN ISSUE WITH FINANCING BEFORE WE CLOSE AND ARE NOT ABLE TO OBTAIN THE LOAN WE ORIGINALLY PLANNED TO, THEN WE ARE ABLE TO CANCEL OUR CONTRACT. OR GO BACK TO NEGOTIATING. MANY TIMES IF THIS HAPPENS, THE BUYERS AND SELLERS SPLIT THE DIFFERENCE

NEW CONSTRUCTION

WE CAN NEGOTIATE BETTER TERMS OR UPGRADES IN YOUR NEW HOME THAT THE BUILDERS OFTEN DO NOT TELL BUYERS BECAUSE THEY HAVE THE BUILDER'S BEST INTEREST AND PROFIT IN MIND, AND NOT YOURS. WE CAN ALSO RECOMMEND WHICH UPGRADES TO DO NOW WITH THE BUILDER, AND WHAT WOULD MAKE MORE SENSE TO DO AFTER YOU MOVE IN. NOT TO MENTION, IF ANYTHING WERE TO GO WRONG DURING THE PROCESS, YOU WOULD DEFINITELY WANT SOMEONE REPRESENTING YOU AND YOUR BEST INTEREST, WHICH IS NOT THE SALES REP, AS THEY WORK FOR THE BUILDER.

FORECLOSURE/BANK-OWNED PROPERTIES

THOUGH MANY FORECLOSURE HOMES ARE PERCEIVED AS AN EXCELLENT INVESTMENT DUE TO LOWER THAN AVERAGE PRICING, THERE ARE A FEW STIPULATIONS TO CONSIDER. MANY FORECLOSED HOMES ARE IN A ROUGH CONDITION DUE TO PREVIOUS OWNERS BEING FORCED OUT OF THEIR HOME. WITH THIS IN MIND, THE PROPERTIES ARE RARELY LEFT IN "MOVE-IN" CONDITION AND ARE ALWAYS SOLD AS IS WITH AN EXTREMELY RARE CHANCE TO HAVE THE HOME FIXED PRIOR TO PURCHASE. WHILE TYPICAL ESCROWS LAST 30-45 DAYS, DUE TO THE COMPLICATED NATURE OF THE LOANS, THESE ESCROWS TAKE A MINIMUM OF 90-120 DAYS TO CLOSE AND RECEIVE KEYS.

WHAT WE ARE HERE TO DO FOR YOU!

- AGGRESSIVE OFFER STRATEGIES TO ENSURE YOU GET EITHER THE BEST DEAL OR TO HAVE YOUR OFFER ACCEPTED IN A MULTIPLE OFFER SITUATION
- SHOWING YOU THE MOST RECENT AND MOST SIMILAR COMPARABLE HOMES THAT HAVE SETTLED IN THE AREA TO HELP YOU MAKE THE MOST EDUCATION DECISION
- PERFORM A MARKET EVALUATION AND DETERMINE THE BEST AND MOST SUITABLE HOMES FOR YOU
- CONNECT YOU WITH LENDERS WHO HAVE FINANCING OPTIONS FOR BUYERS, INCLUDING DOWN PAYMENT ASSISTANCE AND LOW DOWN PAYMENT PROGRAMS
- CONDUCT “REVERSE PROSPECTING” TO PROACTIVELY GO AFTER SELLERS LOOKING TO SELL THE SPECIFIC TYPE OF PROPERTY YOU ARE LOOKING FOR
- UPDATES ON SEARCHES DAILY IN THE MULTIPLE LISTING SERVICE SO THAT YOU GET THE MOST UP TO DATE HOMES AND DO NOT MISS ANY
- E-SIGNING FOR ALL CONTRACTS AND OFFERS IN ORDER TO GET AN OFFER SUBMITTED IN UNDER 15 MINUTES
- A COMPLETE REFERRAL NETWORK TO HELP GIVE YOU THE BEST DEAL AND ANY DISCOUNTS WHEN IT COMES TO THE MAINTENANCE AND LONG TERM CARE OF YOUR NEW HOME

