

BUYERS *Guide*

A complete guide to the home buying process.





Michelle Seed

GET TO KNOW YOUR REAL ESTATE AGENT

Hi! My name is Michelle Seed and I'm so excited to be working together! Purchasing a home is one of the biggest decisions of your life, and I'm honored to have the opportunity to help and guide you through the entire process. My biggest goal is to make sure that YOU are taken care of - I'm here to ensure that your transaction goes smoothly, questions are being answered, you're being advocated for, and that your home buying experience is as easy and smooth-sailing as possible!

Originally from Houston, Texas and a Colorado resident since 1991, I am also a mom to two beautiful children, and the proud business owner of Brick and Mortar Realty.

When I first started this business in 2007, I had been a broker for 4 years and the Denver housing market was just entering the real estate recession and the market was flooded with bank-owned, foreclosure and short sale listings. In addition to working with individual buyers and sellers, I worked with asset management companies to assist with the sales of bank owned listings. After that, I assisted sellers and buyers with short sales when that became the best opportunity to sell their homes during the hardships, especially with the sudden low value of so many properties.

Today, we live in an extremely fast paced real estate market, filled with multiple offers, immediate showings after listing and these challenging points require experienced and savvy negotiations.

I want to help you find your perfect home or investment property, and sell your home for top dollar in this competitive market. Let my expertise and over 16 years of experience in real estate assist you in making that happen.

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Buyer QUESTIONNAIRE

Ideal Location
look and feel of desired area

Price Evaluation
What is your preferred price range?

Timeframe
Do you need to sell your home? What is your current timeframe?

Interior
How many bedrooms + bathrooms do you need? Any home requirements?

Exterior
Lot size? Pool? Outdoor living? How many car garages? any requirements?

financial tips

THE FIRST STEPS

Get your credit in check

The first step to purchasing a home is to make sure that you are financially prepared for homeownership. Are you drowning in thousands of dollars of debt? Have you built your savings enough for a down payment? Have you thought about closing costs and other fees? Be sure to ask yourself "how much house can I really afford?" before going further. In addition to that, remember that lenders look closely at your credit score when determining your qualification and eligibility for a mortgage loan. Checking your credit score and doing anything you can to improve it will majorly benefit you in the process of purchasing a home. This includes holding off on applying for other non-relevant loans or credit cards and lowering your pre-existing debt.

Talk to and find the right lender

Similar to wanting to purchase the home that best suits you and your needs, you need to find a lender that feels like the best fit for you. Being in the real estate industry and knowing many professionals, don't hesitate to reach out to me for referrals. I suggest talking to and comparing a couple of different lenders to figure out who you work best with, and choosing the one that suits you most.

Be prepared and ready

A lender will need information from you to be able to start your pre-approval process and to help you through the purchase of your home. Below are a few things to have prepared for them.

W-2 forms from the past two years

Pay stubs from the past 30 days

Federal tax returns from the past two years

Proof of other sources of income

Your credit history and reports

Recent bank statements and other assets

Information on long-term debts (student loans, car loans, etc)

ID and social security number

You may be asked to give extra verification of your financial stability if you are self-employed. This includes having a higher credit score or large cash savings, and possibly providing business tax returns as well

Sellers may ask for you to provide proof of pre-approval in a competitive market. You can strengthen your offer by submitting this document. Be sure to get a pre-approval letter before we begin the official home search process

THE STEP-BY-STEP PROCESS

Consultation

I would love to get further information about your needs, wishes, and wants in your future home!

How long have you been looking for a new home?

What areas and neighborhoods are you interested in?

How many bedrooms + bathrooms?

What are some of your must-have home features?

What are your deal breakers in a home?



Pre-approval

This is a quick but necessary step in the home buying process. Getting pre-approved helps us to narrow down our options and decide what you can afford.

Lenders typically recommend that you spend no more than 28% of your monthly income on a mortgage. In addition to mortgage costs, keep in mind that you'll need to pay closing costs and legal fees, which are typically 2-3% of the home price. Putting 20% down can improve your chances of getting approved and locking in a lower rate and monthly payment. Some lenders and programs will accept less than 20% down, but it depends on your lender and other circumstances as well.

THE STEP-BY-STEP PROCESS

Finding the one

Once I understand what you are looking for, we can begin the searching process. I'll be able to tailor listings to your search. When I find homes that could possibly be a good fit, I'll be able to send the active listings to you through an MLS link. If you are interested enough to want to see one or more homes in person, we can take the next steps to book showings and tour houses of your choice. It may take longer than you expect before you find the home of your dreams! Remember to be patient, there's no need to rush - you want to make sure that you are making the right decision at the end of the day.



Making an offer

This is where things get exciting! When you are ready to make an offer, we'll work together to complete the Purchase and Sale Agreement, and submit it on your behalf. You'll typically give the sellers and their real estate agent two to three days to respond - though you can set any expiration date you'd like. Once submitting an offer, the sellers can accept your offer as is, make a counteroffer, or reject your offer without further negotiations. When the seller accepts your offer, or Counter Offer you now have a viable purchase agreement. The contract states that you intend to buy the home, as long as the property meets certain contingencies and criteria.

THE STEP-BY-STEP PROCESS

Home inspections

The immediate step after your offer is accepted is to schedule a home inspection. You will have a certain amount of time to get an inspection done, so the clock starts ticking as soon as you sign and accept the offer. If according to the inspection report, the home is in a good condition and doesn't need any major repairs, the seller isn't required to do anything for the time being. If the inspection report states that the house is in need of repairs, we will sit down and negotiate until everything looks correct.



Loan approval, earnest money, etc

LOAN APPROVAL - Unless you're paying in cash, you'll need to apply for a mortgage loan (if you're already pre-approved, you are able to skip this step!).

EARNEST MONEY - Earnest money is a deposit made to the seller that shows and represents the buyer's good faith to buy a home.

TITLE COMMITMENT - The title company's assurance and promise to issue a title insurance policy for the property after closing. A Clear Title is required for a real estate transaction. Title Insurance protects home buyers and sellers from financial loss due to a defective title.

APPRAISAL - Your lender will require your house to be appraised by a professional, who will give you a detailed report on the value of your home.

HOMEOWNERS INSURANCE - Lenders require homeowners insurance to protect their investment (and yours!). In the unfortunate event your house burns down or is badly damaged, having homeowners insurance ensures that you will be protected against financial loss.

CLOSING DATE AND FINAL WALK THROUGH - Your closing date is the day when you sign the mortgage documents and officially become the legal owner of your new home. Typically the final walkthrough takes place a day or two before closing.

THE STEP-BY-STEP PROCESS

Closing time

The closing process finalizes the purchase of your home

Bring to closing

A valid government issued photo ID

Cashier's check payable to the title or closing company for closing costs that aren't being deducted from the sales price

Outstanding documents or paperwork for the title company or mortgage loan officer

Closing costs

Fees typically total 3%-9% of the loan amount, and can include

Escrow Fees

Appraisal Fees

Local Transfer Taxes

Homeowners Insurance

Homeowners Association Fees

Application and Underwriting Fees

Attorney Fees

Property Taxes

Broker Fees

Upfront HOA Fees

Lender's Title Insurance

Owner's Title Insurance

Assumption Fees

Time to celebrate!