



First-Time Homebuyer's Guide

and checklist!

Congratulations, you've just made the decision to buy your first home! You've gotten over that first "hump", and now I am here to make sure the rest is smooth sailing for you! Now that we know you want to buy, and you have a very experienced Realtor®, what steps do we take? Follow this simple First-Time Homebuyer's Guide, and we'll find the perfect home in no time!

□ Step 1: Know What You Can Afford

Consult with a lender so we know what you can easily afford. Acquiring a pre-qualification letter prior to seeing homes is essential so we only take time looking at the homes in your price range.

If you don't have a lender or mortgage broker, or would like a second opinion, I highly recommend contacting Kevin Kennedy at Orlando Financial Center, 407-839-6060, Kevin@OrlandoFinancial.com. The lender and I work very closely together during the process so that your buying experience will be very easy, and a successful one.

□ Step 2: The Search Begins!

Now it's time to start house-hunting! Let's sit down and talk about what you're looking for in a home and what characteristics and amenities best fit your needs – what are your "must haves" and "like to haves"? Since you will most likely be searching the web for homes on your own during the process, we can set you up directly on our MLX Realtor Database so you will receive the most up-to-date listings as they come up. When you see something you like just email us, day or night, the MLX Listing number or address to schedule the showings.

□ Step 3: House Hunting

The listings you choose may be "Owner Occupied" and will normally need 24-hour notice to see. The "Vacant" homes are easy and we can jump in the car and go right away.

Types of homes we can search for: Owner Occupied (better maintained with fast and easy negotiations 30 to 45 –day close) – Short Sales (can take from 90 days to 12 months, and can be difficult) – Bank Owned (normally have been abandoned and need repairs and rehab, 30 to 45-day close).

Continued...

□ Step 4: Let's Make Our Offer!

Yay, we found your dream home! First, we need to formulate a purchase price and terms. A current market analysis using the surrounding homes will be performed. Next, we will discuss the terms, contingencies (inspection, appraisal and financing) and repairs. Then, we will prepare the contract and have your escrow deposit check placed in the file until acceptance.

NOTE: When you have an accepted contract, your deposit check will be placed with a Title Company to hold until Closing or until cancellation of Contract. If the Contract is cancelled, and you are still in a contingency phase, your escrow deposit will be refunded to you in full.

□ Step 5: Negotiations

Your offer will be presented to the Seller's Agent and the negotiations start. In most cases, we will have a counter-offer from the Seller, so our initial offer will reflect "wiggle room" in our price and/or terms. The negotiation will go back and forth, usually verbally in the beginning, and then once we all agree we will need to resign and/or initial changes in the original offer.

□ Step 6: Inspections

After an accepted offer, it's time to hire a qualified Home Inspector who will examine the systems and structure of the home, from the roof to the foundation. We usually have 10-14 days for inspections, and during that time you can cancel the contract for "any reason whatsoever", at your sole discretion. You being present during the inspection allows you to learn more about the condition of the home and become aware of any items the Inspector has made note of. I, or one of my teammates, will always be present at every inspection.

We have recommendations for the most experienced and professional Home Inspectors, Termite Inspectors and other trades depending upon the modifications and/or repairs and evaluations needed on the property. Estimated inspection cost: \$300 - \$500

□ Step 7: Repairs?

The contract, in most cases, will be an "As Is" Contract, with Right to Inspect the Property for defects and repairs. This means if the defects and repairs can't be resolved or accepted by you, you may cancel the contract without penalty during the inspection period. Using the "As Is" Contract is an excellent tool to negotiate the best price and terms in the front end, and still allows you to make changes as you go along!

□ Step 8: Appraisal & Survey

The appraisal will be ordered by the Lender (your cost) when we give them permission to do so. We wait until after you review and accept the home inspections so you are not ordering an appraisal and spending money that is non-refundable. Estimated appraisal cost: \$400 - \$500

The survey of the property is a Buyer's cost and will be ordered once the property has appraised for the Purchase Price. Estimated survey cost: \$300 - \$400.

□ Step 9: Home Insurance

Lenders require a Home Insurance Policy be in place prior to Closing. I have an Insurance Broker's License and can assist you with shopping for and having coverage bound with the best agency and carrier.

□ Step 10: Sign on the Dotted Line!

Closing Steps:

- 1) Review the HUD (Closing or Settlement Statement) 3 days before closing.
- 2) Walk through the property 3 days before closing AND the day before closing, making sure all is what we expect it to be.
- 3) Bring 2 forms of ID for each signor, proof of insurance, copy of wired funds receipt and personal check book.
- 4) Expect Closing to last several hours, 1-2 is normal but could be longer depending upon the day of the month of Closing.
- 5) Arrange for power and all utilities to be turned on in your name in advance of the day of closing.

YOU GET THE KEYS AND ARE THE PROUD OWNER OF
YOUR FIRST HOME!

CONGRATULATIONS!

This is an informational general guide. Every transaction differs slightly from property to property, Buyer to Seller, and Lender and loan.

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