

Your Comprehensive Guide to the **HOMEBUYING JOURNEY**

The team at Mark Adams & Associates is here to ensure you have the knowledge you need to feel confident about this exciting decision. This guide will break down the homebuying process from start to finish, so you know what to expect each step of the way.



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6 steps to a successful

HOMEBUYING JOURNEY

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*We'll be with you
each step of the way!*



1. Deciding to Buy a Home

Acquiring a property is likely to be the most significant financial choice you will ever make. Whether you're a first-time buyer or an experienced one, it is crucial to approach this decision with great care.

WHAT IS THE MOTIVATION BEHIND YOUR PURCHASE?

Are you tired of paying rent and prefer to contribute to your own mortgage rather than your landlord's? Have you outgrown your current residence? Are you interested in building an investment portfolio? Perhaps you're searching for a rental property. Do you desire a larger yard or wish to live in a different neighborhood? Maybe you want to reduce your commute time. Having a clear understanding of your reasons for purchasing will assist you in selecting the right property.

HAS YOUR INCOME INCREASED?

Property ownership presents an excellent investment opportunity, whether you're in search of your dream home, a rental property, or a means to expand your investment portfolio. Real estate ownership is among the least risky methods for building equity or obtaining a higher return on your initial investment.



2. Getting Prepared

Prior to commencing your property search, it's smart thinking to take some preparatory measures.

COMPILE YOUR FINANCIAL DOCUMENTS.

Assemble a comprehensive collection of your vital financial documents, known as a "green file." This file is crucial for securing financing for your property. Your green file should typically include:

- Financial statements
- Investment records
- Auto loan documentation
- Two years' worth of tax returns
- Copies of leases for investment properties
- Statements for 401K, life insurance, stocks, bonds, and mutual accounts.
- Bank account information
- Credit card details
- Recent pay stubs

EVALUATE YOUR CREDIT SCORE.

Your credit rating plays a significant role in determining the type of property you can purchase and the price range you can afford. It is advisable to assess your credit score through a reputable lending institution to understand your financial capabilities. The lender will review your credit ratings from the three major credit reporting agencies: Equifax, Experian, and TransUnion. We are happy to provide recommendations for experienced lenders specializing in residential, construction, and commercial or investment real estate.

EXERCISE CAUTION WITH YOUR FINANCES.

This is not an ideal time to make sudden career changes or major purchases. It is crucial to approach your property purchase with a foundation of financial stability.



3. Choosing your Agent

When it comes to purchasing a property, there are many crucial financial decisions to be made, complex matters to understand, and a considerable amount of paperwork to handle. Having a knowledgeable professional by your side can greatly assist you in navigating this big transaction. We are here to guide you throughout the entire process and offer exclusive access to property listings before they become available to the general market.

CONSIDER THE FOLLOWING FACTORS WHEN SELECTING YOUR AGENT:

- Seek a full-time agent who possesses experience in successfully closing transactions similar to yours.
- Conduct interviews with multiple agents to gauge their familiarity with the area you are interested in.
- Inquire about the agent's availability and whether they can accommodate your schedule, including evenings and weekends.
- Ask about their credentials and education. A reputable agent consistently strives for improvement and stays updated on the latest real estate trends. Look for agents who hold esteemed designations in their respective areas of expertise.
- Assess the agent's responsiveness to your calls. Prompt communication is crucial when you're aiming to purchase a property.
- Request a list of properties they have sold or references from previous clients.
- Choose an agent who actively listens to your needs and concerns. It's important to work with someone with whom you feel comfortable.



4. Shopping for your Home

After completing the necessary preparations, the fun part begins. It's time to embark on the quest for the perfect property that suits your needs.

EXPLORE THE SURROUNDINGS.

Take the opportunity to familiarize yourself with the neighborhoods, complexes, or subdivisions that catch your interest. Go for drives and immerse yourself in the experience of envisioning property ownership in those areas. Begin to gain a sense of the available properties in those locations.

REFINE YOUR SEARCH.

Identify a handful of properties that capture your attention the most, and have your real estate agent arrange appointments for you to visit them. Consult your agent about the potential long-term resale value of the properties you are considering.

MAKE YOUR OFFER.

Once you have chosen the property you wish to acquire, your real estate agent will assist you in formulating an offer that the seller will find agreeable. A skilled agent will conduct an investigation into the potential costs and expenses associated with the new property. They can also help you structure your offer in a manner that gives you an edge over competing offers.



5. Contract to Closing

Once you are under contract, our team is equipped with a Transaction Coordinator who will ensure that all parties on both sides of the transaction are completing their duties in order to get you to the closing table. We will keep you in the loop every step of the way. It is helpful, however, to familiarize yourself with the closing process ahead of time, so you know what to expect.

To streamline the process, it's important to keep the following tips in mind:

MAINTAIN WRITTEN RECORDS.

It is highly beneficial to document all verbal agreements, counter-offers, and addendums in written form. These written agreements, signed by both parties, provide clarity and avoid misunderstandings. We will assist you in preparing all the necessary paperwork for your purchase and ensure you have copies of everything.

ADHERE TO THE SCHEDULE.

Once your offer has been accepted, both you and the seller will be given a timeline outlining the various stages of closing the real estate contract. Meeting the specified deadlines facilitates smoother negotiations, preventing any breach of agreements. Throughout the process, we will keep you consistently informed, enabling you to be prepared for the next steps.

ENGAGE A CLOSING AGENT.

A closing agent, either a title company or an attorney, will be appointed to handle the closing process. The closing agent will hold the deposit in escrow and conduct a comprehensive examination of the property's recorded history to ensure a clear title. They will address any encumbrances and ensure that all relevant information is properly added to the title. Certain properties may have restrictions or recorded easements and encroachments that affect the property's use.



Contract to Closing, continued

CONDUCT INSPECTIONS.

Once your offer is accepted, it is necessary to have a licensed property inspector examine the property within the agreed-upon timeframe stated in the contract. You may opt for specialized inspectors, such as those focused on the roof, HVAC system, or structure, to obtain professional opinions in specific areas. For commercial properties, an environmental audit may be required by the lending institution. We can provide recommendations for various inspectors.

APPRAISAL AND LENDING.

Maintaining close communication with your lender is crucial throughout the process. Additional documents may be required to approve your loan application and secure funding. If financing is involved, a licensed appraiser will evaluate the property's value on behalf of the lending institution. As your closing date nears, ensure that your loan is progressing smoothly and on time by verifying with your lender.

HOMEOWNER'S ASSOCIATION APPROVAL.

If the property purchase is subject to association approval, you will be provided with a resale disclosure package from the seller for your review.

PROPERTY INSURANCE.

If obtaining a loan, your lender will require a certain amount of insurance coverage for the property. The value of insurance will depend on the lending institution and the purchase price. Shopping around for insurance can help save money. We can recommend experienced insurance agents based on your specific property type.

Following these tips will help streamline the buying process and ensure a smoother transaction.



6. Moving Day!

If you've reached this stage, congratulations are almost in order, but there are still a few loose ends to tie up:

FINAL PROPERTY INSPECTION.

This is primarily a formality that takes place a day before or on the day of the closing. During the final walk-through, you'll visit the property to ensure everything is in working order, unchanged since your last viewing, and that no additional items are left behind. It's important to confirm that all the included items specified in your purchase are still present and all repairs, if applicable, are complete.

ACTIVATION OF HOME SERVICES AND UTILITIES.

Before your move-in day, we will provide you with a list of useful contact numbers to help you activate essential home services and utilities to begin on your closing day.

BE PREPARED.

Even at this late stage, if an unforeseen issue arises, we are here to assist you. Whether there's a breakdown of something at the property or a minor detail that needs attention, there's no need to worry. We have encountered similar problems before and know how to handle them efficiently and without stress.

CLOSING PROCESS.

Your closing agent will provide all parties involved with a settlement statement, summarizing and detailing the financial transactions that have taken place. You, the seller(s), and the closing agent will sign this statement to certify its accuracy. If you are obtaining financing, you will need to sign all relevant documentation required by the lending institution. In the event that you are unable to attend the scheduled closing, we can make arrangements based on the circumstances and advance notice received. If you are bringing funds to the transaction, you can choose to either wire the funds electronically into the closing agent's escrow account or bring a certified bank check in the amount specified on the settlement statement. The seller should arrange to have all property keys and any other important information available for you at the closing, ensuring that you receive these items at that time.



We hope you've found this guide to be insightful and empowering to you, as a future homebuyer. If you find yourself ready to make this exciting journey, it would be our absolute pleasure to serve you.

Please don't hesitate to contact us:

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