

# A HOME BUYER'S GUIDE

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**Success Stories** 

# MEET OUR TEAM

# ANDREA M. SMITH FL & GA REAL ESTATE BROKER

As your trusted real estate advisors, we promise to work tirelessly to ensure a successful home purchase with the best possible terms. We'll keep you informed every step of the way and ensure that the buying process is as smooth and stress-free as possible.

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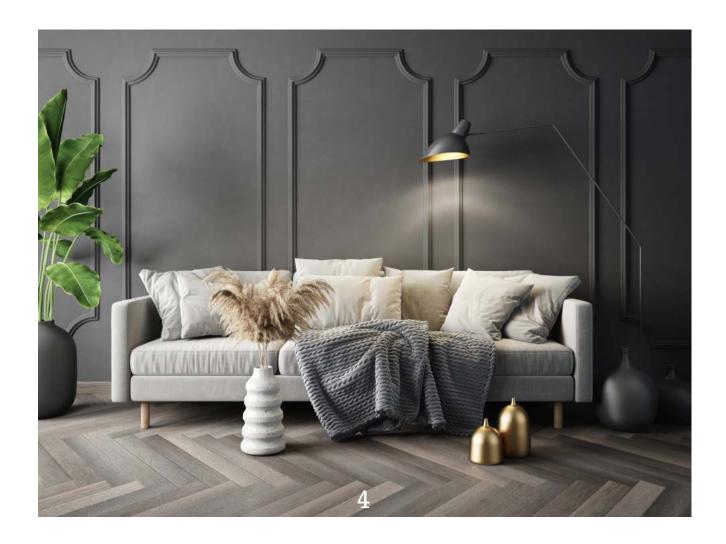
# preparing to buy

# **GETTING STARTED**

# Buyer's Consult

We start every home buying process with the proper education and preparation. Your checklist for this stage includes the following goals:

- ✓ Determine the type of home you want
- ✓ Determine where you want to live
- Find a lender that meets your needs



# HOME BUYING PROCESS

- I INITIAL CONSULT
- 2 GET PRE-APPROVED
- FIND YOUR HOME
- 4 OFFER & ACCEPTANCE
- ORDER INSPECTION & APPRAISAL
- 6 PREPARE FOR CLOSING
- 7 CELEBRATE

# HOME BUYER

# WORDS YOU SHOULD KNOW

### **CLOSING COSTS**

Taxes, insurance, and other lender expenses paid at the end of the transaction by the seller, buyer, or both.

# **APPRAISAL**

Property and/or land valuation completed by an appraiser who determines the market value - typically 1-4 weeks.

### INSPECTION

A visual and mechanical examination of a home to identify defects and assess the home's condition.

# **DOWN PAYMENT**

Is what you typically pay up front for a house in order to close the sale. Usually 0-20% of the purchase price. Not the same as closing costs.

# **EARNEST MONEY**

Deposit made to a seller showing the buyer's good faith in a transaction. Typically 1-3% of purchase price.

# TITLE INSURANCE

Insurance to protect the lender or owner from any claims related to the title of the property.
Usually paid for by the buyer.

# HOME INSURANCE

Protects your home and belongings from damage and other unexpected expenses. It can cover losses due to theft, fire, wind damage, and more.

# **CLOSING**

Usually a meeting that includes documents, signatures and everything needed to buy or sell the house.

# **ESCROW/RESERVES**

Funds deposited with a third party and held until a specific date is reached and/or a specific condition is met.

# **BUYER FAQS**

# 1. WHAT'S THE FIRST STEP OF THE HOME BUYING PROCESS?

You'll need to get a mortgage unless you're paying cash for a house. To know how much home you can afford, you need to get pre-approved for a loan first.

### 2. HOW MUCH MONEY DO I NEED FOR A DOWN PAYMENT?

There are so many options from \$0 to 3.5% of the purchase price. Our initial consult will provide the various options.

### 3. HOW LONG DOES IT TAKE TO BUY A HOME?

Typically around 30 to 45 days after acceptance.

# 4. WHAT OTHER FEES ARE THERE, BESIDES THE DOWNPAYMENT?

Mainly loan origination and closing costs at about 2% to 4% of the loan amount. You'll also have to pay for a home inspection, appraisal, HOA fees, insurance, attorney's fees and possibly more.

5.			
6.			
7.			



# PRE-APPROVAL CHECKLIST

### **PROOF OF INCOME:**

Provide documentation of your income, such as W-2 forms, tax returns, and pay stubs for the past two years.

### **CREDIT HISTORY:**

Your lender will check your credit report to evaluate your creditworthiness, so make sure you have a good credit score and decent credit history.

### **ASSETS:**

You'll need to provide documentation of all your assets, such as bank statements, investment accounts, and retirement accounts.

### **DEBT OBLIGATIONS:**

Provide documentation of all your current debt obligations, such as credit cards, car loans, and student loans.

### **DOWN PAYMENT/GRANT PROGRAMS**

Determine the amount of your down payment and provide documentation of the source of funds for the down payment, such as bank statements. gift letters, or gifting lenders.

### PRE-APPROVAL APPLICATION:

Complete a pre-approval application with your lender, providing all the necessary information and documentation.

### PROPERTY INFORMATION (IF AVAILABLE):

Provide information on the property you intend to purchase, including the address, purchase price, and any other relevant details.

### **NEW CONSTRUCTION APPROVAL:**

If deciding on new construction, the builder may have lucrative incentives when working with their preferred lender. Be sure to discuss these money-saving benefits.

# FINANCIAL MUST HAVES

Your personal financial report that shows how well a lender can "trust" you to repay your home loan.

When you make an offer on a home, you will be expected to pay a deposit as a show of good faith. It will be applied to your down payment or closing costs.

Hiring a professional to view all aspects of the home. Providing a full report of functioning, structural and cosmetic defects.

Speaking with your agent about the wants, needs, timeline, budget, location and other factors of your home purchase journey.



# MORTGAGE LOAN TYPES

LOAN TYPE	WHO QUALIFIES	DOWN PAYMENT	UPFRONT MORTGAGE INSURANCE	PROS	
FHA LOANS FEDERAL HOUSING ADMINISTRATION	anyone who meets minimum credit and income levels	At least 3.5% of purchase price	1.75% of loan amount	Low rates, low downpayment.	
VA LOANS DEPARTMENT OF VETERAN AFFAIRS	Current servicemembers  veterans with honorable discharge  some surviving spouses	NONE	0	No Downpayment, No PMI.	
USDA LOANS U.S. DEPARTMENT OF AGRICULTURE	Anyone who meets minimum credit and income levels who is buying a home in a USDA designated area	O	2% of the loan amount; can be rolled into mortgage	No downpayment.	
CONVENTIONAL MORTGAGES	Anyone who meets the lender's credit, income, and debt level requirements	Varies from 0% to 20%, but typically ranges from 3% to 20%	O	\$0 down options, specialty loans (doctor, lawyer, etc). All condos. NACA Loan	
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# **DPA/GRANT PROGRAMS**

FUND TYPE	WHO QUALIFIES	AMOUNT	PROS	CONS
LOCAL GRANTS 1. 2. 3.		\$20k		
DPA LENDERS  1. 2. 3. 4. 5.		up to \$60k		
GEORGIA DREAM		\$10k		
NACA PROGRAM		Savings of over \$40k*		
		19		



# PICKING THE PERFECT HOME

Before you look for a home, you should know the type of property you're after. Is it a condo that meets your needs and preferences? Or is it a single-family home that fits your longterm goals?

To help you decide, consider the following factors:

# HOW MUCH YOU CAN AFFORD

Take into consideration your annual income, monthly expenses, and debt-to-income ratio, all of which will affect the mortgage loan you can afford.

# AGE OF THE PROPERTY

[City, State] real estate offers both historic homes and new construction. A resale property might be the one that you need with a few minor tweaks. But if you're after a brand-new, move-in property, consider buying new construction.

# **NON-NEGOTIABLES**

List down features that you absolutely need to have in your new house. Consider your proximity to your work and community services, nearby schools, home size and number of rooms. This will help you determine the type of property that meets your needs best.

# FINDING THE RIGHT LOCATION

# **CONSIDER THE NEIGHBORHOOD**

Research the community where you plan to purchase a home. Look for features such as nearby **schools**, public transportation, shopping centers, parks, and entertainment options.

# **CHECK THE LOCAL MARKET**

Study the local real estate market to understand the property values, trends, and market conditions. Check the price of homes in the area to ensure that you are getting a fair deal.

# **EVALUATE SURROUNDINGS**

Take into account the property's surroundings, such as traffic noise, air pollution, and potential hazards. Consider the climate and weather patterns in the area.

# CHECK THE CRIME RATE

Research the crime rate in the neighborhood to ensure the safety of your family and property.

# **PROXIMITY TO WORK**

Consider the distance and ease of transportation to your workplace. Check traffic patterns, parking options, and commuting times.

# **CHECK PROPERTY CONDITION**

Examine the condition of the house, including its age, construction quality, and necessary repairs. Have a home inspection to determine if there are any major defects or issues.

# **CONSIDER ACCESSIBILITY**

Think about the accessibility of the property to other amenities, such as hospitals, police stations, fire stations, and airports.

# **DETERMINE PROPERTY VALUE**

Assess the potential future value of the property based on location, surrounding developments, and community growth trends.

# THE OFFER PROCESS

# **ONCE YOU SUBMIT AN OFFER**

We'll meet and review your offer together. Once the details are thoroughly reviewed and understood, the seller will have three options:

# 1 - ACCEPT THE OFFER AS WRITTEN

# 2 - DECLINE THE OFFER

If they feel the offer isn't close enough to their expectations to further negotiate this offer.

# 3 - COUNTER OFFER

If they agree to most the offer but want to change a few details, they can counter our offer with the new terms.

You can negotiate back and forth as many times as needed until you reach an agreement or someone chooses to walk away.

# ONCE AN OFFER IS ACCEPTED BY BOTH PARTIES, YOU ARE OFFICIALLY UNDER CONTRACT.





# NEXT STEPS...

# **PAY EARNEST DEPOSIT**

Also known as earnest money, is a sum of money that a buyer provides to a seller to demonstrate their serious intent to purchase a property. This deposit is typically made when a purchase agreement or contract is signed.

# **ORDER THE INSPECTION**

Ordering inspections as soon as you have a binding contract is crucial to avoid potential complications and ensure the home is in good condition. General and pest inspections should be completed, and any issues should be addressed before finalizing the sale.

# ORDER THE APPRAISAL

Ordering an appraisal for buyers before closing on a home can be a good idea to ensure that the home is priced correctly and to avoid any surprises during the sale process. However, it is not always necessary and the decision should be made based on individual circumstances.

# **ADDRESS LENDER CONDITIONS**

You'll submit all necessary documents, such as income verification and credit reports, to the lender. The lender will then review the application and make a decision on whether to approve the loan. Once approved, you'll sign the loan documents and provide a requested documentation before the loan can be funded and the home purchase can be completed.

# **CASH-TO-CLOSE**

"Cash to close" refers to the total amount of money a borrower needs to bring to the closing table when finalizing a real estate transaction. This amount includes the down payment, closing costs, prepaid items, and any other expenses associated with the mortgage process.

# THINGS TO AVOID AFTER APPLYING FOR A MORTGAGE

Don't change jobs.

Don't apply for new credit or close any credit accounts.

Don't co-sign other loans for anyone.

Don't make any large purchases

Don't deposit large amounts of cash into your bank accounts before speaking with your bank or lender.

Consistency is the name of the game after applying for a mortgage. Be sure to discuss any changes in income, assets, or credit with your lender, so you don't jeopardize your application.

The best plan is to fully disclose and discuss your intentions with your lender before you do anything financial in nature.

# OUR PROMISE TO YOU

Selecting us as your real estate advisors ensures a devoted and skilled team dedicated to assisting you in buying your ideal property. We offer personalized service, expert guidance, and a steadfast commitment to your satisfaction throughout the entire buying process.

- **✓** EDUCATION AND EXPERTISE
- **✓** HONESTY AND TRANSPARENCY
- ✓ COMMUNICATION AND RESPONSIVENESS
- ✓ PROFESSIONALISM AND DECORUM
- ✓ DILIGENCE AND ATTENTION TO DETAIL



# SUCCESS STORIES



# \*\*\*\*

From start to finish, I had the upmost confidence in the process. Nancy & AMS PRIME did not fail nor let me down. Courteous, patient & diligent. Communication was on point also...highly recommended.
-Paul F.

# \*\*\*\*

This has been such an amazing experience! Thank you so much for all of the hard work!

-Chelsea J.



Congratulations future homeowner!

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