



# BUYERS GUIDE

A COMPLETE GUIDE TO THE HOME  
BUYING PROCESS

[BETSYTAYLORHOMES.COM](https://BETSYTAYLORHOMES.COM)

*Presented by*

**BETSY TAYLOR HOMES**

# WHO WE ARE



## ABOUT US

We are a team of driven, high-touch individuals who are known for our extensive market knowledge and unmatched devotion to clients. Our success is based almost exclusively on positive referrals. We earn the respect of our clients by working tirelessly on their behalf and by always offering honest and straightforward advice. We have a passion for Montgomery County Maryland and the surrounding areas, living and working in the area, and helping our clients make their real estate dreams a reality.

## WHY BUY WITH US?

Our team understands that your purchase is not just a financial investment but also an investment in security and comfort for you and your family. It is with that in mind that we guarantee the following:

- Outstanding Service
- Impeccable and frequent Communication
- Integrity
- Transparency
- Extensive Industry Knowledge
- Top Vendor Recommendations

# MEET YOUR REALTOR®



Betsy Taylor has a passion for real estate, and helping clients achieve their real estate goals. She has been a licensed Realtor for 10 years and is in the top 10% of agents in the Greater Capital Area. Having earned Top Agent award from Washingtonian Magazine in 2020-2021. She has extensive knowledge and experience in Montgomery County specifically North Potomac (20878) where she not only works but lives and plays.

In her free time, she can be found walking her neighborhood with her husband and two labradoodles, working out or riding her Peloton, reading, knitting (albeit not very well) or enjoying a glass of wine on her front porch with friends and/or family.

*Let's Connect*



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10244 River Rd, Potomac, MD  
20854



You can also find me on:





# HOUSE HUNTING TIPS



## INVESTIGATE THE AREA

Drive around neighborhoods that interest you to get a feel of the area, how the homes are cared for, what traffic is like, etc.



## ASK AROUND

Talk to family, friends and co-workers to see if anyone might know of a house for sale in an area you're interested in. One of them may even know of someone that's thinking about selling but hasn't put the house on the market yet.



## KEEP AN OPEN MIND

Finding your dream home isn't always an easy task! Have a priorities list but keep an open mind when viewing houses.



## TAKE PICTURES & NOTES

When you visit multiple houses it gets difficult to remember specific details about each one. Take photos and notes while touring houses so that you can reference them later when comparing the properties that you've seen.



## BE READY TO MAKE AN OFFER

When you find a home you want to buy, keep in mind there may be others interested in it as well. Be ready to make a solid offer quickly in order to have the best chance at getting that home.

# THE COST OF BUYING A HOME



## EARNEST MONEY

Typically 1 -5% of the purchase price

The Buyer offers earnest money to show they are truly interested in the property and have intentions of actually buying. The earnest money is collected within 3-5 days of getting into the contract and is held in escrow until closing. All of the earnest money goes towards the purchase so it is often thought of as a deposit. In the event the Buyer leaves the contract for a reason allowed by the contract then they get the money back (for example, if they leave because of the inspection). If they leave the contract for a non-approved reason then the Buyer may lose the money (for example, if 2 days before closing the Buyer changes their mind).



## INSPECTIONS

Finding your dream home isn't always an easy task! Have a priorities list but keep an open mind when viewing houses.



## APPRAISAL

\$750 - \$1,000

The Appraisal could be rolled into closing costs or the lender may request a credit card number for it to be paid upfront. It varies by lender and by the rules of the product you are using for your loan.



## CLOSING COSTS

- Loan Fees
- Title Fees
- County & State Transfer & Recordation Fees
- Title Insurance Fee
- Pro-rated Property Taxes
- Pro-rated HOA Dues
- Home Owners Insurance
- Home Warranty



# PREPARING TO BUY

- » DETERMINE HOW MUCH YOU CAN SPEND
- » SAVE FOR A DOWN PAYMENT
- » CHECK YOUR CREDIT
- » GET PRE-APPROVED FOR A HOME LOAN

BUT 1ST, GET PRE-APPROVED!

House shopping is an exciting  
time!  
Get pre-approved for a loan first  
so you can be ready to make an  
offer when you find a home you  
love.



# PRE-QUALIFIED VS PRE-APPROVED

*What's the difference  
between being  
pre-qualified and  
pre-approved?*

## *Pre-Qualified*

In order to be pre-qualified, a lender may or may not check your credit score and won't require documentation, only going off what you tell them. This will give you an idea of what you could qualify for, but when you're serious about buying, you'll need to get pre-approved.

## *Pre-Approved*

To be pre-approved, the lender will pull your credit and ask you for documentation to verify your finances. Before making an offer on a house, it is best to get pre-approved to show sellers your offer is serious and that a lender has already approved you for enough money to purchase the home.



# WHICH LOAN IS RIGHT FOR YOU?

## CONVENTIONAL LOAN

The most common type of home loan, which is offered through private lenders.

## FHA LOAN

Loans designed for those with high debt-to-income ratios and low credit scores, and most commonly issued to first-time homebuyers. Offered by FHA-approved lenders only and backed by the Federal Housing Administration.

## VA LOAN

Loans designated for veterans, spouses, and reservists, offered through private lenders and guaranteed by the U.S. Department of Veteran Affairs.

## USDA LOAN

Loans for homebuyers in designated rural areas, backed by the U.S. Department of Agriculture.

TYPE OF LOAN	DOWN PAYMENT	TERMS	MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
CONVENTIONAL	3 - 20%	15-30 Years	On down payments under 20%	620
FHA	3.5 - 20%	15-30 Years	For 11 years or life of the loan	520
VA	None	15-30 Years	None	640
USDA	None	15-30 Years	None	640

# The Buying Process



## FINANCING

Lender suggestions  
Pre-approval  
Pre-Underwriting  
What to expect



## HOME SEARCH

Determine priorities  
Online search  
Viewing houses  
Adjusting priorities



## CONTRACT

Receive comparables  
report  
Strategy for offer  
Choose terms for offer  
Write offer

# The Buying Process



## NEGOTIATION

Strategy  
Price  
Terms



## INSPECTION

Home Inspection  
Sewer Inspection  
Septic Inspection  
Well Inspection  
Negotiate



## CLOSING

Appraisal  
Final underwriting  
Closing disclosure  
Funding  
Recording  
Keys



# Thou Shall Not...

- ...change jobs, become self-employed or quit
- ...buy a car, truck, van, or motorcycle
- ...use credit cards more than normal
- ...stop paying bills
- ...spend money you have set aside for closing
- ...omit debts or liabilities from your loan application
- ...buy furniture
- ...originate any inquiries into your credit (no applying for credit cards, etc)
- ...make large deposits or cash deposits without checking with your loan officer
- ...change bank accounts
- ...co-sign a loan for anyone
- ...change marital status

Each of these items can risk you qualifying for the loan and can make you lose the house.



# Who Pays for What?

## COSTS DEFINED

### Seller

#### 100% REAL ESTATE COMMISSION

The Seller pays the listing agent and the listing agent pays the buyer's agent. Both agents will have to pay their company a fee and cover any expenses for getting the business and during the transaction.

#### 50% ESCROW FEES

The Seller pays for half of the escrow charge for the transaction. The charge is reduced from the profits of the sale. If there are no profits the Seller will need to bring money to the closing.

#### 100% TITLE INSURANCE FOR BUYER

The Seller pays to insure the title of the property for the Buyer. The cost is based on the purchase price.

#### 100% EXCISE TAX

The Seller pays an excise tax to the government based on the purchase price.

#### PRORATED PROPERTY TAX AND HOA

The Seller pays any outstanding property taxes and HOA dues prorated to the sale date.

#### MISC. SMALL FEES

The Seller often times has a few small fees.

### Buyer

#### 100% LENDER FEES

If the Buyer obtains a loan then the Buyer is responsible for all fees associated with it.

#### 50% ESCROW FEES

The Buyer pays for half of the escrow charge for the transaction.

#### 100% TITLE INSURANCE FOR LENDER

If the Buyer gets a loan then the Buyer must purchase a title policy for the lender to ensure the title of the property in the event the lender ever needs it.

#### PRORATED & PREPAID PROPERTY TAX

The Buyer pays prorated property taxes based on the date of closing. Plus the loan may require them to pre-pay a few months of future property taxes.

#### HOA DUES

The Buyer pays any HOA dues prorated from the date of purchase.

#### PRE-PAID HOMEOWNER'S INSURANCE

If the Buyer gets a loan they will be required to pre-pay a portion of the homeowner's insurance.

#### MISC. SMALL FEES

The Buyer often times has a few small fees.



# MAKING AN OFFER

When we have found a home that you're interested in buying, we will quickly and strategically place an offer. There are several factors to consider that can make your offer more enticing than other offers:

## PUT IN A COMPETITIVE OFFER

We will decide on a reasonable offer price based on:

- Current market conditions
- Comparable properties recently sold in the area
- The property value of the house
- The current condition of the house

## PAY IN CASH VS. LOAN

Paying in cash versus taking out a loan offers a faster closing timeline and less chances of issues arising, making it more appealing to sellers.

## PUT DOWN A LARGER DEPOSIT

An offer that includes a larger earnest money deposit presents a more serious and competitive offer.

## OFFER A SHORTER CLOSING TIMELINE

An offer with a shorter timeframe for closing is generally more attractive to sellers over one with an extended time period with a house sale contingency. A typical closing timeframe is 30-45 days.



# NEGOTIATIONS

A seller can accept or decline your offer, or come back with a counter offer. If they send you a counter offer, be prepared to negotiate to come up with reasonable terms for both parties. This process can go back and forth until an agreement is made.

# UNDER CONTRACT & IN ESCROW

Once you and the seller have agreed on terms, a sales agreement is signed and the contract is ratified and the house is officially under contract. Here are the steps that follow:

## PUT YOUR DEPOSIT INTO AN ESCROW ACCOUNT

Your earnest money deposit will be put into an escrow account that is managed by a neutral third party (typically a title company) who holds the money for the duration of the escrow period. They will manage all the funds and documents required for closing, and your deposit will go towards your down payment which is paid at closing.

## SCHEDULE A HOME INSPECTION

Home inspections are optional but highly recommended to make sure that the home is in the condition for which it appears. Inspections are typically completed within 3-10 days after signing the sales agreement.

## RENEGOTIATE IF NECESSARY

The home inspection will tell you if there are any dangerous or costly defects in the home that need to be addressed. You can then choose to either back out of the deal completely, ask for the seller to make repairs, or negotiate for a credit and handle the repairs yourself.

## COMPLETE YOUR MORTGAGE APPLICATION

Once you've come to an agreement on the final offer, it's time to finalize your loan application and lock in your interest rate if you haven't done so already. You may need to provide additional documentation to your lender upon request.

## ORDER AN APPRAISAL

An appraisal will be required by your lender to confirm that the home is indeed worth the loan amount. The appraisal takes into account factors such as similar property values, the home's age, location, size and condition to determine the current value of the property.

# UNDERSTANDING TITLE AND ESCROW

## Title

Most people don't understand what TITLE is for a real estate transaction and how it protects the buyer. "Title" refers to a title insurance policy that the seller will purchase for the buyer and a second policy that the buyer will purchase for the lender (no second policy is needed in a cash transaction). The title company researches the property to find and insure against the following:

- Errors in public records
- Unknown liens
- Illegal deeds
- Missing heirs
- Judgments
- Taxes & levies
- Easements
- Assessments
- Surveys

In the event any of the following show up after the closing of the property, you as the buyer have insurance to help resolve the issue.

## Escrow

"Escrow" is a term that describes the neutral third-party handling of funds, documents, and tasks specific to the closing (or settlement, as it is also known), as outlined on the real estate purchase agreement or sales contract. The purpose of escrow is to facilitate the transaction by managing the disbursement of funds and documents. This includes calculating who owes funds and who is owed funds and the amounts. Escrow is also responsible for recording the official change in ownership with the county.



# AFTER SETTLEMENT

So you got the keys to your amazing new home... Congratulations! Time to move all 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.

## TRANSFER UTILITIES INTO YOUR NAME

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/disclaimer>

Please note there is a \$1.05 processing fee with the online option.

## UPDATE ADDRESS AT BANKS

This can be done at your local branch, online or with a quick phone call.

## LET US SCHEDULE A HOUSE-WARMING PARTY

With your consent, we will send out a house-warming card to all of your close neighbors (and any friends and family you would like to invite and we will host the party for you providing food, drink and decorations!

# SUCCESS STORIES

“

We had a wonderful experience buying our first home in 2018. We were nervous as first time home buyers, but Betsy made the process so smooth and informative that we feel so lucky to have known her and got to work with her. I referred her to couple of my friends and they very super happy to work with her as well."

*Sandeep & Sadikshya*  
★★★★★

”



“

Betsy was skilled at helping us navigate our home search and purchase. She continues to be very attentive to our needs, even after closing, and her proactive approach has helped to alleviate the stress of the process in many ways. We'd highly recommend Betsy for others looking to buy or sell in the area. You'll be in great hands!

*- Rachael & Brad*  
★★★★★

”

“

We couldn't be happier. She was very responsive, on time, and accommodating. When we would reach out with lists of houses we wanted to see, she would set up viewings for us quickly, sometimes even the same day. She was able to find the house for us based on our search criteria. Betsy is also very personable, but is straight to the point. When something was unrealistic, she let us know so that we didn't waste our time. She knows the housing market well, especially in Montgomery County where we were looking. We highly recommend Betsy, and I'm confident she will help you find your dream house!

*-Kelvin & Ashley*  
★★★★★

”



# Betsy Taylor Homes Core Values

## INTEGRITY

Honesty and fairness, we will always do the right thing; people before things.

## KINDNESS

We will always treat all people with courtesy, dignity, respect and kindness.

## INNOVATION

Constant improvement, we celebrate success but strive for excellence, we never stop advancing.



## GUIDING

We pride ourselves on guiding our clients to the best result for them, putting their needs first.

## EXCEEDING EXPECTATIONS

We work hard to provide 5 star service to every client, so that we are their go to Realtor.



# OUR SERVICES



- ✓ A Personal Meeting to Discuss the Home Buying Process
- ✓ Guidance in Determining Your Home Buying Priorities
- ✓ Personalized Plan to Find the Right Home for You
- ✓ A Customized Online Home Search Portal
- ✓ Hand Written Letters to Non-Listed Homes You Desire
- ✓ Accompany You to View Each Home
- ✓ Provide a Professional Opinion on the Value of Homes
- ✓ A Detailed Market Analysis Before Making an Offer
- ✓ Detect "Hot Buttons" for the Seller
- ✓ Customized Offer Guidance
- ✓ Attend All Inspections
- ✓ Professional Representation
- ✓ Professional Negotiation
- ✓ Detailed Transaction Timeline
- ✓ Transaction Management
- ✓ Deep Dive into the Property Title Policy
- ✓ Partner with Your Lender to Ensure a Smooth Close
- ✓ Partner with the Escrow Team to Keep Closing on Track
- ✓ Bi-Weekly Updates on the Transaction's Progress



Buy with Confidence  
*Bt*

BETSY TAYLOR  
AFFILIATED WITH RE/MAX SUCCESS