

A family of three (a man, a woman, and a young child) are sitting on the brick steps of a house. The house has a white front door with a pink floral wreath hanging on it. The number '688' is visible above the door and on a mailbox to the right. The scene is dimly lit, suggesting dusk or dawn.

# BUYERS GUIDE

THE COMPLETE GUIDE TO BUYING A HOME







PARAGON



PARAGON

# WHO ARE WE?

## WHAT IS PARAGON?

par·a·gon

/ˈperə ɡən/

Thing viewed as a model of excellence.

Thing regarded as a perfect example of a particular quality.



PARAGON



PARAGON

**P**aragon is a Long Island-based real estate team that is committed to utilizing the latest technology to help clients find and sell their homes. Our team of experienced agents is dedicated to providing personalized service and utilizing cutting-edge tools to make the process as seamless as possible. Whether you're looking to buy or sell a property, we're here to guide you every step of the way. At Paragon, we pride ourselves on going above and beyond for our clients and utilizing technology to make the real estate experience as efficient and stress-free as possible.

COUNTY

Our goal is to help you reach yours.

*“Where the exceptional meets real estate.”*

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# T H E   S T E P S

## The order of things

So, you want that dream home? We know exactly how to get you there. Here are the typical steps involved in buying a home



### GET PRE-APPROVED

You'll want to get this process started asap, as Getting pre-approved for financing is essential.

### CHOOSE AN AGENT

Choose an agent whose personality meshes with your own and whose experience can work in your favor.



### HUNT FOR HOMES

We'll take note of your requirements and start searching for properties that fit the bill.

### RESEARCH NEIGHBORHOODS

Your new neighborhood is just as important as your home, Look at schools, recreation and shopping.







### **MAKE AN OFFER**

We will draw up an offer and negotiate on your behalf

### **INSPECTION**

This will address any hidden issues in the house.



### **CONTRACTS**

This is where the attorney will tell you any conditions the sellers might be asking for or that you as the buyer will ask for.

### **CLOSE THE SALE**

Closing date will be discussed and you will be one step away from moving in.



### **MOVE IN!**

You did it! Welcome to your new home

# BUY OR SELL

## What should I do first

Each situation is unique, and several factors need to be looked at to determine which option is right for you. Here are some things to consider with each.



### BUY FIRST

There is a lot of competition in the market and property prices are rising.

You're confident there will be a high level of demand for your existing property

you can negotiate or make it conditional on selling your own home

You're prepared to accept an offer that lets you move on or pay bridging financing

Avoid the stress of trying to perfectly align a purchase and sale and instead give yourself enough time to organize, pack and move.



### SELL FIRST

Property prices are flat or declining.

If you want greater certainty about how much you have to spend on your next home

If you're moving locations and buying in a different and slower market.

If you can negotiate a long settlement or know that you'll be able to find something that suits your requirements.

You can wait until you get an offer you're satisfied with, without the pressure of knowing you already bought (or are in the process of buying) a new house.

# P R E - A P P R O V A L

## Understanding the process

Getting a pre-approval is one of the best things you can do to simplify the process and give yourself more confidence in your buying power. Here's what you can expect from the process.

### 1. YOUR CREDIT SCORE

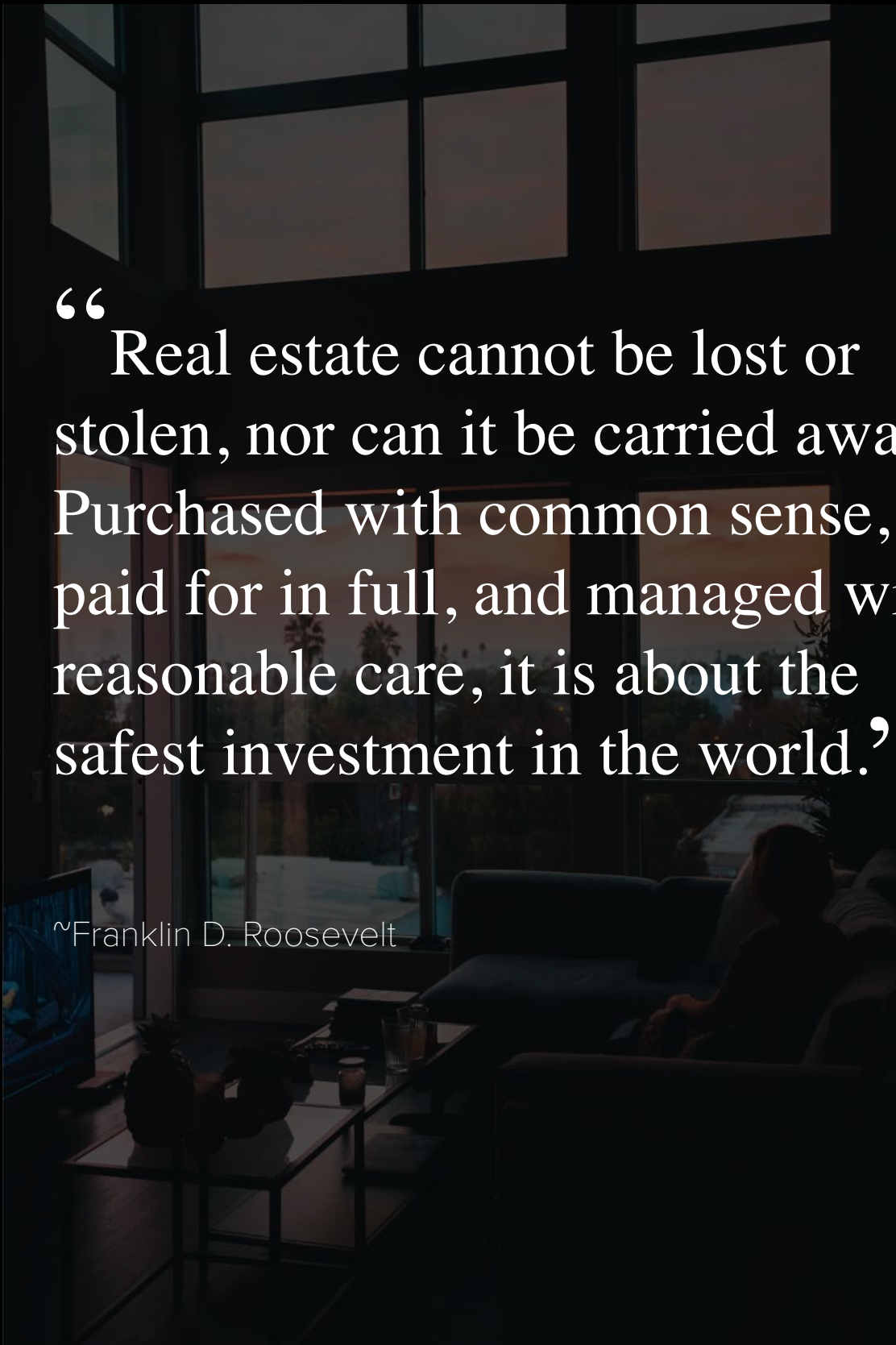
Knowing your credit score will help lenders decide if you're a good candidate for a loan. The higher your credit score the better.

### 2. EMPLOYMENT HISTORY

Lenders want to make sure you can regularly make mortgage payments, with no major gaps in income.

### 3. YOUR ASSETS AND DEBT

Lenders want to know your debt-to-income ratio to know if you can make each loan payment with the income you earn.

A dimly lit living room with large windows. A person is sitting on a dark sofa, looking out the window. In the foreground, there is a low coffee table with a pineapple and some drinks on it. The room is dark, with light coming from the windows.

“Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid for in full, and managed with reasonable care, it is about the safest investment in the world.”

~Franklin D. Roosevelt





### WHAT KIND OF HOME DO YOU WANT?

Are you interested in single family, multi-family, condo or town-home Do some research of what types of homes offer what. That will help narrow down your search area.



### CONSIDER YOUR COMMUTE

Do you need a car to get to work? Are you going to be taking public transportation? Do a test run to check how convenient it may be.



### OLD HOUSE OR NEW HOUSE

Older neighborhoods are great for their charm and character, and you can get a great quality home for a better price often time. Newer developments have modern finishes and less repairs if any needed.

# CHOOSING A HOME



### COMMUNITY

What would you like to see in your new community? Is it more coffee shops? Events? Near the water? Whatever it is write it down and choose areas that have those features.



### WALK-SCORE

How important is it to you to be walking distance to things like schools, shopping, restaurants and groceries? Think of what you want or need to be close to.



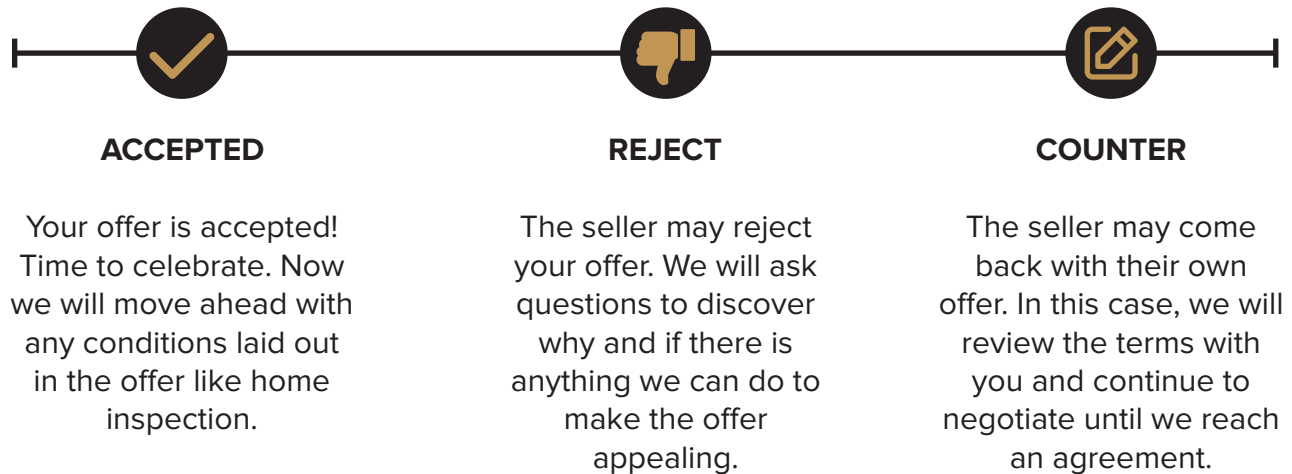
### MUST NOT HAVE

Everyone has “wants” but have you considered the things you don't want? If you don't want too much noise you might want to stay away from highways or college area for example. Or if you don't want a lot of cars driving by avoid main streets.

# UNDERSTANDING OFFERS

Once we draft and present the offer a few things could happen, here's a breakdown of the offer process and what you can expect.

## OFFER PRESENTED



C O S T   B R E A K D O W N

This is just an example of approximately how much you will need to close on a property. All of the things presented below will vary and are should be reviewed by a financial expert. All such information should be independently verified by the recipient of such data.

Sample Property	Purchase Price: \$500K Taxes: \$10K	
Description	Unit	Amount (USD)
Down Payment	10%	\$50,000
Closing cost	4% - 6%	\$20K - \$30K
Inspection	Based on SqFt	\$400 - \$800
Attorney Fees	Fixed Rate	\$1,600 - \$2,500
	TOTAL	\$72K - \$83K

# F A Q ' S

## HOW LONG DOES THE WHOLE PROCESS TAKE?

From the day we start looking at houses to the day you get the keys it can take from 2 to 4 months. The range is affected by how long it takes us to find a house and after that to how long it takes to close.

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## HOW MUCH DO I HAVE TO PAY AN AGENT TO HELP ME BUY A HOUSE?

Agents who represent buyers (a.k.a. buyer's agent) are compensated by the listing broker for bringing home buyers to the table. When the home is sold, the listing broker splits the listing fee with the buyer's agent. Thus, buyers don't pay their agents.

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## HOW MANY HOMES SHOULD I SEE BEFORE BUYING ONE?

That's up to you! For sure, home shopping today is easier today than ever before. Convenience is at an all-time high. But, nothing beats visiting a home to see how it looks and 'feels' in person.

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## WHAT IF MY OFFER IS REJECTED?

Sellers can flat-out accept or reject an initial offer. But there's a third path that is quite common, sellers can initiate a counteroffer. Remember this: a deal isn't dead until it's dead. So, if a counteroffer is proffered by the seller, you're still in the game. You and your agent just need to review it determine whether the counteroffer is acceptable. If so, then approving it closes the deal immediately. Keep in mind, offers and counteroffers can go back-and-forth many times; this is not unusual and negotiations are a part of what Realtors do as a matter of routine. Each revision should bring both parties closer together on the terms of the deal.

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## DO I NEED TO DO A FINAL WALK-THROUGH?

It's not required, but it's a good idea! Final walk-throughs give buyers a chance to make sure nothing had changed since their first visit. If repairs were requested, as part of the offer, a follow-up visit ensures that everything is squared-away, as expected, per the terms of the contract.

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# HOME SEARCH WORKSHEET

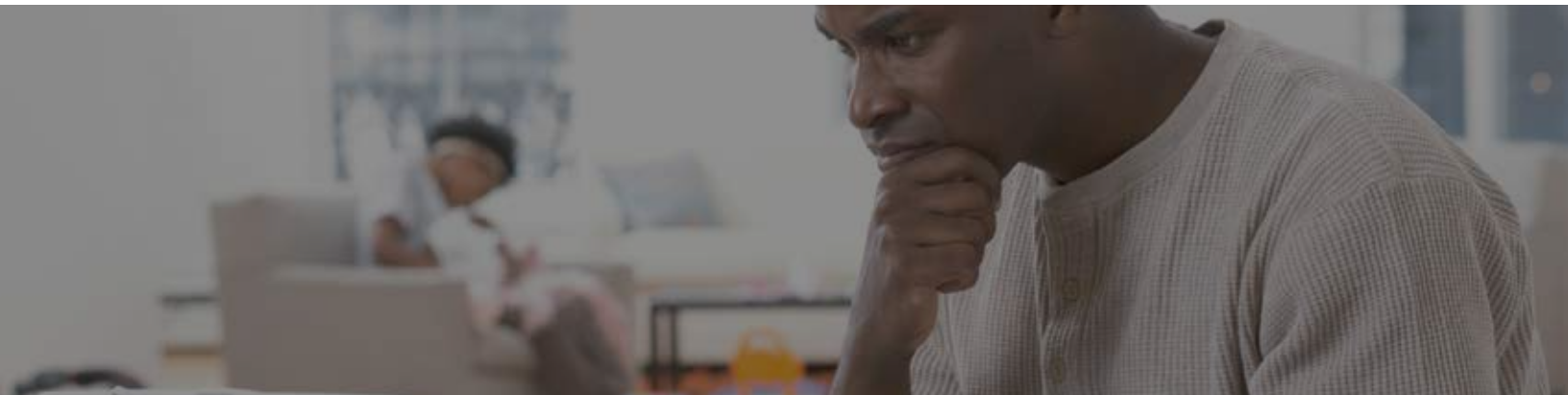
**MUST HAVES**

Price range: _____	Lot size: _____
Area: _____	Square footage: _____
Basement (Fin/Unf): _____	Number of bedrooms: _____
House style(s): _____	Number of bathrooms: _____
Features: _____	Garage: _____

**LIKE TO HAVES**

(e.g., waterfront, view, large lot, pool, fireplace, basement, garage size, built-in vacuum, distance to school, additional room preferences, etc.):

**ADDITIONAL COMMENTS**



# MOVING CHECKLIST

## BEFORE THE MOVE

- ☐ Arrange for movers
- ☐ Notify your utility services at both your current and future residence
- ☐ Research and contact service providers at your new residence (e.g. Internet, Cable, Phone)
- ☐ Complete change-of-address form at the post office
- ☐ Start using up items that cannot be moved, such as frozen food, bleach and aerosols
- ☐ Begin packing items you don't use often
- ☐ Arrange for home insurance
- ☐ Store important documents such as birth certificates, medical records, legal/financial papers in a safe place that will not get lost in the move
- ☐ Donate or sell items that you do not wish to move
- ☐ Pack an essentials bag
- ☐ Measure furniture and come up with a plan on where you want everything in the new home
- ☐ Empty and defrost refrigerator
- ☐ Clean your current living space
- ☐ Give your landlord your new address in case he/she needs to forward stray mail

## AFTER THE MOVE

- ☐ Clean your new home
- ☐ Change the locks to outside doors
- ☐ Check smoke detectors and replace batteries, if needed
- ☐ Be sure that all utility services are turned on and in your name (Electric, Gas, Water, Basin and Drainage, Garbage, etc.)
- ☐ Arrange times for cable and internet providers to come and install
- ☐ Change your address on your bank accounts, credit cards, driver's license, vehicle registration, voter's registration, etc.
- ☐ Notify your employer of your new address and new local tax ID
- ☐ Store all of your home's closing documents in a safe place
- ☐ Find and store manuals for the home's appliances and systems
- ☐ Store important documents such as birth certificates, medical records, legal/financial papers in a safe place that will not get lost after the move
- ☐ Meet your neighbors
- ☐ Unpack and enjoy your new home!

# WORDS YOU SHOULD KNOW

## **APPRAISAL**

A written estimate of a property's current value.

## **CLOSING COSTS**

Fees associated with buying a house that your lender charges and/or you rack up from various third parties.

## **CONTINGENT**

A status in which a house has accepted an offer but relies on meeting certain criteria, such as passing a home inspection or appraisal.

## **CONVENTIONAL MORTGAGE**

A mortgage loan not insured by the government or guaranteed by the Veterans' Administration. It is subject to conditions established by the lending institution and State statutes.

## **COMMISSION**

A percentage of the sale that is paid to the real estate professional. In most situations, commissions are paid by the seller of the property.

## **DOWN PAYMENT**

The amount of your home's purchase price you pay upfront.

## **FHA MORTGAGE**

A mortgage that is insured by the Federal Housing Administration (FHA). FHA loans are designed to make housing more affordable.

## **FORECLOSURE**

A property seized by the mortgage lender due to the homeowner failing to make full payments on their mortgage. In hopes to recover the balance of the home loan, the lender will sell the house.

## **FSBO**

A.K.A. For Sale by Owner. A FSBO is a property that is being sold by the current homeowner without the aid of a real estate agent.

## **EARNEST MONEY**

A deposit made by the potential home buyer to show that he/she is serious about buying the house. This is done at the time of contract signing.

## **INSPECTION**

An evaluation of the home in which a professional inspector determines the current condition of the home and its systems.

## **LISTING**

A list of information about a home that is currently on the market.

## **MLS**

A.K.A. Multiple Listing Service. The MLS is a data-base that includes all available homes for sale in a particular area.

## **PMI (Private Mortgage Insurance)**

The monthly insurance payment a lender must pay if the down payment is less than 20% of the sale price.

## **PRE-APPROVAL**

An evaluation by a lender that determines if the potential buyer qualifies for a loan and, if so, the maximum amount the lender would be willing to lend.

## **REO**

An acronym for "Real Estate Owned." A REO property is owned by the bank due to a foreclosure. REO properties can be purchased from the bank; however, they are often sold "as is."

## **SELLER CONCESSION**

Money given from the seller to the buyer at settlement to pay for part of the closing costs. The amount varies depending what the mortgage company allows.



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**CALL US (631) 450 2550 FOR A FREE CONSULTATION.**

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