



New Home

Before we begin the process of finding your new home,



Owning Vs Renting

BUYING A HOME

- BUILD EQUITY
- TAX ADVANTAGE
- STABLE MONTHLY PAYMENT
- STRONG SENSE OF COMMUNITY
- EMOTIONAL SECURITY

RENTING A HOUSE

- FREE OF MAINTENANCE OBLIGATIONS
- NOT COMMITTED TO HOUSE OR NEIGHBORHOOD
- CAN MOVE QUICKLY
- BUILD LANDLORD'S EQUITY



Am I Ready to Buy a Home?

There are many benefits to owning a home, but there are also just as many tradeoffs.

To help you decide if owning a home is right for you, we've listed the pros and cons of buying versus renting.

	BUYING	RENTING
EQUITY	Build equity with each payment. However, the first half of the mortgage is mainly interest.	You are investing for the landlord. You are essentially building your landlord's equity.
MONTHLY PAYMENTS	You can count on your mortgage payments being the same for the entire fixed portion of your loan. You should be prepared for adjustments in your escrow account where your taxes and insurance payments are held which will affect your monthly payment.	Monthly payment is fixed for the term of the lease, but usually increase after the lease expires.
UPFRONT COSTS	With many No Money Down programs, buying a home could be less upfront than renting.	Renting a home usually requires a security deposit and the first and sometimes the last monthly payment.
TAX ADVANTAGES	Interest that you pay on your mortgage and property taxes are all deductible. These deductions could make a huge impact on your federal and state tax returns.	Renting offers no tax deductions. That's right. Only your landlord will reap the tax benefits available.
MAINTENANCE	Any maintenance must be done and paid for by you. Home maintenance costs an average of around 1% of your home's value per year.	Typically, you are responsible for very little maintenance and maintenance costs when you rent.
TIME TO MOVE	If and when you want to move, you will either have to sell or rent out your home first.	Your only concern is fulfilling your lease.
A PLACE TO CALL HOME	You have the right to remodel and redecorate at your discretion. You own it; you can do with it what you wish.	You have very little flexibility besides decorating the home. Carpet, wallpaper, paint, etc. are all items that the landlord will change at his discretion with little or no input from you.



Jeff Barnhart, Branch Manager/Realtor®



The Basics of Buying a Home.

IF YOU KNOW WHAT TO EXPECT - AND YOU HAVE A TRUSTED TEAM OF REAL ESTATE AND MORTGAGE LENDING PROFESSIONALS TO GUIDE YOU - FINDING AND FINANCING YOUR FIRST HOME CAN BE AN EXCITING AND REWARDING EXPERIENCE. HERE'S WHAT YOU NEED TO KNOW:

ATTEND A HOME BUYER'S EDUCATIONAL WORKSHOP

- Knowledge is power...especially in real estate. Learn everything you can before you begin.
- You will know what to expect before and after you buy your home.

OBTAIN MORTGAGE PRE-APPROVAL BEFORE YOU BEGIN HOUSE HUNTING

- Learn how much home you can afford
- Strengthen your bargaining position with sellers.

CHOOSE A REAL ESTATE AGENT

- Select a reputable professional who'll listen to your needs and make you feel comfortable.
- Ask agents for references from former clients.

FIND THE RIGHT HOME

- Determine the needs of you and your family.
- Create a wish list of desirable features.
- Take notes as you preview homes

MAKE AN OFFER

- Your Realtor® presents your offer to the seller, who will accept, counter, or reject it.
- When the price is settled, you and the seller sign a Purchase Contract, defining the terms.

HAVE THE HOME INSPECTED

- Hire a professional home inspector after the offer has been accepted.
- You will have a chance to reconsider if the inspection is not acceptable.

THE HOME WILL BE APPRAISED

- An appraisal, required by your mortgage lender, is a formal, written estimate of the home's current market value.

CLOSE ON THE PROPERTY

- Ownership of the property is transferred.
- A closing agent coordinates and distributes all the paperwork and funds the transaction.



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Common Mistakes to Avoid

FOR MOST PEOPLE, THEIR HOME IS THE LARGEST INVESTMENT THEY WILL EVER MAKE. HOWEVER, FEW PEOPLE DO THE RESEARCH NECESSARY TO MAKE A GOOD BUYING DECISION. THERE IS NO SUBSTITUTE FOR TAKING TIME TO EDUCATE YOURSELF BEFORE YOU BUY A HOUSE -- WHICH TYPICALLY COSTS YOU 25% - 40% OF YOUR GROSS INCOME.

LOOKING FOR A HOUSE WITHOUT GETTING PRE-APPROVED.

Do not confuse a pre-approval with a pre-qualification. The pre-approval process is much more complete. When you become pre-approved -- you become like a CASH BUYER and have more negotiating clout with the seller.

USING A DUAL AGENT.

A dual agent is one who represents the buyer and the seller on the same transaction. In most cases the dual agent will represent the sellers more strongly than they do the buyer. The only time you should consider a dual agent is when you get a price break from using a dual agent.

CHOOSING A LENDER JUST BECAUSE THEY HAVE THE LOWEST RATE. NOT GETTING A WRITTEN GOOD FAITH ESTIMATE.

While rate is important, you have to look at the overall cost of your loan. The cost of your mortgage should not be your only criteria. There is no substitute from asking your realtor, family and friends for referrals. You must also feel comfortable that the loan officer you are dealing with is committed to your best interests and will deliver what they promise. Often the company with the absolute lowest quoted rate may not be the best company for your mortgage business.

NOT GETTING A RATE LOCK IN WRITING.

When a mortgage company tells you they have locked your rate, get a written statement which details the interest rate, the length of the rate lock, and details about the program.

NOT SHOPPING FOR HOME OWNERS INSURANCE (HAZARD INSURANCE) UNTIL YOU ARE READY TO CLOSE.

Start shopping for insurance as soon as you have an accepted offer. Many buyers wait until the last minute to get insurance and do not have time to shop around.

BUYING A HOME WITHOUT A PROFESSIONAL INSPECTION.

Inspection reports are great negotiating tools when it comes to asking the seller to make repairs. If a professional home inspector states that certain repairs be done, the seller is more likely to agree to do them. If the seller agrees to do the repairs, have your inspector verify that they are done prior to close. Do not assume that everything has been done the way it was promised.

SIGNING DOCUMENTS WITHOUT READING THEM.

While most of the documentation you sign at application and closing are standard forms issued by state, it is important to pay close attention to the details most significant to you. Double check the interest rate, closing costs, terms and other information that determines what you pay before, during and after your mortgage period.



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My Ideal Home Wish List

YOU'RE SURE OF ONE THING. YOU WANT TO BUY OR BUILD A HOME. PERHAPS YOU'RE SOMEONE WITH AN "I'LL KNOW IT WHEN I SEE IT" ATTITUDE, BUT MOST PEOPLE HAVE VERY SPECIFIC IDEAS. NOW IS THE TIME TO ADD DIMENSION TO YOUR DREAM.

BEGIN BY ...GETTING PRE-APPROVED TO HELP YOU AND YOUR REALTOR® CHOOSE THE RIGHT HOUSE.

...COMPLETING THIS "WISH LIST" TO HELP YOU GET A BETTER PICTURE OF WHAT YOU WANT IN A HOME.
IT'S WORTH YOUR TIME, AND IT'S FUN!

WHAT AGE HOME WOULD YOU LIKE? Older Home New Home New Construction Not Sure

WHAT STYLE HOME APPEALS TO YOU MOST? Ranch Traditional Two-Story Cape Cod _____

WHAT TYPE OF CONSTRUCTION? Brick Siding Stucco Stone _____

HOW MANY BEDROOMS DO YOU NEED/WANT? Two Three Four Five _____

HOW MANY BATHROOMS DO YOU NEED/WANT? 1 - 1.5 2 - 2.5 3 - 3.5 _____

IS HAVING A FIRST FLOOR LAUNDRY ROOM IMPORTANT? Yes No

IS HAVING A BASEMENT IMPORTANT? Yes No

IS HAVING A SEPARATE DINING ROOM IMPORANT? Yes No

IS HAVING A FIREPLACE IMPORTANT TO YOU? Yes No

IS HAVING A SEPARATE GARAGE IMPORTANT TO YOU? Yes No

IF HAVING A SEPARATE GARAGE IMPORTANT TO YOU, DO YOU WANT A? Detached Attached # of cars? ____

IS CENTRAL AIR CONDITIONING AN IMPORTANT FEATURE? Yes No Wall Units okay Window Units okay

DO YOU NEED A FENCED YARD? Yes No

IS IT IMPORTANT THAT YOU BE NEAR PUBLIC TRANSPORTATION? Yes No

DO YOU WANT TO BE IN A SPECIFIC SCHOOL DISTRICT? Yes. Name of school _____ Not important

HOW CLOSE DO YOU WANT TO BE TO YOUR PLACE OF EMPLOYMENT? ____ Miles ____ Minutes Not important

Other Not Mentioned above: _____



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House Tour Form

- HOUSE SCORE: 1 2 3 4 5 1=DEFINITELY LIKE 3=NUETRAL 5=YUCK...

MAKE A COPY OF THIS FORM FOR EACH HOUSE YOU WILL BE TOURING DURING YOUR SEARCH.

ADDRESS: _____

List Price: \$ _____ Property Taxes: \$ _____ Age of Home/Year Built: _____

If New Construction, Name of Builder: _____

Style of Home

- Two Story
- Ranch
- Split Level
- Traditional
- Contemporary
- Cape Cod
- Townhouse
- Condo

Interior Features

- Eat-in Kitchen
- Range Gas Electric
- Refrigerator
- Wall Oven
- Pantry
- Skylights
- Whirlpool Tub
- Soaking Tub
- 3 Season Room
- Laundry Room
- Washer
- Dryer

Total Bedrooms: _____ Good Closet Space? Yes No
 Total Bathrooms: _____ Flooring: Carpet Hardwood Tile
 Basement: Full Partial None Finished? Yes No Partial

Construction Type

- Wood
- Brick
- Stone
- Stucco
- Vinyl Siding
- Aluminum Siding

Exterior Features and Neighborhood

Backyard Area/Front Yard

- Patio
- Pool
- Deck
- Fence
- Porch
- Landscaping

Garage

- One-car
- Two-car
- Three-car
- More _____
- Attached
- Detached

Roof Condition

- Good Fair Poor

Sidewalk

- Yes No

Well-Maintained Neighborhood

- Yes No

Convenient to:

- Work
- Schools
- Shopping
- Public Transportation
- Highways
- Houses of Worship
- _____
- _____

Utilities

Type of Heating

- Hot Water Gas Electric Oil

Insulation

- Fiberglass Cellulose Foam None

Central Air

- Yes No Window Units

Age of Heating System _____

Age of Central Air System _____

Plumbing Condition

- Good Fair Poor

Sump Pump/Drainage System

- Yes No

Connected to Sewer System

- Yes No

Age of Water Heater/Capacity _____

Age of Electrical Wiring _____

NOTES:



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