



## Deb's 1-2-3 For Home Buyers



1

The very first thing in the home-buying process is the *initial appointment with Deb*. This is the most critical meeting of all. During this appointment, we will discuss the order of events, and begin discovering your preferences. You'll also need to talk with a *lender*, who will consult with you about your available down payment money, income, debts, and your credit rating. Then you will know the price range of homes in which you should be looking.

A *local* lender is always your best bet for a home loan. Deb can refer you to trusted lenders she works with every single day. Once you have your pre-approval letter from the lender, you are ready to begin the fun part—shopping for your first home!

2

Deb will suggest homes for you, and you can also search through her website to find homes. Deb's website is refreshed every couple of hours from the Heartland Multiple Listing Service (MLS). It is best to view the homes on a computer with the largest monitor that you have, rather than on your cell phone. You can see more details that way.

When you see some homes that look interesting to you, we will make appointments to tour them. After we have met and looked at homes once or twice, it will be time for you to decide if you would like to work with Deb and have her represent you in your home purchase. If so, we will formalize our working relationship with an Exclusive Buyer's Agency Contract. If you were to purchase a home directly from a "for sale by owner" or a listing agent (the agent whose name is on the sign), you would not have representation. **Deb does not charge a fee** to represent you, and 99% of agents do charge a fee.

3

Once you find the home of your dreams, Deb will work with you to write up an offer to purchase it. Deb will negotiate with the listing agent to get you the best deal possible. Price is not the only negotiating point. The closing date is an important consideration too.

Once a contract has been agreed to, it takes about six weeks to finalize the purchase.





# Making an Offer LOTS of Paperwork!



1

The days of making verbal offers are long gone. All offers must be submitted on standard contract forms provided by the Kansas City Regional Association of Realtors (KCRAR), our local board. These contract forms are updated annually by the board attorneys to accommodate new regulations. The contracts are a balance between seller and buyer interests.

2

Carefully review the Seller's Disclosure, homeowners' association (HoA) documents (if applicable), and any available county information for the property. Be sure you can live with the HoA bylaws and restrictions.

3

Complete offers must be submitted, which include these 4 elements:

- ① Completed contract and any addendums
- ② Your initials and signature on the Seller's Disclosure forms
- ③ An Earnest Money Deposit of \$1,000 in the form of a personal check (This is not cashed unless your offer is accepted. Then it remains in escrow at the title company and, of course, counts towards your down payment.)
- ④ Proof of Funds (Sellers need to know you have availability of funds to cover the sales price). Proof of funds can be either of these:
  - a. Letter from your lender stating you have enough funds on hand in your account to cover the sales price (for cash purchases)
  - b. Preapproval letter from a lender stating that you are preapproved for a mortgage loan for the sales price

4

Offer documents are usually signed in person. We need to get the earnest money check as well. If it isn't possible to meet in person, we can use electronic signature programs (Dotloop or DocuSign).

5

Offers can have an expiration date, and you can always withdraw your offer before it is accepted. We usually ask for a response to an offer within 24 hours.

**Note:** the Kansas City area is experiencing a record-low of inventory of homes for sale. This has resulted in a seller's market, has pushed prices up, and homes that look great usually have multiple bids. Sometimes this will delay a response to your offer. It can be frustrating! If you are willing to do some updates to a home, you will not have to get into a bidding war; it is something to think about.





# Now You Have a Contract on a Home What Happens Next



**1**

Inspections need to be scheduled and they must be completed during the inspection period. This is usually 10 days from the acceptance of your offer.

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**2**

Attend the inspection with Deb. It will take up to three hours. The inspector will send us the report later the same day, or the next day.

Carefully review the inspection report, and work with Deb to determine which inspection issues you will ask the seller to correct. The seller will not correct everything on the report; inspections are for discovering defects that we couldn't see when viewing the home.

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**3**

Two forms must be signed now: Inspection Notice and Resolution of Unacceptable Conditions Amendment. The Resolution is where we outline items we want the seller to fix.

There is a five-day renegotiation period for this step because it can be *challenging*.

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**4**

Once inspection issues have been resolved, your lender will order an appraisal.

We don't need to meet with the appraiser; the listing agent lets the appraiser in.

This step is a big deal because the home must appraise at or higher than your loan amount. If it doesn't, we have another five-day renegotiation period to see if you can come up with a higher down payment or if the seller will come down in price.

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**5**

Your lender will have documents that he or she needs to complete your mortgage loan. It is imperative that you get those documents to your lender quickly—this is a common hang-up on real estate transactions. If you don't get documents to the lender on time, the transaction can be delayed. Then we must renegotiate with the seller to get them to agree to a delayed closing. This can be quite difficult if there are multiple, dependent transactions.

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**6**

Schedule and attend walkthrough and closing.

We will schedule the final walkthrough of the house a day or two prior to closing. Your lender will help coordinate the closing time at the title company. Deb will let you into the house for the walkthrough and for your possession 😊

