

WORKBOOK
HOME BUYING

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LOKATION[®]
REAL ESTATE

Thank You



Thank you for choosing to put your trust in me for the process of buying and/or selling your home. Every member of my team is committed to ensuring that ALL of your real estate needs are not just met, but exceeded! I've created this book for your convenience and we hope that it will be a valuable resource. While the entire process is outlined for you here, please know that I will be staying in constant contact with you throughout the process. Your experience will be unique and I will adjust our service according to your wants and needs. My focus is on your complete satisfaction.



Good service speaks for itself. We're looking forward to the opportunity to earn your referrals too!

The Home Buying Process



Even if you have bought or sold a home in the past, the real estate process can be confusing. This chart will help you better understand the steps involved in your real estate transaction. My job is to tie the steps together as smoothly as possible and to keep you informed along the way.

1

Gather Financials and Figure Out How Much You Can Afford

Before you start looking at homes for sale, get your financial house in order. If you don't know your credit score, now's a good time to check it. If you think it doesn't look right, request your free credit report from all 3 credit bureaus (Equifax, Experian and Transunion) and fix any errors you spot!

Financials and Mortgage Payment

- ☐ Compile necessary documents, including pay stubs, bank statements, and past tax returns.
- ☐ Determine how much of a monthly payment you are comfortable with. Don't forget you will have taxes and insurance on top of your base mortgage payment!
- ☐ Figure out how much you think you might want to put down for a down-payment.

To Rent or Buy: Weighing the Benefits

Pros of Renting

*May be easier
on your budget*

*More flexibility
for sudden moves*

*No hassle of home
maintenance*

Pros of Buying

*May include
tax benefits*

*It can be an equity-
building investment*

*Total control over
your living space*

You can calculate how much you can afford by starting online. There are several online mortgage calculators that will help you calculate an affordable monthly mortgage payment. Don't forget to factor in money you'll need for a down payment, closing costs, fees (such as fees for an attorney, appraisal, inspection, etc.) and the costs of remodeling or furniture. Remember that you don't always have to put down 20 percent. There are loans available with little to no down payment. An experienced home loan expert can help you understand all your loan options, closing costs and other fees.

2

Mortgage Calculator

Monthly Payment by Interest
\$2,251

Pre-Qualification v. Pre-Approval

Pre-Qualification is an informal you "might qualify for", non-committal determination by the lender or mortgage broker.

Pre-Approval is a formal determination in writing, subject to collecting all needed documentation, on a loan amount up to a specified amount from the lender or mortgage broker. You will receive a letter of pre-approval, which gives you more negotiating power and leverage over a buyer that is not pre-approved i.e. offer subject to financing. Some sellers will seek proof of funds and this letter may suffice. Additionally, you have a price range to work in and can eliminate the guess work and wasting time.



Research

- ☐ Find out if you qualify for a special loan, such as a VA, FHA, or HUD home buying program.
- ☐ Request quotes from multiple lenders and comparison shop for loans.
- ☐ Get preapproved for a mortgage and receive your letter

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Find the Right House

Make a list of the things you'll need to have in the house. Ask yourself how many bedrooms and bathrooms you'll need and get an idea of how much space you desire. How big do you want the kitchen to be? Do you need lots of closets and cabinet space? Do you need a big yard for your kids and/or pets to play in?

Find the Right House

- ☐ Get a head start by compiling your home wish list.
- ☐ Spend time in each area, imagining yourself living there.
- ☐ Find properties in your price range in your preferred neighborhoods.
- ☐ Visit open houses and have one of our team members schedule private showings.

Once you've made a list of your must-haves, don't forget to think about the kind of neighborhood you want, types of schools in the area, the length of your commute to and from work, and the convenience of local shopping. Take into account your safety concerns as well as how good the rate of home appreciation is in the area.

Use the form on the next page to help you evaluate and track every home you visit.



BUYING YOUR NEW HOME

Make copies to use while house hunting.

HOUSE HUNTING CHECK LIST								
EXTERIOR FEATURES					SYSTEM/EXTRA FEATURES			
	EXCELLENT	GOOD	FAIR	POOR		YES	NO	DESCRIPTION
Construction Type					Sprinkler System			
Landscaping					Security System			
Foundation					Swimming Pool			
Sidewalk					Hot Tub			
Paint					Pool Cleaning System			
Windows/Doors					Outdoor Living Space			
Porches/Patio					Home Warranty			
Roof/Gutters					Heating/Cooling			
Lighting					Intercom			
Fencing					Energy Saving Features			
Overall Appearance					Water System Type			
INTERIOR FEATURES								
	EXCELLENT	GOOD	FAIR	POOR	DESCRIPTION			
Bedroom # & Size								
Bath # & Size								
Plumbing								
Lighting Fixtures								
LIVING ROOM								
DINING ROOM								
Kitchen: Size								
Appliances								
Cabinetry								
Flooring								
Fixtures								
Walls/Trim/Ceilings								
Flooring								
Fireplace(s)								
Ceiling Fans								
Layout								
Garage(s)/Storage								
COMMUNITY FEATURES								
Distance to:								
Workplace								
Schools								
Shopping								
Quality of:	EXCELLENT	GOOD	FAIR	POOR	DESCRIPTION			
Schools								
Entertainment								
Transportation								
Parks								

4

Make an Offer on the Home

Now that you've found the home you want, you have to make an offer. Most sellers price their homes a bit high, expecting that there will be some haggling involved. I will provide you with a report of comparable homes in the area and what they have sold for. Once you've made your offer, don't think it's final. The seller may make a counter-offer to which you can also counter-offer. But you don't want to go back and forth too much. Somewhere, you have to meet in the middle. Once you've agreed on a price, you'll make an earnest money deposit, which is money that goes in escrow to give the seller a sign of good faith.

Making an Offer

- ☐ Receive your comparable market analysis.
- ☐ Decide what price you're comfortable with.
- ☐ Submit offer with Kelli Higgins

Close on Your Home

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Closing on Your Home

- ☐ Home inspection completed.
- ☐ Closing date set.
- ☐ Transfer utilities and get homeowners insurance
- ☐ Closing money saved.

Make sure you get a home inspection before you close. It will be well-worth the money spent since it ensures the property's structural soundness and good condition.

Setting the closing date that is convenient to both parties may be tricky, but can certainly be done. Remember that you may have to wait until your rental agreement runs out and the seller may have to wait until they close on their new house.

Be sure you talk to your mortgage banker to understand all the costs that will be involved with the closing so there are no surprises. Closing costs will likely include (but are not limited to) your down payment, title fees, appraisal fees, attorney fees, inspection fees, and points you may have bought to buy down your interest rate.

The steps of closing are listed out on the next page.

CLOSING ON A HOUSE

in ten easy steps

OPEN ESCROW



Money goes to an objective third party until all terms are agreed upon and finances are cleared.

ADDRESS LEGAL ISSUES



Get title insurance and consider hiring a real estate attorney.

NEGOTIATE CLOSING COSTS



First, make sure you're not paying any unnecessary fees. Then, of the remaining fees, decide which party pays what.

HOME INSPECTION



Hire an inspector (usually by Realtor recommendation) to check property.

PEST INSPECTION



Checking for termites, rodents, etc. is separate from the home inspection.

LOCK INTEREST RATE



With the help of a lender, lock in the lowest rate you can get before signing papers.

ADDRESS CONTINGENCIES



Make sure all terms in the original offer have been met to satisfaction.

FINAL WALK-THRU



Walk the property one last time to ensure there's nothing that could violate terms.

DOWN PAYMENT



This cash payment will be made to escrow, and later distributed to the appropriate party.

SIGN PAPERS



Officially claim the title and take the keys to your new home!

BUYING YOUR NEW HOME



HOMES TOURED

Address Price How Much did you like this house?

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

BUYING YOUR NEW HOME



So grateful to have worked with Sherrie. She was very helpful throughout the process and Very knowledgeable! Smooth transition from buying to selling the property.

-Mahendra Harack 11-2023



Sherrie was very knowledgeable of the local area, very responsive to my many calls, emails and questions, and easy to work with. She took everything I asked for into consideration and chose the best properties that suited my needs and expectations to show. Could not have asked for a better agent to find my perfect home!

Positive:

Responsiveness, Quality, Professionalism, Value

-Fiona Persaud June 13, 2021



JOIN MY

HAPPY CLIENT CLUB



BEST OF ZILLOW

Check List to a Home Purchase

STEP 1

- ☐ LENDER PRE-APPROVAL
- ☐ PREVIEW HOMES
- ☐ WRITE OFFER & NEGOTIATE PRICE

STEP 2

- ☐ HOME INSPECTION
- ☐ POST INSPECTION AGREEMENT
- ☐ ORDER HOME WARRANTY (OPTIONAL)

STEP 3

- ☐ TITLE SEARCH
- ☐ APPRAISAL ORDERED BY LENDER
- ☐ FINAL COMMITMENT LETTER BY LENDER

STEP 4

- ☐ TERMITE INSPECTION
- ☐ SCHEDULE HOMEOWNERS INSURANCE
- ☐ FINAL AMOUNT NEEDED FOR CLOSING

STEP 5

- ☐ SCHEDULE UTILITY TRANSFER
- ☐ FINAL WALK THROUGH
- ☐ CLOSING

BUYING YOUR NEW HOME

tips for:

USING AN ATTORNEY

FOR BUYING REAL ESTATE

WHY?

Buyers may wonder why to use an attorney if they already have a contract with the seller. An attorney who practices real estate law will provide the buyer with experienced insight and expertise, giving them peace of mind during the closing process.

An attorney may provide the following:



DOCUMENT REVIEW

Contacts the Seller's attorney to ensure the Title Commitment (which discloses all liens and titles existing on the property) is reviewed.

Reviews all documents prepared by Seller's attorney for closing, including the Deed (which conveys the title to the Buyer.)



CLOSING FIGURES REVIEW

Verifies closing figures from the Seller's attorney. These figures include all expenses concerning the sale and satisfaction of liens and encumbrances on the property.

Contacts applicable sewer tax entity to obtain a proration through the closing date.

Obtains the most recent tax information and tax assessment for the property to prepare closing figures.



LEGAL ADVICE

Provides legal advice in any negotiations post contract, including inspection issues.

Remains available through the closing process and attends the closing to review all documents presented to the buyer.



TERMITE INSPECTION

When purchasing a home, most lenders require a termite inspection to know if the property has been damaged by termites or other wood destroying insects. If the home has any structural damage, the lender will require the property be treated and repaired.

HOMEOWNERS INSURANCE

Lenders also require proof of insurance on a home before issuing a mortgage. Payments toward a homeowners insurance policy are usually included in the monthly payments of the mortgage.

FINAL AMOUNT FOR CLOSING

You won't know your final cost for closing until the last couple of days. You'll find the summary of costs on the HUD-1 document.

tips for: **MORTGAGE FINANCING**

Always check with your lender before doing any of the following prior to **closing** on your home:



Making a big purchase:

Avoid making major purchases, like buying a new car or furniture, until after you close on the home. Big purchases can change your debt-to-income ratio that the lender used to approve your home loan and could throw the approval into jeopardy.

Opening new credit:

Do not open any new credit cards or get a loan without speaking to your lender first.

Missing any payments:

Pay your bills on time to keep your credit score from dropping.

Cashing out:

Avoid any transfers of large sums of money between your bank accounts or making any undocumented deposits - both of which could send "red flags" to your lender.

Keep the same job:

Be kind to your boss and keep your job. Don't begin looking for new work right now, unless it's a second job to make extra money.

THE DECISION TO BUY A
HOME IS AN EXCITING ONE.

MY PHILOSOPHY IS SIMPLE:

CLIENTS COME FIRST!

I PLEDGE TO BE IN CONSTANT COMMUNICATION WITH MY CLIENTS, KEEPING THEM FULLY INFORMED THROUGHOUT THE ENTIRE BUYING OR SELLING PROCESS. I BELIEVE THAT IF YOU'RE NOT LEFT WITH AN AMAZING EXPERIENCE, I HAVEN'T DONE MY JOB. I DON'T MEASURE SUCCESS THROUGH ACHIEVEMENTS OR AWARDS, BUT THROUGH THE SATISFACTION OF MY CLIENTS.



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