your complete guide to the

HOMEBUYING PROCESS

presented by:

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YOU'RE ABOUT TO EMBARK...

on the journey of

HOME OWNERSHIP

dear John &

Thank you so much for reading what is the product of hundreds of phone calls, emails, and transactions. As a Buyer Specialist, I've made it my goal to become a master of the home-buying process. Although there is always much more to be learned, I've put my best foot forward in making this experience as enjoyable and exciting for you as possible, with the least amount of hassle.

I've thought of every question I've ever received from buyers, and answered them all in the rest of this document. There is so much love and effort put into every single page, and I hope it brings you confidence so that you can move forward on what may very well be the biggest life decision you've ever made (no pressure).

I always appreciate feedback, comments, and further questions. This is literally what I'm passionate about, so please don't hesitate to reach out. I welcome you on this fun, crazy stressful yet so incredibly rewarding journey and can't wait to see you go from overwhelmed to empowered.

Wishing you success and happiness,

Ryan Gibbons

01

SO YOU DECIDED

you want to buy a house

Well... Congratulations. You are about to embark on one of the most exciting roller coasters of your life, one that costs a lot of money and has a lot of ups and downs and is literally one of the most stressful things you will do in life (behind divorce and death). But don't worry, I literally do this every single day, and have encountered 100s of things that could go wrong, and have created a path for you that will expertly guide you through the process, which will ultimately lead to a rewarding experience.

That being said, I have made it my life's work to make this process as FUN and ENJOYABLE as possible. With my proven systems, I have the ability to solve problems before they even become problems, which allows you - the homebuyer - to have the best experience with the least amount of hassle. Are you ready for the wild ride of homeownership?

DEFINE GOALS *& objectives*

The first step to beginning this process is to decide your WHY. What is it that you are hoping to accomplish by buying a home? Is it because you're tired of paying your jerk landlord too much money every month? Or maybe you're ready to own a real piece of the pie and live the American dream? Maybe you're ready to create a sanctuary where you can raise children and get more dogs (because getting more dogs is always the right answer). Get crystal clear on your why, and you'll always have an inspiration to move forward.

when in doubt

WRITE IT OUT

I've personally found it easiest to reflect on my 'WHY' when I use statements like the ones below. Take some time, put on a brain food playlist on Spotify and ask yourself these questions so that you can get crystal clear on what your overall outcome will be in this radical journey of homeownership.

i want to buy a house because...

owning a house would make me feel...

02

NOW, FOR THE FUN PART

Now that we've got the WHY, here comes the fun part. The part where you close your eyes, imagine your beautiful home. what features does it have? Granite countertops? An open floor concept? And is it important it's close to schools? Grocery stores? Yoga studio? Dog Park? Write down what matters most to you below.

the features of the home most important to me are...

it's important for my house to be...

03

THE TIMELINE

what you should expect & when

1 **initial consultation**
Discuss your goals and how we can help you achieve them.

2 **mortgage prequalification**
This will give you an essential tool you need to make an offer once you find the right home.

3 **instant home e-alerts**
We give you priority access to homes that match exactly what you're looking for as soon as they become available.

4 **showings**
Working around your schedule, we will make appointments at the homes you have chosen to see.

5 **drafting an offer**
Discuss the terms of your offer and compile them into a contract.

6 **the negotiation**
I will fight for every penny as though it was my own money.

7 **managing the details**
We manage all the details necessary to get you to keys.

8 **closing**
You will receive keys and become the owner of your new home, yay!

9 **after closing**
We pride ourselves on maintaining life-long relationships with our clients and continuing to add value.

04

ALL ABOUT ESCROW

Escrow is actually a person, place, and thing in real estate. It's the neutral 3rd party that takes paperwork from all sides, handles the process of delivering funds to the appropriate parties, and works with a title company to ensure the deed is recorded in the buyer's name. Escrow is also a process in which all that is handled, and can take anywhere from 20-45 days, depending on how quickly everyone can work together. Below you will find an example timeline of a 30 day escrow. Please know, nothing is ever set in stone in escrow - it's a fluid timeline.

01

open escrow

Pop some champagne! You're buying a home!

03

earnest money due

EMD is due within 3 days of opening escrow. This is your 'good faith' deposit.

07

seller disclosures due

The seller is required by law to disclose all material facts (for ex, any leaks, insurance claims, deaths, etc) and the paperwork is due 7 days after opening escrow.

17

physical inspection period ends

You have 17 days (by default unless otherwise negotiated) to conduct inspections and decide if you negotiate repairs and move forward or not. During this time you can back out and still have rights to your deposit.

21

loan contingency period ends

Your lender has 21 days to collect documentation and decide if you are fully approved or not. If they claim you are not, you can still backout as long as it's with your 21 days and you'll still have rights to your deposit.

25

final walkthrough

Just a few days before escrow closes, you'll walk through the property to ensure all requested repairs are done, and to make sure the property is in the same condition as it was when you submitted the offer.

30

closing

You will recieve keys and become the owner of your new home.

05.

how much does a home ACTUALLY COST?

earnest money deposit

DUE 3 DAYS AFTER CONTRACT ACCEPTANCE

Typically the EMD amount is determined based on the purchase price in our market. It's common for 1-2% of the purchase price. It can be delivered by wire (usually there's a $20-30 fee included), cashier's check or personal check. This will become part of your downpayment and is not an additional fee.

down payment

DUE AT CLOSE OF ESCROW

The amount you will need for a downpayment is determined by the type of loan you qualify for. FHA is a minimum of 3.5% whereas conventional loans can range anywhere from 3 - 20%. Ask your preferred lender for options available.

home inspection

DUE AT TIME OF INSPECTION

We always recommend hiring a home inspector, as you never truly know the real condition of the home from just the outside. The cost ranges from inspector and details such as size of home and if there's a pool. We typically see $300 - 500, payable by cash or check. This is an additional fee.

appraisal

DUE AT TIME OF INSPECTION

Like home inspections, appraisals also range on the appraisers and size of the home. They are hired by the lender to ensure that the property is worth what they are lending to the borrower, they range from $300 - $600.

closing costs

DUE AT CLOSE OF ESCROW

Closing costs are the fees included for escrow, title and lender services. They range from 2.5 - 3.5% of purchase price. We go into detail on the next page as to what those fees entail.

IMPORTANT

You will pay for a home inspection report and an appraisal report (if financing) which is nonrefundable (approximately $1,000), even if you do not end up buying the home.

06.

what are CLOSING COSTS?

Closing costs are the lender third-party fees paid at the close of a real estate transaction due at the close of escrow (hint the name). The buyer closing costs usually total 2% - 5% of the final sale price which may include but not limited to:

escrow fees
paid to the escrow firm for their services

lender fees
this can include everything from underwriting to loan discount points, which can be purchased to lower your interest rate.

homeowners insurance
required by most lenders, you will typically pay your premium for one year.

private mortgage insurance
typically required if your down payment is less than 20%

title insurance
a one-time fee, required to protect you in case the seller doesn't have full deed to the property

property taxes
you will typically pay six months of county property taxes

recording fees
paid to the city or county to record your deed in public records

home appraisal fees
only paid at closing if not paid for in advance

homeowners association HOA dues
if your home has a homeowner's association, you will pay one month's dues upfront at closing

**please check with your lender for the full scope of what your actual closing costs will be.*

AFTER ESCROW
checklist

So you got the keys to your amazing new home... Congratulations! Time to move allll the boxes, and start the amazing experience of homeownership. You've got a lot on your plate, so we want to highlight some important tasks that are necessary for a smooth, comfortable transition.

- [ ] ***change over utilities***
  Although this is on the 'After escrow checklist', we best recommend that you switch over utilities either day of/day before. Keep in mind internet often takes over a week to get scheduled/on the books.
  - [ ] GAS
  - [ ] ELECTRIC
  - [ ] INTERNET
  - [ ] WATER
  - [ ] TRASH
- [ ] ***update change of address at post office***
  This can either be done at the local post office, or by visiting the link: INSERT LINK HERE. Please note there is a $1.85 processing fee.
- [ ] ***update change of address at your bank***
  This can be done at local bank, or by making a quick phone call.
- [ ] ***send introduction letter to your neighbors***
  We can even provide a template. It's always good to know and befriend your neighbors, as good ones always look out for each other!
- [ ] ***register your home warranty***
  Among the piles of paperwork, you'll receive your home warranty which you can register online. If you cannot find it, simply call us and we will send you in the right direction.