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Homebuyer Guide



What's Inside:

- Benefits of Home Ownership
- Commonly Asked Questions
- Finding a Realtor
- Buyer Questionnaire
- Things to Consider
- Home Tour Checklist
- Making the Offer
- Contract to Close Process
- Words of Advice
- After the Purchase
- Moving Checklists
- Real Estate Terminology



Welcome!

You have just taken the first step on the road to realizing the American dream. Choosing to buy a home is one of the most important -- and exciting! -- decisions you will make.

Becoming a homeowner is an achievement everyone would like to attain, and we will do everything we can to make this dream a reality. See for yourself as you go step-by-step through this easy and useful homebuyer's guide.

We are here to help you define your goals, prepare your household and start the process of achieving home ownership.

Welcome to the journey!

The Benefits of Home Ownership

1. TAX BREAKS. The U.S. Tax Code lets you deduct the interest you pay on your mortgage, your property taxes, as well as some of the costs involved in buying your home.
2. APPRECIATION. Real estate has long-term, stable growth in value. While year-to-year fluctuations are normal, median existing-home sale prices have increased on average 6.3 percent each year from 1972 through 2017, and increased 88.5% over the last 10 years, according to the NATIONAL ASSOCIATION OF REALTORS®. In addition, the number of U.S. households is expected to rise 15 percent over the next decade, creating continued high demand for housing.
3. EQUITY. Money paid for rent is money that you'll never see again, but mortgage payments let you build equity ownership interest in your home.
4. SAVINGS. Building equity in your home is a ready-made savings plan. And when you sell, you can generally take up to \$250,000 (\$500,000 for a married couple) as gain without owing any federal income tax.
5. PREDICTABILITY. Unlike rent, your fixed-mortgage payments don't rise over the years so your housing costs may actually decline as you own the home longer. However, keep in mind that property taxes and insurance costs will increase.
6. FREEDOM. The home is yours. You can decorate, modify or make improvements any way you want and benefit from your investment for as long as you own the home.
7. STABILITY. Remaining in one neighborhood for several years gives you a chance to participate in community activities, lets you and your family establish lasting friendships, and offers your children the benefit of educational continuity.



GETTING STARTED...COMMONLY ASKED QUESTIONS

How much of a down payment should I make?

The amount of down payment that you pay can vary. It depends on what you and your home loan consultant decide is best. It is important that you know that the lower the down payment, the more you will have to pay each month, that it will be more likely that you will have to purchase home loan insurance*, and that your interest payments will be higher as well.

**Insurance that prevents the lender against loss if the borrower should default on the home loan.*

What is the difference between applying for a loan and getting pre-qualified?

Before you begin to look for your home, it is important that you visit a home loan lender, who will analyze your assets, debts, and sources of income. Based on the preliminary analysis, they will tell you the amount of loan for which you qualify – this is called a prequalification. Once you find the home you want to purchase, you can then formally apply for your loan, and they will ask you to provide the necessary documentation (e.g. paystubs, bank account information, etc.) to verify that the information you provided during your pre-qualification is accurate.

What is a credit report?

A credit report contains your payment history, shows that you paid your debts on time, if you have ever been late in making payments, or if you have ever failed to make payments. Lenders use the credit report to determine a potential borrower's ability to make timely payments, and to judge whether or not the person would make a good prospect for a loan. If you are thinking about buying a home, you will need to show us that you can make your payments in a prompt and responsible manner. We recommend that if you do not have any purchases on credit, that you at least get a credit card, in order to establish a payment history. You can ask your home loan consultant for suggestions as well.

Do I have to pay my real estate agent for helping me buy a house?

One reason why buyers ask the question about the need of having a Realtor when buying a home is because they don't understand who pays the Realtor fees when buying a home. There are no guarantees, however, in most cases the seller pays the commission to the buyers agent.

How many homes should I look at before putting in a purchase offer?

This question is often asked and there is a simple answer. The answer is, there is no specific number of homes you should look at before buying a home. Don't feel that if you were to purchase the first home you look at that you're making a mistake. Same can be said if it takes you looking at 25 homes. You will know when it's "the one".

What is an earnest money deposit?

An earnest money deposit is also frequently referred to as a good faith deposit. When a buyer purchases a home, they provide the seller's real estate company a deposit to hold in their escrow account. The primary purpose of this deposit is to show a seller you are serious about purchasing their home. The amount that is deposited is subtracted from the final figure that a buyer pays at the closing table. In most cases, the larger the deposit, the stronger a purchase offer looks to a seller.

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FINDING THE RIGHT REAL ESTATE AGENT TO HELP YOU

Once you have been pre-qualified for a home loan, it is time to find a real estate professional to help you find the home of your dreams. A real estate professional is a licensed expert who knows exactly which homes are for sale and which ones can meet your requirements and desires. You will share with your agent your pre-qualification information from your lender – with it, your agent will be able to pre-select homes that are in your price range. Additionally, your agent can provide you with information about different neighborhoods where you might want to live, as well as suggestions that you may not have considered. Your agent can also give you practical advice about what you should look for in a home. And when it is time to make an offer on the home you wish to purchase, your agent will be there to help.

A real estate professional plays a very important role in the homebuying process and should be selected with care. Before selecting your agent, ask for recommendations from family and friends and interview several agents, to have a better idea of what each one is like and what each offers you. The relationship between a real estate professional and a buyer should be one of mutual respect, similar objectives, and, frequently, a written agreement which specifies the terms and conditions of the agent's representation of the buyer.

The ideal real estate professional...

- Understands your needs and objectives.
- Is professional and dedicated to doing a good job.
- Knows the area where you want to live.
- Knows and understands the local market conditions.
- Knows how much you can spend on a home.
- Has a valid real estate license.
- Has excellent references from other clients.
- Treats you with the respect that you deserve.



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YES, YOU DO WANT AN REALTOR TO HELP YOU...HERE'S WHY:

With so much information readily available online, clients sometimes ask, "Why should we hire a real estate agent?" They wonder, and rightfully so, if they couldn't buy or sell a home through the Internet or through regular marketing and advertising channels without representation, without a real estate agent. Some do OK, many don't. So if you've wondered the same thing, here are reasons why you might want to consider hiring a professional real estate agent.

1) EDUCATION & EXPERIENCE

You don't need to know everything about buying and selling real estate if you hire a real estate professional who does. Henry Ford once said that when you hire people who are smarter than you are, it proves you are smarter than they are. The trick is to find the right person. For the most part, they all cost about the same. Why not hire a person with more education and experience than you? We're all looking for more precious time in our lives, and hiring pros gives us that time.

2) AGENTS ARE BUFFERS

Agents take the spam out of your property showings and visits. If you're a buyer of new homes, your agent will whip out her sword and keep the builder's agents at bay, preventing them from biting or nipping at your heels. If you're a seller, your agent will filter all those phone calls that lead to nowhere from lookie-loos and try to induce serious buyers to immediately write an offer.

3) NEIGHBORHOOD KNOWLEDGE

Agents either possess intimate knowledge or they know where to find the industry buzz about your neighborhood. They can identify comparable sales and hand these facts to you, in addition to pointing you in the direction where you can find more data on schools, crime or demographics. For example, you may know that a home down the street was on the market for \$350,000, but an agent will know it had upgrades and sold at \$285,000 after 65 days on the market and after twice falling out of escrow.

4) PRICE GUIDANCE

Contrary to what some people believe, agents do not select prices for sellers or buyers. Typically, an agent will provide market information and statistics that guide a seller to choose a price. As a buyer, your real estate agent can also look at that information and guide you to make a successful offer. Equipped with market activity reports, you and your agent will create the offer and then based on market supply, demand and the conditions, your agent can also devise a negotiation strategy.

5) MARKET CONDITIONS INFORMATION

Real estate agents can disclose market conditions, which will govern your selling or buying process. Many factors determine how you will proceed. Data such as the average per square foot cost of similar homes, median and average sales prices, average days on market and ratios of list-to-sold prices, among other criteria, will have a huge bearing on what you ultimately decide to do.

6) PROFESSIONAL NETWORKING

Real estate agents network with other professionals, many of whom provide services that you will need to buy or sell a home. Due to legal liability, agents may hesitate to recommend a certain individual or company over another, but they do know which vendors have a reputation for efficiency, competency and competitive pricing.

7) NEGOTIATION SKILLS & CONFIDENTIALITY

Top producing agents negotiate well because, unlike most buyers and sellers, they can remove themselves from the emotional aspects of the transaction and because they are skilled. It's part of their job description. Good agents are not messengers, delivering buyer's offers to sellers and vice versa. They are professionals who are trained to present their client's case in the best light and agree to hold client information confidential from competing interests.

8) HANDLING VOLUMES OF PAPERWORK

One-page deposit receipts were prevalent in the early 1970s. Today's purchase agreements run 10 pages or more. That does not include the federal and state-mandated disclosures nor disclosures dictated by local rules. Most real estate files average thicknesses from one to three inches of paper. One tiny mistake or omission could land you in court or cost you thousands.

9) ANSWER QUESTIONS AFTER CLOSING

Even the smoothest transactions that close without complications can come back to haunt. For example, taxing authorities that collect property tax assessments, doc stamps or transfer tax can fall months behind and mix up invoices, but one call to your agent can straighten out the confusion. Many questions can pop up that were overlooked in the excitement of closing. Good agents stand by ready to assist. Worthy and honest agents don't leave you in the dust to fend for yourself.

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BUYER QUESTIONNAIRE

Finding the perfect home can be a challenge, as compromises are inherent in the home purchase process. By filling out this questionnaire, you can begin to define the criteria for your ideal home. This information can be used by your real estate agent to simplify your property search and save you time. If there are any details that aren't addressed in the questions, feel free to add them.

Where do you want to buy property? _____

Is there any specific part of the city/area that you prefer? _____

Do you have children? _____

Is there a specific school or school district you'd prefer to live in/near? _____

If yes, which school district(s)? _____

Do you have pets? ☐ YES ☐ NO

Have you bought or sold a home in the past? ☐ YES ☐ NO

If yes, how long ago and where? _____

Do you need to sell a property before you can purchase another? ☐ YES ☐ NO ☐ ON MARKET

Are you currently in a lease? ☐ YES ☐ NO If yes, when does it expire? _____

How soon do you want/need to be in a new home? _____

Are you interested in: ☐ New Construction ☐ Existing homes/Re-sale ☐ Both

Do you or any members of your family have any disabilities, conditions, or other circumstances that would require specific home features? ☐ YES ☐ NO

If yes, which features do you or your family members require? _____

Have you met with a lender yet? ☐ YES ☐ NO

Do you need assistance in locating financing? ☐ YES ☐ NO

Have you been pre-qualified, pre-approved, or otherwise informed as to what your maximum purchase amount is? ☐ YES ☐ NO

Do you have enough funds in your account to cover earnest money (typically 1 percent of the purchase price)? ☐ YES ☐ NO

If approved, what amount have you been pre-qualified/pre-approved for? _____

If yes, will your financial company issue a pre-qualified/pre-approval letter stating this amount?
☐ YES ☐ NO

What monthly payment range would you feel comfortable with? _____

Will you require down payment assistance? ☐ YES ☐ NO

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What style of home would you prefer? _____

Are stairs acceptable? ☐ Yes ☐ No

Is a master bathroom important to you? ☐ Yes ☐ No

What square footage do you prefer? ☐ UNDER 1,000 ☐ 1,000-2,000 ☐ 2,000-3,000 ☐ OVER 3,000

Do you want a basement? ☐ YES ☐ NO ☐ NO PREFERENCE

If yes, which style? ☐ UNFINISHED ☐ PARTIALLY FINISHED ☐ TOTALLY FINISHED ☐ WALK-OUT

Is air conditioning important to you? ☐ YES ☐ NO

Open floor plan? ☐ YES ☐ NO An office or study? ☐ YES ☐ NO

Formal dining room? ☐ YES ☐ NO

Patio/deck? ☐ YES ☐ NO Sprinkler system? ☐ YES ☐ NO

Do you want a garage? ☐ YES ☐ NO ☐ NO PREFERENCE

If yes, how many garage spaces? ☐ 1 ☐ 2 ☐ 3 ☐ 4+ ☐ NO PREFERENCE

Do you need RV storage? ☐ YES ☐ NO ☐ NO PREFERENCE

What size lot would you prefer? ☐ SMALL ☐ MEDIUM ☐ LARGE

☐ SPECIFIC ACREAGE: _____

Is mature landscaping important to you? ☐ YES ☐ NO

Are there any other specific features that were not addressed in this questionnaire that you would like to be factored into your property search?

Are you currently working with another real estate agent? ☐ YES ☐ NO

Are you in an Exclusive Buyer Agency Contract with another agent? ☐ YES ☐ NO

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THINGS TO CONSIDER:

Here is a list of some questions potential buyers ask about a neighborhood:

- 1) Does it have good schools?
- 2) Is it a nice neighborhood?
- 3) Is it in a good shopping district?
- 4) Is it near my/my spouse's office/work location?
Does it have easy access to freeways/routes for commuting?
- 5) Is it near my/my spouse's family and friends?
- 6) Does it have a low crime index/how safe is it?
- 7) Is it close to parks and recreation areas?

Before you begin searching for a home, it is important that you decide what characteristics you want in your home. Use the handy Evaluation Chart provided on the next page to note down the desired characteristics of your dream home, and use it to evaluate how the different homes you look at meet your desires. Make several copies of the chart and carry them with you as you search for the ideal home, keeping in mind which characteristics you consider essential in the home you purchase. If you fill in the information as you look at homes, you will be able to remember the pluses and minuses of the different homes you see, and can evaluate the homes fairly, using the same criteria regardless of when you see them.

To reduce the number of homes that you visit, you should begin by deciding what factors are important to you, such as the approximate cost of the home and the location, and then you can begin to determine more specific details, such as the neighborhood, the characteristics of the home, and the type of dwelling (i.e., condominium, town home, or traditional single-family home). The location is the factor that most affects the value of the home. The majority of homebuyers are prepared to sacrifice certain characteristics and preferences of their home, in order to be able to purchase a home in the area or neighborhood that they most prefer. This is a very important insight, because you can almost always make some adjustments or do some remodeling, such as adding on another room or putting in a pool in the backyard, to have everything you desire in your home. But once you have moved into your home, it does not matter how many improvements you make, you will not be able to move this home from the city to the suburbs, or from the west side to the east side of the city!



THINGS TO CONSIDER: *(continued)*

Suggestions for evaluating the homes you see

Once you have decided which characteristics you want your dream home to have, and in which neighborhoods you are interested in living, you should begin to view homes for sale with your real estate agent. During this period, it is important that you make a thorough evaluation of the properties that you visit.

Get accustomed to viewing properties with a critical eye. Inspect each home thoroughly, making sure you look at and evaluate each area that you consider important in your home. Keep in mind your top wants and needs and avoid distractions of sellers' decor, personal items and style/staging choices.

THINGS TO REMEMBER:

Now that you have launched the journey of finding a home to buy, remember that your financial situation is being evaluated for your home loan, not just the preliminary paperwork but throughout the transaction. That's why this handy list of DON'Ts is your key to success:

Thou Shall Not

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

Thou shall not buy a car, truck or van (RVs & boats too!) or you will be living in it!

Thou shall not use credit cards excessively or let current accounts fall behind.

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

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

Thou shall not buy furniture on credit.

Thou shall not originate any inquiries into your credit.

Thou shall not make large deposits without checking with your loan officer.

Thou shall not change bank accounts.

Thou shall not co-sign a loan for anyone.



Property Address _____

Price _____

of Bedrooms _____ # of Bathrooms _____

Total Sq. Ft. _____

MLS# _____

First Impression: DISLIKE • LIKE • LOVE

THE HOME			
Exterior Condition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Floorplan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kitchen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Family Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Dining Area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Room	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Master Bedroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Master Bathroom	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bedrooms(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Extra Bathroom(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Garage Size	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

THE FEATURES			
Kitchen Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Laundry Appliances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fireplace	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Patio/Balcony	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pool	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A/C & Heating System	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Security	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Does this house make the short list? ☐ YES ☐ NO

☐ MAYBE

ADDITIONAL NOTES _____

NOTES ABOUT THE NEIGHBORHOOD

Appearance _____

Traffic _____

Security/Safety _____

Nearby Schools _____

Close to: ☐ WORK ☐ SCHOOLS ☐ TRANSPORTATION ☐ MARKETS ☐ RECREATION/PARKS ☐ RESTAURANTS

This house **won't** work because _____

OVERALL RATING 1 2 3 4 5

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IT'S TIME TO MAKE AN OFFER

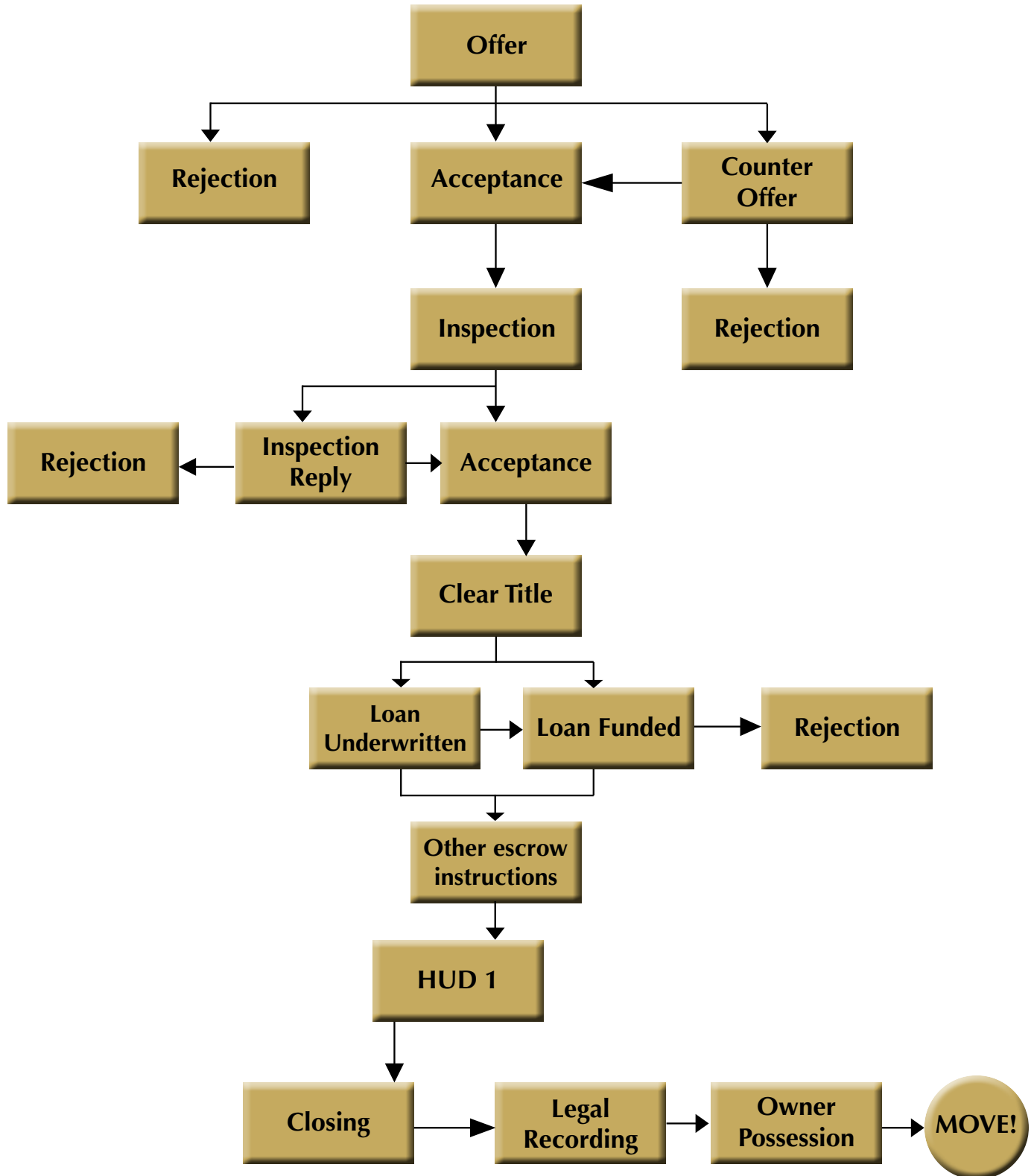
When you are ready to make an offer, your real estate agent should prepare a Purchase Contract, which is the document that you will present to the seller, and where you offer a price and any conditions you have for the purchase.



Before presenting this document, check to see that your contract includes a clause that stipulates that the purchase depends on a satisfactory professional inspection. Ask your real estate agent to recommend a professional inspector with experience. The inspector should give you a written evaluation of the home and make any repair recommendations that are necessary. If you have any doubts about the inspection, ask for a second one. Once your offer has been accepted, you will need to provide earnest money (or a good faith deposit). This is a cash deposit (several hundred dollars to several thousand depending on the value of the home and the market) towards the down payment that shows your commitment to buying the home. Ask your real estate agent how much money is needed for a deposit, and use your pre-qualification certificate to back up your offer to the seller.

How do I determine the real value of the home?

Before you make an offer, you need to determine how much the home is really worth. Your real estate agent can help you by providing information about other homes in the neighborhood that have recently sold. This way, you can compare the selling prices of the different homes to feel confident that you are offering a fair and sufficient amount.



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WORDS OF ADVICE:

You can never have too much information when shopping for your home. This list was developed by real estate professionals to help you maximize your home buying experience. From looking at your budget to examining closing costs, this list can assist you from start to finish.

Buy a home that comfortably allows you to accomplish your other financial goals. Understand how the proposed home purchase fits into and affects your existing financial situation and goals, especially saving for retirement.

Get your personal finances in order before you buy. Include your saving, investment, and insurance plans before you buy.

Mortgage lenders and real estate agents can't tell you how much you can afford to borrow. They can only tell you the maximum that you're eligible to borrow. Make sure you get a few loan comparisons from several lenders.

The best time to think about selling your house is before you buy it. Be sure that the home you buy has features other buyers will find desirable, or you won't be able to get a good price when you got to sell it.

Real estate is a good long-term investment. However, home values go through up periods as well as down periods. If you're a homeowner during most of your adult life, your home should enjoy a healthy appreciation of value.

Choose a mortgage that fits your needs and ability to accept risk. Don't take an adjustable-rate mortgage unless you can afford the maximum possible monthly payment and the risk of fluctuating payments.

What you don't know is usually what gets you into trouble. Real estate is a team sport. Put the right players on your team and you greatly reduce the likelihood of problems with your purchase.

Invest the time to find the best possible real estate agent that you can. A patient, knowledgeable agent can add value to your home-buying transaction. A mediocre or lousy agent can be a liability.

Remember that real estate agents, mortgage brokers, and other players only get paid if you buy, and they generally get paid more the more you spend on a home. To protect yourself against these conflicts of interest, get your financial house in order before you start working with these players.

Buying a home is an emotional experience for most people. The better job you do of controlling your emotions, the more likely you are to control the transaction and get a good deal.

"What's it worth?" is the most important question to answer when buying a home. Examine sales of comparable homes (a good agent can assist you) to answer this question.

There are no absolutes in real estate negotiation. Smart buyers realize that there are times to make a low-ball offer and times to make your first offer the highest offer you can afford. And remember that everything is negotiable.

If the deal you're getting on a home, mortgage, or any other aspect of a home purchase seems too good to be true, it probably is. Find out why the home or mortgage is so cheap or suffer the consequences later.

Never buy a pig in a poke. Don't try to save money by skipping inspections. Have the home thoroughly inspected before you buy it. If in doubt, reinspect.

Buy the most comprehensive homeowners insurance policy you can. Make sure that you have coverage for catastrophic risks, such as earthquakes or floods, that may occur in your area.

-- Dummies.com; Eric Tyson, Ray Brown

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CLOSING AND LIFE AFTER THE PURCHASE

- Change all the locks after you have closed on your home purchase. Also change the code for the garage door opener, if there is one
- Protect your new asset by obtaining insurance such as homeowner's, flood, disaster, and fire
- Weatherproof your new home
- Maintain files — digital or print — for all warranties, insurance documents, contracts, etc.
- Keep original closing documents in a safe place, preferably outside the home (such as a safety deposit box)
- Set up utilities bills in your name, maintain files
- Implement desired aesthetic changes such as painting, minor construction, and re-flooring
- Set a move date and hire movers or plan a move party with your friends
- Get to know your neighbors and explore your new neighborhood
- If you're happy with the work of your real estate professional, be sure to recommend her/him to friends and family

MOVING CHECKLIST

You can make moving almost fun! By following this checklist prior to your move, you can ensure that you are as prepared and stress-free as possible on your moving day.

3-4 WEEKS PRIOR TO MOVE

- ☐ Make an inventory of everything to be moved
- ☐ Donate any unwanted clothing or furniture
- ☐ Book the moving elevator and confirm parking arrangement for truck
- ☐ Contact insurance company to transfer policies (life, homeowners)
- ☐ Review Tax deductions on moving expenses
- ☐ Request change of address kit from post-office
- ☐ Prepare a list of friends, business firms and personal accounts who should be notified of your upcoming move

Arrange cut-off/activation dates for utility companies:

- ☐ Telephone
- ☐ Cable
- ☐ Gas/Electricity/Water
- ☐ Garbage

2 WEEKS PRIOR TO MOVE

- ☐ Purchase any moving supplies - visit youmoveme.com to access our full catalogue of supplies with free delivery!
- ☐ Make an appointment with a service technician to prepare major appliances for shipment (i.e. plumber, electrician)
- ☐ Have rugs and draperies cleaned and leave wrapped when returned
- ☐ Obtain written appraisal of antique items to verify value

Make a plan to dispose of flammables that can't be transported:

- ☐ Aerosol Cans
- ☐ Cleaning Fluid
- ☐ Ammunition
- ☐ Fireworks
- ☐ Household Liquids
- ☐ Oil Cans/Paint/Thinner
- ☐ Propane Tanks

1 WEEK PRIOR TO MOVE

- ☐ Check furniture for dents and scratches
- ☐ Label items you need to access easily
- ☐ Clean out the refrigerator/plan to defrost and dry day before move

- ☐ Drain equipment: water hoses, propane tank, gas/oil lawnmowers
- ☐ Schedule to have utilities turn on at your new home
- ☐ Make a plan to transport house plants
- ☐ Confirm travel arrangements for pets and family

DAY OF MOVE

- ☐ Designate boxes and items as "last load" items
- ☐ All loose items are packed in boxes
- ☐ All electronics are unplugged from a power source. Plasma TV's should be unplugged the day before so they are at room temperature on move day.
- ☐ All pictures are removed from the walls
- ☐ All boxes are labeled with their destination room in your new home on the top and sides of each box
- ☐ All heavy and breakable items are removed from dressers and desks
- ☐ All contents are removed from appliances
- ☐ All items are removed from the top of furniture
- ☐ All linens are removed from beds
- ☐ All rooms, closets, cabinets have been checked
- ☐ Disassemble bedroom sets to save time

Prepare an essentials box:

- ☐ Toilet Paper (unopened)
- ☐ Snacks/Instant Coffee
- ☐ Scissors/Pocket Knife
- ☐ Garbage Bags
- ☐ Change of Clothes
- ☐ Dish Soap and Towel
- ☐ Pet Food and Dish
- ☐ Flashlight
- ☐ Portable Tool Kit
- ☐ Towels
- ☐ All-Purpose Cleaner (unopened)
- ☐ Mug/Plate/Cutlery
- ☐ Shower Curtain
- ☐ Important Records/Documents

Before you leave the house:

- ☐ Water shut off
- ☐ A/C shut off
- ☐ Lights turned off
- ☐ Windows shut and locked
- ☐ Surrender house keys
- ☐ Check for items left behind

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HELPFUL CHANGE OF ADDRESS LIST:

ESSENTIALS:

- ☐ POST OFFICE: SET UP FORWARDING ADDRESS
- ☐ EMPLOYER: PAYCHECKS, TAX FORMS, ETC.

FINANCES:

- ☐ BANK/CREDIT UNION
- ☐ LOAN ISSUERS
- ☐ CREDIT CARDS
- ☐ STUDENT LOANS
- ☐ FINANCIAL AID
- ☐ INVESTMENTS

INSURANCE:

- ☐ HEALTH INSURANCE
- ☐ DENTAL INSURANCE
- ☐ LIFE INSURANCE
- ☐ CAR INSURANCE
- ☐ HOMEOWNER/RENTER'S INSURANCE

UTILITIES AND HOME SERVICES:

- ☐ GAS
- ☐ WATER
- ☐ POWER
- ☐ INTERNET/CABLE
- ☐ GARBAGE
- ☐ CELL PHONE SERVICE
- ☐ LAWN CARE
- ☐ CLEANING SERVICE

PEOPLE:

- ☐ DOCTOR
- ☐ DENTIST
- ☐ CHILDREN'S PHYSICIAN
- ☐ VETERINARIAN
- ☐ LAWYER
- ☐ BABYSITTER

MEMBERSHIPS/SUBSCRIPTIONS:

- ☐ RETAIL CLUBS/COSTCO, SAM'S, ETC
- ☐ CHURCHES
- ☐ SCOUTS/YOUTH ORGANIZATIONS
- ☐ PARENT/TEACHER ASSOCIATIONS
- ☐ MAGAZINES

GOVERNMENT AGENCIES:

- ☐ DEPT OF MOTOR VEHICLES
- ☐ INTERNAL REVENUE SERVICE
- ☐ VOTER REGISTRATION
- ☐ SOCIAL SECURITY
- ☐ CITIZENSHIP & IMMIGRATION SERVICES
- ☐ DEPT. OF VETERAN'S AFFAIRS

ONLINE SERVICES:

- ☐ SHOPPING (AMAZON, ETC)
- ☐ STREAMING SERVICES
- ☐ MAPPING SERVICES

MISCELLANEOUS:



REAL ESTATE TERMINOLOGY

- **Adjustable Rate Mortgage (ARM)** — The interest rate is tied to a financial index making the monthly mortgage payment go up or down over time.
- **Annual Percentage Rate (APR)** — The percent of interest that will be charged on a home loan.
- **Appraisal** — A report highlighting the estimated value of the property completed by a qualified 3rd party. This is typically done for the benefit of the buyer to ensure the property is worth what they are paying.
- **Association Fee/HOA Fee** — In addition to a mortgage, certain housing communities such as townhomes have a monthly fee associated with maintaining the commons areas and amenities.
- **Balloon Mortgage** — A long-term mortgage loan that starts small but has a large payment due at maturity.
- **Closing** — This is the final meeting where the buyer and seller signs the necessary paperwork, complete the transaction, and release/take possession of the property. Usually the representing agents and attorneys attend.
- **Closing Costs** — The buyer and seller have expenses associated with the transaction other than that of the actual cost of the home. For example, the buyer has a variety of fees due for obtaining a new loan and the seller must pay commission to both agents.
- **Closing Disclosure** — A form that provides the final details about the mortgage loan. It includes loan terms, projected monthly payments, and how much the extra fees will be.
- **Collateral** — Something of value (in this case your home) that is held to ensure repayment of a mortgage or loan.
- **Commission** — A percent of the sale price of the home that is paid to agents. The seller pays commission to both the buyer and listing agent.
- **Comparables** — Homes in the area of interest that have recently sold of which have similar features.
- **Contingencies** — Conditions which must be met in order to close. Contingencies are typically tied to a date, referred to as a deadline. If the contingency is not satisfied the contract may be canceled.
- **Counteroffer** — The response from the sellers in regards to an offer.
- **Debt to Income Ratio** — A lender will look at a borrower's debt versus income to determine the amount of loan they are eligible for and if they can repay their debt plus the home loan.
- **Down Payment** — A percent of the cost of the property that is paid up front as a part of the mortgage.
- **Earnest Money** — The deposit made from the buyer to the seller when submitting an offer. This deposit is typically held in trust by a third party. Upon closing the money will generally be applied to the down payment or closing cost.
- **Escrow** — This term has multiple meanings; earnest money is typically held by a third party until closing in "escrow". It can also be referred to as the time period from when the contract is written and accepted by the seller to when the home sale actually closes.
- **Equity** — The difference in the market value of a home versus what is owed on the home.
- **FHA** — A mortgage that is financed through a private lender and insured by the Federal Housing Administration, often requiring a lower down payment and income to qualify.
- **Fixed Rate** — The interest rate will remain the same for the entire life of the mortgage.

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opening doors

- **Home Equity Line of Credit** — A loan or line of credit that is determined based on the equity or homes value after subtracting the loans owed.
- **Home Inspection** — The process in which a professional inspect the seller's home for issues that are not openly apparent, then creates a report for the buyer to review.
- **Home Protection Plan** — An annual service that covers the cost of repairs or replacements to items covered in the plan, usually items like stoves, washer/dryers, ect.
- **Hybrid** — A loan that starts with a fixed rate period, then converts to an adjustable rate.
- **Mortgage Insurance** — Insurance written in connection with a mortgage loan that protects the lender in the event the borrow cannot repay their loan. This is usually not required if the borrow has 20% or more for the down payment.
- **Mortgage Note** — A promise to pay a sum of money at a standard interest rate during a specific term and is secured by a mortgage.
- **Multiple Listing Service (MLS)** — The national list of real estate properties that are available for sale. These are the most reliable sources to receive up-to-date listing information.
- **Pre-Approval** — The process in which a buyer must provide a mortgage professional the appropriate information on income, debts, and assets that will be used to make the initial credit only loan decision.
- **Pre-Qualification** — Once approved for a loan, this is the process in which the maximum sale price, loan amount, and month payments are calculated for the borrow. This not a loan approval, however it useful to know prior to searching for a home.
- **Principal** — The underlining amount of the loan which is actually borrowed.
- **Property Taxes** — These are the taxes that are enforced by the city, town, county, and state government entities. These taxes are included in the total monthly mortgage payments and are held in escrow by the lender.
- **REO** — Real estate owned properties or foreclosed properties currently owned by a financial institution such as the bank that made the loan to the previous owner
- **Reverse Mortgage** — This is specifically for seniors and it allows them to convert the equity in their home to cash.
- **Short Sale** — A situation when the seller's lender is willing to accept an offer and allows the sale to be completed for an amount less than the mortgage amount owed by the seller.
- **Title** — A legal document proving current and proper ownership of the property. Also referred to as a Title Deed, this document highlights the history of property ownership and transfers.
- **Underwriting** — The process in which the potential home buyer is evaluated for their financial ability to obtain and repay a loan, normally consisting of a credit check and appraisal of the property.
- **VA Loan** — Loans that are given to Americans who have served in the armed forces. They are administered by the Department of Veteran Affairs.

opening doors



Dear Future Homeowner,

At Realty One Group Legend, we have learned that a home isn't a dream home because of its room dimensions. It's about how you feel when you walk through the front door, and the way you can instantly imagine your life happening there.

This is about more than real estate - it's about your life and your dreams.

We understand you are looking for a new home, and we want to be the real estate company to help you. We work with all of our clients individually, taking the time to understand their unique needs and lifestyle, and we want to do the same for you.

Finding your home can be one of the most stressful times people go through. Realty ONE Group Legend aims to provide our agents with everything they need to make the process of buying or selling a home as simple, easy, and as comfortable as it can possibly be. The moment you find your home is as special to us as it is to you.

It's satisfying to know that we are helping clients open a new chapter of their lives. That's why we work so hard to not only find that perfect home, but also to handle every last detail of the purchase process, from negotiating the terms of sale to recommending moving companies.

We hope you have enjoyed learning more about the home buying process, including an overview of the entire purchase process, answers to frequently asked questions, and checklists to help you manage the process of buying a home.

After you've had the chance to review this information, we'd like meet you, go over the entire process and get started on finding your new home. We can prepare an in-depth, customized package of homes for you to review, highlighting properties that meet your criteria in neighborhoods that suit your lifestyle.

At Realty One Group Legend, we are excited to get started on finding you the perfect home. Call today for a direct connection to the Realtor who will assist you on this amazing journey!

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Questions...

Notes...
