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Home Buyers Guide 25

PROVIDING **STEP-BY-STEP**
PROCESS OF THE HOME
BUYING EXPERIENCE



WALLACE
REAL ESTATE



CHRIS
DEATHERAGE



Chris Deatherage is a dedicated REALTOR® in Knoxville, TN, serving buyers, sellers, and investors across East Tennessee with unwavering commitment. Known for his clear communication, strategic approach, and integrity, Chris expertly guides clients through the home-buying process with care. Whether assisting first-time buyers, relocators, or luxury clients, he blends market insight with a people-first approach. As a top-producing agent with Wallace Real Estate, Chris holds designations like Accredited Buyer's Representative (ABR), At Home With Diversity (AHWD), and Commitment to Excellence (C2EX). Outside of real estate, he enjoys rock and metal concerts and spending time with Lily, his Australian Shepherd, who brings energy and joy to his life.



Scan the **QR CODE** to access Chris Deatherage's **DIGITAL BUSINESS CARD** and **CONNECT DIRECTLY**.

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Step 1

CONSULTATION

The consultation is the first important step in your home-buying journey, where we will take the time to fully understand your unique needs, financial situation, and personal goals. This is when we'll discuss your motivations, budget, and timeline in detail, allowing us to set a clear path forward for finding the perfect home. It's a vital moment to align our goals and ensure we're prepared for the search ahead, making sure we have a well-defined plan that matches your vision. By getting all of this in place, we can proceed with confidence, knowing exactly what steps to take next to achieve success.

The consultation lays the groundwork for everything that follows, ensuring a smooth, informed, and successful home-buying experience.



In the consultation section, you will find an added upfront overview of all the costs associated with buying a home. This section briefly explains the various expenses buyers should expect, ensuring they are informed from the start.

- ❖ **Down Payment:** Initial payment made toward the purchase of the home, typically a percentage of the total price.
- ❖ **Closing Costs:** Fees associated with finalizing the mortgage, loan origination fees, title insurance, appraisal fees, and more.
- ❖ **Home Inspections:** Costs for professional inspections to assess the condition of the property.
- ❖ **Appraisal Fees:** Payment for the professional assessment of the property's value.
- ❖ **Earnest Money Deposit:** A deposit which is typically applied toward the down payment or closing costs.
- ❖ **Property Taxes:** Depending on when you buy, you may need to pay a portion of the property taxes at closing.

- ❖ **Homeowners Insurance:** Required by lenders to protect the property, this insurance must be in place before closing.
- ❖ **Buyer Fee:** Any fees that may be associated with the buyer's agent or brokerage.
- ❖ **Moving Costs:** Expenses related to moving into the new home, which might include hiring movers or renting a truck.

Pre-Approval & Loan Types

Pre-approval letters with your offer gives you a competitive edge with sellers, helps sets a clear budget, and accelerates the mortgage approval process for a quicker closing.

Explanation of the Pre-Approval Process:

- ❖ **What it is:** Pre-approval is when a lender reviews your financial situation (income, credit score, and debts) to determine how much you can borrow.
- ❖ **Why it Matters:** Having a pre-approval letter shows sellers you're a serious buyer, which can be a significant advantage in a competitive market.

Overview of Different Loan Types:

- ❖ **Conventional Loans:** Requiring higher credit scores and down payments but usually offer lower interest rates.
- ❖ **FHA Loans:** Popular with first-time buyers due to lower down payment requirements.
- ❖ **VA Loans:** Available to eligible veterans and active-duty, offering benefits like no down payment and no private mortgage insurance (PMI).
- ❖ **USDA Loans:** Designed for rural and suburban homebuyers who meet income requirements, USDA loans offer zero-down payment and competitive interest rates.

Defining Your Home-Buying Budget

It's important to consider both upfront costs, such as the down payment and closing costs, and ongoing expenses like property taxes, homeowners insurance, and maintenance. A well-defined budget ensures you stay within your means and aligns with your long-term financial goals, ultimately making the home-buying experience smoother.

Budget Assessment:

- ✿ Start by reviewing your financial situation, including income, savings, and debts, to establish a realistic home-buying budget. This prevents overspending and ensures you're looking at homes within your reach.

Mortgage Calculators:



Use this mortgage calculator to estimate monthly payments by adjusting loan amounts, interest rates, and down payments, helping you stay within budget.



Buyer Representation Documents

Having a dedicated real estate agent by your side is crucial in navigating the home-buying process. This partnership not only provides you with valuable insights and guidance but also ensures that your best interests are represented throughout the journey. Understanding the buyer-agent relationship and the exclusive buyer representation agreement is essential for a smooth transaction, empowering you to make informed decisions as you search for your dream home.



Buyer Representation Form:

You can access the necessary buyer representation agreement form through the QR code provided. This document outlines the terms of your working relationship, including your agent's duties, your obligations, and the agreement's duration.



Commitment:

You agree to work exclusively with your agent for a specific period, fostering a dedicated partnership that enhances communication and trust throughout the process.



Compensation:

This outlines how your agent will be compensated, with the option to negotiate with the seller to cover these costs, ensuring you understand the financial aspects.



Termination:

It specifies the conditions under which the agreement can be terminated by either party, ensuring clarity and transparency in your working relationship with your agent.



Step 2

FINDING THE PERFECT HOME

Finding the perfect home is an exciting yet detailed process. After the consultation, the focus will shift to tailoring the home search to meet specific needs. This includes using the criteria provided in the assessment form, ensuring the properties explored match desires in terms of location, size, features, and budget. Market expertise will be used to guide buyers through neighborhoods that align with their lifestyle, evaluating factors such as safety, amenities, and future growth potential. The options will be reviewed together to choose the right home that fits the buyer's vision, ensuring confidence every step of the way.

This process is designed to make sure you find a home that fits not just your needs, but your dreams.





Tailored to Meet the Buyer's Criteria



Chris Deatherage is dedicated to guiding you through the home-buying process with expertise. His focus on understanding your needs ensures your best interests are always represented. Scan the QR code (left) to complete a form, helping Chris tailor a customized search strategy that aligns with your goals.

Customized Property Search

The search to fit your needs, using criteria from your "Needs and Wants" assessment. The agent considers your budget and competing offers, ensuring you view homes that fit your requirements. Alerts will be set for new listings that match your criteria, so you don't miss opportunities.

Leveraging Market Expertise

Market expertise helps find properties with strong value and appreciation potential. Chris evaluates neighborhoods, including safety and amenities that align with your lifestyle. A comparative market analysis (CMA) shows the property's value based on recent sales in the area.

Catered Property Showings

In-person showings allow you to truly feel the property and its surroundings. Arranged appointments provide insights during your visit. For buyers unable to attend in person, virtual showings via video call or pre-recorded tours offer a convenient alternative to view remotely.

Purchase Agreement: Explanation & Terms

The purchase agreement is a legally binding document that defines the terms and conditions of your home purchase. Understanding this document before signing is essential, as it establishes the framework for the entire transaction. Here are the six key components:



Purchase Price:

The agreed-upon price for the property, which is critical in determining your financial commitment.



Closing Date:

The date when the transaction will be finalized, and ownership will be transferred.



Contingencies:

Conditions that must be met for the sale to proceed, such as financing, inspection, and appraisal contingencies.



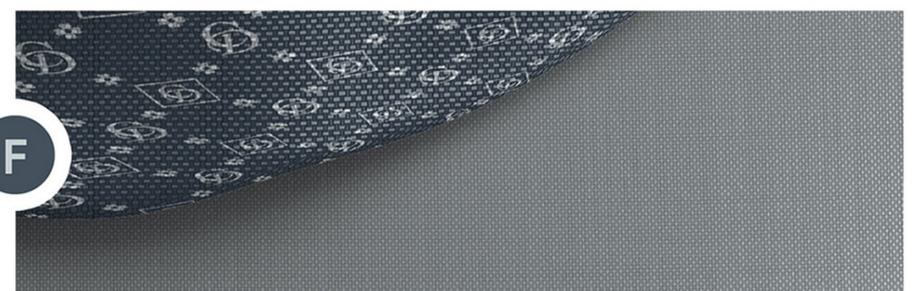
Earnest Money Deposit:

The deposit made by the buyer to demonstrate serious intent, usually applied toward the down payment or closing costs.



Property Details:

Includes the legal description of the property, the condition of the property, and any items included or excluded from the sale.



Property Condition Disclosure:

This document provides details about the property's condition, including any known issues or defects.

Step 3

CONTINGENCIES & CLOSING

Every successful home purchase begins with negotiations. Crafting a competitive offer is a critical part of the process, requiring strategic insight, skill, and close collaboration with your real estate agent. Here's how to put forth a strong offer and navigate the negotiation stage effectively:



Strategies

- Understand the Market:** Research recent sales and prices to make a competitive offer. Understanding the market helps position your offer effectively.
- Be Flexible:** Offer flexible terms, like adaptable closing dates, to meet the seller's needs and make your offer stand out.
- Limit Contingencies:** Keep your offer simple, including only essential contingencies, such as inspection or financing, to attract the seller.



Contingencies to Consider

Certain contingencies can protect your offer. An inspection contingency allows you to renegotiate or withdraw if issues arise. Financing safeguards you if your loan is denied, while an appraisal contingency ensures the home's value aligns with the offer. A sale of your current home contingency can minimize financial risk by tying the purchase to the sale of your existing property.



Role of the Agent in Negotiations

During negotiations, it is crucial to secure the best possible outcome in your home purchase. Chris Deatherage brings a wealth of experience and expertise, guiding you through the process with skill and confidence. His understanding of market dynamics ensures your interests are prioritized at every stage. Below are the key aspects of how Chris supports you during negotiations:

Analysis

Chris Deatherage conducts a comprehensive analysis of the local real estate market, which is essential for formulating a competitive offer. This analysis includes examining recent sales data, current listings, and market trends to determine a fair offer price. By understanding the nuances of the local market, Chris can identify opportunities for negotiation that may not be immediately obvious. This insight allows you to make informed decisions, positioning you effectively against other potential buyers. His thorough approach helps ensure you are not only competitive but also making a sound investment. Additionally, this analysis empowers you with knowledge, fostering confidence as you navigate the negotiation.

Presentation

Chris prepares a detailed and professional offer presentation tailored to the seller's expectations. This presentation includes all necessary documentation, clearly outlining your financial readiness and commitment as a buyer. By showcasing your strengths, such as your solid pre-approval status and readiness to move forward, he significantly increases the likelihood of your offer being accepted. Additionally, Chris emphasizes your genuine interest in the property and your enthusiasm for making it your new home. This thoughtful presentation is designed to resonate with the seller, strategically positioning your offer in a competitive environment and enhancing your chances of success in negotiations.

Negotiation

With his extensive negotiation experience, Chris Deatherage is your advocate in discussions with the seller's agent. He employs strategic techniques to negotiate favorable terms and conditions that align with your objectives. Chris is skilled in managing communication effectively, ensuring that your interests are represented at every step. He handles counteroffers and objections with professionalism, utilizing his expertise to navigate complex negotiations. His ability to assess the seller's motivations can lead to better outcomes for you, as he tailors his approach to suit the specific situation. By fostering a positive relationship with the seller's agent, Chris works to create an atmosphere conducive to successful negotiations.

Inspections

Home inspections are a crucial part of the home-buying process, providing valuable insights into the property's overall condition and helping buyers make informed decisions. During an inspection, a licensed professional evaluates the home's major systems, including the roof, foundation, electrical, plumbing, HVAC, and structural components. Specialized inspections, such as pest inspections, radon testing, and other targeted evaluations, may also be recommended based on the property and location. This thorough examination typically takes 2 to 4 hours, depending on the size and condition of the property. By understanding the home's current state, buyers can identify potential issues that may require costly repairs or renovations, plan for immediate or future expenses, and ultimately ensure they are making a sound and informed investment.



Importance of Home Inspections

The importance of home inspections cannot be overstated in today's competitive market. They serve as an essential step in protecting your financial investment, as they identify potential problems that could significantly affect the property's value and safety. Additionally, the findings from an inspection can be leveraged as a powerful negotiation tool, allowing you to request necessary repairs, seek price reductions, or negotiate other favorable terms with the seller. Most importantly, a thorough inspection provides invaluable peace of mind, confirming that the home is in good condition and truly suitable for your lifestyle and needs.



The Inspection Process:

When preparing for an inspection, it's essential to know what to expect during the process. After the inspection is complete, you will receive a detailed report outlining the findings, including photos and descriptions of any issues or areas of concern that need attention. If possible, attend the inspection alongside your real estate agent, Chris Deatherage. This collaborative approach allows you to ask questions, gain deeper insights, and better understand the property's condition, empowering you to make informed decisions moving forward with confidence.



Appraisal Process

- ❁ **What It Is:** An appraisal is an independent assessment of a property's market value conducted by a licensed appraiser. Lenders require this to ensure the property's value supports the loan amount, protecting their investment. For buyers, it confirms that the purchase price aligns with the true market value.
- ❁ **How It Works:** The appraiser evaluates the property's location, condition, size, and features, comparing them to recent sales of similar homes. Based on this, a report is generated, summarizing the findings and estimating the market value, which is crucial for mortgage approval.

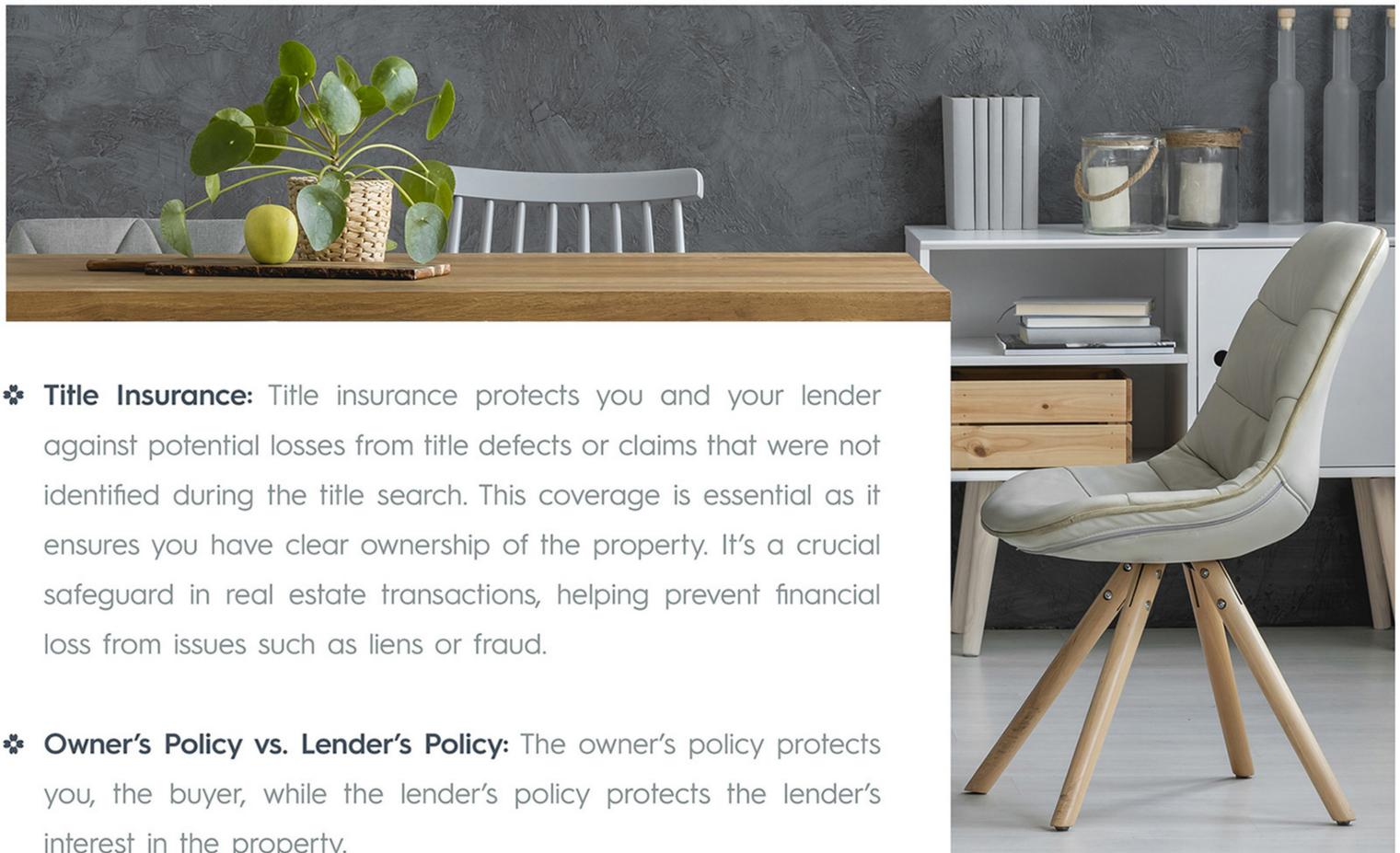
Importance of Appraisals in Securing Financing:

Appraisals help lenders determine the maximum loan amount they're willing to offer, preventing over-lending and ensuring the property is a sound investment. For buyers, it ensures the purchase price reflects the property's true value, protecting against overpaying and verifying the home's worth. A low appraisal can also be used to renegotiate the price or back out of the deal if it doesn't meet the agreed-upon amount. This adds an extra layer of financial security for both the lender and the buyer.

Title Companies and the Escrow Process:

- ✿ **Title Search:** The title company conducts a thorough search to verify the legal ownership of the property and ensure there are no liens or claims against it.
- ✿ **Escrow Process:** A neutral third-party escrow agent manages funds and documents during the transaction, ensuring all conditions of the purchase agreement are met before the transfer of ownership.

Importance of a Title Search and Title Insurance:



- ✿ **Title Insurance:** Title insurance protects you and your lender against potential losses from title defects or claims that were not identified during the title search. This coverage is essential as it ensures you have clear ownership of the property. It's a crucial safeguard in real estate transactions, helping prevent financial loss from issues such as liens or fraud.
- ✿ **Owner's Policy vs. Lender's Policy:** The owner's policy protects you, the buyer, while the lender's policy protects the lender's interest in the property.

What to Expect at Closing:

At closing, you will review and sign important legal documents, including the closing disclosure and mortgage agreement. This process ensures you clearly understand the terms of your loan and any responsibilities you are assuming. You'll also finalize the transfer of funds, which includes paying your down payment and closing costs, ensuring that all financial obligations are met. Once this is completed, you will receive the keys to your new home, marking a significant milestone in your journey to homeownership. The title company will then record the deed with the local government, officially transferring ownership and protecting your rights to the property. This recording serves as a public acknowledgment of your ownership and is crucial for safeguarding your investment.



Final Walkthrough

The final walkthrough is your last opportunity to inspect the property before closing. This crucial step ensures that the property is in the expected condition and that any agreed-upon repairs have been completed to your satisfaction. It allows you to confirm that everything is as promised and provides a chance to identify any last-minute issues that may need addressing before finalizing the purchase. Taking this time to thoroughly review the property can give you peace of mind as you move forward with the transaction.

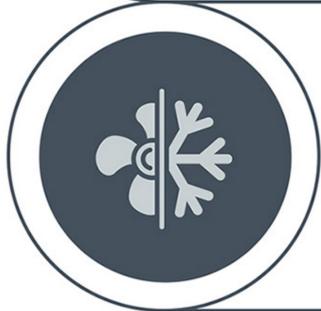


Property Condition:

Verify that the property is clean and free of any new damage or unexpected changes. This includes checking for signs of wear and tear, such as scratches on floors and issues with the walls.

Repairs and Included Items:

Confirm that all negotiated repairs have been made and that any items included in the sale, such as appliances, are still in place. Also be sure to ensure they are in proper working order.



Systems and Appliances:

Test major systems such as HVAC, plumbing, and electrical to ensure they function properly. Check that the heating and cooling systems operate efficiently and are in good condition.

Receiving Important Information and Deadlines

After going under contract, you can expect timely communication from your agent, Chris Deatherage. Shortly after this pivotal moment, you will receive a comprehensive email outlining all the critical deadlines and important information related to your transaction. This communication will include essential dates for inspections, appraisals, and financing contingencies, ensuring you stay organized throughout the process. Additionally, Chris will provide guidance on what to expect next and highlight any actions you may need to take. This proactive approach helps you navigate the timeline smoothly, minimizing stress and keeping you informed every step of the way.



Title and Contact Information:

Important details on the title company and key contacts involved in your transaction for easy reference.



Contingency Dates:

Important dates for contingencies such as inspections, financing, and appraisal deadlines that you need to monitor.



Earnest Money:

Clear instructions on how and when to submit your earnest money deposit to secure your offer.



Closing Details:

The date, time, and location of the closing, along with any final steps you need to take to prepare for the transaction.

Closing Day

What to Bring to the Closing Appointment:

- * **Identification:** A valid driver's license, passport, or state ID is required to verify your identity.
- * **Proof of Homeowners Insurance:** You'll need to provide proof of insurance, as it's required by your lender.
- * **Cashier's Check or Proof of Wire Transfer:** Bring a cashier's check or show proof of wire transfer for the remaining down payment and closing costs. Confirm the exact amount with your lender or title company beforehand.
- * **Closing Disclosure:** Bring a copy of the Closing Disclosure for your reference during the appointment.
- * **Purchase Agreement and Inspection Reports:** Have copies of the signed purchase agreement and any inspection reports on hand, especially if specific repairs or credits were negotiated.

Explanation of the Closing Process:

- * **Document Signing:** You'll sign legal documents, including the promissory note, deed of trust or mortgage, and the Closing Disclosure. These documents finalize the loan and transfer ownership.
- * **Funds Transfer:** Your lender will disburse the loan funds to the escrow account, and your down payment and closing costs will be processed.
- * **Title Transfer:** The title company will record the deed, officially transferring ownership of the property to you.
- * **Vendor List:** This document provides a list of vetted utilities and preferred vendors for any services you may need for your new home. It includes recommendations for moving services, home repairs, maintenance, and other essential resources.

Signing the Final Documents and Receiving Keys:

- * **Final Steps:** After all documents are signed and funds are transferred, you will receive the keys to your new home. This marks the official completion of the home-buying process.
- * **Post-Closing Tasks:** Consider changing the locks for added security and set up utilities in your name, including electricity, water, and internet.

What's Next?

1 Setup a Consultation

What to Expect during the Consultation:

- ✿ **Get to Know You:** Discuss your motivations, personal situation, and timeline for buying.
- ✿ **Pre-Approval Review:** Go over your pre-approval letter and financial readiness.
- ✿ **Assessment Form Discussion:** Talk about the market and what it means for your search.
- ✿ **Buyer Rep Agreement:** Sign the buyer representation agreement, outlining our partnership.
- ✿ **Additional Documents:** Review and sign any other necessary documents to move forward.
- ✿ **Custom Search Setup:** Create a tailored MLS search that matches your criteria.
- ✿ **TN Digest & Vendor List:** Subscribe for market insights, CRM updates, and access to a trusted vendor list.

The consultation is key to ensuring that Chris fully understands your unique needs and aspirations. This enables him to craft a personalized strategy designed to achieve the best results, with each step of the process guided by your preferences. With Chris by your side, you'll navigate the home-buying journey confidently and clearly, turning your goals into reality with expertise, care, and attention to detail every step of the way.



2 Fill out the Assessment Form

The Assessment Form is the first step in creating a tailored, seamless experience. By filling out this form, you'll share key details about your financial situation, motivations for moving, and the types of homes you're interested in. This information helps Chris Deatherage better understand your unique needs and ensures that a personalized approach can be crafted specifically for you. It's a simple and efficient way to get started, laying a solid foundation to ensure alignment and clarity as you embark on your home-buying journey together.



3 Sign up to the **Digest**



Stay ahead of the market with timely updates, expert insights, and key local events, keeping you informed about real estate trends, listings, and opportunities.

4 Secure Pre-Approval Letter

Before you start viewing homes, it's essential to get pre-approved for a mortgage. This step provides clarity on your budget and strengthens your position when making an offer. By working with a trusted lender, you'll receive a pre-approval letter that demonstrates to sellers that you're a serious, qualified buyer. With this letter in hand, you can confidently move forward, knowing exactly what you can afford and ready to make an offer when the perfect home comes along.



These steps—consultation, assessment form, market insights, and pre-approval—simplify your home-buying journey. By understanding your unique needs and financial situation, Chris can ensure you're confidently prepared to find the perfect home.



A Personal Thank You

Thank you for taking the time to go through this guide. It's an exciting journey to find the perfect home, and I'm honored to be a part of it with you. Every step of the way, my goal is to provide you with the guidance, support, and expertise you need to make confident, informed decisions. Whether you're a first-time buyer or looking for your dream home, I am here to make the process as smooth and stress-free as possible.

Please know that I'm committed to your success and am always here to answer any questions or offer advice when you need it. Your journey is important to me, and I look forward to working together to find a home that fits your needs, your lifestyle, and your future.

Thank you again for trusting me with this important step in your life. I'm excited to see what we'll accomplish together!

Warm regards,

Chris Deatherage

Steve & Laken

"Chris made this process easy & painless. He was an absolute pleasure to work with. He is very knowledgeable & answered all of our questions. He was willing to travel & show a house any time we asked him.

He was always very quick to respond. With his knowledge & guidance, we were able to secure the house of our dreams. Chris is the best!"



Mike

"Chris was extremely patient as I really didn't have a specific area I wanted to buy. Once we found the house I wanted everything went quickly and smoothly from inspections, being in contact with my mortgage company and a smooth closing. I also brought my dogs to some house showings and he was great with them too. He even included gifts for them at closing."



Jason & Alicia

"Chris went above and beyond our expectations. Chris was always available to answer any questions and never shied from representing our needs first as buyers. I feel very lucky to have him handle the most important purchase of my life. He indeed was the guardian we needed in the home buying process. World class work ethic and customer service!"





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