

ULTIMATE BUYING GUIDE

REAL ESTATE RESOURCE



Best Choice
R E A L T Y

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Our mission

is to provide the highest quality, most innovative technology, unsurpassed local expertise and unparalleled real estate services anywhere in the Pacific Northwest.

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TOURING PROPERTIES

It is important to see properties as soon as they come on the market. Making sure we coordinate our schedules is one of the best ways to ensure we are able to see the best opportunities.

Having a good idea of your “must-haves” will also help to ensure we are making the best use of your time by only seeing properties that match your criteria.

FINDING YOUR PROPERTY



01
Define your
“must-haves”



02
Flexible
showing schedule



03
Tour as many properties
as needed to ensure
you are finding your
ideal property



04
Be ready to put in an offer
once we have identified the
best property



05
Revisit must-haves
as needed

REAL ESTATE PROPERTY BUYING

STEP BY STEP PROCESS

STEP ONE

Know your Purchasing Options

- Pay cash
- Conventional Financing with 3-10% or more down
- Government Backed Programs FHA 3.5% down, VA 0% down
- Special Programs such as 100% USDA, Teacher or Doctor Programs, Jumbo, Bridge, etc.

STEP TWO

Begin Loan Approval Process

Meet with a lender to determine how much property you can afford. Obtain a pre-approval for the loan amount you need with full underwriting approval. This will improve your negotiating position with the property sellers.

STEP THREE

Real Estate Property Search

Start by deciding which areas interest you and whether you want a new or an existing home. I can help you match your needs to the right property and area.

STEP FOUR

Make an Offer

When we find the right property, we will review market conditions and work with you to present a competitive offer. I will explain all documentation and ensure the terms are in your best interest. The process may go back and forth a few times between you and the Seller.

STEP FIVE

Under Contract

After mutual acceptance of the Purchase and Sale Agreement by you and the Seller, escrow will be opened on the property and your "earnest money" will be deposited with the escrow company.

STEP SIX

Inspection, Repairs, Insurance, etc.

Inspection periods usually last 1-10 days. Inspections are performed by a licensed Home Inspector of your choice to help you understand the condition of the property. Contract details such as repairs are further negotiated. During this time you'll need to arrange homeowners insurance for your new home and the title company will provide a Commitment for Title Insurance for you to review.

STEP SEVEN

Appraisal

We will work together with your lender to ensure the appraisal has been ordered and completed at the value we negotiated. If there are work orders specified by the appraiser or the value does not match our price, we will go over your options outlined in the contract. Sometimes, we will need to provide a comparative market analysis to the appraiser to assist in completing this phase.

STEP EIGHT

Go to Closing

When you sign your closing documents, you will need to bring a picture ID and a certified check if you are making a down payment or wire the money to escrow. Possession is typically not given until after the transaction has recorded at the county recorder's office, which transfers ownership.

YOUR COST TO PURCHASE

A PROPERTY

Down Payment

How much do you have to set aside? Rule of thumb is 3.5% of the purchase price for FHA mortgages, 3% to 20% for Conventional mortgages, 0% for VA and USDA mortgages. There are also down payment assistance programs for qualified borrowers.

Earnest Money

In Washington, 1-3% of the sales price is customary. It will need to be deposited into the escrow trust account once the Seller accepts your offer. The money is credited to you at closing as a portion of your closing costs or down payment. Earnest money can be refundable based on provisions in the purchase contract.

Inspection

It typically takes up to 10 days to complete, but this depends on the contract. You'll have the option of hiring a licensed Home Inspector to look at the property and we have a list of Inspectors you can call. Depending on how large the home is and the age, the price will vary. Inspections typically cost approximately \$450-\$700 for homes up to 3,000 square feet and \$400+ for condos. Payment is required at the time of the inspection. Mold, lead, asbestos, sewer scopes and other tests need to be ordered ahead of time and there is an extra charge for these tests.

Appraisal

An appraisal of the property typically costs between \$750-\$1,000 with "rush" appraisals costing more. Your lender has an impartial third party appraise the home to verify the value of the property. If you pay cash for the property, we recommend you order an appraisal.

Closing Costs

These costs consist of several fees such as escrow and title fees, lender charges, prepaid interest, taxes and homeowners hazard insurance. Closing costs will vary from 2% to 5% of the purchase amount depending on the loan program you are using. You will get a closing disclosure breaking down costs involved with the loan and your purchase. These costs can be paid at closing or some costs can be financed. We can typically ask the Seller to pay part or all of the closing costs, but in some situations it isn't possible. Be prepared for the Seller to counter your proposal.



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TIPS TO REMEMBER

AFTER APPLYING FOR A MORTGAGE

Here is a list of what you should and shouldn't do while getting a loan. I have seen people ruin any chance of getting their loan approved during the process because they did not follow the rules below.

1

Do not apply for new credit of any kind

Including those you have credit card invitations from that you receive in the mail or online. Every time that you have your credit pulled by a potential creditor or lender, you lose points from your credit score immediately. This includes co-signed debts. Any new debt can affect your loan approval.

2

Do not make any unsourced deposits into the bank account used for your down payment/reserves

All non-payroll deposits will have to be documented with an acceptable paper trail. It is best to avoid making non-payroll deposits into your accounts during the loan process. When in doubt, consult your loan officer before making the deposit.

3

Do not max out or overcharge on your credit card accounts

This is the fastest way to bring your scores down quickly. Try to keep your credit card balance below 30% of their available limit at ALL times during the loan process. If you decide to pay down balances, do it across the board. Meaning, pay balances to bring your balance to limit ratio to the same level on each card (i.e. all to 30% of the limit, or all to 40% etc.)

4

Do not pay off collections or charge offs during the loan process

Paying collections will decrease the credit score quickly due to the date of last activity becoming recent. If you want to pay off old accounts, do it through escrow – at closing and always consult your loan officer.

5

Do not consolidate your debt onto 1 or 2 credit cards

It seems like it would be the smart thing to do, however, when you consolidate all of your debt onto one card, it appears that you are maxed out on that card. The system will penalize you as mentioned above in 3. If you want to save money on credit card interest rates, wait until after closing.

6

Do not close credit card accounts

If you close a credit card account, you will lose available credit, and it will appear to the credit bureaus that your debt has gone up. Also, closing a card will affect other factors in the score such as length of credit history. If you HAVE to close a credit card account, do it after closing.

7

Always pay accounts on time

Stay current on existing accounts. Under the new FICO scoring model, one 30 day late can cost you anywhere between 50-100 points. Points lost for late pays take several months to recover.

8

Don't dispute anything on your credit report once the loan process has started

When you send a letter of dispute to the credit reporting agencies, a note is put onto your credit report, and when the underwriter notices items in dispute, in many instances, they will not process the loan until the note is removed and new credit scores are pulled. Why? Because in some instances, credit scoring software will not consider items in dispute in the credit score.

9

Keep in touch with your mortgage & real estate professionals

If you have a question about whether or not you should take a specific action that you believe may affect your credit reports or scores during the loan process, your mortgage or real estate professional may be able to supply you with the resources you need to avoid making mistakes that could drop your credit scores, or possibly, cause your loan approval to change.

Always consult your Agent or Loan Officer about any possible problems or questions.

TESTIMONIALS

OUR VALUED CLIENTS

My agent was very patient and knowledgeable. All of my questions were answered and my agent made it a point to make sure we were comfortable every step of the way. I would more than recommend an agent from Best Choice for anyone searching for a house or property.

TARA

Excellent customer service, from the best! We met to strategize with our broker almost a year before and they helped us find a suitable lender to get pre approved, found a house and closed it with this amazing team of people at Best Choice. They followed up on everything promptly.

AMELIA

This is by far the most professional company in the area and I worked with an impressive real estate broker who knew the area. I definitely give a 5 star rating and would recommend Best Choice to my friends and family.

TODD

HOW I WORK EXCLUSIVELY FOR YOU



Meet your buying needs

Be your point person with all involved parties (seller, title, escrow, contractors), ensuring important elements in the purchase and sale agreement are completed on time with the least amount of hassle.



Find the best home or investment

Meet your requirements by regularly sending you information on properties that match your criteria.



Secure the best financing

Work with your loan officer to keep within your budget. Ensure you are supplying the correct documentation to your lender.



Keep you completely informed

At each step of the way, clearly explain the process and help you understand what you can expect to happen next.



Negotiate the best price and terms

Use my knowledge of the local market and area while positioning your offer in it's best light.



Remain 100% committed

Ensure you have a great buying experience and guarantee your satisfaction.



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