Buying A House

your step-by-step guide
to homeownership





★★★★★

"We were very comfortable with our agent from our very first conversation. I appreciate how we were kept up to date on showings and any interest in our property, and how well they worked with us, and how things came together for the sale of our property."

DELAIN HILGEMAN

welcome

I am excited to guide you through this journey!



Thank you for choosing to put your trust in me for the process of buying and/or selling your home. Every member of my team is committed to ensuring that ALL of your real estate needs are not just met, but exceeded! I've created this book for your convenience and we hope that it will be a valuable resource. While the entire process is outlined for you here, please know that I will be staying in constant contact with you throughout the process. Your experience will be unique and I will adjust our service according to your wants and needs. My focus is on your complete satisfaction.

Kim Donahue

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Our *commitment* to you

DEDICATED SERVICE

From the day you place your trust in us as your selected Realtor®, we pledge to you to provide the quality of service that you deserve. You will receive the highest standards of professional and personal service from our team.

HANDLING HARD CONVERSATIONS

When repairs or changes in price need to be made (whether a buyer or a seller), we will be your guide through that process. We handle negotiating repairs, scheduling needed inspections and/or repairs, and any hard conversations so you don't have to.

ON YOUR SIDE

A Realtor® will represent your best interests, you are my #1 priority. With a pulse on the local market and a sound understanding of how various amenities affect the value of a home, we will make sure we calculate all benefits, and decide the price accordingly.

SUSTAINED COMMUNICATION

We will discuss with you exactly how our team works and what you can expect. We will communicate regularly and you'll know everything that's going on as soon as we know it.

PROBLEM SOLVER

We will work hard to protect all of your interests and take on any issues that may arise throughout the process. Hopefully making the process as fun and stress-free as possible.

steps to buying a new home

STAGE 1: PREP WORK

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02 Calculate how much you can afford on a house

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04 Decide what type of mortgage is right for you

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13 Have the home appraised

14 Negotiate any repairs or credits

15 Close on your new home!



STAGE ONE

prepare for your purchase

STEP ONE

Decide whether you're ready to buy a home

Sure, there's being financially ready to buy a house, but are you emotionally ready? Even if it's just going to be your starter home, you're making a big financial commitment and putting down some roots.

You'll want to think about your other goals for the next few years. Are you buying with a partner, and if yes, are you on the same page when it comes to money? Is there any chance you'd need to relocate for work? Are you thinking of starting a family?

These big-picture questions can add to the pros (or cons) of whether this is the right time to buy a house.

WONDERING IF YOU SHOULD BUY A HOUSE? LET'S LOOK AT SOME OF THE FACTORS THAT LENDERS AND HOMEOWNERS ALIKE SHOULD CONSIDER.

INCOME AND EMPLOYMENT STATUS

Your lender won't just want to see how much money you make. They'll also want to see a work history (usually about 2 years) to make sure your income source is stable and reliable.

Preparing your income is all about pulling the right documentation together to show steady employment. If you're on the payroll, you'll likely just need to provide recent pay stubs and W-2s. On the other hand, you'll need to submit your tax returns and other documents the lender requests if you're self-employed.

Debt-to-income ratio (DTI) is another financial instrument mortgage lenders use to evaluate your loan application. Your DTI helps your lender see how much of your monthly income goes to debt so they can evaluate the amount of mortgage debt you can take on.

DTI is calculated by dividing your monthly debt by your gross monthly income. For example, if your monthly debts (credit card minimum payments, loan payments, etc.) total $2,000 per month and your gross monthly income is $6,000, your DTI is $2,000/$6,000, or 33%. Your lender will use the debts shown on your credit report to calculate your DTI.

Depending on the type of loan you're applying for, your lender may also calculate your housing expense ratio, also sometimes referred to as front-end DTI. This is a ratio that looks at your total monthly house payment (principal, interest, taxes and insurance) compared to your monthly income. For example, if you have a $1,200 house payment and the same $6,000 monthly income, your housing expense ratio is $1,200/$6,000, or 20%.

It's smart to review your DTI before you apply for a loan. In most cases, you'll need a back-end DTI of 43% or less to qualify for the most mortgage options, although this number varies based on your lender, loan type and other factors.

CREDIT HEALTH

Your credit score plays a huge role in what loans and interest rates you qualify for. Your credit score tells lenders how much of a risk you are to grant a loan.

Taking steps to improve your credit score and reduce your debt can pay off big as you prepare to get a mortgage. Better numbers mean better loan options with lower interest rates.

Your credit score is based on the following information:

- Your payment history
- The amount of money you owe
- The length of your credit history
- Types of credit you've used
- Your pursuit of new credit

What score will you need to qualify for a home loan? Most lenders require a credit score of at least 620 to qualify for the majority of loans. A score above 720 will generally get you the very best loan terms.

TIMING

Deciding whether it's a good time to buy a house or not depends on a variety of personal factors (such as financial readiness and lifestyle preferences) and market conditions (such as economic health and current mortgage rates).

Ultimately, the right time to buy a home comes down to your own unique situation. Be sure to consult a financial expert before making any big financial decisions such as buying a house.



STEP TWO

Calculate how much you can afford

Once you decide you're ready to buy a home, it's time to set a budget. A good place to begin is by calculating your DTI ratio. Look at your current debts and income and consider how much money you can reasonably afford to spend each month on a mortgage.

Homeownership comes with several costs you don't need to worry about while renting. You'll need to pay property taxes and maintain some form of homeowners insurance. Factor these expenses into your household budget when you decide how much you can afford on a house.

Mortgage lenders consider DTI an important qualifying factor. The amount of debt you have is considered a very reliable predictor of the risk associated with the approval of any mortgage loan. Therefore, it's important to know your numbers.

LET'S LOOK AT HOW DTI IS CALCULATED.

Step 1: Add Up All Of Your Monthly Debts

Your debt payments could include:

- Monthly rent or house payments
- Monthly child support payments or alimony
- Student loan payments
- Car payments
- Monthly credit card minimum payments
- Any other debts you might have

You don't need to add in:

- Grocery bills
- Utility bills
- Taxes
- Any other bills that may vary month to month

Step 2: Divide Your Monthly Debts By Your Monthly Gross Income

Next, do a simple calculation. For example, let's say your debts add up to $2,000 per month. If your monthly gross income (your before-tax income) is $6,000 per month, then your DTI ratio is 0.33, or 33%.



Understanding the
NAR SETTLEMENT

Let's dive into a key update that could have a big impact on how people sell their homes! The recent NAR settlement brings a significant change: sellers are no longer required to offer compensation to buyer's agents when listing their home on the MLS.

WHAT DOES THIS MEAN FOR YOU AS A BUYER?

- Buyer Agreement Needed – You must sign a written agreement with your agent before touring a home.
- Clear Compensation Terms – The agreement must specify compensation, prohibit excess payments, and confirm commissions are negotiable.
- Seller Contributions Allowed – Sellers can offer agent compensation (not on MLS) and concessions like closing cost coverage.

HOW DOES THIS IMPACT BUYERS?

- Buyers may need to cover their agent's commission out of pocket if the seller doesn't offer compensation.
- Buyer's agents will now have signed agreements with their clients, clearly outlining their services and how they'll be paid.
- This shift may lead to buyers being more selective about working with agents or negotiating agent fees upfront.

SO, HOW WILL BUYER'S AGENTS GET PAID NOW?

- Buyer's agents can still receive compensation from the seller if the seller chooses to offer it.
- If no seller compensation is offered, buyers will need to pay their agents directly.
- In some cases, buyers may negotiate for the seller to cover their agent's fee as part of the purchase offer.

It's an important shift that puts more control in thw hands of the seller, but it also changes the dynamics for buyers and agents alike. Being aware of these changes will help you navigate the market more strategically!



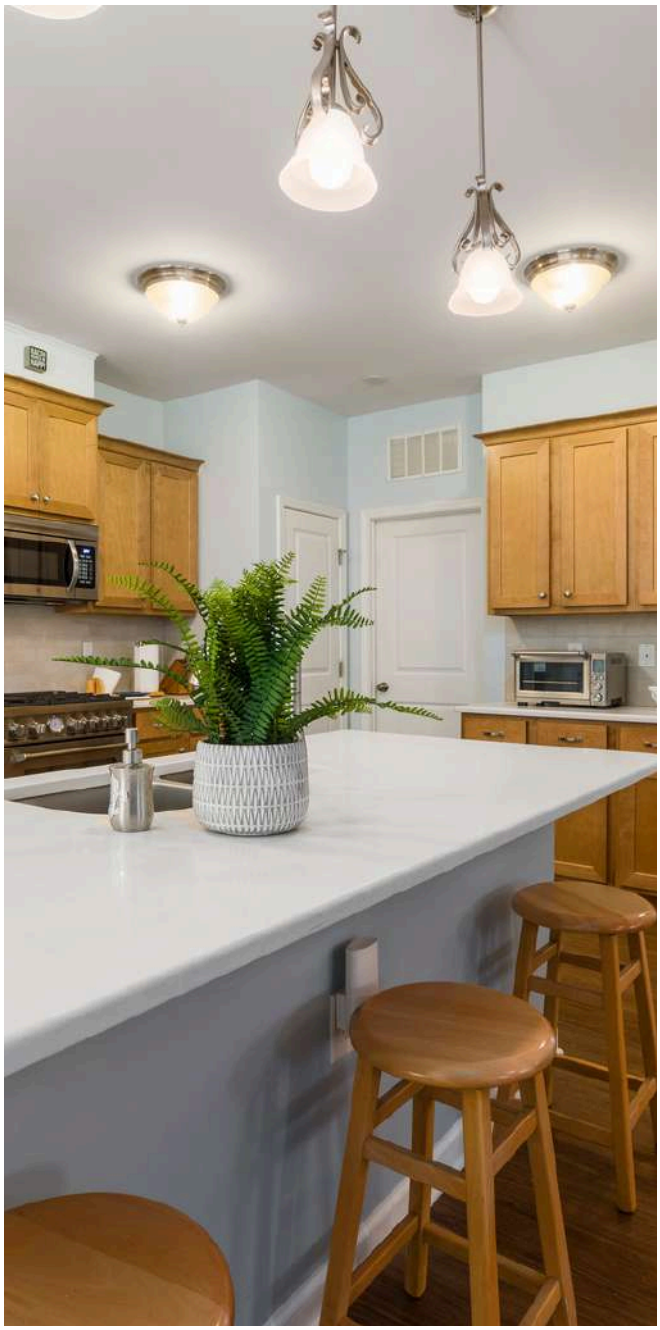
THE CURRENT REAL ESTATE LANDSCAPE

WHAT YOU NEED TO KNOW

The real estate market is evolving, and as you explore your home-buying options, it's essential to stay informed about the changes shaping today's landscape.

The Current Commission Structure: In today's market, sellers aren't always covering the cost of your agent's commission. This means, as a buyer, you may be responsible for paying your own agent's fee.

What This Means for You: This shift gives you more control. You now have the flexibility to decide whether or not to hire an agent and can negotiate terms that work for you. It's all about finding what makes sense for your situation and structuring the arrangement that fits your needs.



THE UNREPRESENTED OPTION

WHAT YOU NEED TO KNOW

With the recent changes in the real estate landscape, some buyers are considering going unrepresented in an effort to save on costs. It might seem like an attractive option at first glance, but let's talk about what that really means for you.

UNDERSTANDING THE TRADE-OFFS

While skipping an agent may save you money upfront, there are some important factors to consider when weighing the true value of professional representation:

- **Exclusive market insights:** Agents can give you access to off-market properties and the latest local data.
- **Skilled negotiation:** A seasoned agent can negotiate the best possible deal on your behalf.
- **Navigating paperwork:** Real estate contracts and processes can be overwhelming—having an expert can save you from costly mistakes.
- **Time savings:** Agents streamline the entire process, from property searching to closing, saving you precious time and effort.



YOUR CONCERNS MATTER

I get it—cost is a huge factor, and you're likely wondering:

- "Is hiring an agent worth the investment?"
- "Can I really navigate this on my own?"
- "What risks am I taking by going unrepresented?"

These are all valid questions, and we'll break them down together. As we continue, I'll help you explore the realities of going unrepresented and the value that professional guidance can bring to the table. Let's make sure you're set up for success!



ARE YOU READY FOR THESE CHALLENGES?

Common Challenges for Unrepresented Buyers

Market Access:
How will you ensure you're seeing all available properties, including off-market listings?

Property Valuation:
Can you accurately determine if a property is priced fairly for its condition and location?

Negotiation:
Are you prepared to negotiate not just price, but terms, contingencies, and repairs?

Legal Complexities:
Do you fully understand the contracts and disclosures you'll be signing?

Transaction Management:
Can you effectively coordinate inspections, appraisals, and other crucial steps?

Problem-Solving:
What's your plan for handling surprises that often arise during transactions?

Time Investment:
Have you considered the time needed to manage all aspects of your purchase?

Emotional Distance:
Can you remain objective about potentially the largest investment of your life?

Industry Relationships:
Do you have connections with inspectors, lenders, and other professionals you'll need?

Post-Purchase Support:
What will you do if issues arise after closing?

What Could These Challenges Mean for You?

POTENTIAL IMPACTS ON YOUR HOME BUYING JOURNEY

1.LOSS OF YOUR DREAM HOME
That perfect house slips through your fingers because you hesitated too long.

2. FINANCIAL STRESS
Unexpected costs blindside you, straining your savings and peace of mind.

3. SETTLING FOR LESS
You end up compromising on important features because you feel pressured or uninformed.

4. BUYER'S REMORSE
You rush into a decision and later regret it, stuck with a home that doesn't truly fit your needs.

5. FAMILY TENSION
The stress of the home search starts affecting your relationships and work life.

6. NEGOTIATION NIGHTMARES
You overpay for your home, leaving less for furnishings or renovations.

Some buyers successfully navigate unrepresented purchases. However, it's crucial to honestly assess your skills, knowledge, and available time before deciding to go this route.

Opinions vs. Reality

HOW AN AGENT PLAYS A ROLE IN BUYING A HOME

OPINIONS	REALITY
Anyone can handle the paperwork.	A single missed deadline or incorrectly filled form could cost you your earnest money deposit.
Agents just show houses.	When multiple offers come in on your dream home, your agent's strategy could make yours stand out without overpaying.
Agents are just expensive middlemen.	You could save thousands on closing costs or repairs with an agent who knows how to negotiate.
The home-buying process is straightforward	When an inspection reveals mold issues, your agent's contacts could quickly bring in specialists to assess and resolve the problem.

What Could These Advantages Mean for You?

Potential Impacts on Your Home Buying Journey

SECURING YOUR IDEAL HOME	FINANCIAL CONFIDENCE	STRESS-FREE NEGOTIATIONS
You snag a property that perfectly fits your needs, even in a competitive market, thanks to your agent's market insights and quick action.	You make a sound investment, staying within budget while maximizing value, guided by expert market analysis.	You navigate complex negotiations with ease, securing favorable terms and price, while your agent handles the tough conversations.
INFORMED DECISION-MAKING	**TIME AND ENERGY SAVINGS**	**PEACE OF MIND**
You make choices with clarity, armed with your agent's insights on neighborhood trends, property conditions, and future value.	You maintain your work-life balance, as your agent efficiently manages the time-consuming aspects of home buying.	You move forward with confidence, knowing every detail has been scrutinized by your experienced agent, minimizing future surprises.
SMOOTH TRANSACTION PROCESS	**NETWORK ADVANTAGES**	**LONG-TERM INVESTMENT SUCCESS**
You experience a seamless journey from offer to closing, with your agent anticipating and resolving potential roadblocks.	You gain access to top professionals in related fields (inspectors, lenders, etc.), leveraging your agent's trusted connections.	You set yourself up for future financial gains, guided by your agent's understanding of market trends and property potential.



THINKING ABOUT GOING UNREPRESENTED?

LET'S MAKE SURE YOU'RE READY.

Before deciding to go it alone, there are a few important things to think through. If you're unsure about any of these, it may be worth reconsidering whether going unrepresented is the best path for you.

	YES	NO
Do you know how market trends influence home prices in your area?	◯	◯
Can you attend showings and handle all the scheduling during business hours?	◯	◯
Are you prepared to jump on new listings and act quickly when needed?	◯	◯
How comfortable are you negotiating directly with sellers or their agents?	◯	◯
Do you know how to put together a winning offer, especially in competitive markets?	◯	◯
Can you effectively handle repair negotiations and other key contract terms?	◯	◯
Are you familiar with the legal language and implications of real estate contracts?	◯	◯
Do you have a solid grasp on all the costs involved in buying a home?	◯	◯
How ready are you to manage any unexpected hurdles during the process?	◯	◯
Are you prepared to deal with potential setbacks or delays along the way?	◯	◯
Can you make objective, smart decisions without letting emotions cloud your judgment?	◯	◯
Do you have the stamina to handle the stress and uncertainty that often comes with a real estate transaction?	◯	◯

	YES	NO
Will you have access to the full range of property listings, including those off the market?	◯	◯
Can you dig into property histories and gather key neighborhood insights?	◯	◯
Do you know how to research zoning laws and future developments that could impact property values?	◯	◯
Are you familiar with all the steps involved in a real estate transaction—from start to finish?	◯	◯
Do you know what to expect during inspections, appraisals, and at closing?	◯	◯
Can you juggle all the moving parts, like coordinating with lenders, title companies, and other professionals?	◯	◯
Have you thought about the potential financial risks of missteps in the buying process?	◯	◯
Do you understand the long-term impact of your home-buying choices?	◯	◯
Are you ready to manage any disputes or issues that may arise even after the deal is done?	◯	◯

These are just some of the challenges that come with buying a home, and having the right knowledge and tools in place is crucial to ensuring a smooth and successful transaction. These questions aren't meant to scare you—they're here to help you make sure you're set up for success. Buying a home is a huge investment, and being fully prepared is key to making the process as smooth and stress-free as possible!

Even When You're Capable

THE VALUE OF REPRESENTATION

You might be thinking, "I've got this! I'm great at negotiating, detail-oriented, and I understand contracts." And you know what? You're probably right. But here's something to consider:

EVEN THE PROS LEAN ON OTHER EXPERTS

Doctors still become patients when they need medical care.
Hairstylists let their colleagues handle their highlights.
Wedding planners hire other planners for their big day.
Why? Because there's real value in having someone fully dedicated to your success.

Let's put it this way: Would you represent yourself in court? Maybe—but wouldn't you rather have a skilled attorney, making sure everything is handled perfectly, saving you time, stress, and avoiding costly mistakes?

Buying a home is one of the biggest financial moves of your life. Just like you wouldn't head to court without a lawyer, navigating the home-buying process without an agent could leave you at a disadvantage. Having someone in your corner can make all the difference!

WHAT MAKES ME DIFFERENT:

YOUR ADVANTAGE IN TODAY'S MARKET

When it comes to buying a home, you need more than just an agent—you need a strategic partner who's 100% committed to your success. As your buyer's agent, I combine deep local market knowledge, expert negotiation skills, and a personalized approach to ensure you find the right home at the best price.

HOW I'VE HELPED CLIENTS LIKE YOU

- Secured a ***$15,000 reduction*** for Lisa by identifying hidden repairs.
- Discovered an off-market gem for the Johnsons, helping them ***beat out the competition.***
- Saved Will and Katie ***$7,000*** by negotiating closing costs.

HERE'S HOW I'LL GUIDE YOU:

- A personalized needs assessment and budget planning.
- Custom property search, including those hard-to-find off-market listings.
- In-depth property and neighborhood analysis.
- Strategic offer creation and expert negotiation.
- Full management of every step in the transaction process.
- And ongoing support even after you've closed on your home.

With me, you're not just getting a home—you're getting a partner committed to making the process as seamless and successful as possible. Let's find your perfect home!



STEP THREE

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

Your down payment is a large, one-time payment toward the purchase of a home. Many lenders require a down payment because it mitigates the loss they might suffer in the event that a borrower defaults on their mortgage.

Many home buyers believe that they need a 20% down payment to buy a home. This isn't true. Plus, a down payment of that size isn't realistic for many first-time home buyers.

Fortunately, there are many options for buyers who can't afford a 20% down payment. For example, you can get a conventional loan for as little as 3% down. Federal Housing Administration (FHA) loans have a minimum down payment of 3.5%. Department of Veterans Affairs (VA) loans and United States Department of Agriculture (USDA) loans even allow eligible and qualified borrowers to put 0% down.

There are advantages, however, to making a larger down payment. For one, it typically means you'll have more mortgage options. It also usually means you'll have a smaller monthly payment and a lower interest rate. Plus, if you put at least 20% down on a conventional loan, you won't need to pay 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 YOU CLOSE ON YOUR LOAN, YOUR LENDER WILL GIVE YOU A DOCUMENT CALLED A CLOSING DISCLOSURE, WHICH LISTS EACH OF THE CLOSING COSTS YOU NEED TO COVER AND HOW MUCH YOU'LL NEED TO PAY AT CLOSING. LOOK OVER YOUR CLOSING DISCLOSURE CAREFULLY BEFORE YOU CLOSE TO KNOW WHAT TO EXPECT AND TO CATCH ANY ERRORS.



STEP FOUR

Decide what type of mortgage is right for you

Before you can apply for a mortgage, you'll need to decide what the best type of loan is for you and which one you'll qualify for.

CONVENTIONAL LOANS

Conventional loans are mortgages made by a private lender and not backed by the government. The most common type of conventional loans are loans that are backed by Fannie Mae or Freddie Mac, sometimes called conforming loans. The majority of mortgages in the U.S. are conventional loans. Conventional loans are always a popular option for home buyers, and you can get one with as little as 3% down.

FHA LOANS

Backed by the Federal Housing Administration, FHA loans are less of a risk for lenders because the government insures them if you stop making payments. As a result, FHA loans have credit score requirements that aren't as strict. You can get an FHA loan with a down payment as small as 3.5%.

VA LOANS

Backed by the Federal Housing Administration, FHA loans are less of a risk for lenders because the government insures them if you stop making payments. As a result, FHA loans have credit score requirements that aren't as strict. You can get an FHA loan with a down payment as small as 3.5%.



STEP FIVE

Get preapproved for a mortgage

When you're ready to start house hunting, it's time to get preapproved for a mortgage. When you apply, your lender will give you a preapproval letter that states how much you're approved for based on your credit, assets, and income. You can show your preapproval letter to your real estate agent so they can help you find homes within your budget.

To get preapproved, you need to apply with your lender. The preapproval process typically involves answering some questions about your income, your assets, and the home you want to buy.

Pre-approvals are a dress rehearsal for your mortgage and are necessary to make a serious offer on a home. They typically expire after 90 days and can be refreshed if you don't find the home you're looking for in that time.
Know that pre-approvals don't guarantee your mortgage approval or interest rate. After you're pre-approved, avoid opening new credit lines or making large debt payments that can impact your FICO score.

Working with a lender to get preapproved for a mortgage is an important step in accurately determining your budget. A mortgage preapproval will give you real numbers since the lender will have detailed info about your finances. That includes a hard inquiry, which will show up on your credit report. The good news: If you apply with multiple lenders around the same time, it'll only count as one hard pull.





★★★★★

“Kim is extremely patient and helpful”
“Kim is very responsive realtor. My sellers and their agent were a bit difficult. She always listened to what I wanted and did not push me into a transaction that wasn't what I wanted. In the end, I got the right house at the right price. My friend who referred me had a similar positive experience. Thank you, Kim.”

BUYER, JEANNE LIBIT

STAGE TWO

the search



STEP SIX

Create a wish list

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?



The Basics

What part of town (or country) do you want to live in?

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!

What kind of houses would you be willing to see?
___One story ___2 story
___split level ___bi-level
___townhouse ___condo
___New construction ___Ranch

What style house appeals to you most?
___contemporary ___traditional
____tudor ____colonial
____modern ____no preference

Do you have any physical needs that must be met, such as wheelchair access?
___yes ___no

The Interior

How many bedrooms must you have? ____ 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 ____

What features do you want to have in your house?

	NEED	WANT
Carpet	_____	_____
Ceramic tile	_____	_____
Hardwood floors	_____	_____
Eat-in kitchen	_____	_____
Separate dining room	_____	_____
Formal living room	_____	_____
Family room	_____	_____
Basement	_____	_____
Separate laundry room	_____	_____
Fireplace	_____	_____
Master on the main	_____	_____

The Lot

	NEED	WANT
Large yard (1 acre or more)	_____	_____
Small yard (less than 1 acre)	_____	_____
Fenced yard	_____	_____
1 Car Garage	_____	_____
2 Car Garage	_____	_____
3 Car Garage	_____	_____
4+ Car Garage	_____	_____
Extra parking	_____	_____
Patio/deck	_____	_____
Pool	_____	_____
Outdoor spa	_____	_____
Outdoor Kitchen	_____	_____
Other buildings	_____	_____
Special view Of what?	_____	_____

STEP SEVEN

The most commonly missed step...

Documenting your visit

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:

Is there enough space or too much space?

Where could you use more space?

How would you describe the layout?

Do you like the fixtures and finishes?

Are you happy with the windows (enough natural light, well-placed, too sunny)?

Does the home have curb appeal?

Does the home have adequate parking?



STEP EIGHT

Start touring homes

ADDRESS:

DATE VIEWED: **TIME OF DAY:**

HOME SCORE: 1 2 3 4 5 6 7 8 9 10

LOCATION

- ☐ The home is in our desired neighborhood and/or area.
- ☐ We like the parks and recreational options close by.
- ☐ The home is in our desired school district.
- ☐ The home is within our determined work radius.

INTERIOR DETAILS

- ☐ The home has the number of bedrooms we want/need.
- ☐ The home is as updated as we want.
- ☐ The home has the number of bathrooms we want/need.
- ☐ The home has the square feet we want/need.

EXTERIOR DETAILS

- ☐ The exterior is in good condition & is as updated as we want/need.
- ☐ We like the landscape and it is what we want/need.
- ☐ We like the look and design of the exterior of the home.
- ☐ The backyard will work for us and is what we want/need.



“One of the best realtors we have worked with.”
“Kim was extremely knowledgeable of the town/area the property was in. Was able to give me a very good market analysis to show the good value of the property. Since we live outside the state, she took separate pictures (above and beyond) the pictures in the listing to give us a better picture of the property. She was very responsive to any questions we had and ensured everything was done to ensure a smooth closing.”

BUYER, C. CABRERA

STAGE THREE

under contract & closing




STEP NINE
YOU'VE FOUND
"THE ONE"
Now it is time to make an offer



WRITING AN OFFER

Before you make an offer on a house
There are three key elements that you'll want to have in place before you make an offer on a house.

The first is a mortgage preapproval from at least one lender. Ideally, you should get preapproved before you start looking at houses. It can be time-consuming to pull together all the required documents, but most importantly, a preapproval lets you know how much house you can afford. Having a preapproval in hand also lets the seller know that you're serious and provides reassurance that the deal will close. That can be extra helpful in a scenario where the seller is in a hurry to move.

Second, know your market to ensure you're making a competitive offer. This can be based on comparable sales, other market information from your own research, or a comparative market analysis provided by your real estate agent. You'll probably want to make an offer that's for slightly less than your preapproval amount, which leaves room to negotiate.

Last, verify that the down payment required by your lender is in the bank and ready to go. Simply having earmarked certain assets as the funds to buy a home (including the money required for the earnest deposit, down payment, closing costs, etc.) is not enough to ensure a smooth transaction. Having direct and immediate access to the cash is essential.

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.
- Closing costs: Details regarding which party will pay closing costs or other fees, as well as how certain taxes and expenses will be prorated between the buyer and the seller at closing. (Some lenders may cap the amount of seller participation in these expenses.)
- The date and time of the offer's expiration: In hot markets, this can be mere hours, but in most cases, it's one or two days.
- A projected loan closing date: This is typically 30 to 60 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.

THE OFFER
process

BUYER'S AGENT		SELLER'S AGENT
Write Initial Offer and submit to Seller's Agent	→	Initial Offer is reviewed, seller can either:
Congrats you're under contract	←	ACCEPT THE OFFER or
Counter Offer is reviewed, buyer can either:	→	DECLINE THE OFFER & Counter with new terms

REPEAT

You can negotiate back and forth as many times as needed until you reach an agreement or someone chooses to walk away.

ACCEPT THE OFFER ↘ ↙ ACCEPT THE OFFER

CONGRATS YOU'RE UNDER CONTRACT

STEP TEN

finalize your mortgage

You know the property you want to buy and how much you'll have to pay for it. Now you'll choose a lender to get a mortgage from (you can go with a lender that preapproved you or start fresh with a different one).

Even with an online-first lender, you'll often work closely with a loan officer to complete the actual application.

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.

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.



STEP ELEVEN

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.

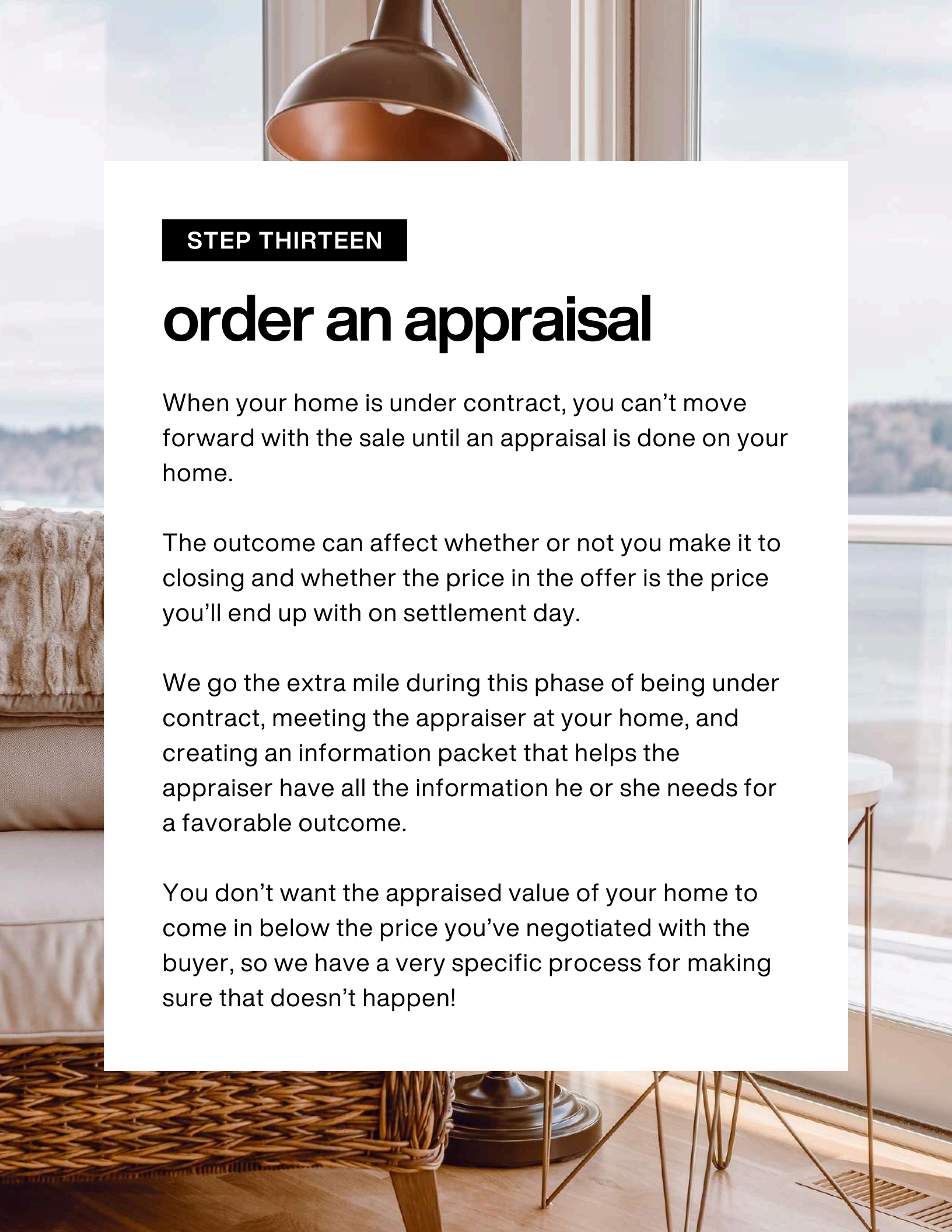


STEP TWELVE

Order and attend inspection

A basic home inspection can raise issues you might face down the road and point out any necessary repairs. This visual assessment covers all aspects of the house and its systems, from the foundation to the roof. If you have a particular concern, like mold or radon, you may want to get one of the more specialized types of home inspections in addition to a standard inspection.

You choose the home inspector and pay for the home inspection. If it uncovers problems that weren't included in the seller's disclosures, you may be able to negotiate with the seller



STEP THIRTEEN

order an appraisal

When your home is under contract, you can't move forward with the sale until an appraisal is done on your home.

The outcome can affect whether or not you make it to closing and whether the price in the offer is the price you'll end up with on settlement day.

We go the extra mile during this phase of being under contract, meeting the appraiser at your home, and creating an information packet that helps the appraiser have all the information he or she needs for a favorable outcome.

You don't want the appraised value of your home to come in below the price you've negotiated with the buyer, so we have a very specific process for making sure that doesn't happen!

Negotiate any repairs or credits with the seller

Though some items, like prorating property taxes or HOA fees, will already have been addressed in your offer letter, 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.

ASKING FOR A CREDIT AT CLOSING RATHER THAN FOR THE SELLER TO COMPLETE NEEDED REPAIRS CAN HELP KEEP THE TRANSACTION MOVING. THE SELLER SIMPLY REBATES YOU AN AGREED-UPON AMOUNT FOR SPECIFIC IMPROVEMENTS. THAT CAN SAVE YOU A BIT OF CASH AT CLOSING, PLUS HANDLING THE REPAIRS YOURSELF (WHETHER DIY OR WITH A PRO) ENSURES THE WORK WILL BE DONE TO YOUR SATISFACTION.



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 companies

4 WEEKS TO MOVE

- Give 30 days' notice if you are currently renting

- Schedule movers/moving truck

- Buy/find packing materials

- Start packing

2 WEEKS TO MOVE

- Contact utility companies (water, electric, cable)

- Change address: mailing, subscriptions, etc.

- Minimize grocery shopping

- Keep on packing

1 WEEK TO MOVE

- Obtain a certified check for closing

- Complete final walkthrough

- Finish packing

- Clean

- Pack essentials for a few nights in new home

- Confirm delivery date with the moving company. Write directions to the new home, along with your cell phone number

day of closing

☑ CLOSING DAY

Closing is when you sign ownership and insurance paperwork and you receive your new home's keys! Typically, closing takes four to six weeks. During this time, purchase funds are held in escrow, where your money is held safe until the transaction is complete.

☑ 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.

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 opener
- Flush toilets
- Run the garbage disposal and exhaust fans

☑ CLOSING TABLE

Who will be there:
- Your agent
- The seller
- The seller's agent
- Your loan officer

BRING TO CLOSING
- Government-issued photo ID
- Copy of the sales contract

☑ RECEIVE YOUR KEYS

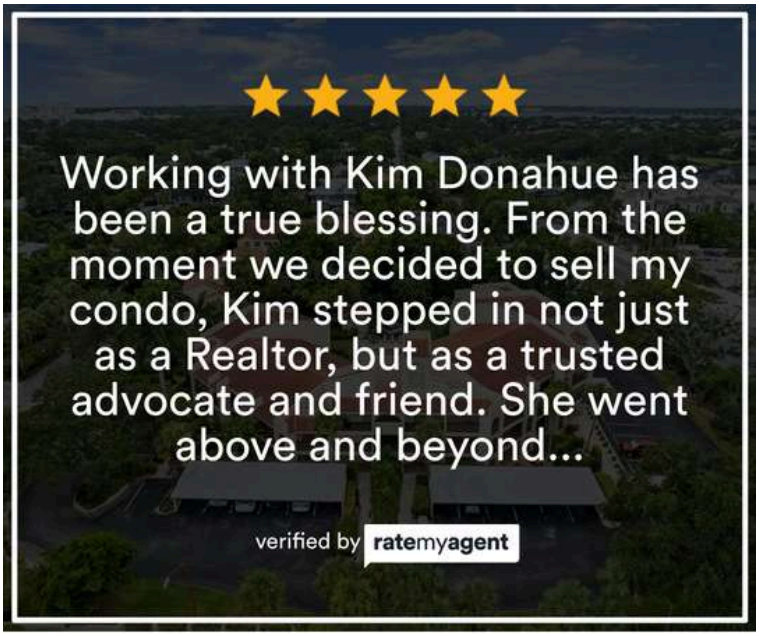
Congratulations! It was a lot of hard work but you are now officially homeowners!! Time to throw a party and get to know your new neighbors!

Client Reviews









LEARN MORE

https://www.sarasotadreamlifestyle.com/reviews/



THANK YOU

As a dedicated real estate professional, I fully understand the significance of this decision and the trust you have placed in me. I am committed to providing you with exceptional service, market expertise, and unwavering support as we navigate the intricacies of the real estate process together. Your confidence in my abilities is truly appreciated, and I am excited to embark on this partnership with you. I assure you that I will go above and beyond to exceed your expectations and ensure a smooth and successful experience. Thank you once again for considering my services, and I look forward to the opportunity of working with you.

Kim Donahue



Thinking of buying or selling in

Southwest Florida?

Call or text Kim Donahue today.

941-724-2587

MedwayRealty

Your Realtor with a Heart to Serve