



The Home Buying Checklist

THINKING ABOUT BUYING A HOME?

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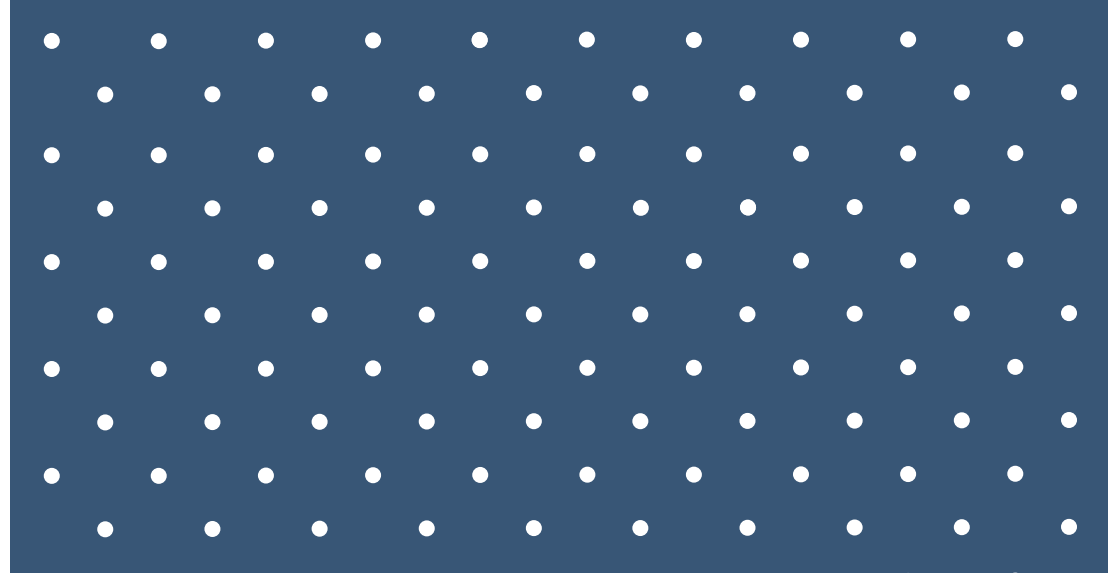


Purchasing a home is one of the most important (if not THE most important) financial decisions you will make. For this reason, it can feel overwhelming and stressful. But it doesn't have to be.

This checklist is designed to educate you on the buying process, so you can move forward with clarity and confidence.

Here are the phases of the process:

- 1. Building a Foundation**
- 2. The Financials**
- 3. Finding Your New Home**
- 4. Insuring Your Home**
- 5. The Home Stretch**



Building a Foundation

Step 1: Find a Realtor

- Interview a few agents to find an agent whose personality and expertise fit your needs and goals. You want to “click” because you will be spending a lot of time together!
- Choose an agent with these key qualifications:
 - Local market knowledge.
 - Financial knowledge - they can walk you through the numbers!
 - Organized systems and plans.
 - Excellent reviews and testimonials.
- Find an agent who works full-time in the industry and has a track record.
- Effective agents are punctual and communicative. They show up to your meetings prepared and communicate in a way that you understand and feel comfortable with.
- Ask your agent about his/her network connections. Great agents work with other agents on a regular basis.
- Ask your agent about his/her strategies for helping you find the right home. Experienced agents know how to search “outside the box.”

Step 2: Find a Lender

- Ask your agent to recommend two to three lenders they work with and trust.
- Compare lenders and the loan products they offer.
- Make sure to tell EACH LENDER not to pull your credit until you’re fully committed to working with them.



The Financials

Step 3: Establish a Budget

- Saving up 20% of a home's purchase price as a down payment is suggested, but often not required. Explore with your lender the pros and cons of putting more or less down on your purchase.
- If your credit or finances aren't where you want them to be, work on creating a plan with your chosen lender.
- Work with your lender and agent to establish a price point and monthly payment that you will be comfortable with, given your lifestyle and other financial obligations. You may qualify for more than this, but you should avoid stretching your budget too thin.

Step 4: Get Pre-Approved for a Mortgage

- Ask your lender to help you find the most financially beneficial loan product for your situation.
- Get pre-approved for a loan. This involves submitting credit, financial and employment information to your lender.
- **DID YOU KNOW...?**
 - You will submit a pre-approval letter from your lender with each offer you make. Most sellers will not consider an offer unless it's accompanied by a pre-approval letter!

Finding Your New Home

Step 5: The Fun Part!

- Meet with your agent to discuss your home buying wish list. Make sure to include:
 - Must-haves: e.g. number of beds and baths, attached garage, acreage, etc.
 - Nice-to-haves: e.g. pool, smart home capabilities, finished basement, etc.
 - Things to avoid: e.g. pool, busy streets, proximity to commercial property, etc.
- Identify neighborhoods, cities and/or school districts you might want to live in.
- The more you share with your agent about your lifestyle, hobbies, work, children, pets, etc., the better your agent can help you prioritize your wish list.
- Bring along your pre-approval letter and lender contact information, so you can discuss the budget and have your agent connect with your chosen lender. Your agent and lender will have to work together closely in order for your purchase to go smoothly.

Step 6: Find a Home

- Revisit your wish list as you tour homes to avoid the temptation of making an offer on a home that doesn't truly fit your needs.
- Take photos of homes you're interested in as you tour them, to look back on.
- Look at homes only within your price range, to avoid being tempted to stretch your budget!
- Ask your agent to point out any red flags during your tours, like cracks in foundation walls or evidence of leaks.
- Provide your agent with ANY feedback regarding the properties that you tour. Both positive and negative feedback can be very helpful for an agent in refining their search for you.



Step 7: Make an Offer

- Before you make an offer:
 - Ask your agent to provide a price analysis for the home based on recent sales in the area.
 - Review the Sellers Disclosures and any other information about the property provided by the seller.
 - Ask your lender to estimate the monthly mortgage payment and property taxes for the home.
- Strategize with your agent on how to present an offer that the seller will accept while still getting you favorable terms.
- Sign the offer and any additional documents!

Insuring Your Home

Step 8: Do Your Due Diligence

- Once you're under contract, find a reputable and thorough home inspector. If you need suggestions, ask your agent.
 - A good home inspector will help you avoid purchasing a "money pit." For example, a property with electric, plumbing or foundation issues.
 - An inspector will point out any issues that may need further investigation by a specialist.
- If there are inspection issues, strategize with your agent about asking the seller to make repairs or provide financial accommodation for you to make the repairs after closing.
- If you plan to renovate, alter or add on to the property, including adding a pool or fence, check with the city building department and homeowners association to ensure that your plans would be permitted.
- Review the title report with your title representative and agent to ensure that there are no easements or liens on the property that would hinder your purchase.

Step 9: Arrange for Homeowners Insurance

- Search for a homeowners insurance policy with great coverage at a reasonable cost. Ask your agent or lender for suggestions if necessary.
- Some lenders require a year's worth of homeowners insurance up front before approving a mortgage.



The Home Stretch

Step 10: Finalize Financing with Your Lender

- The lender will order an appraisal of the property to verify that the market value supports the purchase price.
- At least three business days before closing, your lender will provide you with a Closing Disclosure. This document describes the critical aspects of your mortgage loan, including purchase price, loan fees, interest rate, estimated real estate taxes, insurance, closing costs and other expenses. Review this carefully.

Step 11: Final Walkthrough of the Home

- Walk through the house with your agent to make sure the condition has not changed and everything you agreed to purchase is present (including any personal property).
- Inspect any repairs that the seller is required to complete. If the repairs are difficult to visually inspect, ask your home inspector or a specialist to accompany you.
- Turn on all lights and appliances to confirm that they still are in good working order.

Step 12: Closing the Deal

- Set up your utility accounts.
- Wire in advance or bring a check to closing for any additional funds required to close.
- Don't forget to bring an accepted form of identification to the closing.
- Sign the loan and real estate documents.
- Get the keys to your new home!

Step 13: Move In!

- **Celebrate! You now own your new home!**





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Have any questions?

The home buying process can be confusing and stressful, but I am here to guide you through every step. I strive to educate you where needed along the way, so you feel informed and confident in your decisions.

I AM HERE TO ANSWER ANY QUESTIONS YOU MAY HAVE ABOUT THE PROCESS OR WHAT IT WOULD BE LIKE TO WORK WITH ME.

Let's Chat!

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