



Buyer's HANDBOOK

A guide to buying your first home

Thank you!

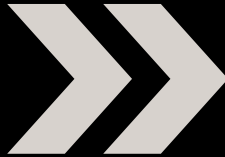
Before we get started, I want to say congrats and thank you for taking these next steps!

Buying a home these days is no small task.

But, homeownership is an amazing milestone in our life journey, and it will elevate you to new heights!



**SO LET'S
GET STARTED!**



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Buying Timeline

- 1** Get Pre-Approved!
- 2** Search for your new home!
- 3** Submit Offers

Offer Accepted!

- 4** Earnest \$ Submission and Home Inspection
- 5** Appraisal & Final Loan Approval
- 6** Final Signing & Closing!!!

Getting Pre-Approved

Local Lender vs Big Bank!

What are some things to consider when choosing a lender?

- Customer Service, Responsiveness & Flexibility
- Origination fee amount
- Do they have a minimum credit score requirement? (Also can depend on the loan type)
- Are their rates competitive? (Note: Lenders do not have direct control over rates--only wiggle room within their respective organizations)

The Application Process

What should you be prepared to submit?

- W-2's from past 2 years
- Recent paystubs (typically 2 months worth)
- Tax returns from past 2 years
- Bank Statements & any other market accounts you will need to show assets for to qualify (last 2 months)
- Proof/paperwork for any other misc. debt, assets, or outlying financial circumstances

IMPORTANT REMINDER

- Once pre-approved, DO NOT:
 - Open new lines of credit, credit cards, or loans
 - Make any large purchases (car, boat, etc.)
 - Make big changes to your bank accounts (speak to us first)

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Home Searching

Some say it's the most fun part!

What are the key features to consider?

- Bedrooms/Bathrooms
- Square Footage/Lot Size (Yard)
- Garage/Covered Parking
- Additional amenities (solar, pool, etc.)
- Location, location, location
 - School District
 - Commute to work or to everyday necessities
 - Future developments in the area

Search Platforms: What's the Difference??

There are a ton of search options out there!

- ARMLS (Multiple Listing Service)--this is the primary system we agents use AND most accurate of them all!
- Zillow
- Redfin
- Realtor.com
- Trulia
- And more....

All sites following our MLS may not being as accurate/up-to-date because they pull their information from it! It's best that we set you up a search directly linked to the MLS source!

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Making the Offer

We found “the one”...so what now?

- We will discuss all variables of the home and I will contact the seller’s agent to receive any additional information
- Once we have reviewed the entirety of the situation, we shall gameplan the winning offer that you ultimately approve of!
- All offer packets are completed electronically and can be signed via email (DocuSign)
- Once all legal offer documents are reviewed and signed, we submit it to the listing (sell) side!

What makes a strong offer?

- Higher Earnest Money (1-3% of purchase price typically)
- Larger Down Payment
- No help with Closing Costs needed
- Shorter Inspection Timeframe
- Quick Closing Date
- Additional Funds in case of a low appraisal

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Offer Accepted!

We are now under mutual acceptance!

- “Escrow” opens with the title company listed in the contract
- It is absolutely **critical** to meet all follow-on timelines! Failure to do so jeopardizes contract rights!
 - **Earnest Money:** submit the wire or check within 2-3 business days [specified in the contract]
 - **Home Inspection:** Schedule & perform. Payment due upon inspection. Our repair request needs to be submitted prior to the deadline
 - Continue to update **lending** with any necessary information that they ask

ANOTHER REMINDER

- Once pre-approved, **DO NOT:**
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“Hidden Costs”

Up Front/Out-of-Pocket!

- Earnest Money:
 - Needs to be liquid cash (not credit)
 - Wire/check to escrow
 - Goes towards your closing costs (i.e. it is possible to get back at closing!)
- Home Inspection:
 - About \$450-\$650 depending on home size & add-ons (termite check, sewer scope, etc.)
 - Can be paid with credit card

Closing Costs...What Are They?

- At closing, all funds and fees are balanced out between you and the seller
- You are each responsible for separate fees, and any negotiated amounts, like seller's credits/concessions, will also be present here.
- You will receive estimated balance sheets prior to closing for your review as well

Fees CAN include:

- | | | |
|--------------------|----------------------------|--------------------------|
| ◦ Appraisal | ◦ Document Prep fee | ◦ Credit Report |
| ◦ Processing fee | ◦ Lender fee | ◦ Transfer Taxes |
| ◦ Title Insurance | ◦ Escrow Taxes & Insurance | ◦ Settlement officer fee |
| ◦ Underwriting fee | ◦ Pre-paid Interest | ◦ Attorney/Notary fee |
| ◦ Recording fee | ◦ Loan Discount fee | |

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Additional Notes

Closing Costs Continued

- Closing Costs are separate from your down payment
 - We can essentially get them covered when negotiating seller's concessions
 - To "wrap it into the loan", we add an additional value onto the purchase price, but receive the concessions in return
 - **For example:** \$510K Purchase Price w/ \$10K Concessions is equal to a \$500K straight-up offer

Signing!

- Once all funding/documentation is finalized, signing can occur for both buyers and sellers
- You do not have to be present in the area to sign! You can sign w/ a mobile notary anywhere nationally, at a US embassy internationally (with enough lead time), or by someone else w/ valid Power of Attorney (POA)

Closing!

- On closing day, funding and official deed recording occurs
- Keep in mind: If a "rent-back" was negotiated in the contract, the sellers may still have possession of the home until the agreed upon date

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Final Words

As you can see, there are **tons** of moving pieces to a real estate transaction, but that is okay!

That is why I'm on your side, and as a team, we will win!

If you have any questions, let's go over them. And, of course, if any other questions come up, do not hesitate to ask.



It's Time
to Find You
a Home!



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