

Home Buyer's Guide

Prepared for you by,

Theresia M. Wolff

YOUR LOCAL REAL ESTATE EXPERT

REALTOR® | RS-59336
GRI, MRP, SRS



808-282-7419

Theresiasellshomes@outlook.com

Search Homes here:

www.theresiawolffrealestate.com

real
Real Broker, LLC

Contents

3

TEN STEPS OF THE HOME
BUYING PROCESS

13

TIMELINE OF EVENTS

14

UPFRONT COSTS

14

CLOSING COSTS

15


ABOUT THERESIA

16

CLIENT TESTIMONIALS

19

FAQ'S OF HOME BUYING



**BUYING A HOME CAN
BE ONE OF THE MOST
EXCITING
ADVENTURES IN YOUR
LIFE. IT CAN ALSO BE
ONE OF THE MOST
OVERWHELMING IF
YOU TRY TO GO AT IT
ALONE.**

Step 1: Hire a Realtor

5 reasons why you should hire a realtor



Paperwork. They will help with all disclosures and paperwork necessary in today's heavily regulated environment.

Experience. They are well educated in and experienced with the entire sales process.

Negotiations. They act as a "buffer" in negotiations with all parties throughout the entire transaction.

Pricing. They help you understand today's real estate values when setting the price to offer to purchase the home.

Understanding of Current Market Conditions. They simply and effectively explain today's real estate headlines and decipher what they mean to you.

Step 2: Pre-Approval

At this stage, you will receive my contacts for my preferred mortgage lenders. It is recommended that you obtain a pre-approval letter vs a prequalification letter. The lender will ask you for some documentation such as proof of employment, pay stubs, recent tax returns, and then a credit report will be conducted. Please make sure to bring to the lenders attention any of your concerns with your credit history, bankruptcies, etc. **THIS WILL SAVE YOU TIME AND MONEY!** The lender will go over different loan programs that would best fit your needs. You will discuss different options for grants and down payment assistance should you need it if you qualify. Make sure you consider property taxes, condo fees, HOA fees, and homeowner's insurance when discussing your monthly payment.

Why pre-approval should be your first step

In many markets across the country, the number of buyers searching for their dream home greatly exceeds the number of homes for sale. This has led to a competitive marketplace where buyers often need to stand out. One way to show you are serious about buying your dream home is to get pre-qualified for a mortgage before you start your search.

Pre-Approval will tell you how much you can afford and can help you move faster, and with greater confidence, in the competitive markets. Obtaining a pre-approval before you start your search will help you be able to put in an offer as soon as you find your dream home.

Step 3: Let's Discuss Your Wants and Needs

NOW THE FUN PART!



We will now discuss all the specifications you want in your new home. When looking at houses on the market, be sure to write down certain features of each house that you like and find appealing. Since homes sell quickly, you may not have the chance to revisit the home again and again. Also find out about certain amenities of the area, such as schools, parks, public transportation, etc. Keep these in mind when searching for your home because they can be important factors in determining which house is right for you. You will now get set up to receive alerts straight from the MLS as soon as a property matching your criteria hits the market or has a status change. Once you find one you want to take a look at, pick up the phone and let me know and we will schedule a tour right away !

Searching for homes on the MLS will provide the most accurate and up to date information.

Step 4: Negotiating Your Terms With Confidence



When making an offer on a home, your real estate consultant can be relied on to negotiate the best price and help protect your best interest.

PRICE: Depending on market conditions, most likely the price you will offer will be lower than the seller's asking price. I will guide you through the process and provide information that will help you make an informed decision regarding the offer and price of the home.

EARNEST MONEY: The Earnest money (deposit) shows your good faith when making an offer and will be applied to the purchase of the home once the sale closes. The deposit is usually the 5% of purchase price, but depending on the negotiation strategy, I will recommend the appropriate amount for the deposit.

TERMS AND CONDITIONS: When submitting an offer to purchase a property you will want to include conditions that must be satisfied before the agreement becomes finalized. These conditions could include a home inspection, subject to financing, subject to the sale of your own property and review of Condominium documents.

INCLUSIONS AND EXCLUSIONS: Before making an offer and during the inspection of home it is wise to write down the items you would like to be included in the purchase price. These could include appliances, fixtures, window coverings, etc.

CLOSING DATE: This is the day when the title of the property is legally transferred, and the transactions of the funds finalized.

Step 5: Inspections

It is super important to conduct a home inspection prior to purchasing a property. I have a list of licensed professional that come highly recommended by myself and others in the business. Once the inspections are completed, we will discuss what is important to have taken care of prior to settlement. The sellers do have an option to deny any repairs or just offer a lump sum instead of fixing issues.

MOST INSPECTIONS MUST BE CONDUCTED WITHIN 10- 14 DAYS OF CONTRACT ACCEPTANCE.

WHAT WILL BE INSPECTED?

- Appliances
- Plumbing
- Electrical
- Air Conditioning
- Heating System
- Roof, Attic, Crawl Space (if accessible)
- General Structure

SOME ADDITIONAL INSPECTIONS

- Pest/Termite Inspection
- Radon
- Chimney
- Sewer/Septic

COST OF A HOME INSPECTION

Depending on the square footage of the house, the price will vary. A general home inspection will range from \$300-\$600 not including the cost of potential additional inspections.



Step 6: Submit Loan to Lender

When you submit a loan to your lender, it is known as “going into underwriting.” The term “underwriting” refers to the process that leads to a final loan approval or denial. A loan’s approval status is made by a professional underwriter which uses special software programs and number-crunching analysis



THIS IS WHY IT IS SUPER IMPORTANT THAT YOU HAVE NOT MADE ANY LARGE PURCHASES FROM YOUR TIME OF PREAPPROVAL TO NOW. PLEASE LET YOUR LENDER KNOW IF YOU PLAN TO GET MARRIED OR CHANGE JOBS DURING THIS TIME.

Once an underwriter has reviewed all of a mortgage applicants information and documentation, a decision will be made on the loan’s status. There are a few possible outcomes at this point.

Step 7: Order Appraisal and Title Work



Assuming the home inspection contingency has been resolved, give your lender the green light to order an appraisal. Most appraisals cost between \$300-\$500 depending on the size of the property. This is included in the closing cost estimate you will get from the lender, but will be paid for during the process. By the time you get to settlement, this price comes off your bottom line of cash to close. An appraiser will evaluate the property you are buying to ensure it's worth the amount you are paying for it. This protects both you and your lender. Also, at this time, select a title company who will conduct a title search to ensure there are no liens or violations on the property so by your settlement date, they will be able to transfer to you clear title of the property. They will not transfer the title to you until it is completely clear. Always compare rates from competing title companies. As always, you get to pick the title company that you want to work with and it is always best to talk to a few and compare their fees.

Selecting the right title company makes all the difference in this process. This company will be protecting your interest to ensure we are able to close on time. This is who will transfer the ownership from the previous owners to you. I will provide you a list of companies who come highly recommended in the industry.

Step 8: Clear to Close!



Congrats!! You got the green light to close! Depending on your situation, this can happen anywhere from one week to the day of settlement. Once your lender has your loan processed properly, additional documentation may be required from you as well as verification that you are still employed and have the necessary funds to close on your property.

Assuming this process is completed and approved, your lender will issue a clear to close notification and you will be ready to settle on your home. You will soon be provided a Closing Disclosure (CD). The Closing Disclosure will provide the final details about the mortgage loan you have selected. It includes the loan terms, projected monthly payments, and how much you will pay in fees and other costs to get your mortgage. You must receive this at least 3 days prior to the settlement date. Depending on the amount of money needed for closing, you will most likely have to wire the funds to the title company. They will provide all the information for this process

You are still not in the clear to open new credit cards or increase your spending on your current ones!!

Step 9: Get Ready for Closing!



PICK YOUR HOMEOWNERS INSURANCE

This is your choice. Look into your existing car insurance provider and see if they have package deals for home insurance as well. You will need to pick a provider and let your lender know the information so they can add it into your mortgage monthly payments and finalize the loan. There are highly competitive rates and this will impact your monthly payment.

TRANSFER UTILITIES TO YOUR NAME

Call your local gas and/or electric company and change the service into your name effective the date of your closing. In some instances, the water bill will already be partially paid by the current owners, so that will be prorated at closing. The water should transfer into your name automatically once your deed is recorded. It is not uncommon to receive the next water bill in the previous owner's name.

SCHEDULE FINAL WALK THROUGH

Prior to closing, we will go through the property to make sure it is in the same condition as it was when your contract was accepted and that any agreed upon repairs were made. This is best to do as close to your settlement day as possible. It is even OK to do it the morning of your settlement!

Step 10: It's Closing Day!

You have gone through all the hoops to get to this day...**CLOSING DAY!!** Today is the day you go from home seeker to homeowner!

After you have received the clear to close from your lender, your closing will be set on or before the date designated in your contract. At your closing, the title company officer will review with you and the seller the financials relating to your closing. The seller will sign over the property to you and give you the keys. You will sign off on all your loan documents and, after doing so, funds will be disbursed to the seller and you will be able to take possession of your new home.

Be prepared for a lot of signing and don't forget to bring your ID!

Who will be at closing?

- You, The Buyer(s)
- Buyer's Agent (Me!)
- Escrow Officer; the party representing the title company and responsible for ensuring the title is transferred to you.
- Occasionally, Your Lender; they will be present for any last minute questions or issues pertaining to your loan.

Timeline of Events

1-2 Days

FOR EARNEST MONEY DEPOSIT

7-10 Days

FOR LOAN APPLICATION

10-14 Days

FOR HOME INSPECTIONS

21-30 Days

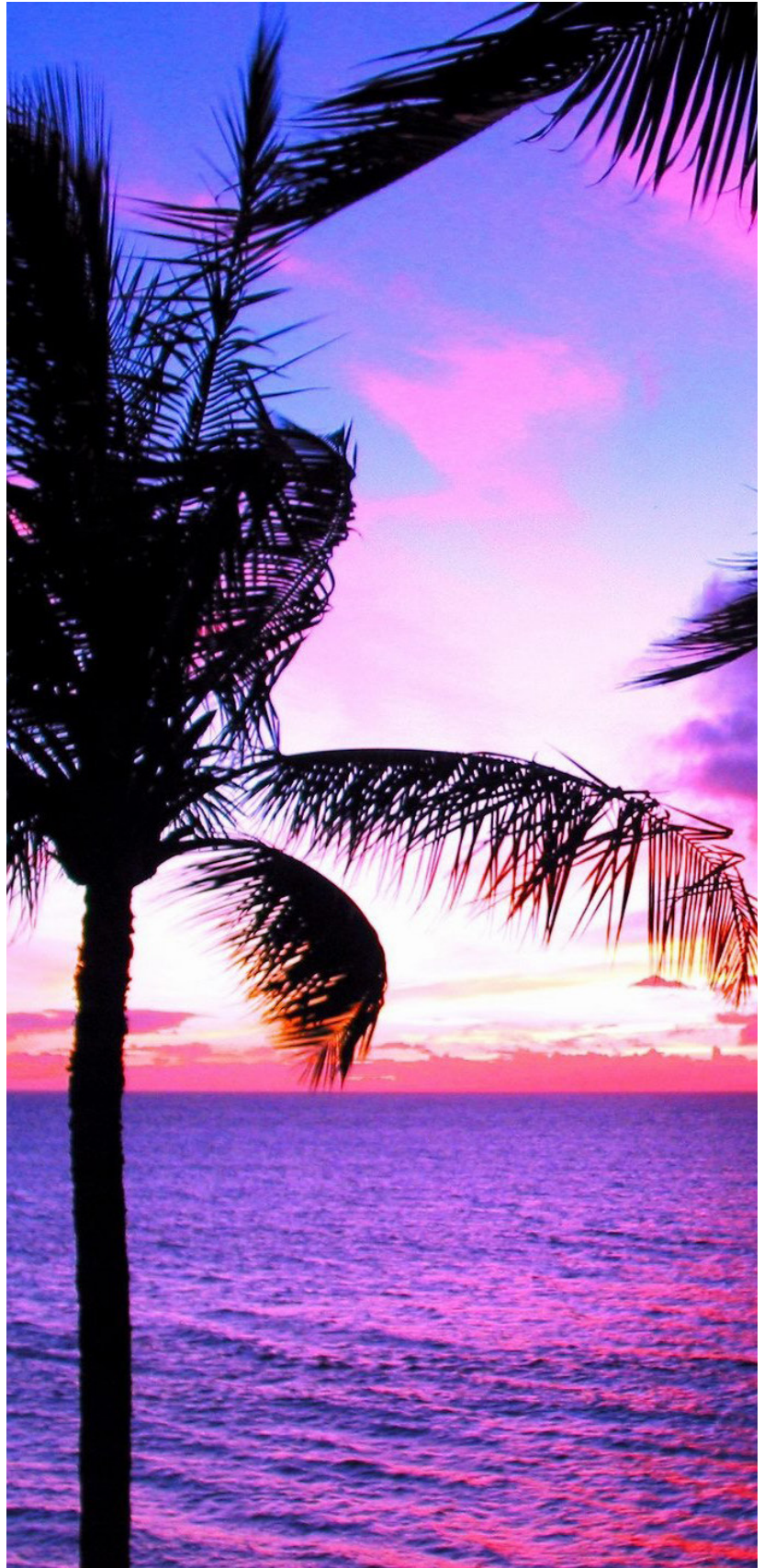
FOR LOAN COMMITMENT

3-5 Days

BEFORE CLOSING TO RECEIVE
CLOSING DISCLOSURE

30-45 Days

UNTIL CLOSING!



Upfront Costs and Closing Costs



UPFRONT COSTS

- Earnest Monday Deposit: 1-2% of purchase price
- Home Inspection: \$300-\$600
- Appraisal: \$300-\$550
- Closing Costs: 3-5% of purchase price
- Down payment: 0%-20%+ determined by what lender and you decided is best for your situation.

CLOSING COSTS

- Prorated taxes
- Loan fees: Processing, underwriting, wires, prepaid interest
- Title fees: title insurance policies, deed preparation, settlement fees, wires
- Survey
- Prepaid Homeowners Insurance
- Government fees: recording deed, recording mortgage, state recordation tax, state transfer tax (waived for 1st time homebuyers)

Your lender will be able to run an estimate of everything prior to submitting an offer so you are prepared for settlement and what to expect!



Theresia M. Wolff

REALTOR® | RS-59336

GRI, MRP, SRS

Mobile: 808-282-7419

E-mail: Theresiasellshomes@outlook.com

Website: www.theresiawolffrealestate.com

"Love yourself and your life so you can help others." These words are Theresia Wolff's motto, and in a crowded field, this spirit of positivity and care for others are part of what set her apart as a realtor. Theresia was born and raised in Kailua, and spent summers in Holland. She began working as successful financial planner for Metlife and moved to a dynamic, 20 year career at companies such as Locations LLC and now Real Broker LLC.

Theresia is confident and quick on her feet in solving problems, an ace negotiator, and a deep and active listener. This allows her to really understand her client's circumstances and desires, and is probably why many remark about her ability to anticipate their needs when searching for their dream home or putting a property on the market. Doing a little extra is something that is second nature to her. Theresia's assured professionalism have helped many a client through what can be a very stressful time. Above all, she feels the best part of her job is simply "seeing the joy and love in my client's eyes about their new home."

A former Rotarian, in her spare time she also enjoys volunteering with causes she cares about, and traveling around Europe. She speaks fluent Dutch in addition to English.

What Clients Are Saying...

A Problem-Solver

"Theresa Wolff is a true professional who served our family in an outstanding manner in the sale of our home. Her personal initiative on numerous occasions in solving problems for us resulted in a smooth transaction as we dismantled our Honolulu home. Her constant attention to our needs, and clear focus on solving any problems confronting us, resulted in complete trust and confidence in Theresa by my wife and myself. I would recommend her most highly to anyone seeking an Agent." George A.



Going Above and Beyond

"Theresa made a complicated and, at times, frustrating experience bearable due to her focus on getting me the very best deal possible. Extensive coordination with the property manager was required, along with what seemed to be an endless succession of minor repairs, but she was on top of them all in a timely manner." Michael G.



Your Best Advocate

"Theresa's involvement in the whole process made any perceived stress on my part nil! I felt confident in her ability to look after the best interest for her client. She became a friend!" Deluze R.



A Passion for Excellence

"We could not be happier with Theresa. She is phenomenal! She came in with a plan, executed that plan, she is an excellent communicator and treat's you like family. Theresa's effort and passion for selling homes goes above and beyond and should be the benchmark all realtors aspire to. I would recommend Theresa without hesitation. The VERY BEST!" Andrew A.



Expert Guidance

"Theresa went above and beyond to help us prepare our home to sell. She was also very helpful through the negotiation stage. She explained things so well we have learned a lot." Henry K.



"Theresa has been extremely helpful in all aspects of our purchase of real property in Honolulu. We would not hesitate to utilize her services in the future for either sale or purchase of an additional property. She was tireless in her efforts to help us find the best property for our needs. Theresa went above and beyond in making closing an easy process. Beyond that, Theresa has been helpful with our property after the purchase, helping us with a multitude of things related to our property. She is very easy to work with. We are very grateful to her for all her assistance. We highly recommend Theresa." Kevin M.



"Theresia is the agent you want when buying and selling on this island. She has fantastic instincts and always keeps her clients interests at the forefront of her mind. She makes herself available for questions at any time and goes far above and beyond to ensure the smoothest possible deal. I can not say enough positive things about working with her!" Jon R.



"Theresia is an absolute jewel! She made the process of selling my parents home in Hawaii easier and less stressful for me. Theresia went above and beyond what realtors are required to do. I have had other properties to sell in Hawaii and California and I can tell the difference between her and the other realtors I have worked with. She definitely stands out because she cares about her clients and also loves what she does. Theresia was always accessible and cheerful whenever I had a question or issue. No problem was too difficult to solve. I highly recommend Theresia Wolff and would definitely work with her again." Jessie S.



"Theresia is a very diligent and compassionate real estate professional. Always taking care of the important details and always a great communicator. She also spreads Aloha everywhere she goes...I am very grateful to have met and worked with Theresia." Ben B.



"We sold our home at our goal amount of \$1M. Theresia guided us every step of the way giving suggestions before listing for improvements that would help us reach our goal. Together we did it! Theresia went the extra mile in searching for permit and tax records as well as recommendations for professionals to help us get our home ready. After listing, she effectively marketed our property to secure a wonderful buyer. During the negotiations, she totally went to bat for us. We are very thankful she was our agent!" Danny & Brenda



"We only met her just three short months and she helped us purchased a property and closed in 30 days, we found that she is honest and very friendly." Vince D.



"Theresia was a pleasure to work with! She was attentive, and professional, she went above and beyond to help us into our home. Theresia comes HIGHLY recommended to anyone looking for a quality agent." Le L.



"Theresia and I have worked together in an ongoing status since 2016 and all of the transactions have been satisfactorily concluded. I find her to be focused, informed, energetic, and professional. It is reassuring to have her representing me and I intend to continue to do so." Michael G.



"March made in Heaven! Theresia was absolutely wonderful. Her knowledge of the local market was unsurpassed and what really sets her aside from other realtors is her devotion to ensuring her clients get exactly what they want and her working painstakingly to get that result. Additionally, her service doesn't end at the sale, periodically, I will get a text or email asking how everything is going with the home in my family. If there is additional things I need help with such as getting a professional electrician to conduct any repairs or upgrades. There is no doubt in my mind if, and when I need another realtor in this area, Theresia is my choice!" David B.



"We are so grateful and fortunate that Ms. Theresia Wolf was our realtor when we decided to purchase another house. She explained every details and every process. She helped us from start to finished to make it easy for us to ease any stress or anxiousness on our part. Even after we closed out she communicated and provided assistance on our moved. If you are planning to purchase a house, we highly recommend that you contact Theresia. She is very knowledgeable and very skilled in negotiations. We are blessed to have her as our representative."

Ronald C.



"Theresia is the best! She is a loving and caring person who always has your best interest in mind. With 20 plus years in real estate experience she is truly an expert, and it shows! If you're lucky enough to work with her you'll see for yourself. Her negotiation skills and industry knowledge are at the top of the list, but that's just the tip of the iceberg. Working with Theresia is a breeze and an enjoyable, excellent experience. " Tyler O.



"My agent Theresia Wolff was outstanding! She worked with me every step of the way and words cannot express how grateful I am. Theresia was incredibly professional, courteous, supportive and demonstrated a high level of integrity. I was blessed to have Theresia as my agent and I highly recommend her!" Judy D.



"My Wife and I recently Purchased a Condominium In Hawaii Kai in Honolulu. I was amazed How quickly Theresia responded to our request for a realtor. After a brief conversation on the phone I could sense that she not only had the Background, training, and experience as a realtor I was looking for, but, because she had lived in Honolulu the majority of her life - she had personal experience and knowledge of this Island and the surrounding Islands - which was an extra added benefit in making our final decision. We had several conversations on the phone with Theresia prior to our meeting as she attempted to learn about the type of property, price range, and area we were looking at to purchase in order to save us unneeded waist of time. Theresia has an uncanny gift of listening to what you want and finding the perfect area and house for you as if she was purchasing it for herself. Theresia is a no nonsense lady with very high Moral and integral Values. Theresia fought hard and represented us with Honor during our Negotiations and closing. I am over 75 years old and have sold and purchased numerous properties throughout my lifetime and have never met anyone with such high Character. Thank You, Theresia." David W.



"Theresia is an amazing realtor! She went above and beyond for my husband and I during our purchase of our home. From driving us around and introducing us to the many areas of Oahu,to navigating all the Ins and outs of purchasing a home; and, also dealing with the many questions we had! Theresia follows through every time, and we could count on her to get our questions taken care of! We very much appreciated her expertise!" Sofia I.



FAQ's of Home Buying

WHO PAYS THE REALTOR FEES WHEN BUYING A HOME?

The seller will pay the commission during the transaction. Buyers will be responsible for a small flat fee that is built into closing costs.

HOW MANY HOMES SHOULD I LOOK AT BEFORE PUTTING IN AN OFFER?

There is no specific number of homes you should look at. Once you walk into the right home, you will know it. It may be the 1st home you see, it may be the 20th home you see!

DO I HAVE TO PUT DOWN THE NORMAL 20% OF THE PURCHASE PRICE?

No. Not even close. There are many different loan options and your lender will go through what is best for you. Twenty percent is not realistic for most first time home buyers.

WHAT IS TITLE?

Title is your ownership right to your property

WHAT IS THE DIFFERENCE BETWEEN DOWN PAYMENT AND CLOSING COSTS?

Down payment is a percentage of the purchase price of the home. Lenders require that borrowers must invest a certain percentage of the purchase price in the home. Closing costs are the other, non-down payment costs, paid at settlement. These include all the fees associated with closing a loan.

IF THE CONTRACT FALLS THROUGH, DO I GET MY MONEY BACK?

It is very uncommon for a contract to fall through, but depending on who is at fault, you should receive back your EMD, but anything paid for, like home inspections, is forfeited.

WHY DO I NEED TO GET PREAPPROVED?

Getting pre-approved shows that you are a motivated buyer. If we go to see a house and you are not pre-approved, you cannot put in that offer until we have your pre-approval. This takes time and someone who is already preapproved can move much faster on an offer. You do not want to lose your dream home!



Common Ways to Hold Title

	Tenant in Severalty	Tenancy in Common	Joint Tenancy	Tenants by the Entirety
Definition	Property held by 1 person, severed from all others	Property held by 2 or more persons, with no right of survivorship	Property held by 2 or more individuals (not corporations, partnerships, etc.) with right of survivorship	Property held by spouses, with rights of survivorship
Creation	Any transfer to one person	By Express act; also by failure to express the tenancy	Express intention plus 4 unities of time, title, interest and possession (with statutory exception)	Express intention, only spouses. Divorce automatically results in tenants in common
Possession	Total	Equal right of possession	Equal right of possession	Equal right of possession
Title	One title to on entity	Each co-owner has a separate legal title to his undivided interest, will be equal interests unless expressly made equal	One title to the whole property since each tenant is theoretically deemed owner of whole; must be equal undivided interests	One title in marital unit
Conveyance	No restrictions (check for release of marital rights, if any)	Each co-owner's interest may be conveyed separately by its owner; purchaser becomes tenant in common	Conveyance of one co-owner's interest breaks his tenancy; purchaser becomes tenant in common	Cannot convey without consent of spouse
Effect of Death	Entire property subject to probate and included in gross estate for federal & state death taxes	Decedent's fractional interest subject to probate and included in gross estate for federal and state death taxes. The property passes by will to devisees or heirs, who take as tenants in common. No survivorship rights	No probate and can't be disposed of by will; property automatically belongs to surviving co-tenants (last one holds in severalty). Entire property included in decedent's gross estate for federal estate tax purposes minus % attributable to survivor's contribution	Right of survivorship so no probate. Same death taxes as joint tenancy
Creditor's Rights	Subject to creditor claims	Co-owner's fractional interest may be sold to satisfy his creditor who then becomes tenant in common	joint tenant's interest also subject to execution sale. Joint tenancy is broken and purchaser becomes tenant in common. Creditor gets nothing if debtor tenant dies before sale	Only a creditor of both spouses can execute property
Presumed by Law	None	Favored in doubtful cases; presumed to be equal interests	Not favored so must be expressly stated	Must be expressly stated