WHAT TO KNOW WHEN





THE JOURNEY TO HOME OWNERSHIP

At the Shelley Stone Group, we've made it our goal to become leaders of the home-buying process and we are here for you. Helping people like you buy their homes has allowed us to master the skills of the process. Our professionalism, consistency, and dedication are what drives us to help serve you!

We are very passionate about our company and the business that we do. Our aim is to have your trust when it comes to real estate and that we will always be your go-to Real Estate Professional for life.

At The Shelley Stone Group, we embrace technology, routinely educate ourselves, and put what we learn into practice. We operate our company professionally rather than as a side hustle. For us, it's a full-time profession, and we devote all of our time and effort to making sure that we are completely aware of not just real estate and the recent market developments, but also the latest in innovation, technology, and digital marketing trends.

This guide is information gathered from our experience in real estate that will help answer your questions and help you fill any blanks all while making this process easier for you.

Once you have gone through this guide and you still feel like you have questions or need clarification, let us know. Helping people is our passion as we are community market leaders. Let us help provide you an amazing service as we help you through one of the biggest journeys one can go on. Hoping to help in any way possible.

MEET Shelley Stone



My top priority is to provide my clients with unparalleled service and personal assistance in all of their real estate needs. I have chosen to provide a highly specialized, personalized, concierge experience that prioritizes you, the client.

You need a real estate agent who will take the time to listen and understand your needs and concerns as a buyer. My clients come first and can count on me any time of day when they have a question or concern. I believe that integrity and open communication must exist to achieve a win win experience for everyone involved.

Through years of continued education, real estate designations and market training, I have been able to build a customized portfolio of services for each and every client. Ensuring they get the best of my skills, but in a way that fits their personalized real estate needs.

I believe strongly that it is not only my duty to represent my clients to the best of my ability, but also to educate them throughout every step of the process armed with top notch information, strategic and comprehensive marketing techniques and market insight to help my clients make the best decisions possible.

With over \$50M in closed sales and over 100 transactions in the past 5 years alone, I believe myself and my team are the best to serve your every real estate need. Whether you are buying or selling a home, we have all the tools to give you the fastest results with the best outcome. I strive to make each process as smooth and fun as possible. This is YOUR home, YOUR future...and therefore MY commitment,

OUR COMMITMENT

GETTING YOU IN THE DOOR

We will narrow down the homes that fit your unique wants and needs, then get you in the door! Looking at dozens of homes every week, I can help you identify potential problems within a home.

MANAGING HARD CONVERSATIONS

As a buyer, we are here to support you every step of the way, especially when it comes to repairs or pricing adjustments. We will take care of negotiating repairs, coordinating necessary fixes, communicating with agents and sellers, and handling any price modifications on your behalf. You can count on us to handle these tasks so that you can focus on your buying experience.

STAYING ON TOP

Buying a home involves many types of documentation. I have the experience and knowledge to navigate real estate contracts. Ensuring that nothing is overlooked and that you truly understand what a paper means before ever signing.

NEIGHBORHOOD EXPERT

Working daily in neighborhoods with inspectors, contractors, and negotiating with sellers, I have the market knowledge you need to get the best results from your purchase. Understanding the local real estate market can go a long way when it comes time to make an offer on a house.

PROBLEM SOLVER

Throughout the whole procedure, we make a concerted effort to safeguard all of your interests and handle any problems that may develop. Our mission is to make the process of buying your home enjoyable and stress-free.



UNDERSTANDING THE HOUSING MARKET

WHAT CAN LEXPECT FROM THE MARKET

If you're thinking about buying a home, it's important to understand the current housing market. Partnering with a real estate professional can help you navigate and stay competitive in today's market.



WHY MORTGAGE RATES MATTER

Understanding how mortgage rates affect your monthly payments is crucial. For example, if your budget allows for a monthly payment of \$2,400 to \$2,500, lower rates mean you can afford a more expensive home because more of your payment goes towards the principal. Higher rates, however, might limit you to less expensive homes since more of your payment goes towards interest.

ULTIMATELY:

While no one can predict the market perfectly, staying informed and working with real estate professionals can help you make confident decisions. Understanding mortgage rates and home price trends will help you know when and what to buy, ensuring you make the best choice for your future.



OK, SO... WHAT IS

BUYER AGENCY?

DEFINITION

Buyer Agency refers to a legal relationship between a potential homebuyer (that's you) and a real estate agent or broker. In this relationship, the agent or broker (known as the Buyer's Agent) represents your interests during the home-buying process.

AGENCY AGREEMENT:

Much like Listing Agreements are entered into with sellers. the relationship between a buyer and the Buyer's agent is typically formalized through a Buyer Agency Agreement. This legal document outlines the duties and obligations of both the agent and you, the buyer. It includes details like the duration of the agreement, the geographic area for your home search, the type of property you're interested in, and details of the agent's compensation.





Fiduciary Duties: As your buyer's agent, I have fiduciary responsibilities to you. This means I must act in your best interests, with loyalty, confidentiality, and care. I prioritize your needs and work to ensure that you get the best possible outcome in your home-buying endeavor.

Property Search and Coordination: I not only assist in searching for properties that fit your criteria, but I also schedule and attend viewings, provide insights into the local real estate market, gather all available disclosures, and communicate with the various listing agents to help gather as much information as possible.

Expert Advice: I offer expertise in various areas such as market trends, neighborhood information, property values, financing incentives, and pricing strategies. I can also interpret complex real estate documents and contracts to ensure proper protections and safeguards are integrated for your specific situations.



Negotiation: Besides negotiating the price, terms, and conditions of the sale, I often strategize and negotiate several other aspects when writing offers for you. These can be crucial in making an offer more appealing to the seller or in ensuring that your interests are well-protected. Here's a rundown of these additional aspects:

- Closing Date: I may negotiate the closing date to align with your schedule or financial planning, including coordinating with your lease end, sale of your current home, or availability of funds.
- **Contingencies:** I negotiate crucial contingency clauses, including home inspection, financing, sale of current home, appraisal, and others.
- **Repairs and Credits:** Based on the home inspection, I may negotiate for repairs or credits to be made by the seller.
- **Inclusions and Exclusions:** Negotiating which fixtures or personal property are included or excluded from the sale.
- Rent-Back Agreement: If the seller needs more time to vacate, a rent-back agreement can be negotiated.
- Closing Costs: In some cases, I negotiate for the seller to pay a portion or all of your closing costs.
- Warranty: Requesting a home warranty paid for by the seller.
- **Earnest Money:** Negotiating the amount of earnest money deposit to show the seriousness of your offer.
- **Title and Survey:** Ensuring clear title and negotiating who pays for title insurance and survey.
- Closing Location and Time: Sometimes, I can negotiate the location and time of the closing to make it more convenient for you.

Coordination of the Purchase Process: I coordinate the extensive purchase process, organize inspections, ensure deadlines are met, and act as the liaison with other professionals involved in the transaction like mortgage brokers, attorneys, insurance agents, title companies, and home inspectors.



BENEFITS TO YOU:

Representation: I ensure that your interests are represented in the transaction.

Access to Resources: I have access to extensive real estate listings, including many "off-market" properties.

Save Time and Stress: I handle the heavy lifting of the home-buying process, saving you time and reducing stress.

Negotiation Power: I have negotiation skills and experience critical in getting a favorable deal.

Guidance and Support: I guide you through every step, providing support and advice, particularly helpful for first-time buyers.

THINGS TO CONSIDER:

Exclusive vs. Non-Exclusive Agreements:

Agreements can be exclusive or non-exclusive; understand the terms before signing.

Commission: Understand how I am compensated, in light of recent industry changes around how commissions can be paid. In short, commission can be negotiated to be paid either by the seller, by the buyer, by the listing broker, or a combination.

Communication and Compatibility: Partnering with me, an agent you're comfortable with and who communicates well, is crucial in your home-buying journey. The buyer-agent relationship should be a trusted one.



As a buyer's agent, my role in coordinating the purchase process is comprehensive and involves several key responsibilities:

Handling Paperwork and Managing
Documentation: I manage all the
necessary paperwork and
documentation involved in the
purchase process. This includes drafting
and reviewing addendums,
amendments, disclosures, and ensuring
all contract elements are correctly
executed. My expertise lies in making
sure that every document reflects your
interests and needs accurately.

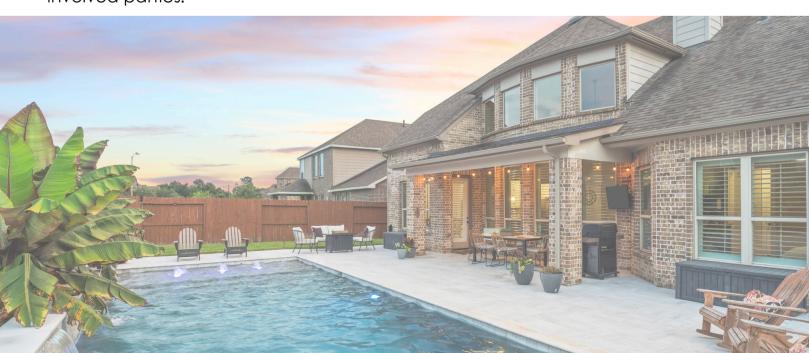
Timelines and Deadlines: I meticulously track and adhere to all time frames and deadlines stipulated in the contract. It's my job to ensure that every step, from the offer submission to the closing, happens within the agreed-upon schedule. This includes prompt communication and follow-ups with all involved parties.

Guidance on Complex Legal Contracts:

I provide detailed guidance on the complexities of legal contracts involved in buying a home. My role is to demystify the legal jargon and ensure you understand the implications of what you're signing, protecting your rights and interests at every stage.

Coordinating Inspections: I coordinate various types of inspections necessary for your prospective home, including general home inspections, pest inspections, and any specialized assessments that may be required. It's crucial to identify any potential issues that could affect your decision or negotiation position.

Review of Inspection Findings: After inspections, I review the findings with you, advising on the significance of each aspect. If there are issues, I strategize on the best course of action, whether it's negotiating repairs, asking for credits, or re-evaluating the offer.



Managing Contractors: If repairs or improvements are needed, I can help manage interactions with contractors, obtain quotes, and ensure work is completed satisfactorily.

Navigating the Closing Process: I guide you through the entire closing process, which includes finalizing financing, reviewing closing documents, and ensuring all legal and financial obligations are met. I am prepared to tackle any unexpected hurdles or curve ball that might arise.

Final Walk-Through: Before closing, I conduct a final walk-through with you to ensure the property is in the agreed condition and that all terms of the sale are met.

Providing Ongoing Information and Recommendations: Throughout this process, I offer continuous information, recommendations, and advice on what is customary in the market. This includes sharing insights into market trends, data, and past sales which might influence your decisions.

Support and Advice: I am your steadfast advocate and advisor from the beginning to the end of the homebuying process. My goal is to make this journey as smooth and successful as possible, ensuring that you are informed, comfortable, and confident in your decisions.



Why Commit to an Experienced Buyer's Agent?

In essence, my role as a buyer's agent in coordinating the purchase process is to be your knowledgeable and reliable partner, navigating each step with precision and care to ensure a successful and satisfying homebuying experience. And due to new regulations, all real estate agents will be prohibited from showing properties without first entering into a Buyer Agency agreement and establishing compensation.

Commission Origin-Traditional Model:

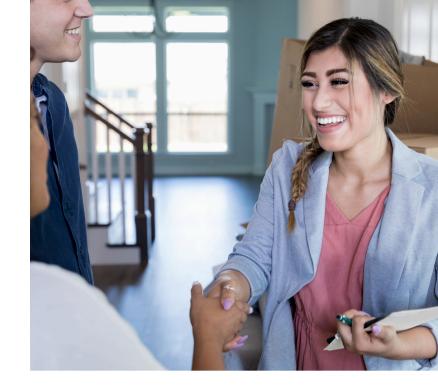
When a seller lists their home, historically they agree to pay a commission to their real estate agent (the listing broker) as part of the listing agreement. This commission is usually a percentage of the sale price of the home.

Sharing the Commission: The listing agent, with the seller's agreement to allow for "cooperation and compensation", offers a portion of commission to buyer's agents as an incentive for bringing a buyer to the property.

This split is usually predetermined and historically was displayed in the MLS (Multiple Listing Service) as a "guaranteed" payment to the Buyer's Agent. But due to recent regulatory changes, the public display in the MLS is prohibited.

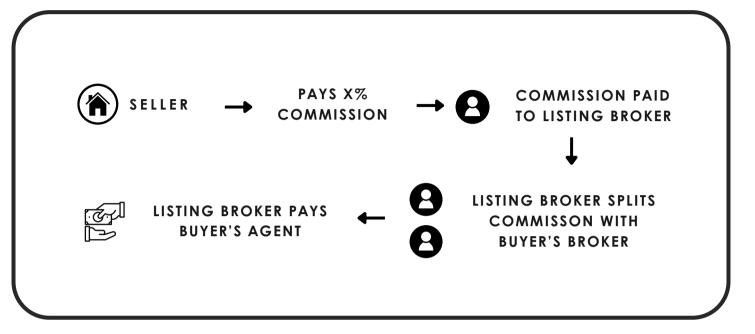
 As the buyer, under this model you generally don't pay the commission directly out of pocket. It's the seller who pays the commission out of the proceeds of the sale either directly to the buyer broker, or to their Listing broker, who pays the buyer broker.





Closing Transaction: The commission is paid at closing. Once the property transaction is completed, the commission is disbursed as per the agreements to the respective brokers/agents.

TRADITIONAL COMPENSATION MODEL:



Note: the buyer is not directly involved in the financial transaction between the seller and the agents.



***It is important to note that with the recent changes, there will be some circumstances where a seller will opt out of offering compensation to the buyer's agent, here are a few scenarios and solutions to consider:

ALTERNATE COMPENSATION MODELS:

1

Negotiating Commission with the Seller:

If we encounter a listing that is NOT offering a commission to buyer agents, and you still want to consider the property, one approach I can take is to negotiate with the seller or the seller's agent to include my buyer's agent commission in the terms. This can be part of the overall negotiation process when making an offer on the property.

2

Adjusting the Purchase Offer:

Another strategy could be to adjust the purchase offer to indirectly cover the commission. For example, if the home is listed for \$300,000 and the typical commission would be \$9,000, we could offer \$309,000 with the condition that the seller pays a \$9,000 commission to the buyer's agent. This way, the net to the seller remains the same and your commission obligations are rolled into the overall price of the home.

3

Seller Concessions:

A seller concession is an agreement where the seller agrees to pay a portion of the closing costs on behalf of the buyer. This can include various fees associated with purchasing a home, such as loan origination fees, appraisal fees, points, etc, reducing your upfront out-of-pocket expenses, potentially making the home purchase more affordable to account for direct pay commission obligations.

4

Buyer Pays Commission Direct:

In cases where the seller refuses to pay the buyer's agent commission, and it cannot be built into the purchase price, you as the buyer may be responsible to pay the commission directly. This would be something we'd discuss and agree upon before moving forward on a property and it will be stipulated in our buyer's agency agreement.

WHAT YOU DON'T KNOW COULD COST YOU

When you're in the market to buy a home, it's crucial to understand the dynamics of real estate transactions, especially regarding agent representation and compensation.

One key concept that can significantly impact the process is the principle of "procuring cause."

PROCURING CAUSE: SIMPLIFIED

Procuring cause is a term used in real estate to determine which agent is entitled to the commission on a property sale. It refers to the actions that directly lead to the sale of a property.



HERE ARE SOME EXAMPLES THAT MAY UNKNOWINGLY PUT YOU IN THE POSITION OF PAYING COMPENSATION OUT OF POCKET:



1. Contacting Listing Agent Directly

Visiting open houses on your own is a great way to learn what you like and dislike. Make sure to register with the host agent and let them know you're partnering with me. Remember, keep your excitement contained. The host agent represents the seller and, it's best to keep your cards close to the vest for negotiating. Think of it this way...ANYTHING you say or do can be used against you in negotiations!

2. For Sale By Owner

If you find a FSBO, let us know so we can help you maximize your process. I have the expertise to make contact, negotiate, and make sure the entire process goes off without a hitch. We can help you save money in the transaction, but more importantly, save you the headaches of buying all on your own.





3. New Construction

Creating your dream home is an adventure. Surprisingly to most buyers, the builder's role is very much like a traditional home seller. I will represent you as a buyer and use my expertise to make sure you get the absolute best experience with peace of mind knowing you received the best deal possible. Many builders budget for a buyer's agent commission whether you use one or not, so take advantage of my expertise by ensuring we are having you follow their policies when visiting developments. Many new construction builders have specific rules about buyer representation. If you visit a new development without me or without having me register you ahead of time, the builder may refuse to acknowledge me as your agent later. This is particularly critical on your first visit to a development.

CONTACTING A LISTING AGENT DIRECTLY

If you contact a listing agent directly to view a property without involving me, it could impact who receives the commission (remember in some cases the seller is paying the listing agent and the agent is sharing that commission with the buyer's agent who consummates the sale). In such cases, the listing agent may claim they are the procuring cause of the sale since they showed you the property and initiated the transaction and make a claim for the buyer's agent compensation.

Why This Matters: If the listing agent claims to be the procuring cause, they might be entitled to the full commission. This can complicate or even jeopardize our agency relationship and the level of service I can provide to you and require you to pay commission directly. It's essential to have consistent and dedicated representation to ensure your interests are always the top priority.

Best Practices for You as a Buyer: Always communicate through your buyer's agent (that's me) when you're interested in a property. This ensures clear representation and avoids any confusion over procuring cause.

THIS INCLUDES VISITING OPEN HOUSES TOO.

If you happen upon an open house or a listing online, inform the listing agent that you are represented by a buyer's agent, this declaration helps maintain clarity about who is representing you. Always call me to arrange for any showing appointments.

Your Protection and Benefit: Working consistently with me, your buyer's agent, ensures that you have an expert advocating for your best interests throughout the entire process. It also avoids any potential disputes over commission that could arise from direct interactions with listing agents and from you unknowingly divulging information that might put you at a disadvantage in negotiations.

Remember, as your buyer's agent, I'm here to guide you, negotiate the best deal for you, and protect your interests. Keeping the lines of communication open and letting me take the lead on property inquiries and viewings will help ensure a smooth and successful home-buying experience. This approach not only respects the rules of conduct between agents but also ensures that you have expert guidance at every step of your home-buying journey.

What you don't know could cost you #2

FOR SALE BY OWNER

When you encounter a For Sale By Owner (FSBO) property, it's important to approach it with the same level of caution in terms of agent representation. Here's why and how this can affect the commission compensation:

Understanding FSBO: FSBO listings are properties sold directly by the owner without a listing agent. This means the seller is trying to avoid paying a commission to a real estate agent.

The Impact of Direct Contact: If you, as a buyer, directly contact the owner of a FSBO property without informing me, your buyer's agent, it can create complications. In some cases, FSBO sellers might be less cooperative to pay a buyer's agent commission, believing that you are unrepresented.

Your Agent's Role in FSBO Transactions: As your agent, my job is to represent your interests, which includes contacting FSBO sellers on your behalf. I can negotiate terms, including the discussion of agent commission, which is crucial for maintaining the professional services I provide to you.

Potential Risks of Direct Communication:

By directly interacting with a FSBO seller, you might inadvertently signal that you don't need or value the services of a buyer's agent. This can lead to a situation where the seller refuses to pay a commission, assuming you are handling the transaction independently, shifting the responsibility of commission payment to you.

Why It's Important to Involve Your Agent:

Involving me in your FSBO interactions ensures that your interests are professionally represented. I can bring my experience and expertise to negotiate fair terms, address legal complexities, and ensure that your rights are protected in the transaction.

Ensuring Proper Representation: Always inform me about any FSBO property you are interested in. I will reach out to the seller to establish the terms of the transaction, including the discussion of the buyer's agent commission. This not only secures my role in the process but also ensures you receive the full benefit of my professional assistance without additional costs.

My goal is to guide you through every aspect of the home-buying process, including dealing with FSBO properties. By ensuring that I am involved from the start, we can avoid any misunderstandings or conflicts regarding representation and commission. This approach guarantees that your interests are always protected and that you receive the comprehensive support and guidance needed for a successful home purchase.

What you don't know could cost you #3

NAVIGATING NEW CONSTRUCTION DEVELOPMENTS

Exploring new construction developments can be exciting, but it's crucial to understand how your actions can impact our agency relationship, especially regarding representation and commission. Here's what you need to know:

First Visit Implications: Many new construction builders have specific rules about buyer representation. If you visit a new development without me or without having me register you ahead of time, the builder may refuse to acknowledge me as your agent later. This is particularly critical on your first visit to a development.

Builder's Policies on Agent Commission:

Builders often only pay a commission to a buyer's agent if the agent is present or has registered the buyer on their first visit to the site. If this protocol isn't followed, the builder might argue that they were the procuring cause of the sale and therefore refuse to pay a commission to the buyer's agent.

Your Potential Financial Responsibility: If the builder denies compensating me due to a breach in their policies (such as visiting without me or not being registered), you could find yourself in a position where you might have to pay for my services out of your pocket. This situation can be avoided by ensuring proper protocol is followed.

Importance of Agent Presence or

Registration: To ensure that I can represent you and be compensated by the builder, it's vital that either I accompany you on your first visit to a new construction site or I register you with the development before your visit. This process is a simple but crucial step in maintaining your right to representation.

Advantages of Having Agent

Representation: With me as your agent in a new construction purchase, you benefit from professional negotiation, insights into the building process, and someone to advocate for your interests. My presence can be invaluable in navigating contracts, upgrade choices, and ensuring you're making the right choices to maximize your ROI at resale.

Communicating with Developers: If you come across a new development that interests you, let me know before you plan a visit. I'll take the necessary steps to register you or arrange to accompany you, ensuring that your rights to representation and my role as your agent are secured.

In the excitement of exploring new construction homes, it's easy to overlook the nuances of agent representation and commission policies. By keeping me informed and involved from the beginning, we can avoid any potential issues with builders and ensure that you receive the full benefit of my expertise and services, without any unexpected financial obligations on your part. Remember, my goal is to support you through every step of your home-buying journey, including navigating the complexities of new construction properties.

WHAT A BUYER AGENT PROVIDES:

In-Depth Market Knowledge: A dedicated buyer's agent brings extensive knowledge of the local real estate market, including pricing trends, neighborhood insights, and upcoming developments, which can be invaluable in making a wise investment.

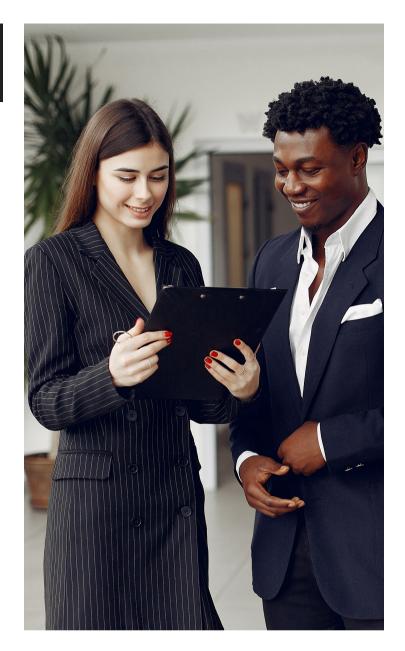
Professional Networks: Your agent can connect you with a trusted network of professionals, including inspectors, lawyers, and mortgage brokers, which can streamline the buying process.

Emotional Support and Objectivity: Buying a home can be emotional. An agent offers a level of objectivity, helping you make decisions that are rational and in your best interest, rather than being driven by emotion.

Post-Purchase Support: The support from your buyer's agent often extends beyond the purchase, helping with post-purchase tasks like setting up utilities, recommending local service providers, and even providing advice on home improvement.

Risk Mitigation: Experienced agents know how to spot red flags and can guide you away from potentially problematic properties, mitigating risks associated with home buying.

Time and Stress Reduction: Having an agent handle the complexities of the buying process can save you significant time and reduce stress, allowing you to focus on the excitement of finding your new home.



In Summary:

A dedicated buyer's agent offers a comprehensive service that goes beyond just finding a property. They provide expertise, support, and advocacy throughout every stage of the home-buying journey, ensuring that your interests are protected and your experience is as smooth and successful as possible.

WHY YOU NEED AN AGENT

Navigating the home-buying process can be complex, particularly in the current housing market where the inventory of available homes is low, and both home prices and mortgage rates are relatively high. This combination can pose challenges, underscoring the importance of having expert guidance and a reliable advisor by your side. This is where the value of a local real estate agent becomes evident.

According to the most recent annual report from the National Association of Realtors (NAR), homebuyers have consistently found that the most valuable resource during their home-buying journey is a real estate agent. Let's delve into the reasons why an agent is so crucial when buying a home.

The Role of an Agent in the Home-Buying Process

While the most visible duties of a real estate agent might include showing you potential homes and handling the paperwork, a great agent's role is far more comprehensive. An agent isn't just someone who facilitates the purchase; they act as your guide through each phase of the process, providing critical insights and support that go beyond just finding a property and making an offer. Here's how an agent can be instrumental:



The latest release from the National Association of Realtors (NAR) sheds light on the diverse ways real estate agents provide value to homebuyers, backed by statistics from homebuyers themselves. Here's a breakdown of the benefits that agents offer, as highlighted by buyers in the report:

- Helped Buyer Understand the Process (61%): The buying process is filled with technical steps like inspections and appraisals, and post-mortgage application dos and don'ts, such as not making large purchases. An agent educates you on these nuances, ensuring you're well-prepared and don't miss any crucial steps.
- Pointed Out Unnoticed Features or Faults with the Home (58%): With their wealth of experience, agents can identify aspects of a home you might overlook, from hidden features to potential faults. This insight can be vital in your decision-making and negotiation process.

- Provided a Better List of Service Providers (46%): A real estate transaction involves various professionals, from inspectors to contractors. Agents can connect you with trusted local service providers, ensuring a smooth transaction.
- Negotiated Better Sales Contract Terms and a Better Price (46% and 33%): Should issues arise from inspections or appraisals, agents are skilled in renegotiating terms and prices to secure the best deal for you, reinforcing your confidence in the purchase.
- Improved Buyer's Knowledge of the Search Area (45%): Whether you're new to a town or exploring different neighborhoods, agents offer invaluable local insights, guiding you to areas that suit your lifestyle, budget, and preferences.
- Expanded Buyer's Search Area (21%): If your initial search area isn't yielding desirable options, agents can broaden your horizons by suggesting alternate neighborhoods that align with your criteria, potentially revealing hidden gems.

These points underscore the multifaceted role of real estate agents in not just facilitating transactions, but in enhancing the overall home buying experience through their expertise, insights, and negotiation skills.

You may not be aware - unless you have seen the commercials - that there is a significant difference between a Realtor and a REALTOR®. It seems silly, I know, but the National Association of REALTORS® (NAR) takes this very seriously. They launched a national television campaign a couple of years ago to draw attention to this topic in order to protect, YOU, the buyer.

The REALTOR® trademark can only be used by real estate agents that are active members of this association. What does that mean to you? REALTORS® in this association have more training and opportunities to improve their services in this constantly changing industry.

It's not cheap to be a member of the National Association of Realtors so when you see this trademark, you know that REALTOR®s take their job seriously. Hire one of them!

NEGOTIATION

When it comes to negotiation, not all negotiators are created equal. In fact, only 3% of Realtors have gotten certified in negotiation. Given how crucial it is to negotiate properly, it is really surprising that more realtors haven't invested in this certification. Look for the MCNE or CNE symbol for Realtors that have been trained in negotiation.



LET US GET TO KNOW YOU SO WE CAN HELP YOU REACH YOUR GOALS!





STEPS TO BUYING A NEW HOME

STAGE 1 – PREP WORK

- DECIDE WHETHER YOU'RE READY TO BUY A HOME
- * REACH OUT TO A LENDER TO GET PRE-APPROVED
- ♦ I FNDER WILL HELP YOU DECIDE WHAT TYPE OF LOAN FITS YOUR NEEDS
- LENDER WILL HELP DETERMINE HOW MUCH YOU CAN AFFORD ON A HOUSE
- SAVE FOR A DOWN PAYMENT AND CLOSING COSTS

STAGE 2 - THE SEARCH

- CREATE A WISH LIST
- DOCUMENTING YOUR VISIT
- START TOURING HOMES

STAGE 3 - UNDER CONTRACT & CLOSING

- MAKE AN OFFER
- ❖ FINALIZE MORTGAGE
- GET HOMEOWNERS INSURANCE
- ATTEND THE HOME INSPECTION
- NEGOTIATE ANY REPAIRS OR CREDITS
- HAVE THE HOME APPRAISED
- CLOSE ON YOUR NEW HOME!



STAGE ONE: PREP WORK



DECIDE WHETHER YOU'RE READY TO BUY A HOME

FINANCIAL AND EMOTIONAL READINESS

Buying a home isn't just a financial decision—it's an emotional one too. Even if it's a starter home, you're making a big commitment. Consider the following:

- Personal Goals: Are you buying with a partner, and if so, are you aligned financially?
- Relocation: Is there a chance you might need to move for work?
- Family Plans: Are you planning to start a family soon?

These factors can influence whether now is the right time to buy a house.

INCOME AND EMPLOYMENT STATUS

Lenders will assess not only your income but also your employment history, typically requiring about two years of stable work to ensure your income is reliable. WONDERING IF YOU SHOULD BUY A HOUSE? LET'S LOOK AT SOME OF THE FACTORS THAT LENDERS AND HOMEOWNERS ALIKE SHOULD CONSIDER.

CREDIT HEALTH

Your credit score significantly impacts the loans and interest rates available to you. Improving your credit score and reducing debt can lead to better loan options with lower interest rates. Your credit score is determined by:

- Payment history
- · Amount of money owed
- Length of credit history
- Types of credit used
- Pursuit of new credit

Most lenders require a minimum credit score of 620 for loan qualification, with scores above 720 generally securing the best terms.

TIMING

Deciding the right time to buy depends on personal and market factors, such as financial readiness and current mortgage rates. Consult a financial expert to make an informed decision.

SAVE FOR A DOWN PAYMENT AND CLOSING COSTS

There are many ways to save for your home purchase, including through investments and savings accounts. If you have relatives who are willing to contribute money, you may be able to use gift money toward your down payment (in which case, be sure to provide your lender with a gift letter).

But how much do you need to save before buying a home? Let's look at some of the major expenses related to the purchase, and how much you might want to save for them.

DOWN PAYMENT

The down payment is a significant, one-time payment towards purchasing a home. While many believe a 20% down payment is necessary, there are alternatives:

- Conventional Loans: As low as 3% down
- FHA Loans: Minimum 3.5% down
- VA and USDA Loans: Eligible borrowers can put 0% down

Making a larger down payment can provide more mortgage options, lower monthly payments, and interest rates. A 20% down payment on a conventional loan also eliminates the need for private mortgage insurance (PMI).

CLOSING COSTS

You'll also need to save money to cover closing costs – the fees you pay to get the loan. There are many variables that go into determining how much you'll pay for closing costs, but it's usually smart to prepare for 3 – 6% of the home value. This means that if you're buying a home worth \$200,000, you might pay \$6,000 – \$12,000 in closing costs.

The specific closing costs will depend on your loan type, your lender, and where you live. Almost all homeowners will pay for things like appraisal fees and title insurance. If you take out a government-backed loan, you'll typically need to pay an insurance premium or funding fee upfront.

Before closing, review your Closing Disclosure document to understand all fees and avoid errors.



OTHER EXPENSES

- Earnest Money Deposit (EMD): Usually 1-2% of the purchase price, applied toward your down payment.
- Home Inspection: Recommended to assess the home's condition, costing \$500-\$1000.
- Appraisal: Ensures the property's value matches the loan amount, costing \$300-\$800.

THE POWER OF PRE-APPROVAL

PRE-APPROVAL SHOWS YOU'RE A SERIOUS BUYER

One of the crucial first steps when buying a home is getting pre-approved for a mortgage. Understanding pre-approval and its benefits can significantly enhance your home-buying process.

WHAT IS IT?

According to Freddie Mac: "A pre-approval is an indication from your lender that they are willing to lend you a certain amount of money to buy your future home... Keep in mind that the loan amount in the pre-approval letter is the lender's maximum offer. Ultimately, you should only borrow an amount you are comfortable repaying."

Key Points:

- Pre-Approval Process: To secure a mortgage, you need to get pre-approved by a local lender. The lender will assess your financial information to determine the amount you can borrow.
- Financial Planning: Your lender will help you understand your down payment and monthly payments based on different purchase prices, giving you a clear picture of your budget.
- Affordability: Especially with current higher mortgage rates, understanding your numbers is crucial. While the purchase price is important, the monthly payment is what you'll live with. Work with your lender to determine a comfortable payment range.

HOW DOES IT WORK?

Having your pre-approval letter ready before starting your home search saves time and ensures you don't miss out on ideal opportunities. The pre-approval letter will accompany your offer, demonstrating to sellers that you are a serious buyer.

Steps to Pre-Approval:

- 1. Financial Assessment: The lender reviews your financial information to determine the loan amount you qualify for.
- 2. Pre-Approval Letter: This letter, provided by the lender, indicates the maximum loan amount and is essential when making an offer on a home.
- 3.Local Expertise: Ensure your lender is local to benefit from their knowledge of the local real estate market and appraisals.

THE IMPORTANCE OF A PRE– APPROVAL

Pre-approvals act as a dress rehearsal for your mortgage. They are vital for making a serious offer on a home and typically expire after 90 days but can be renewed if needed. **Considerations**:

- Credit Inquiry: Pre-approval involves a hard inquiry on your credit report. Multiple inquiries within a short period count as a single inquiry.
- No Guarantees: Pre-approval does not guarantee mortgage approval or interest rates.
- Financial Stability: After getting pre-approved, avoid opening new credit lines or making significant debt payments that could affect your credit score.

Pre-approval is a critical step in the home-buying process, helping you understand your financial limits and showing sellers that you are a committed buyer. By working closely with a local lender and having a clear understanding of your budget, you can navigate the home-buying journey with confidence.



STAGE TWO: THE SEARCH



TIME TO BUY

As this can be a very stressful time, we want to ensure your confidence in us to let you know we are here to help the process run effortlessly and smoothly; always putting you and your family first. This is something we are passionate about and enjoy doing; therefore, we are happy to help guide you through the entirety of the process.

Our goal as the communities market leader is to provide those in our community with an immaculate service. With our years of combined work, digital marketing strategies, online platforms, and hearts that care more about serving you than selling you, we ensure you have our full integrity in this process.



The Key to Your New Home

What drives your decision to buy? Are you considering a change? Would you like to downsize or upsize to more land? Do you have to move in order to get a job? Do you relocate to be near your family? Are you relocating to a nicer neighborhood or a location with superior schools?

All of this is crucial so that we can support you in achieving your objectives. Knowing what matters to you helps us better meet your needs and guide you to achieve your objectives.

You're relocating, why? What are you trying to find? Why are you doing this? Before you begin, it is critical that you focus on why you are moving and what your top 3 needs are. I've watched hundreds of homebuyers start their home-buying process only to change their criteria halfway through. This sometimes results in their missing out on a home they wish they would have offered on, only to find out that it is no longer available.

You'll want to avoid this by first identifying your why and honing in on your needs. It might seem silly, but understanding your true motivations is important.

WHAT TO EXPECT

GETTING FROM POINT A TO POINT Z

- Initial Consultation
- We will discuss your goals and how we can help you achieve them. We love meeting in person, and we also have virtual options.
- Mortgage Pre-Approval

 Have that Pre-Approval Ready so you can make an offer once you find the right home.
- Instant Home e-Alerts
 We give you priority access to homes that match exactly what you're looking for as soon as they become available.
- Showings
 Working around your schedule, we will make appointments at the homes you have chosen to see.
- Drafting an Offer
 We will discuss the terms of your offer and compile them into a contract.
- 6 The Negotiation
 We will fight for every penny as though it was our money.
- Managing the Details
 We manage all the details necessary to get you to the finish line.
- 8 Closing
 You will receive keys and become the owner of your new home, yay!
- After Closing
 We pride ourselves on maintaining life-long relationships with our clients and continuing to bring value to you.

WRITE IT OUT

Here is a chance to help you get clear on what you want. We'd love for you to share this with us so we can serve you at the highest level. Dive in and gain some insight to why you're ready for this change. Do this with all of the decision-makers. Doing this first ensures that everyone is on the same page once you start touring houses. This will set you up for success from the beginning

I WANT TO BUY A HOUSE BECASUE
OWNING A HOUSE WOULD MAKE ME FEEL
THE HOUSE FEATURES THAT ARE IMPORATANT TO ME ARE
IT'S IMPORTANT FOR MY HOUSE TO BE

CREATE A WISH LIST

Chances are you have a good idea of what you are looking for. Once you've got your finances in order, the fun of looking for the perfect home begins!

Make a list of the things you'll need to have in the house. Ask yourself how many bedrooms and bathrooms you'll need and get an idea of how much space you desire. How big do you want the kitchen to be? Do you need lots of closets and cabinet space? Do you need a big yard for your kids and/or pets to play in?

Once you've made a list of your must-haves, don't forget to think about the kind of neighborhood you want, the types of schools in the area, the length of your commute to and from work, and the convenience of local shopping. Take into account your safety concerns as well as how good the rate of home appreciation is in the area.

TIPs

We will make sure to check out the little details of each house

- · Test the plumbing
- Try the electrical system
- Open and close the windows & doors to make sure they work properly

Evaluate the neighborhood and surrounding areas.

- Are the surrounding homes well maintained?
- How much traffic is on the street?
- Is it conveniently located to schools, shopping, restaurants, & parks?

I will set you up on an automatic search through the Multiple Listing Service (MLS), which is the database that Realtors use to list and search for homes. The moment a home that fits your search criteria is listed for sale, it will be sent to your email inbox. If we ever need to adjust the search criteria, just let me know and I can make any change you need. Make sure to let me know which homes pique your interest and we will set up some showings.

THE BASICS

What price range would you consider?
No less than \$ but no more than \$
• Are schools a factor and, if so, what do you need to take into consideration (e.g., want specific school system, want kids to be able to walk to school, etc.)?
Do you want an older home or a newer home (less than 5 years old)?
YES NO
• How much renovation would you be willing to do?
A LOT A LITTLE NONE
How many bedrooms must you have?
How many bedrooms would you like to have?
How many bathrooms do you want?
How big would you like your house to be (square feet)?
No less than \$ but no more than \$

NEEDS VS. WANT

• What features do you want to have in your house?

	NEEDS	WANT
Carpet		
Ceramic tile		
Hardwood floors		
Open Kitchen		
Separate dining room		
Formal living room		
Family room		
Separate laundry room		
Media Room		
Secondary bedroom Down		
Primary Bedroom Down		
Large yard (1 acre or more)		
Small yard (less than 1 acre)		
2 car Garage		
3 Car Garage		
Pool		
Outdoor Kitchen		

When it's time to take your home tour, check the features against the checklist you made. Do you need to re-evaluate any of your must-haves?

Get a feel for the home and consider anything you may have left off of your list. Remember, paint can be replaced, and staged furniture will change, but there are aspects that can't change so easily.

START TOURING HOMES

Address:	
Date Viewed:	Time of day:
Home Score: 1 2 3 4	5 6 7 8 9 10
LOCATION	EXTERIOR DETAILS
The home is in our desired neighborhood and/or area	The exterior is in good condition & is as updated as we want/need
The home is in our desired school district	We like the look and design of the exterior of the home
We like the parks and recreational options close by	We like the landscape and it is what we want/need.
The home is within our determined work radius.	The backyard will work for us and is what we want/need
The home has the number of bedrooms we want/need	
The home has the number of bathrooms we want/need	
The home is as updated as we want	
The home has the square feet we want/need	

MAKE COPIES OF THIS TO USE AT EACH HOME YOU TOUR.

START THE SEARCH

Let the Home Shopping Begin....

It's now the time to start visiting homes that make the cut. Once we identify your top picks, I'll make the arrangements with the listing agents for each home we are visiting and gather available information for each property. I encourage you to take notes and photos as the properties can start to run together if we are viewing multiple homes. I'll be making notes of inclusions or exclusions that we would want to make part of an offer.

Also, keep in mind nothing is private anymore. Between ring doorbells, cameras, audio/visual surveillance, nanny cams, etc., you never know when your actions, and more importantly your words, might be monitored by a seller.





It's important that you keep negative or positive comments and your interest level in the property to yourself, until we are away from the property. Never, ever discuss any terms you might be willing to offer to the seller while in the vicinity of the home.

STAGE THREE: UNDER CONTRACT AND CLOSING



YOU'VE FOUND "THE ONE"

NOW IT IS TIME TO MAKE AN OFFER

4 TIPS FOR MAKING YOUR BEST OFFER ON A HOMF

1. LEAN ON A REAL ESTATE PROFESSIONAL

When navigating the housing market, having a real estate agent by your side can be incredibly beneficial. Agents have a deep understanding of both the local market conditions and broader national trends. They can provide you with valuable insights and information, helping you make informed decisions with confidence.

Agents also know what has been successful for other buyers in your area and what sellers might be looking for in an offer. Sometimes, tailoring your offer to meet the seller's specific needs can make it more appealing. As mentioned in a Forbes article, connecting with a local realtor where you're looking to buy can give you a significant advantage in a competitive market.

2. KNOW YOUR BUDGET

In the current market, where affordability can be challenging, it's crucial to have a clear understanding of your budget. The best way to know exactly how much you can afford is by getting pre-approved for a mortgage. This process involves a lender evaluating your financial situation to determine how much they're willing to lend you.

Getting pre-approved not only clarifies your budget but also signals to sellers that you're a serious and prepared buyer. This can be particularly advantageous in situations where you find yourself in a bidding war with other potential buyers, as it adds credibility to your offer and can set you apart in the seller's eyes.

3. THINK THROUGH EVERYTHING BEFORE MAKING AN OFFER

While everyone wants to secure the best possible deal on a home, making an offer that's too low comes with its own set of risks. You wouldn't want your offer to be immediately dismissed by the seller for being unrealistic. As Realtor.com points out, an offer significantly below the listing price can often lead to rejection, as sellers might feel insulted by such proposals. If a seller feels disrespected or doesn't take a buyer seriously, there's little that you or your real estate agent can do to salvage the situation.

This is where the value of your agent's expertise becomes evident. They can guide you in crafting an offer that's competitive yet fair, balancing your interests with what's acceptable to the seller.

4. TRUST YOUR AGENT'S GUIDANCE IN NEGOTIATIONS

In recent years, to stand out amidst fierce competition, some buyers opted to skip home inspections or forego asking for seller concessions. However, Bankrate highlights that such practices are less common now, which is beneficial for buyers. Home inspections are crucial as they can reveal current or potential issues with the property, providing valuable insights and even serving as a bargaining tool during negotiations.

The current market landscape may offer you more room to negotiate than in the recent past. Your real estate agent will be instrumental in advising you on how to approach the negotiation process. They'll help you identify which aspects of the offer you might want to stand firm on and which ones you could adjust to strike a balanced and attractive deal.

Ultimately

When buying a home, let's work together to make sure you put your best offer forward.

WHAT IS INCLUDED IN AN OFFER:

A written offer may contain these elements, among others:

- Address: The home's legal address, and sometimes the legal property description.
- Price: Details regarding the purchase price and terms.
- Earnest money: The amount and terms regarding the earnest money, including its disposition upon the acceptance of the offer.
- Title: A stipulation that the seller will provide clear title to the property.
- Option Money: Non-Refundable money paid to the seller at contract acceptance based on number of days you have the option to terminate while completing inspections.
- A projected loan closing date: This is typically 25 to 45 days, though how long your lender's underwriting process takes can be the deciding factor here.
- Contingencies: Any contingencies that the deal is subject to (more on these in the next section).
- Disclosures: Other state-required provisions or disclosures.

COMMON CONTINGENCIES:

Your written offer will likely include a least a couple of standard contingencies. These are things that need to happen before the sale can move forward. Common contingencies include:

- Final loan approval: In other words, you get the mortgage, often within a specified amount of time.
- Home inspection: In addition to requiring that the property undergo a home inspection, this contingency may also specify how issues revealed during the inspection will be addressed (for example, if the seller will repair or provide a credit at closing), or if the inspection is for informational purposes only.
- Appraisal: Lenders generally insist on verification of the home's value via an appraisal, as they don't want to lend you more than the property is worth.
- Home sale: This is a less common contingency that means the purchase relies on the completion of another, separate transaction. This is usually either the sale of your current home or the seller finding a new home.

Although you have to protect your interests and gather enough information to make a wise purchase, contingencies may act as roadblocks to getting a deal done — especially in hot markets. It's best for both the buyer and the seller to put only enough stipulations in the contract to cover the necessary bases; no more.

PREPARE YOUR OFFER ON A HOME

Now is the exciting time! When you are ready to write an offer, I will walk you through the contract. It is important to write a fair offer or you can run the risk of the seller not responding or even losing the property to another buyer making an offer. Here are the steps:

REVIEW THE COMPS:

Your REALTOR® will run the sales comparables (comps) in the area in order to determine the market value for the property.

FIND OUT IF THERE ARE OTHER OFFERS

if there are multiple offers, your REALTOR® will help you craft an aggressive offer that works for you. Read on to the next page to learn about multiple offers.

SIGN THE OFFER

The offer will consist of your pre-approval and either a one-page proposal or a full contract with addendums (based on the terms of your offer). This can be signed electronically.

in order to write an offer, we will need the following information:

Pre-qualification letter or proof of funds.

Offer price.

i will help you determine the property's fair market value

Earnest Money deposit.

Usually 1-2% of purchase price.

Option Money Deposit for the Option Period also known as the Inspection Period Typically, is between 5-10 days, so that we can perform inspections on the home and negotiate Repairs or Terminate, If inspection comes back unacceptable.

Financing amount.

What percentage of the loan are you financing, and how much you are putting down

Closing date.

If getting a mortgage, this is typically 30-45 days from acceptance of offer. This will be

the day the keys are handed from seller to buyer

NEGOTIATION

The seller may counter your offer. This may result in a few rounds of back and forth before an offer is accepted. Be patient and stick to your guns. It is extremely important to tell your agent how much you are willing to pay at the beginning of this process so they can navigate accordingly. Did the seller accept another offer? Time to go back to Step 4: find a house. Don't worry, this is very common, especially in today's real estate market where there are a lot of buyers competing for the same house. In my experience, I have learned that if it doesn't work out, it wasn't meant to be!

WHAT TO DO WHEN THERE ARE MULTIPLE OFFERS

Nothing is more frustrating then finding the perfect home for you, and then finding out that someone else thinks it's the perfect home for them too! However, this situation does happen in our market. There are many different techniques we can use to make our offer as attractive to the sellers as possible.

- Have your pre-approval letter or proof of funds in hand. You may have a great offer to submit, but if you can't back it up with proof you are qualified to purchase the home the seller may just move on.
- Make a cash offer if you are able. If not, make as large a down payment as possible, and use a lender that communicates effectively with all parties.
- Offer more than the asking price. Your agent should do a comparative market analysis to give you a good idea on the home value as soon as you decide to make an offer. If it's not too out of line with the CMA or your budget, offer more than the asking price.
- Keep your offer clean and simple. Don't ask for contingencies that aren't necessary to closing the transaction.
- Shorten the inspection period. Asking for a 3 to 5 day inspection period instead of the traditional 10 lets the seller know that you aren't going to waste anyone's time.
 Find a home inspector who has availability to schedule your inspection as soon as your offer is accepted.
- Have your escrow deposit ready. Offer an escrow deposit that sends the message
 that you are serious about your offer and have the funds ready to turn in as soon
 as your offer is accepted. You may want to include a copy of your escrow check
 with your offer.
- Offer flexibility with your closing date. Convey through your agent that you are willing adjust the closing date to suit the seller's needs.
- Be diplomatic with negotiations after your contract is signed. Remember that the seller has other interested parties to fall back on. If you turn ugly after the contract is signed, making additional demands or not following through with your promises, the seller may hand you back your deposit and work with someone else.

BE AGGRESSIVE WITH YOUR OFFER

REVIEW ALL POSSIBLE TERMS

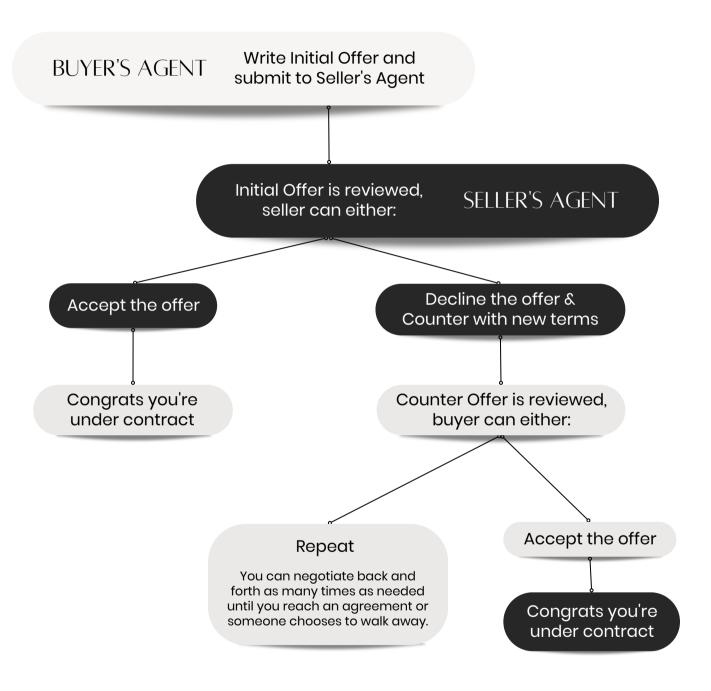
GIVE IT YOUR ALL

At the end of the day, sellers are interested in getting the most money in the shortest amount of time with the least amount of headaches. I want you to know that the goal is to do everything you can in your offer to meet these needs to win the bidding war. As your REALTOR®, I will call ahead to find out what is most important to the seller so that we can craft our offer accordingly.

Price, closing date, and lack of contingencies are what sellers will look for in their ideal offer. Don't want to budge on the price? Push up your closing date or remove one of your contingencies. Again, I'll review this with you when we put together your offer.

This is the hard part. Now is the time to think about how you will feel if you don't get this property. This is your only shot to tell the seller what you are willing to do for them, so make sure you do everything possible to make your offer as attractive as possible. If you don't get the property, make sure you are comfortable walking away knowing you gave it your all.

THE OFFER PROCESS



^{*} Keep in mind, while in the negotiation process, another offer could come in and the seller could accept a different offer. We will want to keep response times as short as possible to minimize that risk.

WE'RE UNDER CONTRACT - NOW WHAT?

	PROPERTY ADDRESS:	PURCHASE PRICE
	TITLE COMPANY:	ESCROW DEPOSIT
ഗ	EXECUTED CONTRACT DATE:	(V) EXECUTED CONTRACT
MPORTANT DATES	INSPECTION PERIOD BEGINS:	CONGRATULATIONS! We are officially under contract. Please mark these deadlines in your calendar and read these next steps to ensure a smooth closing.
		SCHEDULE INSPECTIONS
ORTA	ESCROW DEPOSIT DUE:	The last date to renegotiate or cancel contract due to anything that comes up in inspections is so I recommend scheduling any inspections immediately
$\frac{1}{2}$	LOAN APPLICATION DUE:	OBTAIN INSURANCE
		Start contacting Insurance companies for quotes immediately, we will need to make sure the home is insurable before the end of the inspection period ()
	END OF INSPECTION PERIOD:	ESCROW DEPOSIT DUE
	ESTIMATED CLOSING DATE:	You must send escrow deposit of via check or wire to IMPORTANT: Be very careful when wiring any funds. <i>Never</i> trust wiring instructions sent via email.

NOTES:

Costs to Consider WHEN BUYING?

Earnest Money Deposit

DUE IMMEDIATELY AFTER CONTRACT EXECUTED

Typically the EMD amount is determined based on the purchase price in our market. It's common for 1-2% of the purchase price. It can be delivered by a mobile deposit App, cashier's check or personal check directly to the Title Company. This will become part of your downpayment and is not an additional fee.

Option Money Deposit

DUE IMMEDIATELY AFTER CONTRACT EXECUTED

An option fee is a non-refundable payment made by a buyer to a seller to secure an option period, typically ranging from 3-10 days. This fee grants the buyer the unrestricted right to terminate the contract for any reason during the option period.

Home Inspection

DUE AT TIME OF INSPECTION

We always recommend hiring a home inspector, as you never truly know the real condition of the home from just the outside. The cost ranges from inspector and details such as size of home and if there's a pool. We typically see \$300 - 500, payable by cash or check. This is an additional fee.

Appraisal

DUE AT TIME APPRAISAL IS ORDERED

Like home inspections, appraisals also range on the appraisers and size of the home. They are hired by the lender to ensure that the property is worth what they are lending to the borrower, they range from \$400 - \$1000.

Down Payment

DUE AT CLOSE OF ESCROW

The amount you will need for a downpayment is determined by the type of loan you qualify for. FHA is a minimum of 3.5% whereas conventional loans can range anywhere from 3 - 20%. Ask your preferred lender for options available.

Closing Costs

DUE AT CLOSE OF ESCROW

Closing costs are the fees included for escrow, title and lender services. They range from 2 - 5% of purchase price. We go into detail on the next page as to what those fees entail.

IMPORTANT!!!

You will pay for a home inspection report and an appraisal report (if financing) which is nonrefundable (approximately \$1,000) if these services are completed, even if you do not end up buying the home.

HOME INSPECTIONS

INSPECTION CONTINGENCY PERIOD

The first day following the execution of the contract begins the Option Period. Also known as the Inspection /Due diligence period, the buyer has the right to hire a professional to inspect the condition of the home. The inspection will uncover any issues in the home that would have otherwise been unknown.

The standard home inspector's report will cover the condition of the home's heating system; central air conditioning system; interior plumbing and electrical systems; the roof, attic and visible insulation; walls, ceilings, floors, windows and doors; the foundation, and structural components. You will receive a written report of the inspection. The goal of a home inspection is to uncover issues with the home itself. Inspectors won't tell you if you're getting a good deal on the home or offer an opinion on the sale price.

The home inspection happens after the seller has accepted your offer but before the purchase is complete. To provide enough time for additional inspections or for negotiations with the seller, you'll want to schedule a home inspection as soon as possible once you're under contract. You should allow at least seven to 10 days in the homebuying process to take care of the inspection.

You may be present for the inspection if you would like to ask the inspector any questions.

additional inspections you may need:

- Four-Point Inspection may be required by your homeowner's insurance if the home is more than 30 years old
- WDO Inspection Ask your lender if your loan requires any certain inspections such as a Wood Destroying Organism (WDO) inspection.
- Lead-Based Paint Inspection If the home was built prior to 1978, a leadbased paint inspection is recommended

Depending on the results of these inspections, you may need to bring specialists through to assess specific issues. If necessary, you will then submit a repair request to the seller for repairs. Unless the property is sold as-is, your request for repairs will be another round of negotiations between you and the seller.

NEGOTIATE YOUR INSPECTION (IF POSSIBLE)

You and The seller must agree to repair terms prior to the end of the option period.

During this time, you can back out of the contract and still have the rights to your deposit if an agreement is not reached. If you agree to a credit instead of repairs, this amount will be subtracted from your closing costs at the closing table. If you request repairs, they need to be completed before closing by licensed specialists, and the seller will furnish the invoices.

OPTION PERIOD

Now that we are under contract, the escrow process begins in your real estate transaction. The first critical step for a buyer is usually to decide on the necessary inspections for the home or property. This is a pivotal phase, as it will help you understand the condition of the property and identify any potential issues that might need addressing.

KEY STEPS:

Choosing Inspections: With my guidance, you will need to decide which inspections you will want to have performed as well as determining what inspections may be required. Common inspections include general home inspection, pest inspection, radon testing, sewer inspection, irrigation system, gas appliance inspection, septic, well, pool, and, depending on the area, flood zone assessment or earthquake safety inspection and any municipal required inspections.

Providing Recommendations: If you do not have preferred inspectors, I am happy to assist by recommending reputable and reliable inspectors with whom other clients have had positive experiences in the past.

Scheduling Inspections: Once the types of inspections are decided, the next step is to schedule them. This needs to be done promptly as there are contractual deadlines to meet. It is highly recommended that you attend at minimum the general home inspection as this is a wonderful time to learn about maintaining the home in the future and discuss any areas of concern directly with the inspector. I can assist in coordinating with inspectors to schedule the inspections as we will need to arrange all inspections with the listing agent/seller and ensure everything is completed within the contractual timelines.



Reviewing Inspection Reports: After the inspections are completed, copies of all reports should be provided to both you and me for review, to ensure that you understand the condition of the property, including any repairs or maintenance issues. It is my job to help you understand the findings, prioritize areas of concern, and put them in the context of the overall purchase decision to determine the next steps.

Negotiating Repairs or Credits: Based on the inspection results, you may need to negotiate with the seller for repairs or credits in lieu of repairs.

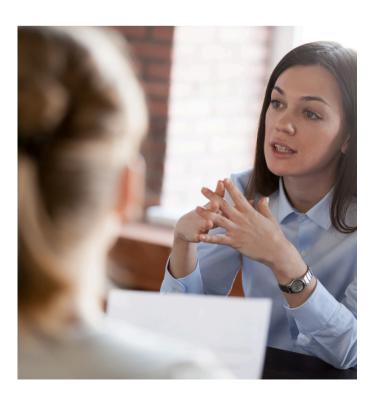
Throughout this process, as your buyer's agent, I will be advocating for your best interests, ensuring you are making informed decisions on the property you are purchasing.

NEGOTIATE REPAIRS/CREDITS

It is not A-typical for issues to be found during the home inspections. Depending on the specific terms of your purchase agreement, this may result in another round of negotiations with the seller. These negotiations may be in terms of asking the seller to have repairs made or give a credit in lieu of repairs.

Credit in Lieu of Repairs: This involves analyzing and determining average costs of the repairs you would ask the seller to pay in lieu of having the repairs completed prior to closing. This often is a preferred option for a seller rather than them having to deal with finding contractors and dealing with work underway while they are preparing for the move. KEEP IN MIND, THIS COULD AFFECT YOUR LOAN. We will discuss the pros and cons of this option on a case-by-case basis.

Asking Seller to make Repairs Prior To Closing: One of the obvious advantages of a seller making repairs prior to closing is that the work is completed before you take possession of the home. The disadvantage is you do not get to choose who makes the repairs or how it is completed.



Tips To Consider

Keep your Poker Face: The listing agent or the seller themselves may be present during the home inspections. Always keep your cards close to your chest, be aware of your conversations and try not to reveal your comfort level or discomfort of findings while within ear shot of the seller or their agent. This could be detrimental in further discussions and negotiations.

Remember the Big Picture: The inspection period is one of the more emotional steps of the process for both the seller and the buyer. Sellers can often feel their home is being unjustly "picked apart" or a laundry list of issues that the seller feel are more maintenance issues can give the seller the impression that you are being unrealistic in expectations and "difficult" to deal with. Contrastly, buyers often feel like they are paying top dollar for the property and therefor your purchase should be free of any defects. It is Important to not get caught up in the emotions during these negotiations and lose sight of the end goal. I will help you in managing expectations and moving you through the resolution period successfully.

NEGOTIATE ANY REPAIRS OR CREDITS WITH THE SELLER

Though some items, like closing date, earnest money, and occupancy will already have been addressed in your offer contract, you may still have some items to negotiate before closing.

Your ability to negotiate can hinge on what kind of market you're facing. In a strong seller's market, it can be difficult to get concessions, since the seller can simply go to their next offer. But if it's an issue that will come up with any buyer — for example, a necessary repair that will get flagged by any home inspector — you may still have leverage.

IF YOU WANT TO KEEP THE
BUYING PROCESS GOING
SMOOTHLY, ASKING FOR A
CREDIT TOWARDS CLOSING
COSTS INSTEAD OF ASKING THE
SELLER TO DO REPAIRS CAN
HELP. THE SELLER WOULD GIVE
YOU AN AGREED AMOUNT OF
MONEY TOWARDS CLOSING
COSTS, PLUS, BY DOING THE
REPAIRS YOURSELF, EITHER ON
YOUR OWN OR WITH THE HELP
OF A PROFESSIONAL, YOU CAN
MAKE SURE THE WORK IS DONE
THE WAY YOU WANT IT TO BE.



FINALIZE YOUR MORTGAGE

You know the property you want to buy and how much you'll have to pay for it. You'll coninue to work closely with the Loan officer that assited you with your pre-approval to complete the actual loan approval process.

This is a paperwork-heavy process, so get ready to do a lot of uploading. Here's what you're likely to need:

- W-2 forms from the past two years (possibly more, if you've changed employers).
- Pay stubs from the past 30 to 60 days.
- Proof of other sources of income (including documentation of any gift money).
- Federal income tax returns from the past two years.
- Recent bank statements (usually for the last couple of months).
- Details on long-term debts like car or student loans.
- ID and Social Security number.

Once your mortgage application is complete, you'll go into underwriting. During this process, the lender makes a final decision on whether to give you the loan — it's basically making sure there's not anything about the deal that's just too risky.

It is very important not to make any major job changes, major purchases, or open new credit cards or lines of credit, as any of these activities

could alter your qualifications for a loan. Don't buy furniture until after closing! Underwriting includes digging deep into your finances, so you may need to come up with even more documents. The lender will also look at the home you've chosen via an appraisal and request a title search.



FINALIZE HOME INSURANCE

It might feel a little strange to take out an insurance policy on a home you don't actually own yet, but most lenders make securing homeowners insurance a condition of giving you a mortgage. You'll want enough coverage to fully replace the home (which might not be the same as your purchase price or the appraised value), and typically the policy should become effective on your closing date.

HOME APPRAISAL

An appraisal is an estimate of the value of the property by a licensed professional appraiser. Once any problems during the inspection are solved, the appraisal will be ordered by the lender and paid for by you. The goal of the appraisal is to verify the value of the property for the lender and to protect you from overpaying. The contract is contingent upon whether the appraisal comes in at or above the purchase price. If the appraisal comes back short, we will be back to the negotiating table.

SURVEY

Unless the seller already has a recent & acceptable survey of the property, the buyer is required to pay for the survey. This will be in your closing costs. The title company will order this for you. The survey is a sketch showing a map of the property lines /boundaries among other things. The survey will show if there are any encroachments on the property.



what are CLOSING COSTS?

Closing costs are the lender third-party fees paid at the close of a real estate transaction and due at the close of escrow (hint the name). The buyer's closing costs usually total 2% - 5% of the final sale price which may include but are not limited to:

Escrow Fees

Paid to the escrow firm for their services.

Lender Fees

This can include everything from underwriting to loan discount points, which can be purchased to lower your interest rate.

Homeowners Insurance

Required by most lenders, you will typically pay your premium for one year.

Private Mortgage Insurance

Typically required if your down payment is less than 20%.

Title Insurance

A one-time fee, required to protect you in case the seller doesn't have full deed to the property. Typically paid for by seller, but is negotiable.

Property Taxes

You will typically pay six months of county property taxes up front.

Recording Fees

Paid to the city or county to record your deed in public records.

Home Warranty

If this is not provided by the seller, you may choose to purchase one.

Homeowners Association Dues and Transfer Fees

If your home has a homeowner's association, you will pay 1 - 6 month's dues upfront at closing. There may also be a transfer fee, and responsibility would be determined during contract negotiations.

Buyer Agent Fees

Any deficiency in the agreed upon fees and what the seller is willing to contribute.

*Please check with your lender for the full scope of what your actual closing costs will be.

SCHEDULING YOUR MOVE

AFTER SIGNING

Declutter! Sort through every drawer, closet, cupboard & shelf, removing items you no longer need or like.

Donate or sell items that are in good condition.

Get copies of medical records and store them with your other important documents

Create an inventory of anything valuable that you plan to move

Get estimates from moving

2 WEEKS TO MOVE

companies

Contact utility companies (water, electric, cable)

Change address: mailing, subscriptions, etc.

Minimize grocery shopping

Keep on packing

4 WEEKS TO MOVE

Give 30 days' notice if you are currently renting

Schedule movers/moving truck

Buy/find packing materials

Start packing

1 WEEK TO MOVE

Obtain a certified check for closing
Complete final walkthrough
Finish packing
Clean
Pack essentials for a few nights in the new home
Confirm delivery date with the moving company. Write directions to the new home, along with your

cell phone number

CLOSING

SETTLEMENT STATEMENT

I will work with your title company to schedule closing and request the official settlement notice.

FINAL WALK-THROUGH

We will do a final walk of the home within 24 hours of closing to check the property's condition. This final inspection takes about an hour. We will make sure any repair work that the seller agreed to make has been done. Prior to closing, you should change all utilities into your name

We will be sure to:

- Make sure all appliances are working properly
- Run the water in all the faucets and check for any possible leaks
- Open and close garage doors with an opener
- Flush toilets
- Run the garbage disposal and exhaust fans

WHAT TO EXPECT

 The closing process finalizes the purchase of your home and makes everything official. also known as settlement, the closing is when you will sign all the closing docs, which will last about an hour.

CLEAR TO CLOSE

Once your mortgage is secured, an official "clear to close" will be issued from your lender. They will then send the secured mortgage documents to the title company, and the title closer will prepare the final closing sheet. Your lender will let you know your final numbers and amount to bring to closing.

CLOSING TABLE

WHAT TO BRING TO CLOSING

- VALID Government-issued photo ID
- Cashier's check for the total amount due or wire funds

RECEIVE YOUR KEYS

Congratulations! It was a lot of hard work but you are now officially homeowners!! Time to throw a party and get to know your new neighbors!





So you got the keys to your amazing new home... Congratulations! Time to move all I the boxes, and start the amazing experience of homeownership. You've got a lot on your plate, so we want to highlight some important tasks that are necessary for a smooth, comfortable transition.

I am always available to help! Need a recommendation for a repairman, a restaurant, or of our relo

-	thing else? Give me a call. I never want the transaction to be the end of aship.
	Change Over Utilities Although this is on the 'After escrow checklist', we recommend that you call the utility companies 1 - 2 weeks before closing to schedule the transfer of service into your name and start service the day of closing.
	GAS ELECTRIC INTERNET WATER TRASH
	Update Change of Address at Post
	Office This can either be done at the local post office, or by visiting the link: https://moversguide.usps.com/mgo/disclaime r. Please note there is a \$1.05 processing fee with the online option.
	Update Change of Address With Your Bank This can be done at your local bank, online, or by making a quick phone call.
	Change the Locks Even though the seller handed over all of the keys, you don't know if any are floating around or that they forgot about. The best practice is to change the locks as soon as you close!
	Register Your Home Warranty Among the piles of paperwork, you'll receive your home warranty which you can register online. If you cannot find it, simply call us and we will send you in the right direction.

TESTIMONIALS



Shelley set out to help us buy a house and sell a house almost simultaneously. Shelley's understanding that our schedule was based on not being tied down to two houses made her energy a true asset to accomplish our goals. Shelley's knowledge of the housing market in the Sugar Land area is very insightful; I highly recommend Shelley for anyone buying or selling!







Shelley is truly a Real Estate professional and we'd use her again. She was knowledgeable of the market and the process. She is responsive and makes you feel as if you are her only client.







Shelley was incredible - we would recommend her 1000 times over! We live out of town and were renovating the home, so we really needed someone who would take our best interests to heart, and that's exactly what Shelley did. She was there for us every time to check on the house, meet contractors and inspectors, and let us know how the work was coming along. She guided us through every single twist and turn of the listing process and went to great efforts to keep us informed and aware of all that was happening and why. To call her our realtor is an understatement; she was our advisor, therapist, confidant and friend. We are now shopping for our next home, and it will be difficult to find a realtor that even comes close to meeting the gold standard that Shelley has set.







Shelley is the consummate professional realtor! High knowledgeable, hard working, engaging and was always on top of our needs and desires. Best realtor ever, in our experience







Shelley was amazing to work with, surpassing every expectation I had for a real estate agent. Her professionalism and knowledge of real estate, along with her attention to detail and eye for staging, were invaluable in the process of selling my house for top \$\$\$ in record time! I would recommend Shelley Stone to anyone selling or buying a home







LET'S CONNECT

We look forward to working with you!





713-252-2100



SHELLEY@SHELLEYSTONEREALESTATE.COM



WWW.SHELLEYSTONEREALESTATE.COM



@SHELLEY.STONE.REALTOR



@SHELLEYSTONE, REALTOR



@SHELLEYSTONEREALESTATE



Additional Resources:







rtual Buyers Seminar Why Hire A Relat

Getting Your Offer Accepted



COMMANDMENTS OF BUYING A HOME



Thou shalt not change jobs, become self employed or quit your job.



Thou shalt not buy furniture even if the payment is deferred until after closing.



Thou shalt not buy a new car, van or truck (you may end up living in it).



Thou shalt not allow any additional inquiries on your credit except for insurance purposes.



Thou shalt not use charge cards excessively or let your accounts fall behind.



Thou shalt not make large deposits without first checking with Shelley Stone.



Thou shalt not spend money you have set aside for closing.



Thou shalt not change bank accounts.



Thou shalt not omit debts or liabilities from your loan application.



Thou shalt not co-sign on a loan for anyone.

IF YOU HAVE ANY QUESTIONS, OR RECENTLY BROKE A "COMMANDMENT", CALL ME.