

BUYER'S GUIDE

What to expect when buying a home

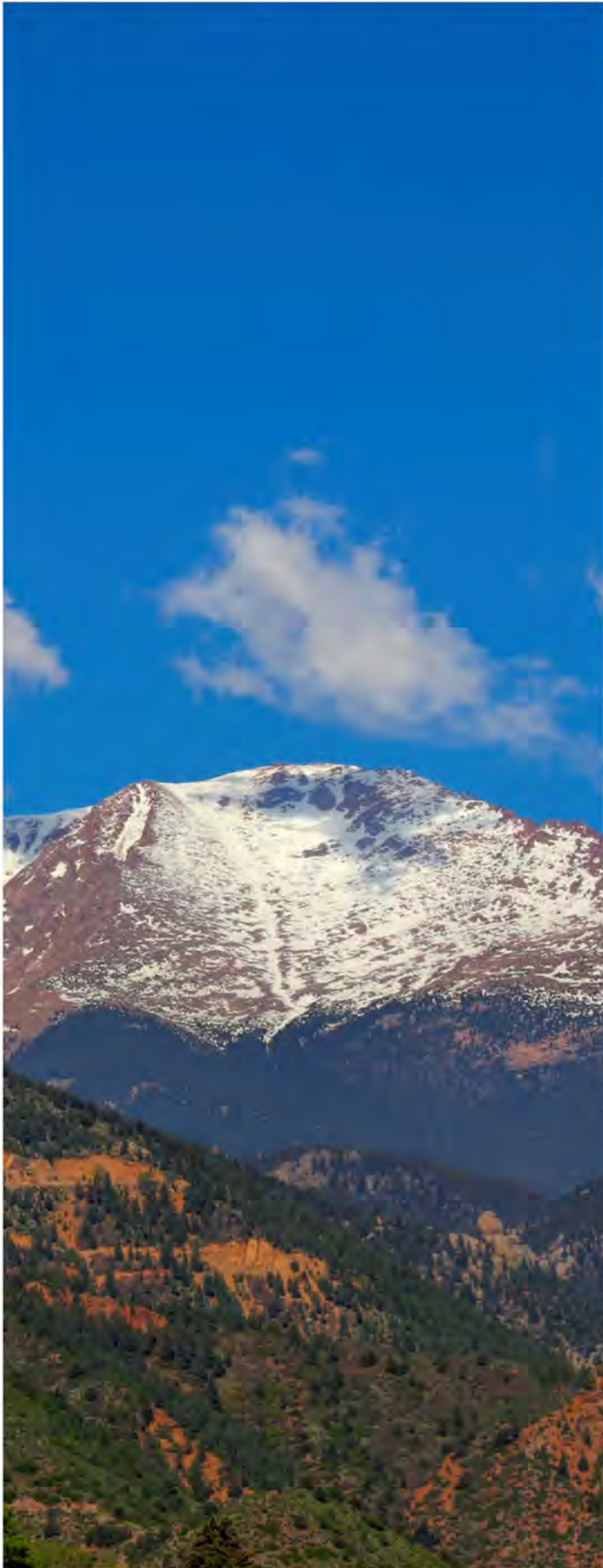


The Lana Rodriguez Group

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By Real Broker, LLC

THE LANA RODRIGUEZ GROUP



TRANSFORMING REAL ESTATE:

YOUR MEMORABLE JOURNEY WITH THE LANA RODRIGUEZ GROUP

Buying a home can be overwhelming, but not with The Lana Rodriguez Group. We're your guiding light, providing unparalleled support and collaboration to help you make informed decisions.

From first-time buyers to seasoned investors, our team is here for you every step of the way. And with our community-driven approach, we host social events that connect you with the community.

By the time you move in, you'll have a strong bond with us, trusting our expertise and dedication to transforming the industry. Experience real estate differently with The Lana Rodriguez Group.

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LRG FOUNDERS



Lana Rodriguez

As the Leader of The Lana Rodriguez Group (LRG), Lana prides herself on her selfless service, thoughtful communication and unbelievable client experiences. Lana delivers over a decade of Clienteling from brands of BCBG, Michael Kors and Kenneth Cole. At the core of that delivery is her mantra, "People Don't Care How Much You Know, Until They Know How Much You Care!" In 2022, Lana opened the first ever stand-alone office for LRG in Colorado Springs on the famed Cascade Ave. Lana's passion for teaching others how to achieve success is realized through her team of incredible professionals.



Bryan Rodriguez

Recognized as one of the most dynamic, high performing agents in the Colorado Springs real estate market, Bryan delivers iconic properties and nurtures The Lana Rodriguez Group (LRG) with his incredible wife, Lana. From humble beginnings at the United States Military Academy at West Point, he served over 11 years in the US Army, gaining valuable experience and character. Real estate remained a constant factor in his life during his military career, and he grew his investments in the field. Bryan graduated from the University of Denver with a master's degree in Real Estate and earned his Colorado Real Estate License to pursue his passion for real estate.

THE HOME BUYING PROCESS

Step 1

Finances

- ✓ Gather your documents
- ✓ Obtain pre-approval/ proof of funds
- ✓ Locate down payment funds
- ✓ Prepare for any additional costs

Step 2

Home Search

- ✓ Preview potential properties online
- ✓ Schedule showings and view the properties you are most interested in

Step 3

Under Contract

- ✓ Write an offer to purchase on your favorite property
- ✓ Negotiate the terms of the offer and accept the contract
- ✓ Deposit escrow, complete loan application and homeowners insurance quotes

Step 4

Due Diligence

- ✓ Conduct inspections
- ✓ Resolve/negotiate inspection issues
- ✓ Your lender will order the appraisal
- ✓ Obtain homeowners insurance

Step 5

Closing Time

- ✓ Title company will conduct title search and order survey
- ✓ Receive closing statement/clear to close
- ✓ Wire funds to closing company
- ✓ Conduct a final walk-through of property and close
- ✓ Closing day: Get your keys, it's all yours!

THE MORTGAGE PROCESS

The very first step of the home-buying process is to get a pre-approval letter from a lender. It's important to ask your potential lenders some questions to make sure they are a good fit for you. Pre-approval means you have met with a loan officer, your credit has been pulled and the loan officer believes you can readily qualify for a given loan amount with a specific mortgage program. Based on this information, the lender will provide a pre-approval letter, which shows your borrowing power.

Don't understand something your lender says? Stop and ask for clarification. This is your home-buying journey, and you deserve to understand the process every step of the way.

A pre-approval is only valid for 30-90 days, so while you can start talking to lenders, you'll want to wait on getting that pre-approval letter when you're ready to buy.



Questions to Ask Lenders

1. What type of loan do you recommend for me?

Why? There's no one type of mortgage loan that's superior to another—but whichever you choose, you need to know why it's best and how it works.

2. Will my down payment vary based on the loan I choose?

If you're tight on cash or don't, let your lender know. Loans vary in their down payment requirements.

3. What is the interest rate and the annual percentage rate (APR)?

Everyone talks about the interest rate, but the APR is just as important. It combines the interest rate with the fees a lender charges to originate your loan.

4. Can I lock-in an interest rate? If so, for how long?

If you think rates will be moving up, ask if you can lock it in for a set period of time.

5. What will my closing costs be?

Are they a part of my loan, or will I pay them in cash at closing? Remember, closing costs usually run 3-6% of your loan value so you need to know how they'll be covered.

LENDER QUESTIONNAIRE



Use this questionnaire as you speak with and interview different lenders!

Name: _____

Company: _____

Phone: _____

Email: _____

What type of loan do you recommend for me and why?

Will my down payment vary based on the loan I choose?

What is the interest rate and the annual percentage rate (APR)?

Can I lock-in an interest rate? If so, for how long?

What will my closing costs be? Are they a part of my loan, or will I pay them in cash at closing?

Notes:

Step 2: Home Search

SEARCHING STRATEGICALLY

Before we hop into the home search, we like to advise our clients to create a "Needs" list and a "Wants" list. This will help us to really focus on the things that are most important in your future home.

Needs are the non-negotiable features; the features you simply must have in your next home. Wants are the ones you'd like to have, but you can add or change down the road.

Don't feel like your first draft has to be your final draft—and above all else, remember you can't change the lot, the location, or the price you paid so spend a good amount of time thinking through those three before moving on.

Needs might look like:

- Enough square footage for your family
- Sufficient bedrooms and bathrooms
- First floor master bedroom
- Close proximity to work and school
- Attached two-car garage
- Grassy yard for children or pets

Wants will look more like:

- Specific paint or exterior color
- Pool, jacuzzi, or other water feature
- Fenced-in backyard
- Specific carpet, hardwood floors, or tile
- Kitchen amenities like countertops and appliances
- Walk-in shower or double bathroom vanity

Wants vs. Needs

Write down your needs and your wants in your future home.

NEEDS

WANTS

HOME BUYER QUESTIONNAIRE



This questionnaire is for you to think about what you're looking for in your home. This will help both of us to be on the same page!

What area are you looking to buy in?

What do you like about this/those area(s)?

How many bedrooms, bathrooms, and preferred square footage? 1 or 2 story?

Do you have children? Pets?

What's your favorite style of home?

What is the top 5 most important things in your future home?

Anything else we should keep in mind during our search?

Step 2: Home Search

SEARCHING STRATEGICALLY ONLINE

Now that you've got your wants vs. needs list in hand, the fun really begins! It's time to talk about narrowing down those listings and deciding which ones to see in person. First up, let's talk about best practices for searching online. No doubt you know the sites (Realtor.com, Zillow, Redfin, Trulia), but how can you get the results you want? Try some of these tips.



Use the search filters but not too much.

You don't want to restrict your search so tightly that you only have a handful of homes to view. Keeping your wants vs. needs list in mind, expand your geographic search, and add 25-50K to your max price since homes often sell under asking.

If you find something that catches your eye, check out the Google street view.

Online pictures can be deceiving so a virtual 'walk down the street' will give you a better sense of the house and surrounding area.

Don't shy away from a home because it is "pending" or "under contract."

Pending contracts do fall through, so keep it on your list especially if it checks all your boxes.

After you've found a few homes you like, jot down the MLS number and address. Shoot the list to your LRG agent and we will call the listing agents to gather pertinent info and gauge the seller's motivation. At this point, it's time to look at the calendar and find a chunk of time to tour the homes on your shortlist. Carve out more time than you think you'll need since you don't want to be rushed if you find a home that may be "the one."

MAKING THE MOST OF YOUR SHOWINGS

You're SO READY to get inside those homes on your shortlist and see for yourself if one of them is soon-to-be your new address. We know you're excited, but it's important to go into those showings calm, cool, and with your thinking cap on. Here's a quick list of how to do just that:



Before a showing, read over your wants vs. needs list and revisit your budget.

Having this fresh on your mind will help you stay objective and focused. Take pictures and videos to jog your memory later and to help you process with friends and family.

Remember, you can't change the lot or the location so make sure you love both.

You also don't want to be the priciest home on the block. We will help you assess whether or not that's the case.

Don't let yourself get distracted by decor or staging.

These things will be gone by the time you move in, so try to stay focused on the things that cannot be changed as easily.

Take your time.

If a home makes a good first impression, let your LRG agent know you're interested and that you'd like to spend a bit more time looking around. This is one of the largest purchases you'll ever make so it's worth it to learn as much as you can while you're there.

SHOWING CHECKLIST

Address:

First impression rating
(1-10) of exterior:

First impression rating
(1-10) of interior:

List 3 pros of the home:

List 3 cons of the home:



Took video tour of home

Circle one:

No way | Maybe | Very interested | It's the one!

Address:

First impression rating
(1-10) of exterior:

First impression rating
(1-10) of interior:

List 3 pros of the home:

List 3 cons of the home:



Took video tour of home

Circle one:

No way | Maybe | Very interested | It's the one!

HOW TO MAKE AN OFFER STAND OUT

So you think you've found "the one" and you're ready to put in an offer—one that will be simply irresistible to sellers. Let's talk about making an offer that stands out.



- **Include a pre-approval letter** that shows that you're serious, qualified, and ready to purchase.
- **Use a friendly tone.** Let sellers know you want their home—and that you'll be easy to work with all the way to closing.
- **Put your best foot—and price—forward.** You may only get one shot, so make it count. Use comps and trends as a guide, but go in with a strong number you know a seller would find favorable.
- **If you can pay "all cash," say so.** When you don't need financing, your offer is less risky for anxious sellers.
- **Propose to close quickly** and only include contingencies if you must.
- **Include a short hand-written note** if you really want to make an impression, with your offer. Sometimes it's the smallest gestures that have the most significant impact.



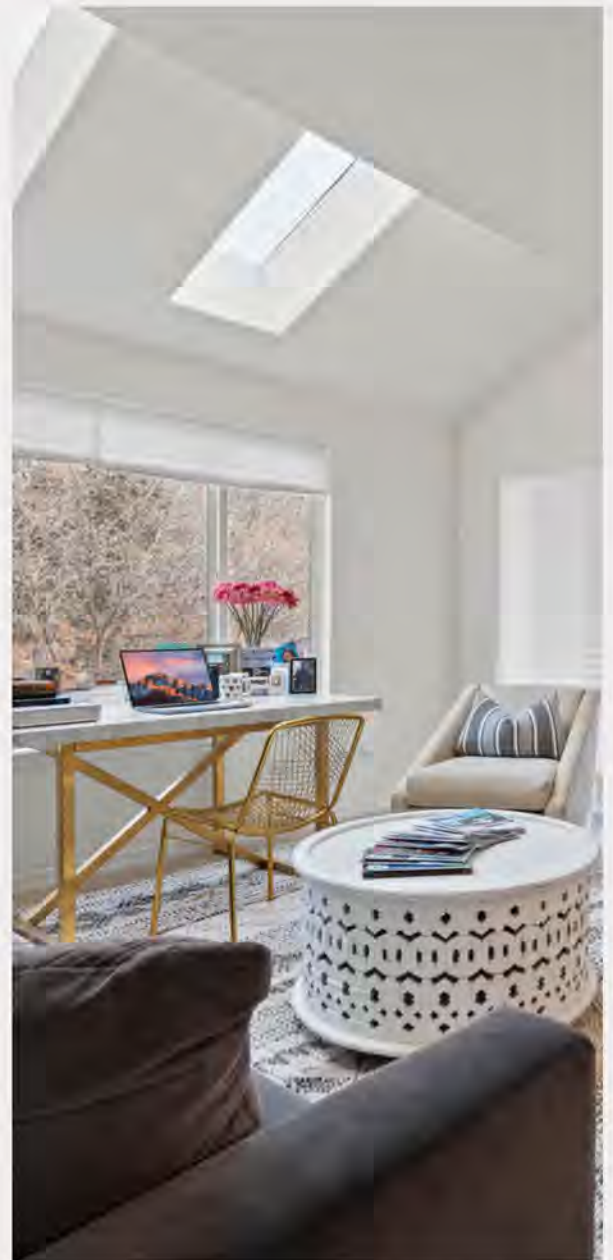
And when you're ready, LRG will guide you through putting together an offer that gives you every advantage in landing the home of your dreams!

WE'RE UNDER CONTRACT... NOW WHAT?

You made an offer, and it has been accepted—go ahead, cue the confetti! And while it'll be a few more days until you can move in, you're well on your way to closing the deal on your new home sweet home.

Here's a quick rundown on what happens after you make an offer and your new home is "under contract."

- First, your LRG agent will carefully review important dates and information you will need to know to ensure a successful closing. Check out the checklist on the following page to get all of your need to know information & important dates.
- You'll need to meet with a mortgage lender to firm up financing details and lock in your interest rate.
- Once the home inspection report comes in (and you should definitely request a home inspection), we may need to negotiate any repairs with your seller.
- Towards the closing date, you'll get a call from your closing attorney's office to schedule your closing.



UNDER CONTRACT CHECKLIST



Use this checklist to keep track of important due dates and ensure a smooth closing.

Escrow deposit. You must send escrow deposit of _____ via check or wire to _____.

IMPORTANT: Be very careful when wiring any funds. Never trust wiring instructions sent via email.

Begin loan application. Your loan application needs to be started within 5 days from the executed contract date. During your loan processing, it is **VERY IMPORTANT** not to make any major job changes, major purchases, or open new credit cards or lines of credit, as any of these activities could alter your qualifications.

Schedule inspections. The last date to renegotiate or cancel contract due to anything that comes up in inspections is _____ so we recommend scheduling any inspections immediately

Obtain home insurance. Start contacting Insurance companies for quotes immediately, we will need to make sure the home is insurable before the end of the inspection period (_____)

EXECUTED CONTRACT

ESCROW DEPOSIT DUE

LOAN APPLICATION DUE

INSPECTION PERIOD ENDS

EST. CLOSING DATE

HOME
ADDRESS

TITLE
COMPANY

PURCHASE PRICE

ESCROW
DEPOSIT

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ALL ABOUT HOME INSPECTIONS AND INSURANCE

What is a home inspection?

The inspection will uncover any issues in the home that would have otherwise been unknown. You will receive a written report of the inspection. We recommend that you are present for the inspection, so that you may ask the inspector any questions.

What does "inspection period" mean?

During the inspection period, the buyer has the right to hire a professional to inspect the condition of the home. If the results of the report reveal any issues that need to be addressed, the buyer may ask the seller to cover the costs of these repairs, reduce the sales price, or fix the repairs before closing. If an agreement can not be made, the buyer has the right to back out of the contract and get the escrow deposit back with no consequences.

TIP:

Schedule all inspections immediately, so if we need to negotiate any repairs we can before the inspection period ends.

The home seems fine, do I really need a home inspection?

You may think the home is in perfect shape, but some of the costliest problems are difficult to spot: leaks, termite damage, foundation issues, poor ventilation, faulty wiring, and drippy appliances. A home inspection gives you the chance (before you sign on the dotted line) to have a professional inspector see if there are any problems that need to be addressed, replaced, or fixed.

If you are getting a loan, the lender will require you to obtain home insurance. The home insurance company will typically require that you have certain inspections done. In order to obtain insurance, the inspection reports will need to fit the criteria of the insurance company.

Step 5: Closing Time

PRE-CLOSING

We are so close to the closing table! Here's what's next:

- ☑ Under Contract
- ☑ Inspections
- ☑ Obtain Insurance

■ Appraisal

An appraisal is an estimate of the value of the property by a licensed professional appraiser. Once any problems during the inspection are solved, the appraisal will be ordered by the lender and paid for by you. The goal of the appraisal is to verify the value of the property for the lender and to protect you from overpaying. The contract is contingent upon whether the appraisal comes in at or above the purchase price. If the appraisal comes back lower, we will be back to the negotiating table.

■ Obtain Mortgage

You have 5 days from the date of contract execution to begin the mortgage loan application. During the 30-45 days before closing, the lender will be finalizing your mortgage.

■ Survey

Unless the seller already has a recent & acceptable survey of the property, the buyer is required to pay for the survey (this will be in your closing costs). The title company or your LRG agent will order this for you. The survey is a sketch showing a map of the property lines and boundaries. The survey will show if there are any encroachments on the property.

■ Title

The title company will conduct a title search to ensure the property is legitimate and to ensure there are no outstanding mortgage liens, judgments, restrictions, easements, leases, unpaid taxes, or other restrictions that would impact your ownership. Once the title is found to be valid, the title company will issue a title insurance policy which protects lenders or owners against claims or legal fees that may arise over ownership of the property. This will be included in closing costs.

■ Clear-to-Close!

The magic words! It means the mortgage underwriter has officially approved all documentation required to fund the loan. All that remains is the actual closing process.



TIP:

It is very important not to make any major job changes, major purchases, or open new credit cards or lines of credit, as any of these activities could alter your qualifications for a loan.

Step 5: Closing Time

CLOSING TIME!

You've received the "clear-to-close" and we've scheduled our closing date and time. Now, let's answer some questions you may have about closing day:

Q: When do we do the final walk-through?

A: The final walk-through is exactly what it sounds like - it allows the buyers to do one last walk through before closing to confirm that the seller made the repairs that were agreed upon and to make sure no issues have come up while under contract. We will typically schedule to do this right before closing.

Q: Who will be at closing?

A: Situations vary, but you can expect some combination of these folks: Buyer (that's you!), seller, real estate agents, closing agent/attorney, mortgage lender, and title company representative.

Q: What will I do?

A: Stretch those fingers and get ready to sign, sign, sign. At closing, the seller will sign ownership of the property over to you, and you'll sign to receive possession.

Q: What should I bring?

A: Bring a photo ID and a cashier's check to pay any closing costs. Your agent will tell you any other documents specific to your situation. The closing process is relatively simple but be prepared for A LOT of paperwork. (And always, always, always ask if you have a question along the way.) The good news is once you've signed the last page, it's time to get a hold of those keys and celebrate!



MOVING CHECKLIST

4-6 Weeks Before Moving

- Declutter, discard & donate
- Collect quotes from moving companies
- Locate schools, healthcare providers in your new location
- Secure off-site storage if needed
- Choose a mover and sign contract
- Create a file of moving-related papers and receipts
- Contact homeowner's insurance agent about coverage for moving
- Contact insurance companies to arrange for coverage in new home

3-4 Weeks Before Moving

Notify the following about your change of address:

- Banks + Post Office
- Credit Card Companies
- Insurance Companies
- Family + Friends

Notify utility companies of date to discontinue or transfer service

- Electric
- Gas
- Water
- Internet
- Trash
- TV

2-3 Weeks Before Moving

- Notify DMV of new address
- Discontinue additional home services (housekeeper, gardener/lawn service)
- Start using up things you can't move, such as perishables
- Close/open bank accounts
- Arrange for child and pet care on moving day
- Notify HOA about upcoming move, reserve elevator usage

1 Week Before Moving

- Confirm final arrangements
- Arrange transportation for your pets and plants
- Review your moving-day plan with moving company
- Take a picture in your home
- Pack an essentials box for quick access at new home
- Label moving boxes with the contents inside

Get to know the team!



The Lana Rodriguez Group is a team of experienced, licensed real estate agents serving Colorado Springs and surrounding areas who served over 1,500 families since 2015. LRG has mastered a 100% referral-based business, earning recognition as The 2021 Real Trends' America's Best Real Estate Professional, Top 50 in Colorado, and Top 7% in the Nation rankings.



Questions?

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