



THE ROAD
home

A HOME
BUYER'S GUIDE

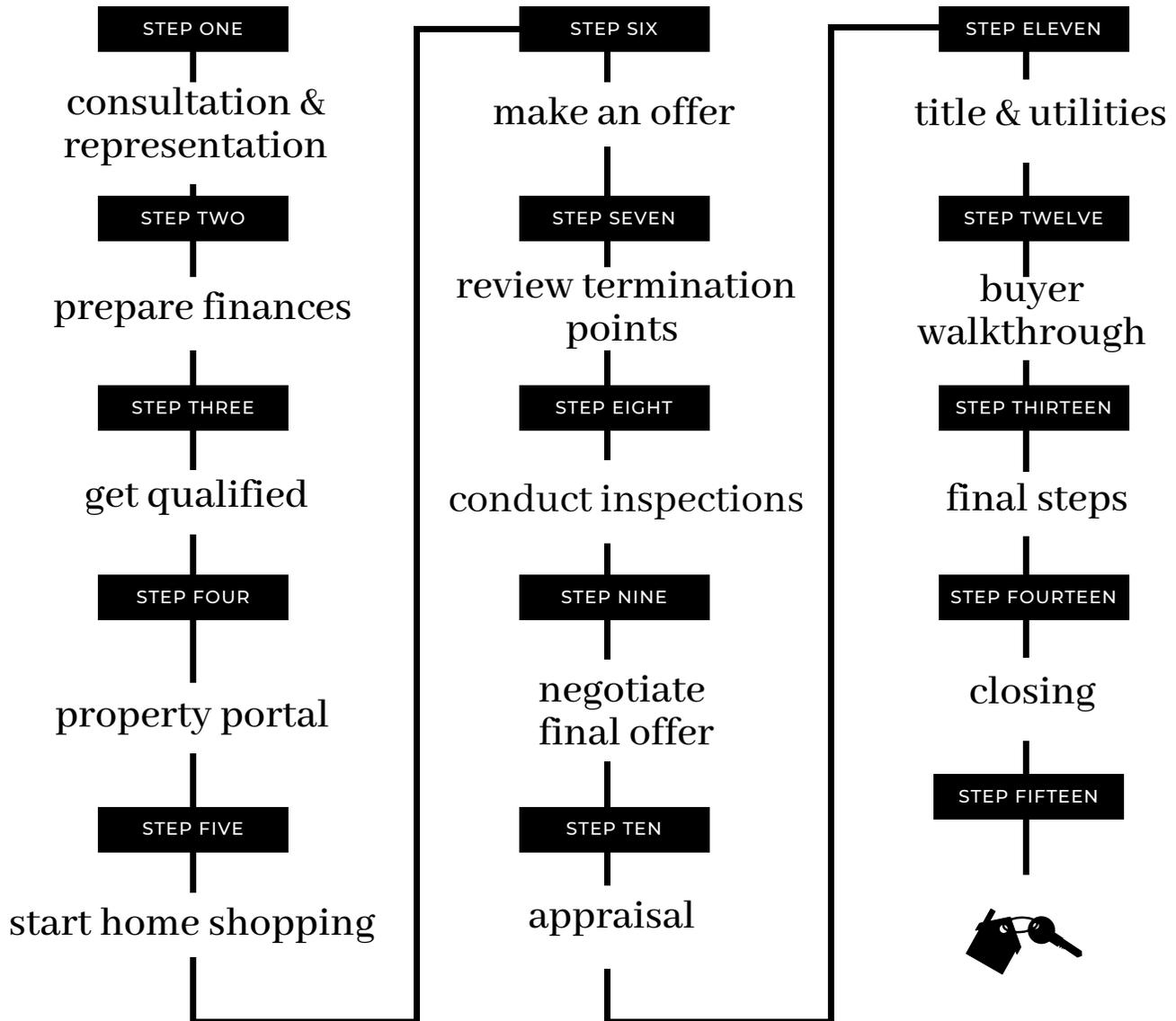
Comey &
Shepherd
REALTORS.

I am dedicated to guiding you through the process of buying or selling real estate with ease, information, and confidence, so you can make an informed decision best for you.



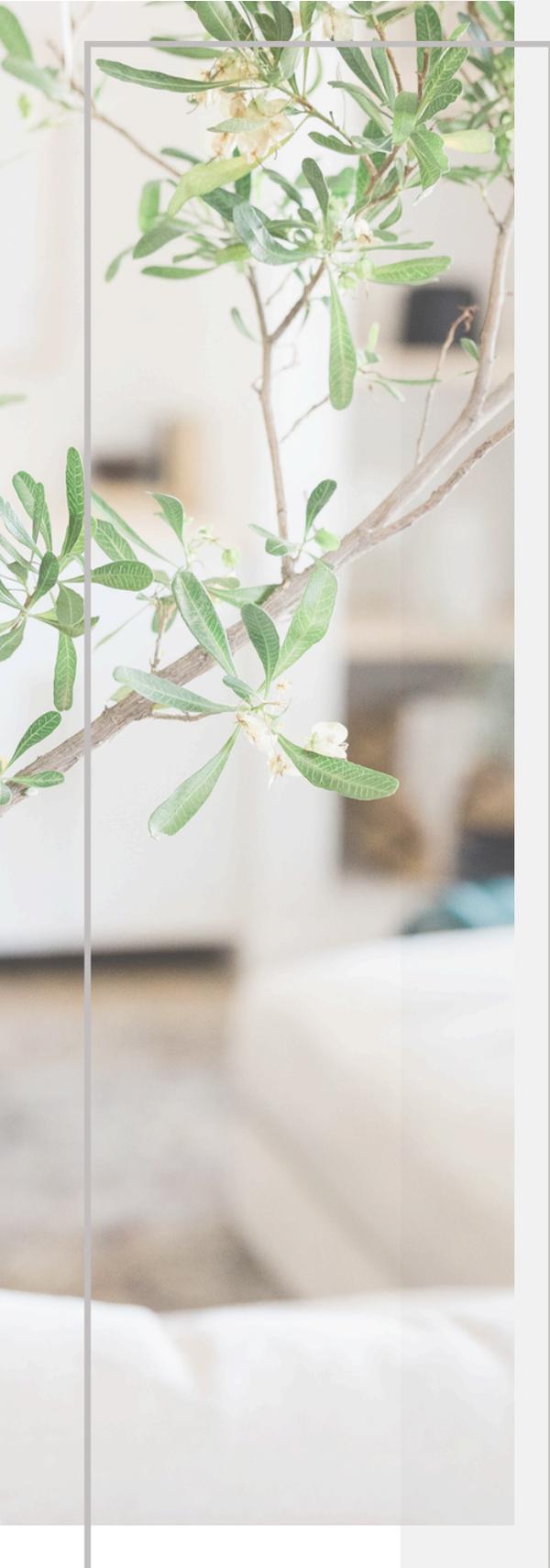
HOME BUYING

process



THINGS TO CONSIDER

- Why are you moving?
- How long have you been looking for a new home?
- How have you been looking for homes?
- What are you looking for from an agent?
- How soon do you need to move?
- How will you be purchasing the home, cash or mortgage?
- Have you consulted with a lender?
- Is this the first time you will be purchasing a home?
- Do you currently own or rent?
- Do you need to sell to buy?
- Do you have a lease that needs to be terminated?
- What challenges do you anticipate with buying a home?
- When are you planning to move?
- What is your housing budget?
- What would your new home look like if you could wave a magic wand?
- What features are most important to you?
- What type of property would you like to buy? Single-family? Condominium? Multi-family?



Have You Heard?

The National Association of REALTORS® (NAR) recently announced a major settlement that ends a long-standing legal dispute about how real estate brokers are paid. This settlement involves NAR and its members, including many real estate professionals and organizations.

What Does This Mean For You?

Compensation Clarity: The settlement preserves your freedom to choose how you compensate your real estate agent when buying or selling a home. Broker fees and commissions are not set by law, are fully negotiable, and may be paid by the seller or the buyer.

Representation of Sellers & Buyers: Like agents working with sellers, agents working with buyers will need a written agreement, clarifying services and costs.

The Power Of Us, The Freedom To Be You

Simply put, this is our commitment to you. At the core of each sale is the value you derive from our expertise and knowledge, empowering you with the freedom to choose what suits your needs and goals best.

At Comey & Shepherd, we are here to navigate these changes with you, ensuring that your real estate experience remains positive and successful. Whether you are buying or selling, we have your back, offering mastery and support every step of the way.

COSTS OF BUYING A HOME



EARNEST MONEY

A monetary deposit paid by the buyer during a real estate contract to indicate they are serious about purchasing the property. Sometimes called a good faith deposit.



DOWN PAYMENT

The down payment represents a portion of the total purchase price when obtaining a loan. It is usually paid upon the closing of a property.



REPRESENTATION

Our partnership will be confirmed with a buyer representation agreement outlining the services you are entitled to and my fee for providing those services. The fee may be paid by the seller and/or you.



HOME INSPECTION

A home inspector will examine a property for potential defects and issues that could affect the use of the property, such as plumbing, electric, HVAC, roof, appliances, and other components.



APPRAISAL

An estimate of the value of a property based on its condition and location. It is used by lenders when deciding whether to approve a loan.



TITLE INSURANCE

A type of insurance that protects the buyer and lender in case the seller does not have full lawful ownership of the property.



HOME WARRANTY

A residential service contract that covers the cost of maintaining household systems or appliances for a set period.



PROPERTY INSURANCE

A series of policies that offer either property protection or liability coverage; it can include homeowners insurance, renters insurance, flood insurance, and earthquake insurance, among other policies.



CLOSING COSTS

The fees associated with finalizing a real estate transaction. Both the buyer and seller will have expenses during the closing process. These costs will differ based on the type of purchase (i.e., cash, mortgage, or other funding sources).

GET QUALIFIED

TYPE OF LOAN	CREDIT SCORE	DOWN PAYMENT
GOVERNMENT		
VA LOAN	580	NO DOWN PAYMENT
USDA LOAN	620	NO DOWN PAYMENT
FHA LOAN	580+	3.5%
203K LOAN	640	3.5%
CONFORMING		
CONVENTIONAL 97	620	3%
CONVENTIONAL LOAN	640	5-20% +

INCOME QUALIFICATIONS

QUALIFYING INCOME

W-2 Income/Salary
Income from part-time jobs (24-month history)
Income from a second job (24-month history)
Overtime & Bonuses
Seasonal jobs
Self-employed Income (Verified 2-year tax returns)
Alimony & child support (Documentation required)
Social Security & Disability Income
Investments/Dividends/Retirement

NON-QUALIFYING INCOME

Income from the lottery
Gambling
Unemployment pay
Single bonuses (non-reoccurring)
Non-occupying co-signer income
Unverifiable income (Cash not reported on taxes)
Income not likely to continue for 3 years.

NEEDED

documents

W2's from the past 2 years
One (1) month's worth of pay-stubs
Bank statements (past 2 months)
Previous 2 years of tax returns (Consecutive)
List of debts & assets
Divorce decree (if applicable)



I WILL SET YOU UP ON A PORTAL
TO RECEIVE AVAILABLE
LISTINGS BASED ON YOUR
DESIRED CRITERIA.

NOW IT'S
TIME TO
START
SHOPPING!



Be sure to take notes on all the homes we visit. It can be hard to remember all the details of each home. Once we have found THE house for you, I will prepare an offer based on your preferred terms, recent sales, current buyer activity in the area, and the property's value in its current condition. Negotiations with the seller will take place after the offer is presented.



MY ROLE

- ✔ Provide My Expertise in the Local Market
- ✔ Help You Find The Right Home (existing, new construction, for sale by owner)
- ✔ Handle Contract Negotiations
- ✔ Communicate With You Throughout the Process

ELEMENTS OF AN OFFER

WHAT MANY THINK MATTERS MOST...



PRICE



CLOSING DATE



OTHER POINTS TO CONSIDER

- Offering Price
- Home Warranty
- Escalation Price
- Earnest Money
- Financing
- Proof of Funds
- Agent Representation
- Closing Costs
- Appraisal
- Inclusions & Exclusions
- Homeowner Association
- Seller's Disclosure
- Inspections
- Property Survey
- Homeowner's Insurance
- Property Tax
- Tax Proration
- Title Insurance
- Walk Through
- Contingency Sale
- Other Contingency
- Closing Date
- Backup Contract
- Possession Date

MAKE AN OFFER



After you submit an offer, the Seller could:

- ✓ Accept the Offer
- ✓ Decline the Offer
- ✓ Counter the Offer
- ✓ Not Respond At All
- ✓ Accept Someone Else's Offer

A COUNTER-OFFER IS WHEN THE SELLER OFFERS YOU DIFFERENT TERMS. IF THIS HAPPENS, YOU CAN:

COUNTER OFFER



ACCEPT THE SELLER'S COUNTER-OFFER



DECLINE THE SELLER'S COUNTER-OFFER



COUNTER THE SELLER'S COUNTER-OFFER



NOTE: SELLER CAN COUNTER MORE THAN ONE OFFER AT A TIME



OFFER ACCEPTED

Once both buyer and seller sign the offer form, you are officially under contract! This period is called the contingency period. Now inspections, appraisals, or anything else built into your purchase agreement will take place.

CONTINGENCIES

Seller Termination Points

- Earnest Money
- Proof of Funds
- Intent to Proceed
- Conditional Loan Approval
- Final Loan Approval
(Clear to Close)

Buyer Termination Points

- Appraisal
- Homeowner Association
- Maintenance
- Inspection (Limited)
- Insurance





INSPECTION TIME FRAME

Number of days agreed to in the purchase contract to conduct any inspections.

COSTS

The buyer will choose, at their expense, the inspections performed by the inspector of their choice.

POSSIBLE OUTCOMES

Inspections can result in the buyer submitting their request for repairs of identified property defects.

CONSIDERATION PERIOD

The seller has a period of time to review and respond to the requested repairs. The seller can agree, propose a counter, or decline all requests.

SETTLEMENT PERIOD:

- The buyer can accept a counter from the seller.
- The buyer can renegotiate.
- If buyer and seller do not come to terms, the contract terminates.

HOME *inspection*

MAY INCLUDE



ELECTRICAL



ATTIC &
INSULATION



DOORS



PLUMBING



CRAWLSPACE



WINDOWS
LIGHTING



ROOF & COMPONENTS



STRUCTURE



APPLIANCES
(LIMITED)



EXTERIOR & SIDING



HEATING &
COOLING



GARAGES



BASEMENT



WOOD-DESTROYING
INSECTS



GRADING &
DRAINAGE



FOUNDATION



SEWER LINE SCOPE



RADON



HOME *appraisal*



APPRAISAL COMES BELOW PURCHASE PRICE

- COVER THE GAP
- TERMINATE
- RENEGOTIATE

APPRAISAL COMES IN AT OR ABOVE PURCHASE PRICE

- YOU ARE ONE STEP
CLOSER TO CLOSING!

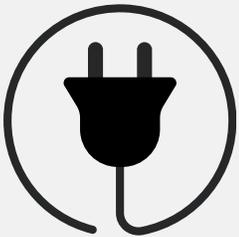
Whether you are seeking a loan to purchase your home or paying cash, an appraisal may be a contingency to assess the value of the home.



FINAL

steps

REMEMBER TO:



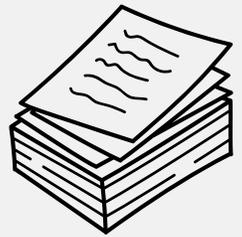
TRANSFER
UTILITIES



CHANGE
ADDRESS



TRANSFER
SUBSCRIPTIONS



SAVE
DOCUMENTS

IMPORTANT

BUYER'S FUNDS FOR CLOSING:

Funds for closing over \$10,000 must be sent to the title company via wire transfer.

It is recommended that the wire be sent at least one (1) business day prior to closing to avoid any delays.

Funds between \$1,000 and \$10,000 may be a cashier's check payable to the title company or can be sent via wire transfer.

NOTE: For security purposes, only the title company will provide you wiring instructions.

STEPS TO *closing*



CLOSING DAY

Closing is when financial documents are signed, and ownership is transferred from seller to buyer. Typically, the closing will occur within four to six weeks after contract acceptance.



CLOSING DISCLOSURE

If the purchase is being financed, the lender is required to provide you with a closing disclosure, at least three (3) business days before closing.

This will show you your final loan terms and closing costs. The title company must be notified immediately with any questions or concerns.



FINAL WALKTHROUGH

We will do a final walkthrough of the home within 48 hours of closing to check the property's condition and that the requested repairs have been completed as agreed. This final walkthrough takes about an hour.



CLOSING TABLE

Who could be there: you and your agent, the seller, the seller's agent, a title company representative, your loan officer, and any real estate attorneys involved in the transaction. You will sign lots of paperwork, so warm up your writing hand!



WELCOME
home

Comey &
Shepherd
REALTORS®