



BUYER'S GUIDE

A STEP BY STEP PROCESS TO FINDING YOUR HOME

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INTRODUCTION

Buying a home is often a stressful process. In fact, some studies place it among the most stressful life events one can experience. However, if you know what to expect, you can avoid a lot of common mistakes and ensure that things go as smoothly as possible, and you will feel great about your purchase in the end!

There is so much to home buying that it can't all be covered in one place, but this buyer's guide will introduce you to the process and give you a broad overview of what's involved with buying a home.

WELCOME



I'm Danny, your local neighborhood expert and licensed agent. I've been in the real estate space since 2004, and I run my own real estate business full-time, brokered by eXp Realty - the fastest growing brokerage in the world. Whether you're selling a multi-million dollar property, or a first-time home buyer, every one of my clients gets 100% of my effort.

In this guide, we'll cover some important things to consider when buying real estate, including how to find the perfect home for you and your family, and how to navigate the process from pre-approval to moving day!

Danny C.
DANNY CASSESE

OUR TEAM

I surround myself with the finest professionals in the industry, in order to provide my clients with elite service and outstanding guidance.



Danny Cassese

Principal Agent



Martin Rodriguez

Mortgage Consultant



Debbie Vega

Transaction Coordinator



Danny Besch

Property Management
Specialist - California Leasing



Brenda LaCore

Escrow Officer & Consultant -
Capstone Escrow



Nikki Maurer

Title Officer & Consultant -
Ticor Title

CHOOSING THE RIGHT AGENT



- I want to fully understand your goals so we can create a plan for finding the right home at the right price. We will get together and discuss what's most important to you so you're set up for success.
- My experience and wide network allow me to offer unique expert local knowledge and insider secrets about properties for sale, potentially even before they hit the open market.
- Buying a home involves a LOT of paperwork! I'll help you navigate the real estate contracts and educate you along the way so you know exactly what you are signing.
- A home is likely the largest purchase you'll ever make. As a formally-trained crisis negotiator, I love to put my special skills to use for my clients so they can count on getting the best possible outcome.

BUYER'S ROADMAP

01

GET PRE-APPROVAL

Meet with a local loan consultant to help you find the right financing option. Obtain a pre-approval letter and be prepared to share it with your agent.

02

HIRE AN AGENT

As a local market expert, I will work within your budget and wish list. With me, you get the bonus of an actual **trained crisis negotiator** on your side (that will come in handy)!

03

FIND YOUR HOME

I will help you find some suitable options and set up showings for properties you'd like to tour, potentially including some not even on the market yet!

04

MAKE AN OFFER

When we find the home that's right for you, we will submit an offer and negotiate the terms of the contract. As soon as it's accepted, we have a fully executed contract.

05

INSPECTIONS

Complete inspections on the home with a professional, and carefully review seller disclosures.

Negotiate any repairs before closing.

06

APPRAISAL

A professional will determine if the home is worth the price you agreed. A lender cannot lend out more than a home is worth.

07

PRE-CLOSING

Confirm that repairs are completed, do a final walkthrough and prepare for your move.

08

CLOSING

Sign and review all closing documents and receive your keys!

09

CONGRATULATIONS

You are a homeowner!



PRE-APPROVAL

A pre-approval letter is an official document saying that a bank or credit union is willing to lend you a specific amount based on your income, assets and liabilities. Pre-approval means that the bank has reviewed your financial information (income and assets) and decided that it's safe for them to give you a loan for up to as much as they have approved for your purchase.

You can start your search knowing how much house you can afford—not just in terms of its price tag but also in terms of monthly payments. You will be able to compare listings with this knowledge at hand and avoid wasting time on homes that are outside your price range.

When it comes time to write an offer, sellers will want to see your pre-approval letter so they know you're a serious buyer.

PREPARE FINANCIALS

Before you even start thinking about buying a house, it's important to make sure that your finances are in order, and to consider how much you can afford.

Mortgage lenders recommend a maximum home price of 5 times your annual household income. If you are not purchasing with cash, you will need to find a local lender and get pre-approved for financing. Your loan consultant can give you a good idea of expected monthly payment early on. Get a copy of your credit report and look over all the information it contains. Your credit score will give you an idea of what kind of loan rates and interest rates you can expect to pay if you do decide to apply for a mortgage.



DOWN PAYMENT

Typically between 3.5% - 20% of the purchase price. The closer you can get to 20% of the purchase price in cash for your down payment, the better terms from lenders you'll likely be able to get.

EARNEST MONEY

Typically 1-2% of the purchase price, but no more than 3%, usually wired to escrow within 3 days of offer acceptance. It is generally refundable until closing, at which time it is put toward your down payment, in most cases.

CLOSING COSTS

Closing costs for the buyer run between 2% - 5% of the loan amount. Typical costs include lender and escrow fees, title insurance, and prepaid taxes and homeowners insurance.

DUE DILIGENCE

A home inspection costs around \$400 to \$600, depending on the property size. Your lender will likely require you to pay for an appraisal on the property as well (\$500-\$600).

MORTGAGE DOCUMENT CHECKLIST

INCOME / EMPLOYMENT

- ☐ PAYSTUBS (LAST 30 DAYS)
- ☐ TAX RETURNS FOR LAST 2 YEARS
- ☐ W-2 / 1099 FOR PAST 2 YEARS
- ☐ BUSINESS RECORDS IF SELF-EMPLOYED
- ☐ ANY RENTAL INCOME YOU RECEIVE
- ☐ IF VA, PROVIDE DD214 & ELIGIBILITY CERT
- ☐ EMPLOYER CONTACT DETAILS

CREDIT

- ☐ COPY OF DRIVERS LICENCE
- ☐ LENDER WILL RETRIEVE CREDIT SCORE
- ☐ COPY OF DIVORCE DECREE AND/OR CHILD SUPPORT ORDERS (IF APPLICABLE)

ASSETS

- ☐ ALL BANK STATEMENTS (PAST TWO MONTHS)
- ☐ DOWN PAYMENT GIFT LETTER (IF APPLICABLE)
- ☐ DETAILS OF ANY REAL ESTATE YOU OWN



START HOME SHOPPING

We will set up showings on suitable homes that match your wish list and budget. Here are some tips when you're touring homes. Don't worry, we will take care of most things but it's important for you to consider the below.

TIP 01: SIMULATE YOUR DAILY ACTIVITIES

For example: Imagine you're preparing a meal or packing a lunch in the kitchen, or picture how your morning routine would look in the main bathroom. Try to look past decor, furniture arrangement, and things that are easily changed (paint color, bathroom vanity style, etc)



TIP 02: NOTE TRAFFIC

Note traffic on the street and surrounding area. If you commute to work, consider revisiting the area during peak times to get an idea of traffic and travel time. If the home is near a school, you'll definitely want to revisit it during pick-up and drop-off times!

TIP 03: TAKE NOTES AND PICTURES

You WILL forget some details when looking at other houses later on in this process, so keep track of them all now as they come up. It's also a good idea to take pictures (or even better, video)! I'll provide scoresheets for each home so you can rate properties as you tour them in real time.



MAKE AN OFFER



Once you've found the right home, it's time to put things in motion. The next step is to make sure that your offer is competitive. When it comes to making offers on homes here are some things to consider.

01

OFFER PRICE

What you are willing to pay for the home can include fees & closing costs. Factor in taxes if they aren't included in your purchase price or monthly payments.

02

EARNEST MONEY

Usually around 1 percent of the home price is sufficient, but sellers tend to look at a greater deposit as a sign of a more serious buyer.

03

APPEAL TO SELLERS

Try to offer shortened inspection and appraisal periods. I always find out what's important to the seller so we can craft an offer that shows them that you understand their wants and needs.

04

PERSONAL LETTER

Optionally, you could help your offer stand out by writing a personal letter to the seller about you and how you envision your future in their home.

THE SELLER WILL THEN:

01

ACCEPT

If your offer is accepted, the seller will sign the purchase agreement. Then you are officially under contract!

02

REJECT

If the seller believes your offer is too far off their asking price and terms, they may reject it. This means they are not interested in negotiating.

03

COUNTER OFFER

A counter-offer is when the seller offers you different terms in response to your offer. If this happens, you can accept their offer, reject it outright, or further negotiate.



HOME INSPECTION

A home inspection is a very common practice in the real estate industry. We will schedule an inspection with a professional home inspector who will help you identify potential hidden issues with the house.

You should use this information to negotiate with your seller if there are any problems that need attention, especially ones that could be costly to fix. This allows you to ensure you don't end up with a home with structural or other major safety problems. Be reasonable on smaller issues. For example, if there's minor wear and tear on appliances or carpeting, consider giving it a pass.

Also highly recommended, and required by lenders in some cases, is a termite inspection.



APPRAISAL



Your lender will arrange for an independent appraiser (a cost of around \$600 to you, the buyer) to provide a value estimate of the house you are purchasing. The appraiser decides if the contract price is a fair price for the property. Most lenders require an appraisal to ensure the value of the property is consistent with what you are paying for it.

In the event of an appraisal shortfall, we will renegotiate the price. If the seller is unwilling to accept an offer at the appraised value, you have the option of backing out, or paying the difference in cash.

PRE-CLOSING

The pre-closing stage is the period after you remove all contingencies (promising the seller you're going to close escrow), and closing day. It's time to make sure everything is in order before you move into your new home.

This is also when you should start solidifying your plans for your move.

☐ **CONFIRM POSSESSION DATE AND PLAN YOUR MOVE**

It's not uncommon for a purchase agreement to allow the seller to remain in possession of the property for a period of time beyond closing. Schedule movers, truck rentals, helpers, etc. around YOUR possession date. You don't want to show up with a full moving truck before the sellers have moved out!

☐ **PLAN TO SET UP UTILITIES**

You will need to start planning to get your utilities set up or moved to your new address. I will provide you with a list of local utility companies so you don't forget anything. Condos and townhomes usually have things like trash, water, and sometimes gas included with HOA dues,.

☐ **SCHEDULE ANY PRE MOVE-IN WORK**

If you know you're going to hire painters, flooring installers, etc. to do any work before you move in, make sure you have them scheduled to ensure a smooth timeline with as little downtime as possible.

☐ **DON'T MAKE ANY BIG PURCHASES OR APPLY FOR CREDIT**

You might be tempted buy new furnishings, TVs, and other fun stuff on credit, but taking on extra debt could jeopardize your ability to secure your mortgage and close escrow. Wait until AFTER closing to finance a new car for the garage.

☐ **FINAL WALK THROUGH**

I will do a final walk through of the home with you within 5 days prior to closing to verify the property is in the condition you agreed to according to the contract, and make sure any repair work that the seller agreed to make has been done.



CLOSING

Once all the paperwork is signed, your loan is funded, and the deed to the property is recorded in your name, escrow is officially closed and the home is yours!

I will meet you at the property to give you the keys and welcome you home!

MAKE SURE YOU...

- ☐ CHANGE YOUR ADDRESS/HAVE YOUR MAIL FORWARDED
- ☐ SET UP ANY EXTRA SERVICES LIKE GARDENER/LANDSCAPER, POOL MAINTENANCE, PEST CONTROL, ETC.
- ☐ HAVE YOUR MOVE SCHEDULED
- ☐ SHARE THE GREAT NEWS WITH EVERYONE!
- ☐ TAKE TIME TO CELEBRATE. REWARD YOURSELF FOR YOUR ACCOMPLISHMENT WITH A NICE DINNER OR A SPECIAL TREAT
- ☐ CONSIDER INVITING FRIENDS AND FAMILY OVER FOR A HOUSEWARMING PARTY ONCE YOU'RE SETTLED IN. IF YOU WANT TO INVITE YOUR AGENT, THATS COOL TOO ;-)

CONGRATULATIONS



YOU ARE OFFICIALLY A HOMEOWNER

TESTIMONIALS



”

I had a few moments of near panic and Danny was always there checking in on me with options to handle whatever crisis I was nearing.

- Jamie B.



”

I highly recommend him for his great communication, promptness, kindness, and making sure we were truly taken care of.

- Alex U.



”

He was quick to get us a showing and he had an offer ready within minutes when we found the home we loved. This was crucial during an extremely competitive market.

When it came to making offers,

Danny had our best interest in mind. He always provided advice that protected us. Even if it meant Danny would not make the sale he always made sure we were making the right decisions for us. He is honest, genuine, and an all around great guy.

- Joy S.



THANK YOU

FOR CHOOSING ME AND ALLOWING ME TO BE PART OF
THIS MAJOR MILESTONE WITH YOU



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