



*Guiding you in all of
your real estate needs*

Residential Buying Guide

The home buying experience is an exciting one, yet there are a lot of logistics that have to be worked through before you purchase your new property. That is why we are here to help you each step of the way.

Pre-Approval/Proof of Funds

A pre-approval letter is written by a lending institution to show what you can afford as a buyer. A loan officer provides guidance through the financing options regarding the types of loans available, including downpayment options, terms of the loan, and an estimated range on how much the monthly mortgage will cost. For cash purchases, a proof of funds letter is written by a bank or credit union, showing that there is enough liquid-able cash available for the purchase. A pre-approval or proof of funds letter is sent with an offer to show that the purchased can be made.

Automated Search

The automated search is set up through the local Multiple Listing Service (MLS). New listings, that meet the set up search criteria, are sent directly via email. Adjustments can be made to the search criteria at any point during the process. Third party services (e.g. Realtor.com, Zillow, etc.) also have automated searches available. These sites pull the data directly from the MLS, so the MLS is the primary and most reliable source for information.

An exception to the MLS search is that third party sites will typically show properties that are for sale by owners, while the MLS does not.



For Sale By Owner

Showings for houses that are listed for sale by their owner are set up by your agent. If you see a property listed for sale by the owner, let your agent know. If you are driving, you can safely take a picture of the sign and of the address, and the agent will set up the showing.

Land/Lots

The viewing of a lot typically requires an appointment and a real estate agent to be present for liability purposes.

New Construction

Properties that are under construction or brand new builds can still use the agent through the process of negotiations and seeing the contract to closing. The builder or listing agent needs to be informed up front that you are working with an agent.

Status Types

Active: An active status means that the property is available for sale. There are no accepted contracts on the property. Appointments can be set to view the property and make offers accordingly.

Pending: This status means that the property has an accepted contract on it, and there are no more showings taking place.

Pending with Contingencies: This means that there is an accepted contract on the property; however, there are contingencies still in place. This is most often a contingency on inspection or financing. Pending with Contingencies means that a property can still be shown; however, only back-up offers can be made..

Closed: A Closed status means that the property has been sold. It is no longer on the market.

Terminated: This status means that the house was taken completely off the market. The property must be re-listed in order to be on the market again.

Expired: An expired status means that the listing contract has run out. An expired listing is not on the market.

Withdrawn: The property is not available for a showing, but it may come back on the market with the same listing agent later.

Closing Costs

As a buyer, there are closing costs associated with the transaction. The various aspects to the costs include attorney's fees for the deed work, title insurance, and transfer taxes. There can also be pre-paid insurance and taxes and loan costs, if applicable. Lenders are able to provide cost breakdowns. In cash transactions, the title company can provide the cost breakdown.

Good Faith Money

Once a contract is accepted, good faith money is deposited into the title company or brokerage's escrow account, depending on what is agreed upon in the contract. It is important to keep in mind that the money is actually deposited, meaning that it will be money coming directly from your financial account. The money will be either returned at closing or applied to the costs associated with the closing.

It is important to keep in mind that the money is actually deposited, meaning that it will be money coming directly from the checking account. The money will be either returned at closing or applied to the costs associated with the closing.

Inspections

Inspections are available for buyers to review a property for issues and potentially submit a request for repairs. The inspection is scheduled and paid for by the buyer. Most inspections occur during weekdays; however, there are some exceptions for weekend inspections.

The time an inspection takes is varied based upon the size of the property and inspector. It is recommended that the buyer attend at least part of the inspection, which is typically at the end. The inspection company can give more details regarding their process.

Appraisal

Appraisals are a third-party assessment of the value of a property. An appraisal is required by a lender. It is an option as a cash buyer. An appraisal is typically ordered after repairs have been negotiated.

Closing

Once a closing date has been confirmed, the utility companies can be contacted to transfer services into your name at the new residence. In addition, you will want to coordinate your mail.

For closing, you will need a form of identification (e.g. driver's license, passport, or ID card).

Funds for closing are wired. You will always want to confirm wiring instructions with the title company via telephone. Do not wire money without confirming the wiring instructions you received from the title company.

After closing, remember to change your address for your credit cards, driver's license, new checks, and any emergency contact information.