




NAVIGATING THE  
HOME BUYING PROCESS

*Leading*  
REAL ESTATE COMPANIES  
OF THE WORLD



When buying a home, as your trusted advisor, we will guide you every step of the way, manage all the complexities, provide expertise to help you make informed decisions, and ensure a smooth journey ahead. We'll be by your side, preparing you for the home search process, helping you evaluate each property to fully understand which homes best suit your needs, negotiating on your behalf, and managing all the nitty gritty details from the offer all the way to the closing and beyond.

# NAVIGATING THE HOME BUYING PROCESS

## 1 PREPARATION

### Budget Evaluation

How much can you comfortably plan to spend? Before diving into the home search, it's important to evaluate your finances and understand the costs associated with homeownership and what you can spend for a purchase price. In addition to purchase price, property taxes and, in some cases, HOA fees all factor into your monthly expenses. It's also important to consider upfront costs such as closing costs, appraisal fees and moving expenses when determining how much you can afford as a down payment.

### Mortgage Pre-Approval

Before embarking on the homebuying journey, it is important to obtain a mortgage pre-qualification to ensure you have a clear picture of approximately how much you will be able to offer and borrow from a lender. Later on in the home buying process, home sellers will ask that you provide a mortgage pre-approval before engaging with them in a formal negotiation process. A pre-approval goes beyond a pre-qualification to provide a commitment from a lender to finance your home purchase up to a specific amount. A mortgage pre-approval not only gives you a realistic understanding of your borrowing capacity, but also strengthens your offer and allows for a faster closing. If you're also selling a home, factors such as home equity and your current mortgage balance also need to be taken into consideration.

*WE CAN PROVIDE YOU with recommendations for mortgage professionals to start the application for your pre-qualification and your pre-approval, as those moments arrive during your journey.*

## 2 EXPLORATION AND PROPERTY SEARCH

Having a clear picture of your budget and down payment amount, we will work with you to understand your home ownership objectives and criteria to begin your home search. Throughout the home search process, we will provide valuable market intelligence and comprehensive local market data to help guide your decision-making process and ensure you are making informed and confident decisions.

They will schedule and accompany you to private showings and provide insights on the pros and cons of properties you have viewed.

### 3 PURCHASE AGREEMENT

Once you've identified a property that you're interested in pursuing, we will prepare a market analysis and help you determine an appropriate offer price and terms for an offer. We will also help you review seller disclosures and consider any contingencies that the seller is offering or that you may wish to request. We will then draft a strong offer, and advocate for your best interests in negotiations and counteroffers to obtain the best price and contract terms for you.

Understanding your goals, desires and concerns is essential for skillful negotiation, coupled with strong market knowledge and financial acumen. We work on your behalf, ensuring the best possible price and terms. We also function as an intermediary, facilitating communication with all parties to resolve any issues that may arise along the way.

Representation is essential when it comes to negotiating the purchase of real estate — especially when the property will be your future home. Just as the seller's representative works on their behalf to achieve the maximum sales price for the seller, it's important that you have representation to advocate for the most advantageous purchase price and terms.

Skillful negotiation involves an understanding of current local market conditions, in-depth research on pricing and market time for recent comparable properties, and intelligence on sought-after property features. There are many other factors that come into play when presenting an offer which are contingencies and terms, including the closing date, buyer financing, requested timeframe for inspections and mortgage contingencies. The buyer's representative is skilled at delivering an attractive offer on all fronts. The negotiation comes in all forms, from counteroffers on the price, to contingencies, to issues found during inspection, to closing dates.

Without the market expertise and negotiating strength of a buyer representative, it is possible to overpay for a property or even lose the opportunity to another buyer.

If you're also selling a home, we will help manage the complexities of buying and selling a home simultaneously. We will carefully coordinate the process and the timing to minimize potential challenges and brainstorm creative strategies, such as negotiating short-term leasebacks, to help avoid financial burdens.

### 4 DUE DILIGENCE AND CLOSING

Once a home seller has accepted your offer, we will prepare a timeline through the closing date so that you meet the terms of your purchase contract. We will assist with all paperwork, documentation, and disclosure throughout the contract process.

The next phase is due diligence, which is a critical time in the process that we will guide you through. It begins with the home inspection which, based on findings, may require further negotiations with the home seller to secure repairs or credits. The appraisal, title search, securing homeowners insurance, satisfying any contingencies, obtaining final loan approval, and completing the final walk through will happen during this phase. Your real estate agent will work with you to ensure the various steps are satisfied.

As the closing date nears, your real estate agent will work with your lender, and in some states your attorney, to prepare all the necessary paperwork and coordinate the logistics of the closing. We will carefully coordinate among all parties involved in the transaction and attention to detail is imperative leading up to the closing.



READY TO MOVE IN  
The homebuying process enters a new stage after the closing and you have obtained the keys to your new home. There are several steps needed to prepare for this time and your real estate agent can provide support with the transition period. We can provide you with contacts for utility suppliers, reliable contractors and help coordinate moving logistics.

## GLOSSARY OF REAL ESTATE TERMS

**Appraisal** — An estimate of a property's value conducted by a licensed professional appraiser. It is performed to determine the fair market value of the property and used lenders as a basis for approving a mortgage loan amount.

**Buyer Representative Agreement** — A contract between a buyer and their real estate agent, outlining the terms of their relationship. It specifies the agent's duties, the duration of the agreement, and any compensation arrangements.

**Buyer Representative** — A real estate agent who works exclusively for the buyer in a transaction and represents the buyer's interests. A buyer representative owes the buyer fiduciary duties such as loyalty, confidentiality, and disclosure.

**Closing** — Also known as settlement, the closing is where ownership in a real estate transaction is transferred from a seller to a buyer. All necessary legal documents are signed, and financial transactions, including the transfer of funds and payment of closing costs, are completed.

**Competitive Market Analysis CMA** — A detailed report prepared by a real estate agent that provides an analysis and comparison of comparable properties in the area to help determine a competitive listing price for a property. It analyzes recent sales of comparable properties in the area to provide an estimate of the property's current market value.

**Contingencies** — Conditions included in a purchase agreement that must be satisfied for the sale to proceed. Common contingencies include a satisfactory home inspection, an appraisal meeting the agreed-upon value, and the buyer securing financing. If any contingency is not met, the parties may have the option to withdraw from the contract without penalty.

**Counteroffer** — A response to an initial offer made in a real estate transaction. Instead of accepting or rejecting the offer outright, the recipient proposes different terms, such as a different price, closing date, or other conditions. This initiates a negotiation process between the parties involved.

**Deed** — A legal document that transfers ownership of real property from one party to another. It includes a description of the property, details of the transfer of ownership, and is signed by the seller (grantor) and delivered to the buyer (grantee) during the closing process.

**Designated Agent** — A real estate agent who has been appointed to represent the interests of a specific party in a transaction, either the buyer or the seller. This agent works solely on behalf of their designated party and works to protect their client's interests throughout the transaction process.

**Disclosures** — Documents provided by sellers to potential buyers that reveal any known defects or issues with the property. These may include environmental hazards, structural problems, or past renovations. Some disclosures may be required by law to ensure transparency and protect buyers from purchasing a property with hidden problems.

**Multiple Listing Service (MLS)** — A database used by real estate agents to share information about properties for sale. It allows agents to access detailed property listings, including information about price, location, features, and availability.

**Offer** — A proposal made by a buyer to purchase a property under specified terms and conditions. It typically includes details such as the purchase price, proposed closing date, and any contingencies or conditions. Once presented to the seller, the offer may be accepted, rejected, or countered.

**Preapproval** — A preliminary evaluation conducted by a lender to determine how much money a buyer can borrow for a loan. It involves a thorough review of the buyer's financial information, including income, assets, debts, and credit history, and results in a conditional commitment to lend a specified amount. A pre-approval letter from a lender demonstrates to sellers that the buyer is a serious and qualified candidate.

**Title Search** — An examination of public records conducted by a title company or attorney to verify the legal ownership of a property and identify any liens or encumbrances, and clear of any defects that could affect the title's validity. It involves reviewing public records, including deeds, mortgages, and court documents, to ensure that the seller has the right to transfer ownership to the buyer.

**Prequalification** — An initial assessment conducted by a lender to estimate how much a buyer may be able to borrow for a mortgage. It is based on basic information such as the borrower's income and debt. Unlike a pre-approval, it does not involve a detailed analysis of their credit report. Rather, it provides a general idea of the loan amount for which the borrower may qualify.

### PITI

**(Principal, Interest, Taxes, Insurance)** — This represents the components of a monthly mortgage payment. It includes the principal (the amount borrowed), interest (the cost of borrowing), property taxes, and homeowner's insurance. Lenders often require borrowers to make monthly payments covering all four components, which are paid together.

**Title Insurance** — An insurance policy that protects property owners and lenders against financial loss resulting from defects in the property's title or ownership rights. It ensures that the buyer has clear and marketable title to the property and provides coverage for any legal claims that may arise after the purchase.

A modern dining room featuring a large, rustic wooden table with a live-edge top and thick legs. The table is surrounded by brown leather chairs with black metal frames. Above the table, several large, spherical glass pendant lights with textured surfaces and warm-toned bulbs are suspended. In the background, a large window with a black frame looks out onto a lush green landscape. To the left, a framed artwork of a forest scene is mounted on the wall. A dark blue vase with greenery sits on the table. The floor is made of light-colored wood.

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## THE IMPORTANCE OF LOCAL REPRESENTATION

High-quality representation starts with a local leader who has earned a trusted reputation in the community.

As your trusted advisors, we offer guidance, education, expertise, and advocacy at every stage of the real estate process to ensure a successful outcome.

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