



# Buyer's Guide



AVOID THE HEADACHES AND  
FIND YOUR DREAM HOME

# LEARN THE LINGO

**FIRST ACCEPTED OFFER:** An offer was made and accepted by the seller.

**TEMPORARILY OFF MARKET:** The property was removed from the market pending contract.

**PENDING:** In contract.

**POF:** Proof of funds.

**BINDER:** Informal agreement of the offer with terms and conditions made to the seller.

**OUT OF POSSESSION:** A neighbor has encroached onto your property or vice versa.

**ENCROACHMENT:** A neighbor violating their neighbor's rights by building or extending onto their neighbor's property lines.

**CO:** Certificate of occupancy.

**SURVEY:** The document that details measurements and layout of the lot.

**TITLE SEARCH:** An examination of public records to determine and confirm a property's legal ownership and to find claims or liens on the property. A clean title is required for any transaction to be completed.

**EARNEST MONEY:** A deposit made to a seller that represents a buyer's good faith to buy a home.



# THE 10 COMMANDMENTS

1. Thou shalt not change jobs, become self-employed or quit your job.
2. Thou shalt not buy a car, truck or van.
3. Thou shalt not use credit cards excessively or let current accounts fall behind.
4. Thou shalt not spend money you have set aside for closing.
5. Thou shalt not omit debts or liabilities from your loan application.
6. Thou shalt not buy furniture on credit.
7. Thou shalt not originate any inquiries into your credit.
8. Thou shalt not make large deposits without checking with your loan officer.
9. Thou shalt not change bank accounts.
10. Thou shalt not co-sign a loan for anyone.





## FIND THE RIGHT AGENT

Choosing the right agent can make all of the difference in the world. A great agent will guide you through the home search with an unbiased eye, helping you meet your buying objectives while staying within your budget. They are also a great source when you have questions about local amenities, utilities, zoning rules, contractors, and more.

It is also important to check your agents qualifications. The Executive Group Realty agents are trained by our broker and executives through continuing education classes.





## **REAL ESTATE INDUSTRY CHANGES THAT AFFECT YOU**

On August 8th, 2024 (on Long Island) the changes that were mandated in a settlement between the National Association of Realtors and the Department of Justice are set to take place.

For buyers, these changes will force Realtors to have a signed Brokerage Agreement in place before showing any homes to any potential buyers. The buyers will have to make a decision on if they wish to retain and pay for the services of a realtor or not.

The good thing is that the commission for your realtor is many times, but not always, incorporated into the purchase price of the house.





## PRE-APPROVAL VS. PRE-QUALIFICATION

### WHAT YOU DON'T KNOW

Most real estate buyers have heard that they need to pre-qualify or be pre-approved for a mortgage if they're looking to buy a property. These are two key steps in the mortgage application process. Some people use the terms interchangeably, but there are important differences that every homebuyer should understand.

- Pre-qualifying is just the first step. It gives you an idea of how large a loan you'll likely qualify for.
- Pre-approval is the second step, a conditional commitment to actually grant you the mortgage.





## HOME BUYING PROCESS

The home buying process has changed in various degrees over the years, but one thing that has remained constant is the need to prepare ahead of one of the most important and expensive purchases of your life. At the Executive Group Realty, your agent has been trained to guide you through the home buying process and make your purchase smooth and worry free.

Your first step should be to consult with your agent and let them explain the road map to your new home. They will put you in touch with our “in-house” professionals like mortgage lenders, attorneys, home inspectors, insurance services and moving services.





## GETTING READY TO BUY

Before engaging in house hunting and wasting unnecessary time, you should speak with a mortgage lender. Lenders usually want to see that you are a good credit risk. Before your first conversation with a lender takes place, you will need to compile the below documents:

1. Two years of your latest tax returns
2. The last two months worth of pay stubs
3. Schedule of all of your debts, obligations and co-signed loans
4. A list of assets or properties that generate income

After you speak with your lender, they will provide you with a pre-approval letter to give to your agent before you begin your house hunt.





## FIND YOUR HOME

As you begin your journey, you will need to compile a list of needs and wants. A **need** is something that you must have and a **want** is an item that may not be included in every home you see.

In order for you to compare homes, you should take detailed notes and ask your agent to provide you with a copy of the listing so you can make comments as you preview the home. At the end of each showing, you will review the home with your agent and decide on whether or not this is “the home” for you. In order for you to make an educated decision, ask your agent to compile a market analysis to see where the house is positioned in the market.



# WANTS & NEEDS

## BASIC REQUIREMENTS

Minimum Bedrooms: \_\_\_\_\_

Minimum Bathrooms: \_\_\_\_\_

**PRICE RANGE:** \_\_\_\_\_

Minimum Home Size (sqft): \_\_\_\_\_

Minimum Lot Size (sqft): \_\_\_\_\_

Write "N" in the box for **NEEDS**  
Write "W" in the box for **WANTS**

## STRUCTURAL

- Garage - Attached / Detached / # of Cars \_\_\_\_\_
- Single Level
- Multiple Levels
- Basement
- Duplex / Multifamily
- Condo

## INTERIOR FEATURES

- Open concept
- Hardwood Floors
- Granite Countertops
- Stainless Steel Appliances
- Finished Basement
- Laundry Room
- Handicap Accessible

## HEATING & A/C

- Energy Efficient
- Natural Gas / Propane / Oil
- Radiant Heat
- Central Air
- Fireplace - Wood / Gas
- Wood Stove

Additional Requirements \_\_\_\_\_

## EXTERIOR FEATURES

- Deck
- Patio
- Porch / Sunroom
- Fenced-in Yard
- Shed
- Gardens / Landscaping
- Pool - Inground / Above Ground
- Hot Tub
- Sidewalks / Curbs

## LOCATION

- Waterfront
- Views of:
- Quiet Street
- Suburb / Cul-de-Sac
- Rural
- Urban
- Near Employment
- Nearby Parks & Recreation
- Nearby Public Transportation
- Nearby Shops & Restaurants
- Preferred School District: \_\_\_\_\_
- Top Three Neighborhoods:
  1. \_\_\_\_\_
  2. \_\_\_\_\_
  3. \_\_\_\_\_





## MAKE AN OFFER

With the information and pre-approval provided by your lender, your agent will put together a sales binder for you to sign. A binder is not a contract and is more like a memorandum of understanding that spells out the terms of your offer. This is what will be sent to the seller's agent so the seller can make a decision on which offer to choose.

Be prepared to give a counter proposal or counter offer. If there is a lot of competition with other buyers, you will be told to submit your "best and final" or your "highest and best." That submission will be the offer given to the seller.



# TIME LINE

After your agent has negotiated a good deal for you, it is time to get the team involved!

1. The home inspector inspects the house, provides an inspection report and reviews the report with you.
2. Your agent renegotiates the price and sends it to the seller's attorney.
3. Once your attorney receives the contract drafted by seller's attorney, they will review and makes changes as needed. Your attorney will schedule review and signing of the contract with you. After signing, they will send it to the seller's attorney with your down payment check.
4. The lender will receive a copy of your fully executed contract and completes the application.
5. Your attorney will order the title and survey.
6. Your lender will process your mortgage and order the appraisal.
7. Your lender will move your file to underwriting and review your appraisal. After, your rate is locked and your closing disclosure is issued.
8. Your attorney receives mortgage commitment and sends it to the seller's attorney. After review of the title and survey, they will set the closing date.
9. Your agent will schedule the final walk-through.
10. Closing will be scheduled where you will receive the keys to your new home!





## **CHOOSE AN ATTORNEY**

Having an attorney represent your interest is not only smart, but very important. A real estate attorney will advise you on the legality of the contract and will protect your interest with regards to what your exposure is within the contract. When you are the purchaser of the house, your attorney will receive the contract to "mark up," make annotations and negotiate those changes to the contract with the seller's attorney. Once the changes have been agreed upon by both attorneys, you will be able to sign the contract, provide your attorney the down payment check (which will be deposited in the attorney escrow account) and the contract will be sent back to the seller's attorney so that the sellers can sign it.



# MORTGAGE PROCESS

1. Application – Lender completes application, runs credit, then retrieves the following documents from the client: 2 forms ID, 2 months bank statements (including any retirement/asset accounts), 2 years W-2's, 2 years tax returns, 30 days paystubs and disclosures – Terms of the Mortgage Agreement.
2. Opening – Verifications of employment and tax returns, title request sent to attorney and appraisal ordered.
3. Processing – Documents for underwriter collected: fraud search, background search and clarification of other documents.
4. Underwriting – Underwriter reviews and gives a decision (Approval or Denial). Commitment is issued and conditions for closing sent out to borrower. Usually around this time the loan officer will look to lock the loan.
5. Title and Appraisal Review – This can be done earlier, but due to the length of time they take to come back, it's usually completed around this point.
6. Resubmission to the Underwriter for a Clear To Close.
7. Underwriter reviews the Title, Appraisal, and the Conditions sent in from the borrower, as well as the terms of the mortgage and grants permission to close. TAKE NOTE: your mortgage can be 'Resubmitted' more than once if there are additional conditions.
8. Clear To Close – Closing Disclosure is issued, you can now close 3 DAYS following the date of issuance for the CD.
9. Scheduling – The attorney for the bank or settlement agent will coordinate a time where all parties can close.





## THE WALK THROUGH

The walk through is usually done the day of or day before the closing. This is your opportunity to make sure that the home that you are purchasing is in the same condition as when you fell in love with it. This is not the time to find new things wrong with the house since you should have already addressed those issues.

Have a clipboard with a checklist and go through the systems in the house. Is there an alarm, sprinkler system, HVAC system? All of these systems need to have instructions so you can properly operate them. This will also give you the opportunity to speak to the seller about the home and absorb any tips that they may have for you.



# FINAL WALK THROUGH

Be prepared! Bring a copy of the inspection report, your real estate contract, your smartphone with a camera, this checklist, and a notepad and pen to write down any notes you may have.

- Household items that were included in the home purchase**  
When you signed the real estate contract with the seller, did you agree to purchase or include any household items with the sale of the house? For instance, many times the seller will agree to include furniture, such as a dining table and chairs that they no longer need in the final home sale contract. We recommend keeping a list of all items staying with the home and make sure they are still there during the final walk through.
- Post-inspection repairs have been made**  
Broken appliances, electrical problems and other major repair needs should be addressed during the inspection. Afterward, you and your realtor should have received a list of items that need to be repaired or replaced. Assuming you asked the seller to fix or replace these household items, and they agreed to do so, you shouldn't find any broken household features by the time the final walk through takes place.
- Plumbing fixtures in the kitchen and bathroom are in working order**  
Before your final walk through is complete, be sure to flush toilets, turn on the bathroom faucets and test the kitchen sink. Make sure everything is working properly (and not leaking) before closing on the house.
- The home is in the same condition as when you first made the offer**  
Compare photos and notes to make sure everything is in the same condition, if not better, as it was when you first made the offer. Notice a newly broken household item? Be sure to mention it to your realtor.
- Request any warranties for appliances**  
Ask for any warranty information on household appliances and electronics. If the seller or previous owner purchased appliances recently, then there may be warranty information for items such as the dishwasher, stove, refrigerator, garbage disposal, washers, dryers, etc.
- Request utility information from the seller**  
During the walk-through be sure to ask the seller or their Realtor for utility information. If you plan on using the same providers, you may need to coordinate a date to turn off and turn on the utilities.
- Walk around the outside of the home**  
Make a point to walk through the home's yard and landscape. Check for damage to the exterior, fallen trees or anything out of the ordinary. If you have questions about the landscaping or lawn care service, now is the time to ask the owner.

Be sure to examine these important home features:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Oven / Stove / Microwave      | <input type="checkbox"/> Washer / Dryer            | <input type="checkbox"/> HVAC System                 |
| <input type="checkbox"/> Open & Close Windows          | <input type="checkbox"/> Light Switches / Fixtures | <input type="checkbox"/> Toilets / Sinks             |
| <input type="checkbox"/> Dishwasher / Garbage Disposal | <input type="checkbox"/> Electrical Panel          | <input type="checkbox"/> Shower / Bathtub / Jacuzzi  |
| <input type="checkbox"/> Refrigerator / Freezer        | <input type="checkbox"/> Garage Door               | <input type="checkbox"/> Pool / Hot Tub / Sprinklers |





## CLOSING

This is the day that you have been dreaming about! You will most likely be taking possession of your new home and start your life in your new neighborhood. Just to be prepared, you will need:

1. Certified checks as requested by your attorney
2. Two forms of identification - one should be a current, unexpired driver's license
3. Your paid in full insurance binder

Make sure you arrive at least 15 minutes before the start since you have a lot of paperwork to sign. Attending the closing will be the title closer, bank attorney, your attorney and the seller's attorney. The closing should take approximately 45 minutes and when you're done, you will receive the keys to your new home! Congratulations, you're a homeowner!





Billing Details		Billing Date	Billing Period	Days of Service	Billing Type
		12/28/20	10/01/19 - 12/30/20	90	Single Family/Quarterly
Service	Usage	Rate per CCF		Charges	
Water Volume	17 CCF	\$	5.252	\$	89.28
Sewer Volume	15 CCF	\$	11.080	\$	166.20
Stormwater Off-site				\$	57.02
Stormwater On-site				\$	30.75
				\$	3.05
				\$	47.65
Current Charges				\$	363.20

## Electric Bill

Meter Reading  
This Month = 1200 (1)  
Last Month = 850 (2)  
Usage (Difference kWh) =  
Commodity Charge  
Usage in kWh 350

# CHANGE OVER UTILITIES

Many buyers, especially first time home buyers, may forget to change utilities to their names. A few days before closing on your new home, you have some things that you need to do:

1. Make sure that you have homeowner's insurance
2. Change owner name with the water authority, sewer, electric and gas companies
3. Make sure that you switch your name with the electric and gas company
4. Schedule your move with a moving company
6. Change owner for the internet and cable services



# CHANGE OF ADDRESS

## UTILITIES

- Electric
- Gas
- Water
- Cable / Phone / Internet
- Cell Phone
- Trash

## FINANCIAL

- Employment (HR / Payroll)
- Banks
- Credit Cards
- Loan Agencies (Mortgage, Auto, Student Loans, etc.)
- Insurance (Home, Auto, Medical, Dental, Life, etc.)
- Investment Broker

## GOVERNMENT

- Social Security
- Department of Revenue
- DMV (License and Registration)
- USPS Mail Forwarding
- Voter Registration
- Business License Office (For Business Owners)

## MEMBERSHIPS

- Professional Associations
- Subscriptions
- Gym / Athletic Organizations
- Religious Organizations
- Community / Civic Groups
- Country Clubs
- Alma Maters
- Licensing Boards
- Extracurricular Activities

## SERVICES

- Home (Lawn, Delivery, Housekeeping, etc.)
- Child Care (School, Day Care, Babysitter, etc.)
- Doctors
- Lawyers
- Accountants
- Veterinarian / Groomer

## OTHER

- Business Cards
- Friends / Family

