

BUYER'S GUIDE



Showcase
REAL ESTATE, LLC

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Getting Started

Welcome!

I'm excited to be part of your home buying adventure. Thanks for inviting me into the process and for allowing me to be your guide!

Buying a home should put a smile on your face, and I want to do everything I can to make sure this process goes smoothly for you.

My job is to take care of a mountain of details behind the scenes so buying your home will be an exciting adventure for you instead of stressful nightmare. I will handle most of these details for you automatically; you never need to worry about them.

You need to know a few things about the home buying process in order for you to avoid heartache and disappointment because—let's face it—buying a home should be fun. Armed with the right expectations, buying your home will be smooth sailing. That's why I'm making this booklet available to you. It will empower you to go into your home buying experience with your eyes wide open.

I want to put you way ahead of the field so you are prepared when others might be scrambling. I recommend you read through this right away, and refer back to it often throughout the weeks ahead.

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Roadmap to *Home*



Getting Pre-Approved

Mortgage pre-approval is the first step in buying your home. It helps us and it helps you to know what homes to look for.



Start Searching

After I get a solid grasp on your wants and needs, it's time to get out and start looking at homes. This is the fun part!



Making an Offer

Now that you've found a home you love and are equipped with my local knowledge of the market, it's time to make an offer.



Under Contract

Congrats! Your offer has been accepted, but what's next? Here's what will happen after you go under contract on your new home.



Preparing for Closing

Although the majority of tasks will be done by myself and my team, here are the few things you need to do to prepare for closing day.



Welcome Home!

You've made it! It's time to move in and make it your own. Here are some quick things to do as soon as you get the keys.

Getting Pre-Approved

The First Step

Mortgage pre-approval is the first step in buying your home. Why do you need to get pre-approved for a mortgage? Three reasons:

1. You need to understand how much home you can afford, and you don't want to limit yourself to homes that wouldn't for your needs if you have the ability to purchase a home that would better work for you.
2. You need to understand what your house payments would look like depending on the purchase price of the home and current interest rates.
3. A pre-approval letter is required with all offers using financing, and shopping without one can lead to you losing out on your favorite home.

Once you have your pre-approval, you can shop with confidence knowing what you can afford and what budget you are comfortable with. Getting pre-approved shows you are a serious buyer, and it gives you an advantage in competitive bidding.

Understanding the Market

What you hear on the news can be misleading. Here's why:

1. The news is reporting yesterday's market. We need to make buying decisions based on today's market.
2. The news usually reports national trends. We need to make buying decisions based on local (neighborhood) trends.
3. The news is reporting overall conditions. We need to make buying decisions based on what's happening in the market in the specific price range and location the home is in.

Pre-Approval *Checklist*

Here are some items you can expect to provide to your lender in order to obtain a pre-approval. Having these documents in order and ready to send will help you to start house shopping that much faster!

- ☐ Tax Returns for Last 2 Years
- ☐ Pay Stubs, W2's, or Proof of Income
- ☐ Bank Statements
- ☐ Investment Account Statements
- ☐ Gift of Funds Letters
- ☐ List of Current Monthly Debts
- ☐ Rental History & Landlord References

I have local lender recommendations for you that have been fully vetted and have a proven track record. Working with a reputable local lender can mean the difference between having the winning offer or not! Please [reach out to me](#) if you'd like to be connected!

Start Searching

Finding Home

One of the first things we'll do as we begin working together is identify the ideal home for you for your search. That way I can focus on finding you ideal properties, and we won't waste your time looking at homes you would never want to buy.

We'll discuss your wants and needs as they pertain to:

- type of property (single family, ranch, condo, etc.)
- location desires including schools, commuting, etc.
- lifestyle desires including entertaining, special needs, pets, hobbies
- desired features such as primary suite, deck, age of home
- condition requirements (move-in ready or fix-it-up opportunity)
- size of home (square footage, size of lot, number of bedrooms & bathrooms)
- floor plan (open or more compartmental)
- kitchen and dining features
- living/family room features
- finishes (interior and exterior)
- other needs (e.g., home office)

Our goal is to get you all of your "must haves" together with as many items from your wish list as possible, all the while making your home as affordable as possible.

Touring *Homes*

So we've got your wants and needs nailed down and now it's time to get out there and tour some homes! These visits are referred to as "showings", and I schedule them on your behalf.



Keep it to under 5 per day. It gets hard to keep track of what you just looked at! We will make sure to look at the homes that interest you the most. I have a helpful checklist for you to rank each home we see!



You may see homes "For Sale By Owner" (FSBOs). The important thing to remember about FSBOs is this: Let me contact the owner for you. I'm trained to know what to say and, more importantly, what NOT to say.



You may attend open houses without me, but when you sign in, sign my name and phone number. If the listing agent asks, explain that you are represented by me. This protects your interests and is a courtesy to the listing agent.



We now live in times where most homes you enter will have security cameras, a Google Home, or Amazon Alexa. While it is illegal for sellers to record audio of private conversations, we will save our opinions for AFTER the showing.



While I can provide you with a lot of advice, I cannot provide insight on what makes a "good" neighborhood or "good" school. I highly recommend talking to neighbors, reviewing school ratings online, and even checking the crime data.

Making an Offer

What to Include

Once we've located the home you want to offer on, it's time to decide on the terms. Offers contain multiple terms and contingencies, all of which are important to get right to make sure you have the winning offer without giving more than you need to.

- How Much to Offer
- Closing Date
- Earnest Money Deposit Amount
- Financing Contingency
- Inspection Contingency
- Appraisal Contingency
- Seller or Buyer Credits
- Possession Date
- Special Terms to Entice the Seller(s)

We will also reviewing the included Disclosure Package from the seller which describes the condition of the property, pertinent facts about the development (if any), the presence of any known latent defects, and required state and county disclosures. I will walk you through what to look out for depending on the county you are shopping in.

Winning Strategy

Getting your offer accepted is not as simple as picking terms that sound great to you. We also have to take into account what the seller is looking for. Sometimes we have to get creative in order to win in a competitive environment, especially when money is not the most important factor to the sellers. Here are ways to make your offer stand out among the rest:

- 🏆 Setting a Shorter Closing Timeline
- 🏆 Offering A Higher Earnest Money Deposit
- 🏆 Removing or Shortening Certain Contingencies
- 🏆 Offering A Seller Rent-Back
- 🏆 Adding in Appraisal Gap Coverage
- 🏆 Utilizing a Purchase Price Escalation Clause
- 🏆 Having a Professional Offer Presentation

Don't worry if these terms don't ring a bell just yet. I will fully explain the terms and strategies when we meet. You will be the most prepared buyer in your market!

Under Contract

Congratulations! Your offer was accepted and now you're officially under contract, also known as "in-escrow". Here are the next steps to get you on your way to closing day:

Earnest Money Deposit



Your Earnest Money Deposit (EMD) will be due. As a reminder, this is the good faith deposit that will be applied towards your closing costs as settlement.

Applying for Your Loan



Now is the time to officially apply for the mortgage loan. Your lender will provide instructions on getting this started, and it's important that you complete this as soon as possible.

Scheduling Inspections



You'll need to contact your inspectors right away to schedule an inspection. This needs to be done by a licensed home inspector. If you use my recommendations, I can set this up for you.

Common Inspections In Maryland:

- Structural Mechanical
- Termite (WDI)
- Radon
- Well Yield
- Septic
- Sewer Scope
- Water Quality
- Pool & Spa
- Mold
- Chimney
- Environmental
- Lead Based Paint
- New Construction
- Roof & Gutter

Under Contract



The Appraisal

Since the home you are purchasing is collateral for the mortgage loan, the lender will order an appraisal to ensure that the home has enough value to serve as adequate collateral for the loan. By law, the lender works with a third party service who chooses the appraiser.



Homeowners Insurance

Homeowner's insurance will also be required prior to closing. You will want to start getting quotes soon so that you have adequate time to get the insurance binder to the lender.

After the first year, homeowner's insurance is typically paid from escrowed funds from your mortgage payment. Ask your lender if you have any questions about this.

Out-of-Pocket Expenses

- ⑤ Inspections: typically \$500-\$1,000, sometimes more, depending on what you which you choose to have conducted.
- ⑤ Homeowners insurance: the average premium is just over \$1,500, with policies varying based on home size & coverage.
- ⑤ Appraisal: typically \$500-\$1000 depends on the size and type of the home. Most lenders require payment before closing.

Preparing for Closing

Almost There!

In the 10 days leading up to closing we are wrapping up final items and making sure you're ready for move in day. Here's what needs to happen:



Schedule all utilities to transfer to your name. This includes electric & gas, as well as cable & internet. List out each company below:

- Electric:
- Gas:
- Cable:
- Internet:



Conduct the Final Walk Through. This is your time to make sure the house is in essentially the same condition as when you had it inspected.



Review the Final Closing Statement. We will go over this final numbers prior to closing to make sure everything is accurate.



Wire the deposit and cash-to-close to the title company. Typically 1-2 days prior to closing, you'll need to wire all funds for closing. You will be provided with wiring instructions and the bank will make sure you have the final number to send.

Closing Day!

You did it! You made it to closing day and now you're ready to sign on the dotted line and officially purchase your next home! Here's a closing day checklist to help make it a smooth transition:

- ☐ Bring Driver's License or Government Issued ID
- ☐ Bring a check book just in case final numbers change
- ☐ Get Ready to Sign Documents for 45 Minutes to 1 Hour

Moving In

Welcome Home! It's time to move in and make it your very own! If you need help with movers, locksmiths, contractors, or anything in between, give me a call and I'll get you set. My service to you doesn't end on closing day. I'm always available to talk about your plans, goals, renovation ideas, or connect you with the right resources for your home. I'm your agent for life! And don't forget, I'm never too busy for your referrals!

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