



Buyer

handbook

A HOMEBUYER GUIDE



BRITTANY WILLIAMS

REAL ESTATE SALESPERSON



GETTING STARTED

We start every home buying process with the proper research and preparation. Our checklist for this stage includes the following goals:

- ✓ Determine the type of home you want
- ✓ Discuss current market statistics
- ✓ Hire us as your real estate agent



HOME BUYING PROCESS

- 1 MEET WITH YOUR AGENT
- 2 GET PRE-APPROVED
- 3 FIND YOUR HOME
- 4 OFFER & ACCEPTANCE
- 5 INSPECTION & APPRAISAL
- 6 PREPARE FOR CLOSING
- 7 GET YOUR KEYS

BUYER FAQS

WHAT'S THE FIRST STEP OF THE HOME BUYING PROCESS?

You'll need to get a mortgage unless you're paying cash for a house. To know how much home you can afford, you need to get pre-approved for a loan first.

HOW MUCH MONEY DO I NEED FOR A DOWN PAYMENT?

Usually 3-5% of the purchase price of the house.

HOW LONG DOES IT TAKE TO BUY A HOME?

In New York State, it takes about 60 days to purchase a home.

WHAT OTHER FEES ARE THERE, BESIDES THE DOWNPAYMENT?

Mainly loan origination and closing costs at about 2% to 4% of the loan amount. You'll also have to pay for a home inspector, insurance, and any HOA fees.

CAN I BUY AND SELL MY CURRENT ONE AT THE SAME TIME?

Absolutely! Depending on your situation, we'll recommend buying or selling first.

WHAT KIND OF CREDIT SCORE DO I NEED TO BUY A HOME?

A score of 620 or higher can get you better lending terms, minimum is 540.

WHEN CAN I EXPECT TO RECIEVE THE KEYS TO THE NEW HOUSE?

You'll get the keys to your new home on closing day once the transaction is complete and fully funded by the title company, so about 30-90 days.

HOME BUYER

WORDS YOU SHOULD KNOW

CLOSING COSTS

Taxes, insurance, and other lender expenses paid at the end of the transaction by the seller, buyer, or both.

APPRAISAL

Property and/or land valuation completed by an appraiser who determines the market value - typically 1-4 weeks.

INSPECTION

A visual and mechanical examination of a home to identify defects and assess the home's condition.

DOWN PAYMENT

Is what you typically pay up front for a house in order to close the sale. Usually 3-20% of the purchase price. Not the same as closing costs.

EARNEST MONEY

Deposit made to a seller showing the buyer's good faith in a transaction. Typically 1-3% of purchase price.

TITLE INSURANCE

Insurance to protect the lender or owner from any claims related to the title of the property. Usually paid for by the buyer.

DEBT TO INCOME

DTI is the comparison of your monthly debt payments to your monthly income before taxes, expressed as a percentage.

CLOSING

Usually a meeting that includes documents, signatures, checks, and everything needed to buy or sell the house.

ESCROW

Funds deposited with a third party and held until a specific date is reached and/or a specific condition is met.

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GETTING PRE-APPROVED

A pre-approval letter in your hands can turn the home offers you make into irresistible invitations. So before you start looking for a home, getting your finances in order is crucial.

Like the first stage of the buying process, shopping for a loan and getting pre-approved are best done a month or two ahead of your home search. Sorting out your finances can take some time; more importantly, the application for mortgage pre-approval takes approximately 45 days.



PRE-APPROVAL CHECKLIST

PROOF OF INCOME:

Provide documentation of your income, such as W-2 forms, tax returns, and pay stubs for the past two years.

EMPLOYMENT VERIFICATION:

Provide evidence of stable employment for at least two years, such as a letter from your employer or a verification of employment form.

CREDIT HISTORY:

Your lender will check your credit report to evaluate your creditworthiness, so make sure you have a good credit score and a clean credit history.

ASSETS:

You'll need to provide documentation of all your assets, such as bank statements, investment accounts, and retirement accounts.

DEBT OBLIGATIONS:

Provide documentation of all your current debt obligations, such as credit cards, car loans, and student loans.

DOWN PAYMENT:

Determine the amount of your down payment and provide documentation of the source of funds for the down payment, such as bank statements or gift letters.

PRE-APPROVAL APPLICATION:

Complete a pre-approval application with your lender, providing all the necessary information and documentation.

PROPERTY INFORMATION:

Provide information on the property you intend to purchase, including the address, purchase price, and any other relevant details.

FINANCIAL MUST HAVES

DOWN PAYMENT

Although you'll pay this at closing, proof of this is also what will help you secure your mortgage. Depending on your situation, 0-20% of the purchase price.

EARNEST MONEY

When you make an offer on a home, you will be expected to pay a deposit as a show of good faith (EMD). It will be applied to your down payment or closing costs. Usually about 1% of purchase price.

HOME INSPECTION

A home inspector will conduct a thorough review of the home's most important components—such as its structure, roof, air conditioning/furnace and electrical system—before you purchase the property.

APPRAISAL

When financing with a mortgage, an appraisal will be ordered, and you will need to pay for that out of pocket before closing.

INSURANCE

You are required to have Title Insurance and Homeowners Insurance before closing.

CLOSING FEES

Be prepared to cover the cost of attorney fees, surveys and documentation.

CREDIT SCORE MATTERS

ALWAYS PAY ON TIME

Payment history heavily influences your credit score. In fact, it is the most influential factor for FICO and VantageScore. To stay on top of your payments, set up a calendar reminder or enroll in automatic payments. The on-time payment goal applies to all your bills, including utilities, rent and cell phone service.

KEEP BALANCES UNDER 35%

Credit utilization is another key piece of your credit score puzzle. Credit utilization measures the balances you owe on your credit cards relative to your cards' credit limits. It's calculated on an overall basis (total balance on all cards divided by sum of credit limits).

DON'T CLOSE OLD ACCOUNTS

Think twice before closing an old account. Having the available balance will help your credit utilization ratio, and having older accounts on your report can also boost your score. The reason you are building excellent credit is so that you can qualify for attractive financing (for example, a low interest rate mortgage when you're ready to buy a house). As long as you continue to demonstrate that you're a responsible borrower who makes on-time payments, your score should stay strong over time

DIVERSIFY

If you think your credit mix needs diversifying, consider taking on a low-interest rate loan you know you can pay on time, every time. If you have avoided credit cards altogether, you might think about opening one, charging a small amount each month and paying it off immediately. While having an attractive credit mix can help you reach an excellent credit score, you shouldn't take on any financing that you don't need or can't handle

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THINGS TO AVOID AFTER APPLYING FOR A MORTGAGE

Don't change bank
accounts.

Don't apply for new
credit or close any
credit accounts.

Don't co-sign
other loans for
anyone.

Don't make any
large purchases

Don't deposit cash into your bank
accounts before speaking with your
bank or lender.

Consistency is the name of the game after applying for a mortgage. Be sure to discuss any changes in income, assets, or credit with your lender, so you don't jeopardize your application.

The best plan is to fully disclose and discuss your intentions with your lender before you do anything financial in nature.

FINDING THE RIGHT LOCATION

CONSIDER THE NEIGHBORHOOD

Research the community where you plan to purchase a home. Look for features such as nearby schools, public transportation, shopping centers, parks, and entertainment options.

PROXIMITY TO WORK

Consider the distance and ease of transportation to your workplace. Check traffic patterns, parking options, and commuting times.

CHECK THE LOCAL MARKET

Study the local real estate market to understand the property values, trends, and market conditions. Check the price of homes in the area to ensure that you are getting a fair deal.

CHECK PROPERTY CONDITION

Examine the condition of the house, including its age, construction quality, and necessary repairs. Have a home inspection to determine if there are any major defects or issues.

EVALUATE SURROUNDINGS

Take into account the property's surroundings, such as traffic noise, air pollution, and potential hazards. Consider the climate and weather patterns in the area.

CONSIDER ACCESSIBILITY

Think about the accessibility of the property to other amenities, such as hospitals, police stations, fire stations, and airports.

CHECK THE CRIME RATE

Research the crime rate in the neighborhood to ensure the safety of your family and property.

DETERMINE PROPERTY VALUE

Assess the potential future value of the property based on location, surrounding developments, and community growth trends.



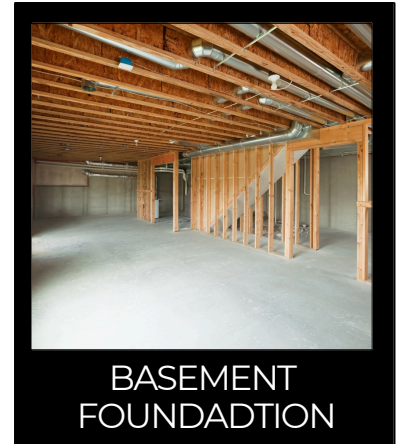
SYSTEMS THAT MAKE UP A HOUSE



ROOF



WINDOWS, DOORS,
& WALLS



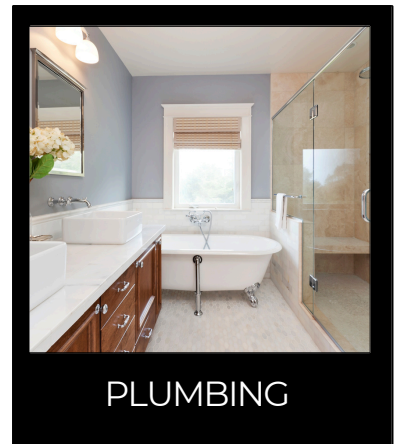
BASEMENT
FOUNDATION



ELECTRICAL



HEATING & COOLING



PLUMBING

STRUCTURE

1. Foundation
2. Frame
3. Roof

FUNCTIONAL

4. Windows/Doors
5. Plumbing
6. Electrical
7. HVAC

FINISHES

8. Siding & Gutter
9. Drywall & Paint
10. Interior Finish
11. Finished Flooring

THE OFFER PROCESS

WHEN YOU LOVE A HOUSE, WE SUBMIT AN OFFER

We'll meet and write an offer to determine:

1. Purchase Price
2. Earnest Money Deposit
3. Inspection Contingency
4. Included Appliances
5. Closing Date
6. Other Terms and Conditions

Once the details are thoroughly reviewed and understood, the seller will have three options:

1 - ACCEPT THE OFFER AS WRITTEN

2 - DECLINE THE OFFER

If they feel the offer isn't close enough to their expectations to further negotiate this offer.

3 - COUNTER OFFER

If they agree to most the offer but want to change a few details, they can counter our offer with the new terms.

We can negotiate back and forth as many times as needed until we reach an agreement or someone chooses to walk away.

WHEN OUR OFFER GETS ACCEPTED...



NEXT, WE HIRE A REAL ESTATE ATTORNEY. THEY WILL GO OVER THE TERMS LINE BY LINE AND ISSUE AN ATTORNEY APPROVAL LETTER.



NEXT STEPS

ORDER INSPECTIONS

Ordering inspections before closing when buying a home is crucial to avoid potential complications and ensure the home is in good condition.

APPRAISAL

When obtaining a mortgage, the bank will require an appraisal, which is an unbiased assessment of a property's value. Factors include location, age of property, lot size and square feet, condition of the home, terms of the contract and any upgrades that have been made to the property.

APPLY FOR MORTGAGE

You'll submit all necessary documents, such as income verification and credit reports, to the lender. Once approved, you'll sign the loan documents and provide a down payment before the loan can be funded and the home purchase can be completed.

SWITCH UTILITIES

- NYSEG – 800.572.1111
- National Fuel – 800.444.3130/ 716.686.6123
- National Grid – 800.642.4272/ 716.832.2400
- Erie County Water Authority – 716.849.8444
- Niagara County Water District – 716.434.8835
- Buffalo Water Department – 716.847.1065
- Niagara County Garbage District – 716.439.7245
- Buffalo Garbage Department – 716.851.5370
- Spectrum – 855.243.8892
- Verizon – 800.837.4966
- DIRECTV – 888.777.2454

SCHEDULING YOUR MOVE

AFTER SIGNING

Start by decluttering and packing up your belongings and donate or throw away anything you don't need, create an inventory of anything valuable that you plan to move, and, finally, you'll want to get estimates from moving companies for your specific needs.

4 WEEKS TO MOVE

- Schedule movers/moving truck
- Buy/find packing materials
- Start packing

3 WEEKS TO MOVE

- Your lender will arrange appraisal
- Title work will be completed
- Keep packing

2 WEEKS TO MOVE

- We will schedule you a time to close and sign your documents
- Contact utility companies (water, electric, cable)
- Change address: mailing, subscriptions, etc.
- Minimize grocery shopping
- Keep on packing

1 WEEK TO MOVE

- You will complete your final walkthrough
- Finish packing
- Clean
- Pack essentials for a few nights in new home
- Confirm delivery date with the moving company.

WHAT TO BRING TO CLOSING

A PHOTO ID

A CASHIER'S CHECK

THE CLOSING DISCLOSURE

PROOF OF INSURANCE

YOUR REAL ESTATE AGENT



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OUR PROMISE TO YOU

Selecting us as your realtor ensures a devoted and skilled team dedicated to assisting you in buying your ideal property. We offer personalized service, expert guidance, and a steadfast commitment to your satisfaction throughout the entire buying process.

- ✓ **HONESTY AND TRANSPARENCY**
- ✓ **COMMUNICATION AND RESPONSIVENESS**
- ✓ **PROFESSIONALISM AND EXPERTISE**
- ✓ **DILIGENCE AND ATTENTION TO DETAIL**

