



90 Days to Homeowner *Challenge*



KRISTEN DUCHENE
CONNECTICUT BROKER
860.806.4169



Dear hopeful homeowner—

You're taking the first step towards a huge life milestone: becoming a homeowner – Congratulations! This guide is your resource for each phase of home buying, including questions to ask yourself, worksheets, and checklists that will make this process as seamless as possible. Let's get started, shall we?!

WEEK ONE

Considerations for Buyers



JOB & INCOME

Do I have a stable job and income? Am I staying in this line of work? What are my expenses, savings, and debts?

CREDIT SCORE

A credit score of 620 is typically required for conventional loans, while FHA loans have more flexibility depending on down payment.

DOWN PAYMENT

Depending on loan type, your down payment can range from 0%-20% of the purchase price.

CLOSING COSTS

Closing costs range from 2-6% of the loan amount. Other fees include inspection and appraisal costs.

LONG TERM PLANNING

Do I plan to stay in this location? Do I foresee major life changes? Consider how your career, family, and lifestyle might evolve over time.

ONGOING COSTS

As a homeowner, your budget should factor in your monthly mortgage payments, property taxes, homeowner's insurance, & maintenance costs (roughly 1%-2% of purchase price per year).

WEEK TWO

Choosing Your Agent

Choosing a real estate agent that you'll work alongside to buy your home is a big decision! Your agent should have a deep understanding of your goals, your market, and a track record for working diligently on behalf of their clients. Use the agent interview questions on the next page to find the right agent to represent you. These are a few benefits you can expect from a great agent-



THE VALUE OF A BUYER'S AGENT

- Exclusive representation
- Network of trustworthy lenders
- Advice on market conditions
- Management of transaction deadlines
- Access to off-market listings
- Terms negotiated in your favor
- Identifying property potential and red flags
- Recommended service providers
- Protection from overpaying
- Decoding legal jargon
- Managing offer submission
- Ensuring smooth closing process

Agent Questionnaire

NAME: _____ COMPANY: _____

PHONE: _____ EMAIL: _____

WHAT IS YOUR EXPERIENCE HELPING CLIENTS LIKE ME?

WHAT SETS YOU APART FROM OTHER AGENTS?

DO YOU SPECIALIZE IN ANY PARTICULAR NEIGHBORHOODS OR PROPERTY TYPES?

HOW DO YOU HELP BUYERS COMPETE IN THIS MARKET?

WHAT'S YOUR ROLE IN THE NEGOTIATION PROCESS?

WHAT IS YOUR FEE STRUCTURE OR COMPENSATION REQUIREMENTS?

WHAT IS YOUR PREFERRED COMMUNICATION STYLE?

IS THERE ANYTHING ELSE I SHOULD KNOW?

Debt to Income Ratio

WHAT IS DTI?

Your Debt-to-Income (DTI) ratio helps you assess your financial health and your ability to take on new debts, like a mortgage.

WHY IS DTI IMPORTANT?

Your DTI ratio helps determine your eligibility for loans and your ability to manage debt.

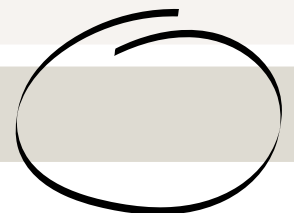
WHAT RATIO DO I NEED?

Mortgage lenders normally have specific DTI requirements when approving loans and often prefer borrowers to have a DTI ratio below 43% (including the new mortgage payment).

TIP

A DTI under 36% is great, keep it up!
A DTI between 37%–43% has room for improvement. A DTI above 45% may pose some challenges. Speak to a lender for advice on qualifying.

RENT	
CREDIT CARD	
CAR + INSURANCE	
PHONE + INTERNET	
UTILITIES	
STUDENT LOANS	
SUBSCRIPTIONS	
FITNESS	
OTHER	
TOTAL EXPENSES	
÷ GROSS INCOME	
DEBT-TO-INCOME %	



WEEK THREE

The Mortgage Process



The next step of the home buying process is to understand how much you qualify for by meeting with a local lender and getting a pre-approval letter.

It's important to interview a few lenders to find the right fit!

A pre-approval is only valid for 30-90 days, so while you can start talking to lenders, you'll want to secure that pre-approval letter when you're ready to buy.

QUESTIONS FOR YOUR LENDER

- What loan do you recommend for me?
- Do I qualify for any down payment assistance programs?
- What will my monthly payment be?
- What is the annual percentage rate?
- How long can I lock in an interest rate?
- What will my closing costs be?
- Will I pay mortgage insurance?

Lender Questionnaire

NAME: _____ COMPANY: _____

PHONE: _____ EMAIL: _____

WHAT TYPE OF LOAN DO YOU RECOMMEND FOR ME AND WHY?

DO I QUALIFY FOR DOWN PAYMENT ASSISTANCE PROGRAMS?

WHAT IS THE INTEREST RATE? WHAT IS THE APR?

WILL I PAY MORTGAGE INSURANCE?

WHAT WILL MY MONTHLY PAYMENT BE?

CAN I LOCK IN AN INTEREST RATE? FOR HOW LONG? WHAT ARE THE FEES?

WHAT WILL MY CLOSING COSTS BE?

IS THERE ANYTHING ELSE I SHOULD KNOW?

WEEK FOUR

Wants vs. Needs



Before we hop into the home search, I advise my clients to create a "Needs" list and a "Wants" list. This will help us to focus on the things that are most important in your future home.

NEEDS MIGHT LOOK LIKE

- ✓ Enough bedrooms for your family
- ✓ First floor master bedroom
- ✓ Close proximity to work or school
- ✓ Attached two-car garage
- ✓ Yard for children or pets

NEEDS

"Needs" are the non-negotiable features. "Wants" are the nice-to-haves, but you can live without or add down the road. Remember you can't change the lot, the location, or the price you paid.

WANTS MIGHT LOOK LIKE

- ✓ Specific paint or exterior color
- ✓ Fenced-in backyard
- ✓ Specific flooring
- ✓ Kitchen amenities or appliances
- ✓ Walk-in shower or double vanity

WANTS

WEEK FIVE

The Home Search Process



FIRST THINGS FIRST

Now that you've got your wants vs. needs list in hand, the fun really begins! I will set you up on an MLS search so you'll receive an emailed *the minute* a property that fits your criteria hits the market.

WANT TO DO SOME ONLINE SEARCHING YOURSELF?

- **Use the search filters, but don't go crazy.** Expand your geographic search, and add \$25k - \$50k to your max price.
- **Check Google street view** if you find something that catches your eye. And, if you're local, drive by of the property.
- **If a home you like is "pending" or "under contract" don't panic!** Pending contracts fall through occasionally, so keep it on your list, especially if it checks all your boxes.
- **Jot down the MLS number & address**
Send this info to your agent - they will call the listing agent(s) to gather pertinent info.

Home search worksheet

WHAT AREA(S) ARE YOU INTERESTED IN?

WHAT DO YOU LIKE ABOUT THIS/THOSE AREA(S)?

HOW MANY BEDROOMS, BATHS, SQUARE FOOTAGE?

DO YOU HAVE CHILDREN? PETS? DO YOU WORK FROM HOME?

WHAT'S YOUR FAVORITE HOME STYLE?

WHAT ARE THE TOP 5 MOST IMPORTANT THINGS IN YOUR FUTURE HOME?

WHAT IS A NON-NEGOTIABLE FEATURE OR ASPECT OF YOUR FUTURE HOME?

DO YOU PREFER A HOME THAT'S MOVE IN READY OR ONE YOU CAN RENOVATE?

ANYTHING ELSE I SHOULD KEEP IN MIND DURING OUR SEARCH?

WEEK SIX

Showings

MY BEST SHOWING TIPS

✓ **Read over your wants vs. needs list**

Having this fresh on your mind will help you stay objective and focused.

✓ **Utilize Google's Street View**

to take a virtual walk around the neighborhood.

✓ **Take pictures and videos** at every listing to jog your memory later.

✓ **Consider the lot, lot size, and location** all of these things can't be changed.

✓ **Look past decor & staging**

These things will soon be gone.

✓ **Do an after-dark drive by**

Does the vibe of the neighborhood change at night?

KEEP AN EYE OUT FOR

✓ **Structural integrity**

Look for signs of structural integrity. Water damage, cracks in walls or ceilings, sloping floors.

✓ **Noise levels**

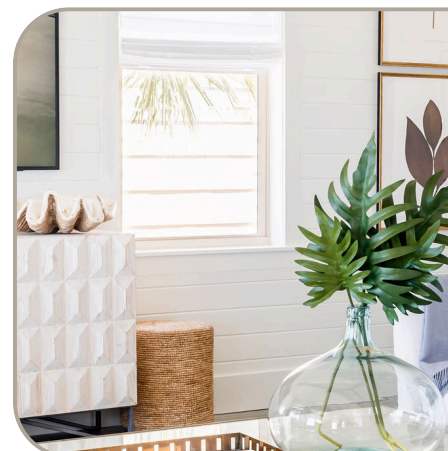
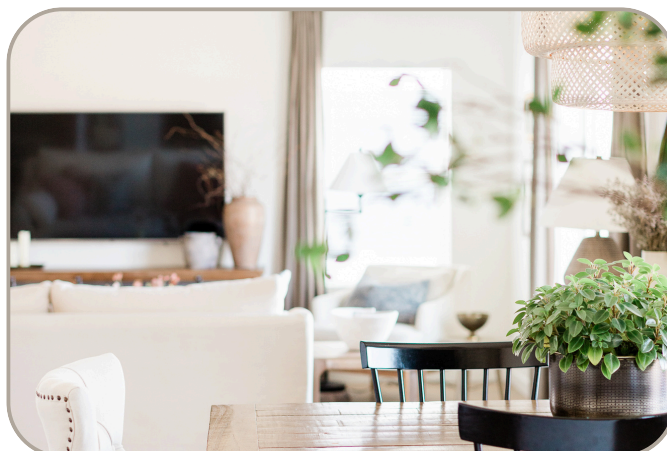
From nearby roads, businesses, airports and railways.

✓ **Roof & water damage**

Check for leaks near plumbing sources, water stains on the ceiling, or damage to siding, windows, and doors.

✓ **Layout and flow**

Does the property's layout suit your lifestyle? Would it require renovations? Check room sizes, storage space, and flow between rooms.



Showing Checklist

ADDRESS

PROS

CONS

INITIAL REACTION

YES!MAYBENO

INTERIOR RATING

EXTERIOR RATING

TOOK PHOTOS & VIDEOS

ADDRESS

PROS

CONS

INITIAL REACTION

YES!MAYBENO

INTERIOR RATING

EXTERIOR RATING

TOOK PHOTOS & VIDEOS

WEEK SEVEN

Writing your Offer



So you think you've found "the one" and you're ready to put in an offer. Woohoo!

Let's talk about making an offer that truly stands out. Below are my tried and tested recommendations.

WRITING A COMPELLING OFFER

We'll include your pre-approval letter that shows that you're serious, qualified, and ready to purchase.

We'll gather information about what the seller is looking for. Understanding their needs and motivations will be big part of writing a great offer.

We'll put your best foot—and price—forward. In a competitive market, you may only get one shot, so we will make it count! We'll use comps and trends as a guide.

We'll propose to close quickly. Offering a shorter closing timeline will signal to the seller we have a serious offer and we're ready to move fast.

Understanding the Terms of Your Offer

PURCHASE PRICE

This is the amount you're offering to pay for the home. It's often negotiable, especially if there are multiple offers, the home needs repairs, or if the home has been on the market for a while.

EARNEST MONEY DEPOSIT

This is a good faith deposit showing your serious intent to buy. It's typically 1-3% of the purchase price and is held in escrow. If the sale goes through, the deposit is applied to your down payment or closing costs. If you back out without a valid contingency, you might forfeit the deposit.

INSPECTION PERIOD

Most buyers include a home inspection contingency, allowing time (usually 7-10 days) to hire an inspector to check the home's condition. If major issues are found, you can negotiate repairs or back out of the deal.

CONTINGENCIES

A contingency is a condition that must be met before a buyer and seller can finalize the purchase of a home.

A financing contingency protects you in case you can't secure a mortgage. If your loan falls through, you can back out without penalty. An appraisal contingency ensures the home appraises for at least the amount of your offer. If it doesn't, you can renegotiate or walk away. An inspection contingency allows you to renegotiate or cancel the offer if the home inspection reveals significant issues.

CLOSING COSTS

These include lender fees, title insurance, taxes, and other costs associated with finalizing the sale. Closing costs can range from 2-5% of the purchase price.

CLOSING DATE

The date you and the seller agree to finalize the transaction and transfer ownership. This is usually 30-45 days from when the offer is accepted but can vary based on financing or other factors.

Inspections & Insurance



WHAT'S A HOME INSPECTION?

The inspection will uncover any issues in the home that would have otherwise been unknown. You will receive a written report of the inspection. I recommend that you are present for the inspection, so that you may ask any questions.

WHAT IS THE INSPECTION PERIOD?

Typically, inspection periods can last anywhere from 7 to 30 days. During this time, the buyer has the right to hire a professional to inspect the condition of the home.

THE INSPECTION REVEALED ISSUES...

If the inspection reveals any issues, the buyer may ask the seller to cover the costs of repairs or ask for a seller credit. The buyer has the right to back out and get their escrow deposit back.

DO I REALLY NEED AN INSPECTION?

The home may appear to be in perfect shape, but some of the costliest problems are difficult to spot: leaks, termite damage, foundation issues, poor ventilation, faulty wiring, and leaking appliances.

WHEN SHOULD I SCHEDULE IT?

Schedule all inspections immediately, so if we need to negotiate any repairs we can before the inspection period ends.

WHAT ABOUT HOME INSURANCE?

Once you have a signed contract, start looking for insurance providers immediately. Your lender will typically require evidence of insurance coverage before they approve your mortgage. Gather multiple quotes!

We're Under Contract!

Your offer has been accepted — cue the confetti! And while it'll be a few more days until you can move in, you're well on your way to closing the deal on your new home. Here's a quick rundown on what happens once your new home is "under contract."

01

Provide Escrow Deposit

This deposit shows your commitment to buying the property. It is typically held in an escrow account until the closing.

02

Schedule Inspection

Depending on the results, your agent may negotiate with the seller for repairs or credits. Schedule this immediately!

03

Finalize Loan Application

Submit your formal mortgage application.

04

Secure Insurance

You'll need homeowner's insurance in place before closing. Your lender may require proof to finalize the loan.

05

Order Appraisal

Your lender will initiate this to ensure the property's value matches the sale price. If it comes in lower, we'll go back to negotiations!

06

Title Search

A title company will conduct a title search to ensure there are no liens against the property. You'll also purchase title insurance to protect against unforeseen title problems.

07

Final Walkthrough

Before the closing date, you'll do a final walk-through of the property to ensure it's in the agreed-upon condition.

08

Closing Day

Sign documents, pay remaining closing costs and down payment. The title is transferred to you, and keys are exchanged!

WEEK TEN

Closing Time!

We've completed all the pre-closing steps. High five! Here's a quick rundown on what you can expect from the closing process and closing day.

Loan approval

After the appraisal and inspection, your lender will finalize your loan. You'll hear the magic words "Clear to close!"

Review Closing Disclosure

You will receive a Closing Disclosure from your lender at least three days before closing. It outlines the final terms of your loan, including the interest rate, loan amount, and closing costs. Review it carefully - this will tell you the funds to bring on closing day

Arrange Utilities Transfer

Contact utility providers to set up services like electricity, gas, water, and internet for the day of closing or move-in day.

Obtain Certified Funds

You'll need to bring certified funds (cashier's check or wire transfer) for your down payment and closing costs. Your closing agent will provide you with the exact amount a few days before closing.



Cash to Close

DOWN PAYMENT COSTS

The amount you are contributing toward the purchase price. The exact amount depends on your loan type (often between 3% and 20%).

CLOSING COSTS

These are fees associated with obtaining your mortgage

- **Loan Origination Fees:** Charged by the lender for processing your mortgage application. Typically 0.5%–1% of the loan amount.
- **Discount Points:** Optional fees paid to lower your interest rate.
- **Appraisal Fee:** Usually around \$300–\$500.
- **Credit Report Fee:** The lender charges this for checking your credit, typically \$25–\$50.
- **Underwriting Fee:** Lender charges for evaluating your loan, typically \$400–\$1,000.

PREPAIDS

These are upfront payments for future expenses related to your property

- **Homeowner's Insurance Premium:** You typically pay the first year's premium upfront. The cost varies depending on your property and location.
- **Property Taxes:** Lenders may require 2–3 months of property taxes to be pre-paid into an escrow account. This ensures funds are available when the tax bill is due.
- **Prepaid Interest:** Interest that accrues on your loan from the closing date until the first mortgage payment, based on the closing date and loan terms.
- **Private Mortgage Insurance (PMI):** If your down payment is less than 20%, you may need to pay upfront mortgage insurance premiums.

WEEK ELEVEN

Cash to Close

TITLE COSTS

These fees relate to verifying ownership and transferring the title to you

- **Title Search Fee:** The cost of a title company researching the property's history to ensure there are no liens or claims. Usually \$150-\$400.
- **Title Insurance:** Protects you (owner's policy) and your lender (lender's policy) against future claims on the property's title. The owner's policy is often optional but recommended. Title insurance typically costs around 0.5%-1% of the purchase price.
- **Escrow/Settlement Fee:** Paid to the title company or attorney handling the closing. Usually \$500-\$1,000.
- **Recording Fees:** Charged by the local government to record the sale of the property and the mortgage in the public records. This typically costs a few hundred dollars.

OTHER POTENTIAL COSTS

- **HOA Fees:** If your new home is in a community with a homeowners association, you may need to prepay a portion of the dues at closing.
- **Transfer Taxes:** Some states, counties, or municipalities charge a tax when property ownership is transferred.

TOTAL EXPECTED CASH TO BRING

- On average, closing costs range from **2%-5% of the purchase price of the home**. This includes loan costs, pre-pays, and title fees.
- You will receive a **Closing Disclosure** from your lender at least three days before closing, detailing the exact amount of cash you need to bring.
- Make sure to use a certified check or wire transfer for the funds, as personal checks are typically not accepted at closing.

ABOUT ME

What you can expect *working with me*

I'm Curious

I want to have a clear understanding of your goals, who you are, and what your home means to you.

I'm Committed

I bring my A-game to every transaction, and I'm committed to achieving the best possible outcome for my clients.

I'm Proactive

I'm always one step ahead, anticipating potential roadblocks and finding creative solutions to overcome them.

I'm Personal

I believe in building relationships with my clients & treating them like family, because in the end, that's what leads to the best possible results.

I LOVE helping first time buyers navigate the journey of becoming homeowners. It would be an honor to represent you in this huge life milestone. Shoot me a message if you have any questions - I'm here to be a resource to you!



KRISTEN DUCHENE

REALTOR® | BROKER

860.806.4169

Kristen@litchfieldcountyhouses.com

litchfieldcountyre.com/kristen

Follow along on Instagram!

