

# YOUR GUIDE TO BUYING A HOME



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# 1

## *So you want to buy a home...*

*First we need to find some great homes for you to look at. You can look online and send me a list of what looks good. I will look on the MLS (Multiple Listing Service) for homes that have just come on the market, or for hidden gems that might not be on Realtor.com, Zillow, or Trulia.*

*We will schedule showings, which can take some time and coordinating. Sellers may have unique schedules or conflicts. My goal is to show you as many homes as you would like to see, so that you can take your time to make the best decision for you and your family.*

*One caveat though, if I think a house may sell quickly and it's a favorite of yours, I might tell you it's a good idea to make an offer as soon as possible.*

*You want to ask yourself, "How would I feel about losing the opportunity to buy this home?"*

### ***HOMES ARE UNIQUE***

*Homes are not like any other purchase we make. Only one home can occupy that particular location, with those exact features. If you found a home that meets 85% of your requirements, we might just have a winner! Once you find a home you want, we decide on a good offer price that you are comfortable with.*

## **2** *The Offer*

*Next we create an offer. This is done on a form that says "contract", but until both the Buyer and Seller have signed, it is only an offer, and not a legally binding contract. We will negotiate the offer to get the best deal for you!*

### **SOME THINGS I WILL NEED TO KNOW TO CREATE YOUR OFFER...**

Legal names you want on the title. • Email addresses of all buyers • What kind of loan will you be using? • What down payment amount are you planning? • Do you need help with closing costs?  
Your preferred closing date.

### **ADVANTAGES OF BEING PRE-APPROVED**

- **First, this will tell us what price range we should be looking in.**
- **You'll be able to move quickly knowing you have begun the application process.**
- **Your offer will be seen more favorably by the seller.**
- **Your lender and I can begin to work as a team.**

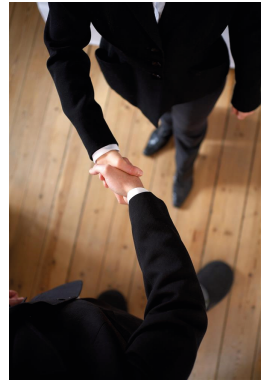


# 3

## *We have a contract!*

*Once both parties agree on a price and terms, and everyone signs, we have an official contract. The contract is considered "Executed" once all parties have signed. This becomes our executed date.*

*I then send a copy of the executed contract to your lender to begin the underwriting process for you. I also schedule a closing appointment for you to sign the necessary paperwork to make your home purchase complete.*



### *A TALE OF 2 CHECKS*

**I will need 2 checks from you within 3 days of the executed date.**

**First, a check for the option fee. Usually \$100 to compensate the seller for taking their property off the market during the option period, made out to the seller.**

**Second, an earnest money check, the amount can be found on the first page of the contract, paragraph 5. This check does exactly what it implies, it shows that you are **earnest** about buying the property. Please make the check out to the title company.**

# 4

## *YOU have options...*

*Usually in the contract we ask for a 10-day option period. This option period begins the day after everyone has signed, The option period gives **YOU** 10 days to have inspections done, finalize financing, or change your mind for any reason.*

*The 10 day option period also gives you breathing room to know that the seller is locked in to selling you the property, but still allows **YOU** the option about whether or not to proceed. **The option expires at 5:00 pm on the 10th day.***

# 5

## *Inspections*

*We schedule the home and pest inspections. Depending on what we find in those inspections, we create repair amendments. We negotiate with the seller for repairs that we feel are necessary. The seller is under no obligation to do these repairs, but they usually will agree to do at least some of the requested repairs. Prioritize the repairs that you feel are most important. I submit the repair amendment to the Seller's Agent, and we negotiate. We want to have this negotiated, signed, and returned to us by the end of the option period mentioned in Step 4.*

***Don't worry, I will work on all of this and keep track of dates and times!***



## 6 *Appraisal*

*Once you are satisfied with the agreed upon repairs, comfortable with the conditions of your loan, and ready to move forward with your home purchase, I let the lender know they can schedule a home appraisal. The appraisal is so that the lender is sure they have good collateral for the loan, but it can also benefit you.*

*If the appraisal price is lower than the agreed upon sales price, we can negotiate for a price reduction. If it is higher than the agreed upon sales price, congratulations you have instant equity in your new home!*



## 7 *The Lender*

*This is when your lender gets really busy. They may ask for additional information from you, and your prompt response is critical. **Delays in getting them information can delay our closing date.***

## 8 *Winning the lottery is okay, but don't go booking the cruise just yet.*

*Things might get quiet for a while, but don't panic. The Title Company, your lender, and I will all be working together to make sure that your purchase goes as smoothly as possible.*

*If you don't hear from me, it's a good thing. It doesn't mean I've forgotten you. Feel free to call me with any questions! This is a great time to plan your move, and make arrangements for utilities to be turned on in your name as of the closing date.*

***During this time do not make any big purchases, change jobs, or do anything that could change your financial status or ding your credit. I know it's tempting to go out and buy new furniture for your new home, but it's important to resist the temptation now. Your lender will run your credit again right before closing and you don't want to put your loan at risk.***



## 9 Closing Disclosure

Your lender will send you a Closing Disclosure or CD three days before closing. **Please acknowledge receipt of the CD right away. If you don't acknowledge receipt of the CD 3 days before closing, it will delay closing.** This document shows all the financial details of the closing, including closing costs, and the amount you will need for your down payment.

### CASH TO CLOSE

This is the total of your down payment and your closing costs. Confirm with your lender the exact amount needed for closing and make arrangements to bring guaranteed funds in this amount to the Title Company. This is easily done with a Cashier's Check made out to the Title Company, but funds can also be wired to them in advance.

**TIP: If you are wiring funds to the Title Company, it is much more secure to call them directly rather than using email to prevent wire fraud.**



## 10 Walk Through

A day or two before closing we set up a time to do the Walk Through, where we confirm that any requested repairs have been completed, and that the property is in acceptable condition.

We will also review your file and make sure all necessary paperwork is signed.

## 11 Congratulations!

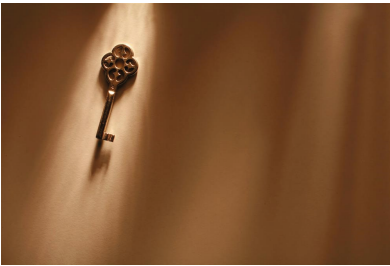
Let's buy a house today! On the day of closing, we will meet at the Title Company and sign your final loan documents and other necessary paperwork. The Title Company will explain how to make your first payment and give you a temporary coupon. They go over your new survey, and give you copies of all the documents to take home for safe keeping.

### What to bring:

- **Cashier's Check made out to the Title Company in the exact amount needed.**
- **Your driver's license.**



## *Move in and enjoy your new home!*



### JUST A FEW DETAILS...

*Usually I can hand you the keys at closing for you to take possession of your home right away. Sometimes we need to wait until the loan "funds", when the lender transfers loan proceeds to the Title Company so the seller can be paid. If the closing is in the morning, the funds should arrive that afternoon. Otherwise, the funds should arrive the next business day.*

*If we asked for a home warranty, I'll give you the contact information for the Home Warranty company, so you can contact them with any issues.*

*Thank you so much for trusting me to help you with the purchase of your new home! It is my goal to make the process as stress-free, enjoyable, and exciting for you as possible. I take great pleasure from knowing my clients become my friends through the home buying process, and I hope you'll continue to stay in touch. Your referral is the highest compliment you can give me, so please know that I would be honored to take great care of any friend, family member, or co-worker that you send my way.*

*Blessings and many years of happiness in your new home!*

*Janet Ridgway*