



Successfully Navigating the Home Buying Process in Six Easy Steps



Each Keller Williams Realty office is independently owned & operated.



10+ Customer Service Commitment

As the REALTOR® you have chosen to exclusively represent you in the purchase of your new home, this is my commitment to you:

- Provide you with 10+ customer service during the entire buying process.
- Organize and schedule your home search process.
- Discuss the benefits and drawbacks of each home in relation to your specific needs.
- Provide you with ongoing updates on available homes.
- Help you compare the value of homes and help you make a decision.
- Advise you on the terms and issues of the offer and fill out the purchase offer contract.
- Present your offer and negotiate on your behalf.
- Coordinate and supervise the preparation of all closing documents and guide you through the closing process.
- Help you resolve any closing issues.
- Coordinate move-in and assist with any post-closing issues.
- Be your biggest advocate and help you through everything.

My expectations of you:

- Honesty through the whole home buying process.
- Professional and timely level of communication.
- Loyalty to my services.
- Continuous feedback about your goals and any changes.
- Referrals to other people who I might be able to help after I have met your goals.

Six Steps to Buying Your Home



SIX STEPS TO BUYING YOUR HOME

Step 1: Find a REALTOR® to discuss your home buying needs and wants.

Step 2: Get pre-approved to determine what you can afford and all the costs involved in buying a home.

Step 3: Go house hunting.

Step 4: Make an offer and negotiate with the seller.

Step 5: After offer is accepted, get an inspection and negotiate repairs with the seller.

Step 6: Go to closing at the Title Company.

Congratulations! You are a new home owner!

Step 2: Get Pre-Approved for a Mortgage

You will need to get pre-approved for a loan before you find the home you want to buy.

- Generally, interest rates are locked in for a set period of time. You will know in advance exactly what your payments will be on the offers you choose to make.
- You won't waste time considering homes you cannot afford.

HOW MUCH CAN YOU AFFORD? There are three key factors to consider:

- The down payment.
- Your ability to qualify for a mortgage
- The closing costs associated with your transaction

DOWN PAYMENT REQUIREMENTS:

Most loans today require a down payment of between 3.5% - 10%, depending on the type and terms of the loan. If you are able to come up with 20-25% down payment, you may be eligible to take advantage of special fast-track programs and possibly eliminate mortgage insurance.

CLOSING COSTS:

You will be required to pay fees for loan processing and other closing costs. These fees must be paid in full at the final settlement unless you are able to include them in your financing. Typically, total closing costs will range between 2-5% of your mortgage.

QUALIFYING FOR THE MORTGAGE:

Most lenders require that your monthly payments range between 25-28% of your gross monthly income. Your mortgage payment to the lender includes the following items:

- The principal on the loan (P)
- The interest on the loan (I)
- Property taxes (T)
- Homeowner's Insurance (I)

Step 3: House Hunting

There are many factors to consider when selecting a neighborhood that is right for you. Below are just a few of the many factors – you may think of others that are important to you. Neighborhoods have characteristic personalities designed to best suit single people, growing families, two-career couples or retirees.

SCOUT THE NEIGHBORHOOD

It is important that you scout the neighborhood in person. A good neighborhood fit could be more important than the house you choose.

- Talk to people who live there.
- Drive through the entire area at different times of the day, during the week and on weekends.
- Look carefully at how well other homes in the area are being maintained. Are they painted? Are the yards well cared for? Are parked cars in good condition, etc.?

CRITERIA FOR MY NEW HOME

Must Haves	Nice to Have

Step 4: Make an Offer and Negotiate

Once you have found the home you wish to purchase, you will need to determine what offer you are willing to make for the home. It is important to remember that the more competition there is for the home, the higher the offer should be - sometimes even exceeding the asking price.

Remember to be realistic. You want to make offers that the other party will accept and sign!

To communicate your interest in purchasing a home, we will present the listing agent with a written offer. When the seller accepts an offer, it becomes a legal contract. When you write an offer you should be prepared to pay an earnest money deposit. This is to show your intention to follow through on the purchase of the property.

After we present your offer to the listing agent, it will either be accepted, rejected or the seller will make a counter-offer. This is when we will negotiate terms of the contract, if necessary.

The step-by-step contract procedure for most single-family home purchases is standard. The purchase agreement used is a standardized document approved by the Texas Real Estate Commission (TREC) and the local real estate board.

The purchase agreement or contract constitutes your offer to buy and, once accepted by the seller, becomes a valid, legal contract. For this reason, it is important to understand what is written on the contract. For your convenience, there is a blank TREC One to Four Family Residential Contract in this packet.

Step 5: Inspection and Repairs

If you are purchasing a resale property, you will have a professional home inspector conduct a thorough inspection that includes the following:

- Appliances
- Plumbing
- Electrical
- Air Conditioning and Heating
- Ventilation
- Roof and Attic
- Foundation
- General Structure

The inspection will report on major damage or serious problems that require repair. Should serious problems be indicated, the inspector will recommend that a structural engineer or other professional inspect it as well.

Your home cannot “pass” or “fail” an inspection, and your inspector will not tell you whether he/she thinks the home is worth the money you are offering. The inspector’s job is to make you aware of repairs that are recommended or necessary.

The seller may be willing to negotiate completion of repairs or a credit for completion of repairs, or you may decide that the home will take too much work and money. A professional inspection will help you make a clear-headed decision. In addition to the overall inspection, you may wish to have a separate test conducted for termites.

It’s recommended you be present at the inspection. You will be able to clearly understand the inspection report and know exactly which areas need attention. Plus, you can get answers to many questions, tips for maintenance and a lot of general information that will help you once you move into your new home. Most important, you will see the home through the eyes of an objective third party.

Step 6: Go to Closing

WHAT IS A REAL ESTATE CLOSING?

A “closing” will take place at the Title Company. It will last approximately 45 minutes to 1 hour. You will sign a lot of papers during the closing and will receive copies of everything you sign before you leave the Title Company.

You will get keys to your new home once the loan funds. Usually it takes 2-3 hours for funding to go through. The Title Company will have the keys and call you after funding so you can swing by and pick them up.

At closing, you will be required to pay all fees and closing costs in the form of “guaranteed funds” such as a Cashiers Check. Your agent or escrow agent will notify you of the exact amount at closing.

HELPFUL PHONE NUMBERS

Make arrangements for starting utilities. Advise them of your desired date for final reading and give them your new address for final billing. Request deposit return if appropriate and arrange immediate service at your new address.

Austin American Statesman: (512) 445-3500

City of Austin Utilities: (512) 494-4900, TDD (512) 505-3634

DirecTV: (877) 607-7492

Texas Gas Service: (800) 700-2443

Time Warner Cable: (888) TWC-8585

U.S. Postal Service: Get a change of address form at the post office or visit www.usps.com to fill out a change of address online.



Buyer Consultation Questionnaire

Name of Buyer 1 _____ Phone _____ Email _____

Name of Buyer 2 _____ Phone _____ Email _____

1. Who is the primary contact with me and what is the best time and way to reach you?
2. What is prompting your move?
3. When do you need to be in your new home?
4. Are you preapproved for a mortgage?
5. What is your price range?
6. If we found a home today that meets all of your needs and as many of your wants as possible, would you make an offer?

Lifestyle

1. Who will be living in the home you purchase?
2. Will anyone else be spending more than an occasional overnight stay (e.g., parents)?
3. Describe your lifestyle. What do you enjoy doing at home? (e.g., Do you do a lot of entertaining? How do you spend your time in the evenings and on the weekends?)
4. Does your home need to accommodate any special needs?
5. Do you have pets?

6. Do you have anything special that needs to be accommodated such as athletic equipment, fine art, large furniture, or a large collection?
7. When people come to your home, what do you want your home to say about you?
8. Is there anything I should know about your lifestyle that I have not asked?

Location

1. Tell me about your ideal location.
2. What is your maximum commute time and distance?
3. What is your work address?
4. Are schools important?
5. Is there a particular view you are seeking (e.g., skyline, lake, mountains)?
6. What else is important about your location?

House – General

1. Do you have a preference for when the house was built?
2. Do you want a house in move-in condition or are you willing to do some work on it?
3. When people come to your home, what do you want your home to say about you?
4. Do you want to have a swimming pool or hot tub?
5. Are you looking for any structures such as a greenhouse or shed?

House – Structure/Exterior

1. What type of home are you looking for (e.g., single-family, condo, townhouse, etc.)?
2. Approximately what size house are you looking for (square footage)?
3. How many stories?
4. What size lot would you like?
5. What architectural styles do you prefer?
6. What type of exterior siding will you consider?
7. Do you want a porch or deck?
8. What are you looking for in terms of a garage (e.g., attached, carport, etc.)?
9. What other exterior features are important to you?

House – Interior

1. What kind of style do you want the interior of your home to have (e.g., formal, casual, cozy, traditional, contemporary)?
2. What kind of floor plan do you prefer (e.g., open vs. walls between all living spaces)?
3. In general, what are your likes and dislikes for the interior of your home?

Bedrooms

1. How many bedrooms do you need?
2. How will each of those rooms be used?
3. What are your preferences for the master bedroom?

Bathrooms

1. How many bathrooms do you need?
2. What are your needs for each of the bathrooms?

Kitchen

1. What features must your kitchen have (e.g., breakfast area, types of appliances, etc.)?
2. What finishes do you want (e.g., counter tops, flooring, appliances, etc.)?
3. What are your likes and dislikes for the kitchen?

Dining Room

1. Would you like the dining room to be part of the kitchen configuration? What about the living room?
2. What size dining room table do you have?

Living Room/Family Room

1. Describe your likes and dislikes.
2. Do you want a fireplace?
3. What size room(s) do you have in mind?
4. What other rooms do you need or want?
5. What else should I know about the inside of the house you are looking for?

Summary

1. What are the top five things your home needs to have?
2. Beyond those five things, what is something else you really want to have?
3. If you could have something else, what would that be?
4. If you could have one last thing to make this your dream home, what would that be?