

Representing Buyers

When representing a buyer, it is critical to be knowledgeable about the neighborhood in which they are looking, the value of the homes, the locations within the neighborhood and the market conditions of the neighborhood. When working with me, you will receive this and more.

- I will keep you up to date on homes available within the parameters you have set.
- I will advise you as to the value of those homes.
- I will help you understand the process and advise you as to how to best approach an offer and the ensuing negotiations.
- I will ensure that the loan process is as efficient as possible and will communicate with your lender.
- I will provide suggestions for service providers that may be needed during or after the escrow process.
- I will be your advocate for any hurdles that may arise during or after the process.

The Financing Process

The first step in the home purchase process should be a meeting with a qualified lender to determine your comfort level regarding the purchase price.

What is a prequalification as opposed to a preapproval?

Prequalifying is a preliminary opinion as to how much a buyer can afford to pay for a home, assuming all provided information is current, correct and complete.

Preapproval is received when the lender has received all of the lender required information and that information has been verified and approved by the lender.

By being preapproved, the buyer begins the process in a much stronger position than those buyers that have only been prequalified.

Typically, a down payment of 5% to 20% is required by the lender, but if a down payment of 25% or higher were made, it could qualify the buyer for a lower percentage rate.



Hazard Insurance

Unless you are paying cash, you will be required by your lender to get hazard insurance. Here are some hints to get the best rate.

Start early

Buyers should begin their process of obtaining insurance at the same time they loan process not only to get better rates, but to be certain there are no last minute hurdles to jump.

Know the features of your property

Different insurance carriers have different requirements of the homes they will insure. Does your home have knob and tube wiring? What condition is the roof in and what kind of roof is it? Does it have galvanized pipes?

Know your lifestyle

If you have certain breeds of dogs, you may have a challenge getting hazard insurance. You may have to retain special insurance coverage for those breeds.

You can help

Be sure trees and shrubs are cleared away from roofs (2 feet for trees and shrubs cannot be growing to or above the roof).

Flood Insurance

Preferred rate for flood insurance will continue in the Sacramento area. While some lenders will not require flood insurance, you may want to consider it... Sacramento is between 2 rivers!

Buyers Guide

There are status verbiage used in the Metrolist printouts that I will be providing you. It will help you to understand what they mean.

Active

This house is an active listing and available for showings and offers.

Active Release Clause

This house has an accepted offer that contains a contingency for the buyer to perform. Offers are still being accepted.

Active Short Sale

This house is being sold as a short sale and has not yet submitted offers for short sale approval. Offers are still being accepted.

Active Short Sale Contingency

This house is being sold as a short sale and a minimum of one offer has been submitted for short sale approval. Offers may or may not be welcome.

Active Court Approval

This house will require court approval in order to be sold. Offers are still being accepted.

Active Court Approval Contingency

This house will require approval from the court. Offers may or may not be welcome.

Pending

This house has an accepted offer and they are no longer welcoming offers.



BUYER TERMINOLOGY

LOAN AMOUNT—The loan amount is the purchase price less the down payment.

DOWN PAYMENT -This is the cash the buyer provides toward the purchase of the property.

POINTS - To offset interest rates that are below the prevailing rate, the lender will charge points. One point is equal to 1%.

APPRAISAL FEE - This is the charge generally paid up front by a buyer for the appraiser that is hired by their lender.

CREDIT REPORT FEE - This is a charge generally paid up front by a buyer for a lender to run a credit report.

TITLE INSURANCE - To cover the possibility of a loss or damage as a result of the public records or a search of title being faulty, this is a one time premium. It also covers such items as easements, liens, taxes, set-backs and deed restrictions.

ESCROW FEE -This is the amount paid to an escrow company to be the disinterested third party, preparing documents, accounting for funding and coordinating information between all parties involved in the transaction.

CLOSING COSTS -This is a generic term for charges incurred for transfer of ownership.

PREPAID INTEREST -This is the interest due on the loan for the time between recording and the first mortgage payment, and is due at the time of closing.

PTIT - This represents the mortgage payment and includes principle, interest, taxes and insurance.

PRINCIPLE AND INTEREST - This is the portion of the mortgage payment that is the amount paid against the loan amount and the interest incurred for the loan.

PREMIUM MORTGAGE INSURANCE -This is insurance for the lender to cover their loss if the buyer defaults.

The Buying Process

Working with a knowledgeable and professional Realtor can help make the home buying process a memorable and enjoyable experience.

Financing

Before you start your home search, it's important to assess your financial situation and get preapproved from a lender. I can refer you to a lender that will help you create a plan that fits your needs.

The Purchase Agreement

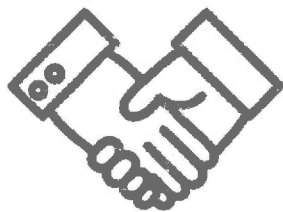
Once you've found a property that fits your needs, I will counsel you regarding the most advantageous strategy in writing the offer.

Negotiations

I'll help you negotiate not only the terms of the purchase agreement but any other terms such as repairs that we may want to request.

Escrow

Once the offer is accepted and a closing date is agreed upon, I'll coordinate the completion and submission of all necessary forms to the escrow company and monitor the escrow process until the transaction is completed.



Buyer Commandments

Buyer shall not change jobs or become self-employed

Buyer shall not buy a car, truck or van unless you plan to live in it.

Buyer shall not use their credit cards or let your payments fall behind.

Buyer shall not spend the money you have saved for your down payment.

Buyer shall not buy furniture or appliances before they buy their new home.

Buyer shall not originate any new inquiries on their credit report.

Buyer shall not make any large deposits or cash deposits into their bank account.

Buyer shall not change back accounts.

Buyer shall not co-sign for anyone.

Buyer shall not purchase anything on credit until way after

Marketing and Escrow Timetable

Day 1-17

The timeframe for inspections begin upon acceptance of the offer. The default is 17 days, but quite often is shortened by the buyers agent to present a more appealing offer.

*Day 17**

This is the deadline to have the appraisal contingency removed.

*Day 21**

This is the deadline for the buyer to remove all contingencies including loan contingency.

Day 25-42

Depending on the length of the escrow, signing should take place approximately 5 business days prior to the recording date.

Days 30-45

This is the typical period of time it takes to go from an accepted offer to recording.

*These are approximate timeframes and are negotiable.

Congratulations! You are ready to move on!

The Dunnigan Way

At Dunnigan, Realtors, we have one core philosophy that serves as the cornerstone of our business... treat our clients and fellow Realtors as we would want to be treated.

This philosophy, while simple, is at the heart of Dunnigan, Realtors. It is reflected every day in our commitment to exceeding the expectations of our clients by our superior service, market knowledge and professional integrity. At Dunnigan, Realtors we are proud to say that over 80% of our business results from recommendations and repeat business from our clients.

Behind our reputation and success stand our agents. The local owners of Dunnigan, Realtors believe that every agent should share in our core philosophy and is dedicated to providing personal guidance before, during and after the real estate process. Dunnigan, Realtors is proud to boast many of Sacramento's most well trained, educated and experienced agents. A large number of our agents are members of the Sacramento Association of Realtors Master's Club, reflecting their consistent performance in sales. In addition, many Dunnigan agents have served as industry leaders at the local, state and national levels as well as being active in their communities and giving back to our neighborhoods.

With two locations in Sacramento, we are proud to be one of the oldest Sacramento specific real estate companies. Dunnigan, Realtors has helped more than four generations of Sacramentans with their real estate needs.

Our company offers a unique "collaborative team" concept that sets us apart from brokerages. When you work with one Dunnigan, Realtors agent, you get the entire company working to meet your real estate needs. Being a local boutique company with a neighborhood focus, our clients do not get lost in the bureaucracy of a larger organization. Our clients receive accountability, access, communication and personal attention...it's the **Dunnigan, Realtors way.**

