WELCOME TO YOUR

HOME PURCHASING EXPERIENCE

A BUYER'S GUIDE

DELIVERING THE AMERICAN DREAM TO THE GREATER PHILADELPHIA AREA

WELCOME!

You are about to embark on the exciting journey of finding your ideal home. Whether it is your first home, tenth home, a retirement home, or an investment property, we will work hard to make your home buying experience a positive one. We can help you find the ideal home with the least amount of hassle. We are devoted to using our expertise and the full resources of our office to achieve these results!

Purchasing a home is a very important decision and a big undertaking in your life. We are going to make sure that you are well equipped with up to date information for your big decision while guiding you through every phase of the home-buying process. This packet gives you helpful information during and after your transaction. Use its reference pages and agency explanations as an invaluable guide on your home-buying experience.

We look forward to finding your dream home!

THE PROPERTY ALLIANCE

4114 West Maple Avenue
Pennsauken, NJ 08109
856-888-1133

ThePropertyAlliance.com

THE PROPERTY ALLIANCE

TABLE OF CONTENT

ABOUT THE PROPERTY ALLIANCE

We are dedicated to giving clients a "First Class" professional service. The Property Alliance believes empowering our clients through education will create a more comfortable relationship between us and a smooth transaction. It is our duty to create an environment where people of all backgrounds are able to obtain high quality housing and take part in the American Dream.
We achieve this through:

COMMUNICATION

Being transparent with our clients is how we differentiate ourselves from other real estate brokerages. Having an open communication policy allows us to be trustworthy and carry ourselves with integrity you can depend on.

RELIABILITY

Founded on the principles of trust and honesty, The Property Alliance emphasizes the importance of having the integrity to do the right thing, always putting your needs first. Being readily available to you keeps us all on the same page, consistent and precise when targeting your real estate needs.

TECHNOLOGY

Our modern society demands we are always up-to-date on today's latest search engines, mobile applications and virtual reality tour options. With more than 350 online search engines available on The Property Alliance Web network and more than 76,000 sites, we are utilizing all available tools to find your dream home!

KNOWLEDGE

Continuous training helps us stay ahead of trends in the real estate industry. Comprehensive, industry-leading curriculum, research resources, "Master Mind" events, and networking events create community connections and tools which we employ to better serve our clients.

No one demonstrates negotiating power better than The Property Alliance! In South Jersey, the average original listing price to sales price ratio (2018) is 93.54%. Our ratio is 86.33%. We consistently deliver a sales price that is 7% lower than our competitors. That is a huge savings for our clients!

WHY DO YOU NEED A REALTOR?

As licensed real estate professionals, we provide much more than the service of helping you find your ideal home. Realtors® are expert negotiators and superb navigators in the geographic areas they service. We are members of the National Association of Realtors® (NAR) and must abide by a Code of Ethics and Standards of Practice enforced by the NAR. Professional Realtors® are your best resource when buying your home.

LET US BE YOUR GUIDE:

» As knowledgeable Realtors, we are experienced at presenting your offer to the homeowner and can help you through the process of negotiating the best price and terms. We bring objectivity to the buying transaction, and we can point out the advantages and the disadvantages of a particular property.

» As knowledgeable Realtors we know the housing market inside and out and can help you avoid the "wild goose chase".

» As knowledgeable Realtors we know the best lenders in the area. We can help you understand the importance of being pre-approved versus pre-qualified for a mortgage.

» As knowledgeable Realtors, we are an excellent source for both general and specific information about the community, its services, schools, shopping, and transportation.

We invite you to discuss how these services are free to our buyer clients. Additionally, we would be happy to refer you to a list of trusted vendors that the team has developed relationships with over the years.


UNDERSTANDING AGENCY

SELLER AGENCY (SINGLE AGENCY)

» Agent will represent the best interests of the seller
» Agent will owe the seller fiduciary duties
» Agent must give the seller all material facts so the seller can make an educated decision

BUYER AGENCY (SINGLE AGENCY)

» Agent will represent the best interests of the buyer
» Agent will owe the buyer fiduciary duties
» Agent must give the buyer all material facts so the buyer can make an educated decision

TRANSACTION BROKER & DUAL AGENCY

» Agent represents both the buyer and the seller equally without the full range of fiduciary responsibilities
» Agent's objective is to facilitate a mutually satisfactory agreement among all parties
» Agent gives all options to the buyer and the seller
» All parties may be present at contract presentation to negotiate on their own behalf
» All parties have confidentiality. Agent may do NOTHING to the detriment of either the buyer or the seller
» Before making any decisions, both parties have the right to seek outside counsel

DO'S AND DONT'S OF HOME BUYING

To Do's

- Get pre-approved for your mortgage
- Understand your credit worthiness & take any steps that you need to take to put you in a position to become a strong buyer
- Maintain your current employment & income
- Have a paper trail for all funds coming in and out of your bank account. **All funds** must be sourced and documented for the paper trail.

Dont's

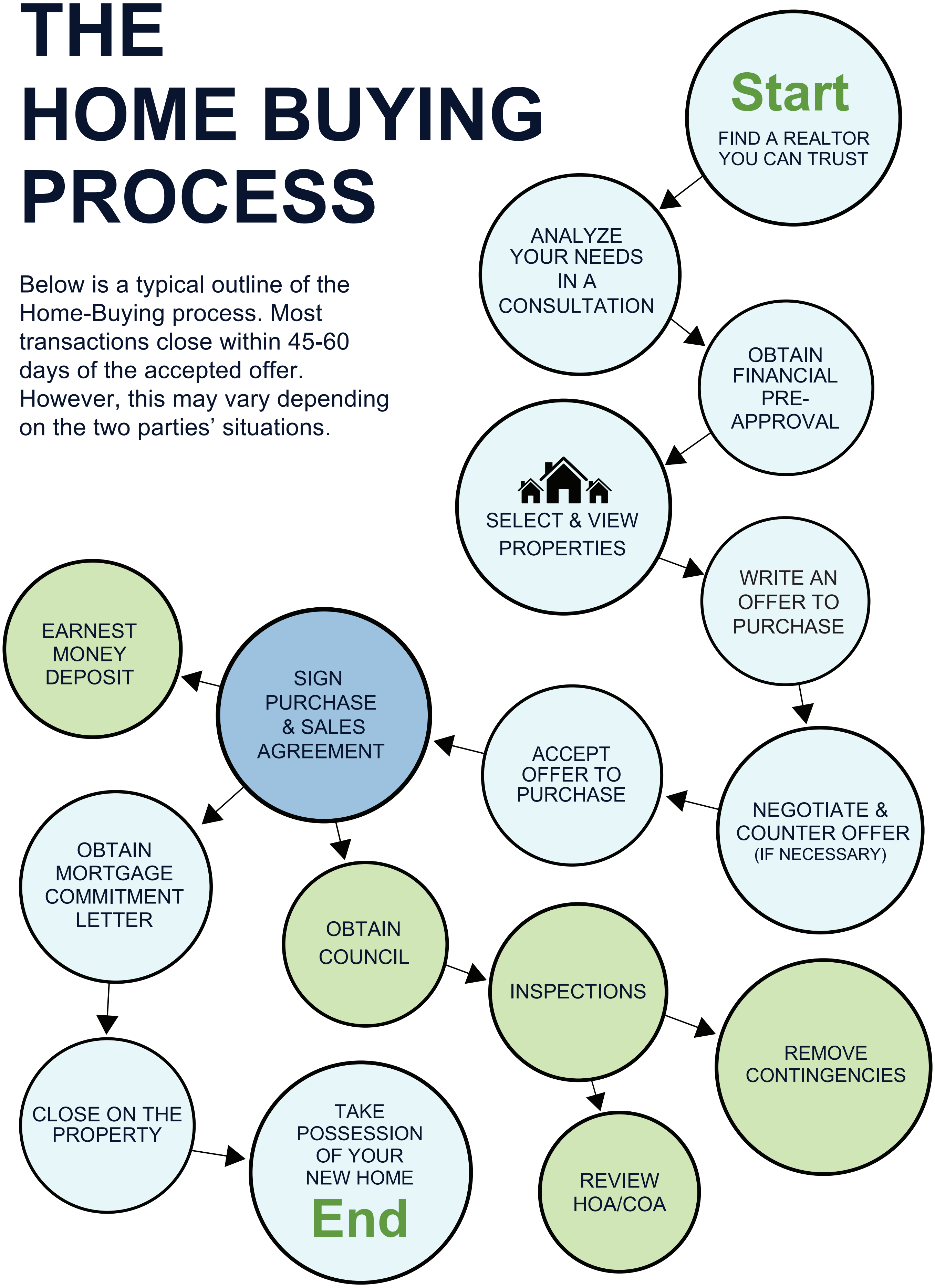
- Go house shopping without knowing what you can afford
- Open/close any credit lines without consulting a mortgage professional
- Make any major purchases
- Make employment changes; quitting, changing jobs, and leave of absence, unemployment or disability
- Make any large cash deposits into your bank other than your paycheck

INITIAL DOCUMENTATION FOR PRE-APPROVAL

» 2 months of most current asset statements for all accounts, including blank pages
» 2 years of W2's
» 2 years of Federal tax returns with all schedules
» Most Recent (30 days) paystubs
» Most recent statements for retirement account (IRA, 401K, etc.)
» Copy of Driver's License or other proof of identity
» YTD Profit and Loss statement for self-employed borrowers
» Mortgage statement for all properties owned
» Homeowner Insurance for all properties owned

THE HOME BUYING PROCESS

Below is a typical outline of the Home-Buying process. Most transactions close within 45-60 days of the accepted offer. However, this may vary depending on the two parties' situations.



HOME SEARCH CRITERIA

BUYER 1

NAME

CURRENT ADDRESS

CITY STATE ZIP

EMAIL

PHONE

PREFERRED CONTACT

BUYER 2

NAME

CURRENT ADDRESS

CITY STATE ZIP

EMAIL

PHONE

PREFERRED CONTACT

HOME REQUIREMENTS

DESIRED MOVE-IN DATE	SQ FOOTAGE	# OF BEDS	# OF BATHS	AGE OF PROPERTY

DESIRED NEIGHBORHOODS

GARAGE REQUIRED ☐ YES ☐ NO
OF BAYS:

Property Style:

☐ Single ☐ Condo ☐ Townhouse ☐ Multi Family: _____ Units

Property Condition:

☐ Un-Renovated ☐ Renovated ☐ New Construction

Acceptable Features:

☐ Street Parking ☐ Oil Heat ☐ Well ☐ Septic

WHO ARE THE DECISION MAKERS: *DECISION MAKERS MUST ATTEND SHOWINGS*

“NEED TO HAVE” FEATURES

“NICE TO HAVE” FEATURES

WOULD NOT CONSIDER

THE NEIGHBORHOOD

There are many factors to consider when selecting a neighborhood that is right for you. Below are just a few examples which you may want to expand. Please write additional factors on your Home Search Criteria form so they are not forgotten.

Neighborhoods have characteristic personalities designed to best suit single people, growing families, two-career couples, or retirees. Investigate to determine if the neighborhood matches your lifestyle and personality.

SCOUT OUT THE NEIGHBORHOOD:

1. Talk to people who live there.
2. Drive or walk through the entire area at different times of the day, during the week and on weekends.
3. Travel to and from places you would frequent to be sure you are comfortable.
4. Look for access to major thoroughfares, highways, and shopping.
5. Check with local civic, police, fire, and school officials to find information about the area.
6. Look at traffic patterns around the area during different times of the day and drive from the area to work.
7. Check if the neighborhood is near parks, places of worship, recreation centers, shopping, theaters, restaurants, public transportation, schools, etc.

MAKING AN OFFER

YOU FOUND YOUR DREAM HOME

» We will help you determine the best offer price based on your price point, condition of the home, market value and the most recent sold comparables.
» We want to strike a realistic offer that will be accepted by sellers.

NEGOTIATION OF TERMS

» Once an offer is made the sellers may either: accept, reject or make a counter offer.
» If an offer is accepted, buyers provide an Earnest Money Deposit which demonstrates their level of interest & the seriousness of the offer.
» The EMD (Earnest Money Deposit) is usually between $1,000 to $5,000 in the greater Philadelphia area. This is dependent on the house price point and aggressiveness of the buyer.

UNDER CONTRACT

» When all parties agree on terms of the offer, a formal, binding contract will be drafted known as an Agreement of Sale.
» The AOS (Agreement of Sale) dictates all deadlines that may affect purchase such as mortgage commitment letter and any home inspections to be completed.

HOME INSPECTION

We highly recommend that you have a professional home inspector conduct a thorough inspection. The inspection will include, but may not be limited to the following:

- Appliances
- Plumbing
- Electrical
- Air Conditioning & Heating
- Ventilation
- Roof & Attic
- Foundation
- General Structure

THE INSPECTION IS NOT DESIGNED TO CRITICIZE MINOR COSMETIC DEFECTS IN THE HOME.

» A home inspection is intended to report on major damage or serious problems that require repair.

» The inspector's job is to make you aware of repairs that are recommended or necessary so that you can continue to make an informed decision.

» A home cannot "pass or fail" an inspection, and your inspector should not tell you whether he/she thinks the home is worth the money you are offering.

» The seller may be willing to negotiate completion of repairs or a credit for completion of repairs, or you may decide that the home will take too much work and money.

» You may wish to have separate tests conducted for termites or the presence of radon gas in addition to the overall inspection.

» In choosing a home inspector, consider one that has been certified as a qualified and experienced member by a trade association.

» As your Buyer's Agent, The Property Alliance can recommend several professional home inspectors for you to consider, and we will attend the inspection with you.

WHILE YOU'RE WAITING

WHAT'S HAPPENING BEHIND THE SCENES

The following is an overview of what is happening behind the scenes from the time you contract to buy your property until the day it closes. Our job is to coordinate all of these activities with the relevant players and make sure the lines of communication are open and working smoothly.

EARNEST MONEY

Typically, the listing agent will deposit your earnest money in an escrow (neutral) account.

MORTGAGE APPROVAL

There are two components of this process that will require facilitation by the partcipating agents. The first is the appraisal. Your lender will hire an approved appraiser who they consider to be a nuetral third party. This appraiser will visit the property and prepare a detailed report determining its fair market value. The listing agent will provide access to the property, yet has no input or influence into the final outcome. In the case of a condominium, there is often a questionnaire to be completed by the Management Company or a trustee of the condominium association. We will track this process so that there are no delays in obtaining a timely mortgage approval. We will be mindful of the mortgage commitment date as spelled out in your Agreement of Sale.

TITLE SEARCH

The title company's examiner will ensure that the seller will be able to convey "a clear and marketable title" to the property as stipulated in the Agreement of Sale. This becomes the basis by which the attorney is able to certify title, thereby making it possible for title insurance to be purchased. Your lender will require that you purchase title insurance, which will be arranged for you and appear as a closing cost on your settlement sheet (Closing Disclosure [CD]). We would be happy to discuss the importance and benefits of purchasing an owner's policy as well.

SMOKE & CARBON MONOXIDE DETECTOR CERTIFICATION

In order to comply with state law as referenced in the Agreement of Sale, the seller must provide a certificate of compliance at closing stating that the property has properly installed smoke and carbon monoxide detectors. We will be in communication with the listing agent to arrange for the local municipality to inspect the premises in order to obtain the necessary documentation, which will be delivered to the closing attorney.

WHILE YOU'RE WAITING (CONTINUED)

INSURANCE

If you are purchasing a condominium, your attorney and lender will require proof that the association carries adequate insurance (the premium which is included in the condominium fee). This proof comes in the form of a certificate of insurance, which names you and (when applicable) your lender as loss payees. We will either coordinate this process or verify that your lender is ordering it directly. If you are purchasing a building, you will be responsible for purchasing your own hazard insurance, and if a lender is involved, proof of that policy must be provided to the lender prior to closing.

MUNICIPAL LIEN CERTIFICATE

The title company will order an MLC from the appropriate municipality. This certificate will reflect any outstanding taxes or taxes that have already been paid so that the proper adjustment can be included on the settlement statement at closing.

FINAL WATER READING

In the case of a single or multi unit building, a certificate from the local water and sewer commission stating the account balance is required at closing. The listing agent will facilitate the final reading and provide the information to the title company as soon as it is available.

CERTIFICATE OF NON-ASSESSMENT (6D CERTIFICATE)

When purchasing a condominium, you will need legal documentation that the current owner has no financial obligation to the association as of the closing date. To this end and per the terms of your Agreement of Sale, the seller will provide at closing, a notarized statement that has been signed by a trustee of the condominium association reflecting a zero balance at closing.

PRE-CLOSING WALK-THROUGH

The final walk through is usually scheduled within 24 hours of the closing. This gives the buyer a chance to ensure that the sellers have moved out and left the property "broom clean" and in essentially the same condition it was at the time the offer was made. If any repairs were to be done prior to closing, this gives the buyer an opportunity to confirm that they were completed before the property changes hands. In the case of new construction, there may be an additional inspection in order to generate a "punch list" which will usually result in a final walk-through just before closing.

MOVING CHECKLIST

UTILITIES:

- Electric
- Telephone
- Water
- Cable
- Gas

PROFESSIONAL SERVICES:

- Broker
- Accountant
- Doctor
- Dentist
- Lawyer

GOVERNMENT:

- Internal Revenue Service
- Post Office
- Schools
- State Licensing
- Library
- Veterans Administration

CLUBS:

- Health and Fitness
- Country Club

INSURANCE COMPANIES:

- Accidental
- Auto
- Health
- Home
- Life
- Renters

BUSINESS ACCOUNTS:

- Banks
- Cellular Phones
- Department Stores
- Finance Companies/Credit Cards

SUBSCRIPTIONS:

- Magazines
- Newspapers

MISCELLANEOUS:

- Business Associates
- House of Worship
- Drugstore
- Dry Cleaner
- Hairstylist

THE PROPERTY ALLIANCE

4114 West Maple Avenue
Pennsauken, NJ 08109
856-888-1133

ThePropertyAlliance.com