



Buying Your First Home

Presented By Linda Lee
Top Producing Realtor





Who We Are

*Local
Agents
Extraordinary
Results*

*The Lions of Real Estate –
Our vetting process for
great agents.*

*We help more than 3,000
families a year buyer and
sell real estate.*





The Key Players

The Real Estate Agent
(oversees the team for a smooth transaction)

Mortgage

Inspection

Attorney

Appraiser

Insurance

Mover/Storage



Designated Hitters

Condo
Association

Pest
Inspection

Septic
Inspection

Fire
Inspection

Water Test

Structural
Engineers





Why Work With a Realtor®?

Fiduciary responsibility. When you work with a Realtor®, their fiduciary responsibility is to you. That means you have an expert who is looking out for your best financial interests, an expert who's contractually bound to do everything in their power to protect you.

Why Work With a Realtor?



Help finding the right home, beyond square footage and baths.

Browsing online is a terrific way to start a home search -- in fact, almost 90 percent of people start their home search online. But when it's time to buy, knowing all the pros and cons of a property can help you make the right decision.

While most buyers only tour homes once or twice in a lifetime, real estate agents tour them every day. Great agents help their clients notice things that they might not otherwise notice.

Why Work With a Realtor®?



Knowing the Real Value.

There are lots of sites where you can view price estimates for a property. In some markets, online estimates can be off by as much as 35 percent, and they often rely on tax records and data that is extremely outdated. Realtors® know the local market, have access to the freshest sale data, and can price your house in line with the market to maximize your earnings.

Why Work With a Realtor®?



Contracts and negotiations.

Finding the right home is the fun part.

Your Realtor® can help you navigate these complex documents and craft an attractive offer that makes sense for you.

Plus, when it comes to negotiations, your Realtor® is your advocate and can bring an objective voice to a very subjective situation.

Why Work With a Realtor®?



I AM A REALTOR®.
I LIVE BY "THE CODE."

Following a code of ethics.

When you work with a Realtor®, you're partnering with a professional who operates according to a strict code of ethics. In place for over 100 years, the Realtor® Code of Ethics ensures that consumers who work with a Realtor® are treated professionally and ethically in all transaction-related matters.



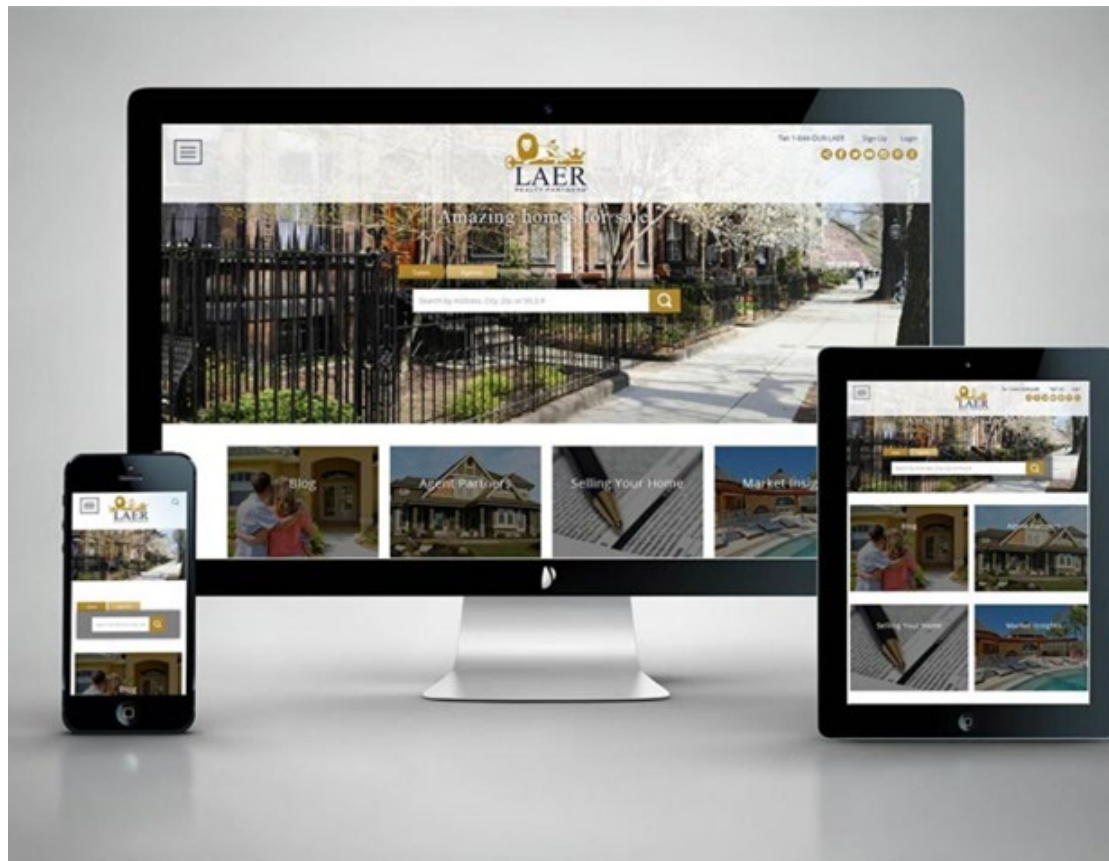
Our Goal – Help You
Find & Close on Your
Ideal Home

**At the best possible price...
In the shortest amount of
time...**

**With the most favorable
terms...**

***And...* With as little hassle as
possible!**

The Home Search



- Homes currently listed for sale in the MLS
- For sale by owner (FSBO)
- New Homes
- Special Marketing Campaign by Buyer's Agent
- Homes for sale by friend or acquaintance of buyer

My Personalized Marketing Campaign



Direct contact with the top listing agents in the area

Direct contact with the 550+ agents at LAER

Direct marketing to homeowners who have not listed their home for sale in the MLS

"Buyer Flyers" in targeted neighborhoods

"Buyers Seeking Property" on my website and social media campaigns

Pre-Approval

We highly recommend that you get pre-approved, not just pre-qualified to buy a home.

Pre-approval means that the lender has collected and reviewed your tax returns, paystubs, bank statements, and has run a credit report.

You will absolutely need a pre-approval (as opposed to a pre-qualification) letter prior to making an offer on a home.



What to Consider

1. The down payment
2. Your ability to pay for a mortgage
3. The closing costs associated with your transaction
4. Your Credit

Qualifying



Most lenders require that your monthly payment range between 25-28% of your gross monthly income. Your mortgage payment to the lender includes the following items:

- (P)The principal on the loan
- (I) The interest on the loan
- (T) Property taxes
- (I) The homeowner's insurance (I).

Your total monthly PITI and all debts (from installments to revolving charge accounts) should range between 33-38% of your gross monthly income.



10 Don'ts of Getting a Loan

- Do not change jobs, become self-employed or quit your job.
- Do not buy a car, truck or van (or you may be living in it)!
- Do not use charge cards excessively or let your accounts fall behind.
- Do not spend money you have set aside for closing.
- Do not omit debts or liabilities from your loan application.
- Do not buy furniture.
- Do not create any inquiries into your credit.
- Do not make large deposits without first checking with your loan officer.
- Do not change bank accounts.
- Do not co-sign a loan for anyone.

Home Selection Process



There are many factors to consider when selecting a neighborhood that is right for you.

Following are just a few of the many factors - you may think of others that are important to you as well.

Scout the Neighborhood



It is important that you scout the neighborhood in person. You live in more than your house. Talk to people who live there. Drive through the entire area at different times of the day, during the week and on weekends. Look carefully at how well other homes in the area are being maintained?

Don't Forget to Look For....

- Look for things like access to major thoroughfares, highways and shopping.
- Listen for noise created by commerce, roads, railways, public areas, schools, etc.
- Smell the air for adjacent commerce or agriculture.
- Check with local civic, police, fire and school officials to find information about the area.
- Research things like soil and water.
- Look at traffic patterns around the area during different times of the day and drive from the area to work.
- Find out if the neighborhood is near parks, churches, recreation centers, shopping, theaters, restaurants, public transportation, schools, etc.

School Reports



Looking for school reports? We have all the information you need for every New England Community!



Open Houses

Upon visiting any open house make sure you let the agent hosting it know you are working with a LAER Partner-Agent so that the other agent knows you are fully represented!



Take Notes on
Every Home

Keep notes
(likes and
dislikes) on
each
property
you see.
Mark things
that stand
out with an
asterisk.

Due Diligence

- State lead paint database
- State environmental website
- Field card and tax map
- Flood maps
- Tax bill
- Water bill
- Deed
- Title V
- Historic restrictions
- Oil tank legalities
- Foreclosure records
- POA – license to sell
- Mortgage survey – plot plan
- Hot water tank – owned/leased
- Solar panel contracts
- Condo documents
- Insurance CLUE Reports
- Building department record
- Board of health reports



Offer & Contracts

Once you have found the home you wish to purchase you will need to determine what offer you are willing to make for the home. It is important to remember that the more competition there is for the home, the higher the offer should be – sometimes even exceeding the asking price. Remember, be realistic. Make offers you want the other party to sign!

After we present your offer to the listing agent it will either be accepted, rejected or the seller will make a counter-offer. This is when we will negotiate terms of the contract if necessary.

The offer constitutes your offer to buy and, once accepted by the seller, becomes a valid, legal contract. For this reason, it is important to understand what is written on the contract offer. I have included a copy in this packet.

Along with the offer, you will make a good faith deposit on the property. This is part of your down-payment. This money goes into an escrow account and will be credited toward your down payment at closings.



Home Inspection

We highly recommend that you have a professional home inspector conduct a thorough inspection. The inspection will include the following:

- Appliances
- Plumbing
- Electrical
- Air conditioning and heating
- Ventilation
- Roof and Attic
- Foundation
- General Structure

The inspection is not designed to criticize every minor problem or defect in the home. It is intended to report on major damage or serious problems that require repair. Should serious problems be indicated, the inspector will recommend that a structural engineer or other professional inspect it as well.

No Such Thing as Fail



Your home cannot “pass or fail” an inspection, and your inspector will not tell you whether he/she thinks the home is worth the money you are offering. The inspector’s job is to make you aware of repairs that are recommended or necessary.

The seller may be willing to negotiate completion of repairs or a credit for completion of repairs, or you may decide that the home will take too much work and money. A professional inspection will help you make a clear-headed decision.

In addition to the overall inspection, *you may wish to have separate tests conducted for termites or the presence of radon gas.*

After The Inspection



If everything looks good after home inspection you will sign the purchase agreement and put the remainder of your down payment in escrow.

Your mortgage banker will be forwarded a copy of the purchase agreement.

The bank will order an appraisal from an independent appraisal company in order to make sure you are paying a fair price for the property.



Now that you have decided to buy your home, what happens between now and the time you legally own the home?

A Title Company or Attorney will handle the following items:

- Tax Check
- Title Search
- Title Examination

What's Next?



An appraisal is an unbiased professional opinion of the value of a home and is used whenever a mortgage is involved in the buying or refinancing of real estate.

Appraisal

Mortgage Commitment

**LOAN
APPROVED**



Read the conditions. The loan is only REALLY approved if you can meet the conditions of the approval.

Insurance



Prior to closing your mortgage company will require that you buy a homeowner's insurance policy.

Moving Checklist



Kids & Moving



- Start a scrapbook for your new home.
- Visit your children's new school, park, church, etc..
- Help your children invite new friends over to your new home.
- Let your children choose a new favorite restaurant. This will help them feel in control of their new environment.
- Encourage your children to send letters about their new home to their friends.
- Involve your children in groups, sports and activities like the ones they used to participate in.



Walk Through

This is where you will walk through the property a day or two before closing to make sure the home is cleaned out as agreed and everything appears to be working to your satisfaction.

It's a good idea to turn on the heat and all sinks. Check all the rooms including the basement. Run all mechanical systems.

The Closing



A “closing” is where you and your agent will meet with some or all of the following individuals: the Seller, the Seller’s agent, a representative from the lending institution and a representative from the title company or an attorney in order to transfer the property title to you.

A close-up photograph of a person's hand holding a set of keys. The hand is positioned over a black pen and some papers. The background is blurred, showing a wooden surface and a window with greenery outside. The text 'Three Important Documents' is overlaid on the left side of the image.

Three Important Documents

Agency Disclosure

By law, your agent must present this at your first meeting. It explains who the agent represents. It is not a contract.



Commonwealth of Massachusetts

BOARD OF REGISTRATION OF REAL ESTATE BROKERS AND SALESPERSONS

www.mass.gov/dpl/boards/re

MASSACHUSETTS MANDATORY REAL ESTATE LICENSEE-CONSUMER RELATIONSHIP DISCLOSURE

THIS IS NOT A CONTRACT

This disclosure is provided to you, the consumer, by the real estate licensee listed in this disclosure.

THE TIME WHEN THE REAL ESTATE LICENSEE MUST PROVIDE THIS NOTICE TO THE CONSUMER:

All real estate licensees must present this form to you at the first personal meeting with you to discuss a specific property. In the event this relationship changes, an additional disclosure must be provided and completed at that time.

CONSUMER INFORMATION AND RESPONSIBILITY:

If you are a buyer or seller, you can engage a real estate licensee to provide advice, assistance and representation to you as your agent. The real estate licensee can represent you as the seller (Seller's Agent) or represent you as the buyer (Buyer's Agent), or can assist you as a Facilitator.

All real estate licensees, regardless of the working relationship with a consumer must, by law, present properties honestly and accurately, and disclose known material defects in the real estate.

The duties of a real estate licensee do not relieve consumers of the responsibility to protect their own interests. If you need advice for legal, tax, insurance, zoning, permitted use, or land survey matters, it is your responsibility to consult a professional in those areas. Real estate licensees do not and cannot perform home, lead paint, or insect inspections, nor do they perform septic system, wetlands or environmental evaluations.

Do not assume that a real estate licensee works solely for you unless you have an agreement for that relationship.

For more detailed definitions and descriptions about real estate relationships, please see page 2 of this disclosure.

THE SELLER OR BUYER RECEIVING THIS DISCLOSURE IS HEREBY ADVISED THAT THE REAL ESTATE LICENSEE NAMED BELOW IS WORKING AS A:

Check one: ☐ Seller's agent ☐ Buyer's agent ☐ Facilitator

If seller's or buyer's agent is checked above, the real estate licensee must complete the following section:

Check one: ☐ Non-Designated Agency

The real estate firm or business listed below and all other affiliated agents are also working as the agent of the ☐ Seller ☐ Buyer

☐ Designated Agency

Only the licensee named herein represents the ☐ Seller ☐ Buyer (designated seller agency or designated buyer agency). In this situation any other agents affiliated with the firm or business listed below do not represent you and may represent another party in your real estate transaction.

By signing below, I, the real estate licensee, acknowledge that this disclosure has been provided to the consumer named herein:

Signature of Real Estate Licensee	Printed Name of Real Estate Licensee	License #	<input type="checkbox"/> Broker <input type="checkbox"/> Salesperson	Today's Date
Name Real Estate Brokerage Firm	Brokerage Firm Real Estate License #			
Signature of Consumer	Printed Name of Consumer		<input type="checkbox"/> Buyer <input type="checkbox"/> Seller	Today's Date
Signature of Consumer	Printed Name of Consumer		<input type="checkbox"/> Buyer <input type="checkbox"/> Seller	Today's Date

☐ Check here if the consumer declines to sign this notice.

Last Revised: January 24, 2017

Lead Paint Disclosure

PROPERTY TRANSFER NOTIFICATION CERTIFICATION

This form is to be signed by the prospective purchaser before signing a purchase and sale agreement or a memorandum of agreement, or by the lessee-prospective purchaser before signing a lease with an option to purchase for residential property built before 1978, for compliance with federal and Massachusetts lead-based paint disclosure requirements.

Required Federal Lead Warning Statement:

Every purchaser of any interest in residential property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) ☐ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) ☐ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) ☐ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (check documents below).

☐ Lead Inspection Report; ☐ Risk Assessment Report; ☐ Letter of Interim Control; ☐ Letter of Compliance

(ii) ☐ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's or Lessee Purchaser's Acknowledgment (initial)

(c) _____ Purchaser or lessee purchaser has received copies of all documents checked above.

(d) _____ Purchaser or lessee purchaser has received no documents.

(e) _____ Purchaser or lessee purchaser has received the Property Transfer Lead Paint Notification.

(f) _____ Purchaser or lessee purchaser has (check (i) or (ii) below):

(i) ☐ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) ☐ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(g) _____ Agent has informed the seller of the seller's obligations under federal and state law for lead-based paint disclosure and notification, and is aware of his/her responsibility to ensure compliance.

The Lead Law protects a child's right to a lead-safe home. It requires the removal or control of lead paint in houses with **children** under 6.

If houses built before 1978 are being sold or rented, sellers, real estate agents, and owners who rent their homes are required to notify their buyers and tenants of lead risks.

The Buyer Contract

Get the full and constant attention of a qualified agent by signing a buyer-broker agreement.

This means that your buyer agent will be working 24/7 investing his/her time into going out and finding the home of your dreams.

BUYER - BROKER AGREEMENT

STATE OF _____ COUNTY OF _____ (Seller)

1. **PARTIES:** _____ agrees to sell and convey to _____ (Purchaser), and Purchaser agrees to buy _____ the Property described below.

2. **PROPERTY:** (a) Land: Address: _____ or more specifically described as: _____
(b) Improvements: The house, garage, _____ fixtures and improvements permanently installed and wall-to-wall carpeting, _____ equipment, heating and _____ chandeliers, water _____ landscaping, outdoor _____ real property. (c) _____ fireplace _____ controls for _____ equipment _____ and _____

as described in the attached exhibit. (b) Improvements: The house, garage, _____ fixtures and improvements permanently installed and wall-to-wall carpeting, _____ equipment, heating and _____ chandeliers, water _____ landscaping, outdoor _____ real property. (c) _____ fireplace _____ controls for _____ equipment _____ and _____

attached to the above-described real property, including without limitation, _____ valances, screens, shutters, _____ permanently installed and wall-to-wall carpeting, _____ equipment, heating and _____ chandeliers, water _____ landscaping, outdoor _____ real property. (c) _____ fireplace _____ controls for _____ equipment _____ and _____

in items, if any: all equipment and appliances, television antennas and satellite dishes, _____ cleaning equipment, _____ window air conditioning units, _____ security and fire detection equipment, garage door openers, wiring, plumbing and _____ draperies and rods, above ground pool, shutters, _____ Exclusions: The following _____

Our Commitment

To work with you to
determine your desires,
needs & qualifications.

To be ready to show you
up homes as soon as they
hit the market.

Create a personalized
marketing campaign to find
your ideal home even if it's
not yet currently for sale.

Complete a market analysis
to determine property
value before we write and
present an offer.

Write, offer and negotiate a
purchase agreement.

Point out anything we
become aware of which
could negatively impact the
value of the home.

Our Commitment

Provide you with a list of the best service providers available in the market.

Due diligence research to help you find hidden flaws with the property.

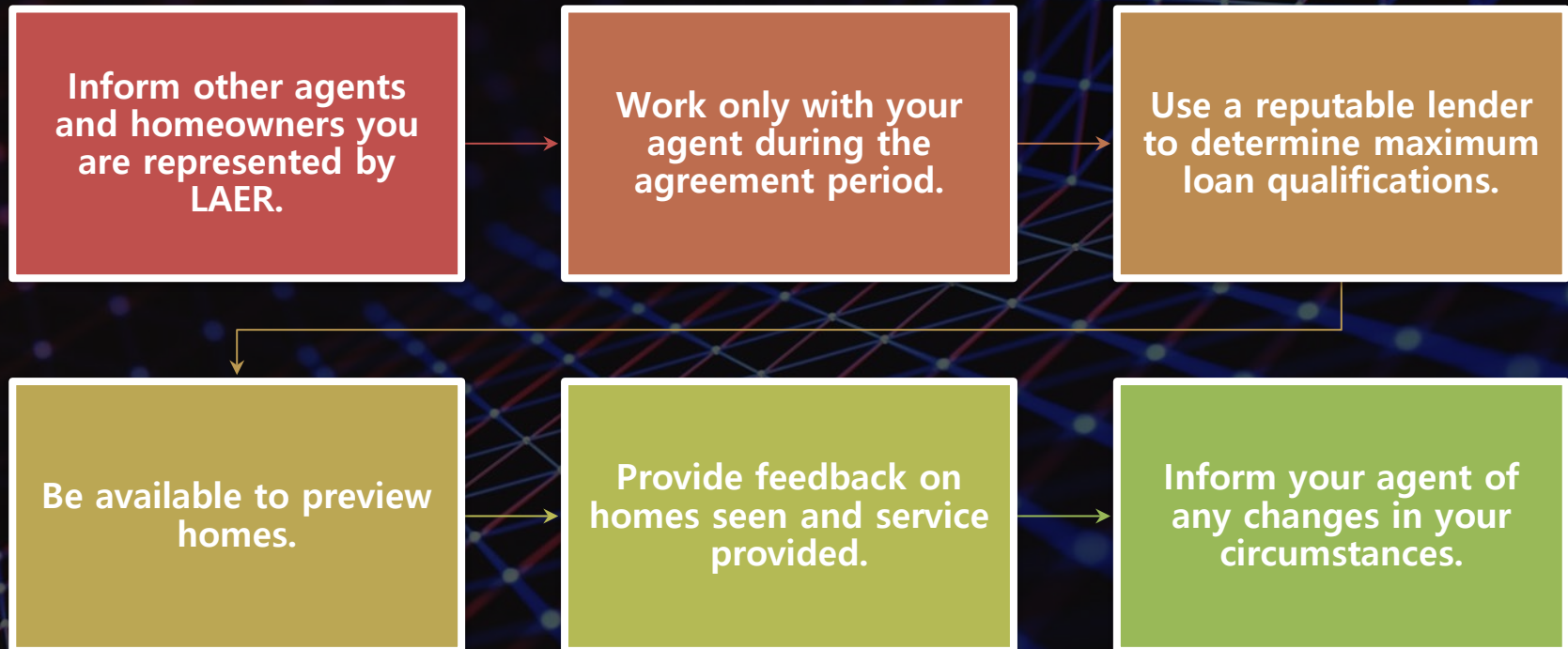
Follow-up and “troubleshoot” after the property is under agreement

To be your advocate every step of the way from the start of the process to long after the closing takes place.

Guide you through hundreds of transactional nuances throughout the process.

Keep you informed of market changes, legal updates, and changes to mortgage and real estate trends and laws.

Your Commitment to Your Agent



We Look Forward to Partnering With You

We wish to be your partner for all your real estate needs. As your partner, we will spend time identifying your wants and needs while educating you about today's real estate market.

If you are selling your home, we will work with you to put together a detailed marketing plan so that we can price properly and market to the right buyers.

We will investigate the communities you are interested in and provide you with everything you need to make a great buying decision.

Our clients are like family and our relationship will last beyond the closing table.



NEXT STEPS:



Call Linda Lee today!
978-855-3029