

# Buyer's Guide



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# Mission Vision Value

*The Shawn Team*

## MISSION

Serve the community, and serve it well.

## VISION

Establish a new culture in real estate by leading with humility and compassion to all.

## VALUE

Leading our Clients as we Would Like to be Lead with Honesty and a Heart of Service to Others



# Meet Our Team

*The Shawn Team*

We are a motivated and community-driven team desiring nothing less than the best for our clients. We work relentlessly to simplify buying, selling, and investing in real estate.

We believe in excellent communications, keeping our clients up-to-date with everything that goes on throughout the Real Estate transaction process.

We invite you to Call, Text, Email, or Direct Message to receive professional insight and advice about your local Real Estate market. Investing in Real Estate is more than just a purchase. It's a life-changing experience.

Let us help make it "Real" for you!

*Let's Connect*



559.556.3600



info@theshawnteam.com



theshawnteam.com



157 S K St. Tulare, CA 93274



# Our Affiliates

*The Shawn Team*

  
THE DOWNTOWN DREAM

ready

# Why Use A Realtor?

## *What You Can Expect From Us*

So you're questioning why you should use a realtor. When choosing The Shawn Team, we will not only serve you with honesty and integrity; we will give you expert guidance.

Here are just a few things you'll receive when using a realtor.

- **An Expert Guide.** Buying a home typically requires various forms, reports, disclosures, and other legal and financial documents. A knowledgeable real estate agent will know what's needed in your market, helping you avoid delays and costly mistakes. Also, a lot of jargon is involved in a real estate transaction; you want to work with a professional who can speak the language.
- **Offers Information and opinions.** A great real estate agent will guide you through the home search with an unbiased eye, helping you meet your buying objectives while staying within your budget. Agents are also a great source when you have questions about local amenities, utilities, zoning rules, contractors, and more.
- **Search Power.** You want access to the full range of opportunities. Using a cooperative system called the multiple listing service, and your agent can help you evaluate all active listings that meet your criteria, alert you to listings soon to come on the market, and provide data on recent sales. Your agent can also save you time by helping you winnow away properties that are still appearing on public sites, but are no longer on the market.
- **Stand in your corner.** Many factors are up for discussion in any real estate transaction—from price to repairs to possession date. A real estate professional representing you will look at the transaction from your perspective, helping you negotiate a purchase agreement that meets your needs and allows you to do due diligence before you're bound to the purchase.
- **Up-to-date experience.** Most people buy only a few homes in a lifetime, usually with quite a few years between purchases. Even if you've bought a home before, laws and regulations change. Real estate practitioners may handle hundreds or thousands of transactions throughout their careers.
- **Provide fair and ethical treatment.** When you're interviewing agents, ask if they're a REALTOR®, a member of the National Association of REALTORS®. Every member must adhere to the REALTOR® Code of Ethics, which is based on professionalism, serving the interests of clients, and protecting the public.

# Why Own A Home?

## *Why Should You Invest In A Home?*

- **Tax Benefits.** The U.S. Tax Code lets you deduct the interest you pay on your mortgage, your property taxes, and some of the costs involved in buying a home.
- **Appreciation.** Historically, real estate has had a long-term, stable growth in value. According to the National Association of REALTORS < UNK >, median single-family existing-home sale prices have increased on average by 5.2 percent each year from 1972 through 2014, according to the National Association of REALTORS®. The recent housing crisis has caused some to question the long-term value of real estate, but even in the most recent 10 years, which included quite a few terrible years for housing, values are still up 7.0 percent on a cumulative basis. In addition, the number of U.S. households is expected to rise 10 to 15 percent over the next decade, creating continued high demand for housing.
- **Equity.** Money paid for rent is money that you'll never see again, but mortgage payments let you build equity ownership interest in your home.
- **Savings.** Building equity in your home is a ready-made savings plan. And when you sell, you can generally take up to \$250,000 (\$500,000 for a married couple) as gain without owing any federal income tax.
- **Predictability.** Unlike rent, your fixed-rate mortgage payments don't rise over the years so your housing costs may actually decline as you own the home longer. However, keep in mind that property taxes and insurance costs will likely increase.
- **Freedom.** The home is yours. You can decorate any way you want and choose the types of upgrades and new amenities that appeal to your lifestyle.
- **Stability.** Remaining in one neighborhood for several years allows you and your family time to build long-lasting relationships within the community. It also offers children the benefit of educational and social continuity.

# How Can You Prepare?

## *Things You Should Know*

- **Know that there is no "right" time to buy.** If you find the perfect home now, don't risk losing it because you're trying to guess where the housing market and interest rates are going. Those factors usually don't change fast enough to make a difference in an individual home's price
- **Don't ask for too many opinions.** It's natural to want reassurance for such a big decision, but too many ideas from too many people will make it much harder to make a decision. Focus on the wants and needs of the people who will actually be living in the home.
- **Accept that no home is ever perfect.** If it's in the right location, the yard may be a bit smaller than you had hoped. The kitchen may be perfect, but the roof needs repair. Make a list of your top priorities and focus on things that are most important to you. Let the minor ones go. Also, accept that a little buyer's remorse is inevitable and will most likely pass.
- **Don't try to be a killer negotiator.** Negotiation is definitely a part of the real estate process, but trying to "win" by getting an extra-low price or refusing to budge may cost you the home you love.
- **Remember, your home doesn't exist in a vacuum.** Don't get so caught up in the physical aspects of the house itself that you forget about important issues such as noise level, access to amenities, and other aspects that also have a big impact on your quality of life.
- **Plan ahead.** Don't wait until you've found a home to get approved for a mortgage, investigate insurance, or consider a moving schedule. Being prepared will make your bid more attractive to sellers.
- **Choose a home first because you love it; then think about appreciation.** A home is still considered a great investment, but its most important role is as a comfortable, safe place to live.



# How Can You Prepare?

## *Things You Should Know*

- **Talk to mortgage brokers.** Many first-time home buyers don't take the time to get prequalified. They also often don't take the time to shop around to find the best mortgage for their particular situation. It's important to ask plenty of questions and make sure you understand the home loan process completely.
- **Be ready to move.** This is especially true in markets with a low inventory of homes for sale. It's very common for home buyers to miss out on the first home they wish to purchase because they don't act quickly enough. By the time they've made their decision, they may find that someone else has already purchased the house.
- **Find a trusted partner.** It's vital that you find a real estate professional who understands your goals and who is ready and able to guide you through the home buying process.
- **Made a good offer.** Remember that your offer is very unlikely to be the only one on the table. Do what you can to ensure it's appealing to a seller.
- **Factor maintenance and repair costs into your buying budget.** Even brand-new homes will require some upgrades. Don't leave yourself short and let your home deteriorate.
- **Think ahead.** It's easy to get wrapped up in your present needs, but you should also think about reselling the home before you buy. The average first-time buyer expects to stay in a home for around 10 years, according to the National Association of REALTORS®' 2013 Profile of Home Buyers and Sellers.
- **Develop your home/neighborhood wish list.** Prioritize these items from most important to least.
- **Select where you want to live.** Compile a list of three or four neighborhoods you'd like to live in, taking into account nearby schools, recreational facilities, area expansion plans, and safety.

# The Home Buying Process

*Steps To Finding Your Dream Home*



# The Home Buying Process

*Things You Should Know*

## *Where To Start*

- 1 Determine how much you can spend.
- 2 Save for a downpayment.
- 3 Check your credit.
- 4 Get pre-approved for a home loan.



# Get Pre-Approved

*Be Ready To Make An Offer*

Once you have an idea of the size, type, and desired location of the home you want, you should get pre-qualified by a lender before actually looking for a home. Getting pre-qualified can save you time, energy, and frustration.

## PRE-QUALIFIED VS. PRE-APPROVED

### *Pre-Qualified*

To be pre-qualified, a lender may or may not check your credit score and won't require documentation, only going off what you tell them. This will give you an idea of what you could qualify for, but when you're serious about buying, you'll need to get pre-approved.

*VS.*

### *Pre-Approved*

To be pre-approved, the lender will pull your credit and ask you for documentation to verify your finances. Before making an offer on the house, it is best to get pre-approved to show sellers your offer is serious and that a lender has already approved you for enough money to purchase the home.

# Financing

## *Things You Should Know*

**Determine how much you can spend on a home.** Pre-qualification helps you avoid paying more for a home than you can afford or being disappointed if you don't qualify for as much as you had hoped.

**Learn what your total investment will be.** You'll know approximately how much money you'll need for the down payment and closing costs.

**Calculate your monthly payments.** Pre-qualification provides a close estimate of your monthly principal, interest, taxes, and insurance.

**Identify your loan program options.** With the wide variety of loan programs available, it is important to know which types you qualify for and which will best suit your needs.

**Strengthen your offer.** Sellers are more inclined to accept realistic offers when they know that you've taken the time to be interviewed by a lender and will probably qualify for the loan.

At this point your lender can also present helpful options:

- ▶ Special first-time homebuyer programs
- ▶ Co-mortgage financing
- ▶ Debt-consolidation counseling
- ▶ Other disclosure forms

In order to be pre-qualified, the lender will need to know the following:

- ▶ Your employment history and income
- ▶ Your monthly debts and obligations
- ▶ The amount and source of cash available for down payment and closing cost

# The Loan Approval Process

## Things You Should Know

**The Application.** After completing the loan application and providing all pertinent documents to the lender, the buyer generally will receive a loan estimate and loan approval within 24-72 hours.

**Loan Submission.** The lender may request other documents:

- A credit report showing credit history
- An appraisal on the property, one in escrow
- A preliminary report



**Credit Report Fee.** Typically the lender charges this one-time fee covering the cost of the credit report processed by an independent credit-reporting agency.

**Prepaid Interest.** This is the interest due to the lender before the first scheduled payment. Prepaid interest is based upon the day your loan closes.

**FHA Mortgage Insurance Premium (MIP)/Private Mortgage Insurance (PMI).** You pay this insurance premium to protect the lender. MIP/PMI is required when you make a down payment that's less than 20% of the purchase price.



# Offer Accepted!

*What's Next*

Once the seller has accepted your offer, both parties sign a purchase agreement and you're officially under contract.

## **PUT YOUR DEPOSIT INTO AN ESCROW ACCOUNT**

Your earnest money deposit will be put into an escrow account that is managed by a neutral third party (typically a title company or bank) who holds the funds for the duration of the escrow period. They will manage all the funds and documents required for closing, and your deposit will go towards your down payment which is paid at closing.

## **COMPLETE YOUR MORTGAGAGE APPLICATION**

Once you've agreed to the final offer, it's time to finalize your loan application and lock in your interest rate if you haven't done so already. You may need to provide additional documentation to your lender upon request.

## **ORDER AN APPRAISAL**

An appraisal will be required by your lender to confirm that the home is indeed worth the loan amount. The appraisal takes into account factors such as similar property values, the home's age, location, size and conditions to determine the current value of the property.

## **SCHEDULE A HOME INSPECTION**

Home inspections are optional but highly recommended to ensure that the home is in the condition it appears. Inspections are typically completed within 10-14 days after signing the sales agreement.

## **RENEGOTIATE IF NECESSARY**

The home inspection will tell you if there are any dangerous or costly defects in the home that need to be addressed. You can then choose to either back out of the deal completely, ask for the seller to make repairs, or negotiate a lower price and handle the repairs yourself.

# What Not To Do

## *During The Homebuying Process*

It's extremely important not to do any of the following until after the home buying process is complete.



Buy Or Lease A Car



Change Jobs



Miss A Bill Payment



Open A Line Of Credit



Move Money Around



Make A Major Purchase



Any of these types of changes could jeopardize your loan approval. It's standard procedure for lenders to also do a final credit check before closing.



# Final Steps Before Closing

*You're Almost There*

## *Insurance Requirements*

Most lenders require both homeowner's insurance and title insurance. Homeowners insurance protects your home and possessions against damage and theft. In contrast, title insurance protects the lender and/or homeowner from a financial loss against claims regarding the legal ownership of a home. Policies vary, so it's recommended to get quotes from multiple companies to compare processes, coverage, and limits.

## *Closing Disclosure*

At least three days before closing, lenders must provide you with a Closing Disclosure with your final loan terms and closing costs for your review. Closing costs for the buyer typically range from 2-5% of the purchase price, including lender fees, title insurance, and HOA dues, if applicable.

## *Final Walk Through*

Within 24 hours of closing, we will do a final walk-through of the home before signing the final paperwork. This last step is to verify that no damage has been done to the property since the inspection, that any agreed upon repairs have been completed, and that nothing from the purchase agreement has been removed from the home.

# Closing Day

*You Made It To Closing*

*Closing is the final step of the buying process.*

On the day of closing you'll be going over and signing the final paperwork, and submitting a cashier's check (or previously arranged wire transfer) to pay the remaining down payment and closing costs.

*Property Ownership is then officially transferred from the seller to the buyer.*

## Items To Bring To Closing

- ✓ Government Issued Photo ID
- ✓ Homeowner's Insurance Certificate
- ✓ Certified Funds or Cashier's Check
- ✓ Final Purchase Agreement

# Tulare County Utility Guide

*Information To Help You Get Settled*

## Gas & Electric Companies

Southern California Edison (800) 655-4555  
The Gas Company (877) 238-0092  
Pacific Gas & Electric (800) 743-5000

## Water/Sewer/Recycling

California Water Service (559) 624-1600  
Visalia Public Work Solid Waste (559) 713-4500  
Tulare County Recycling (559) 741-1766  
Exeter Public Works (559) 592-3318  
Farmersville City Hall (559) 747-0458

## Phone/News/Cable TV

AT&T (800) 288-2020  
Verizon (800)-256-4646  
AT&T U-verse TV (800) 288-2020  
Direct TV (888) 866-3008  
Dish Network (800) 200-1308  
Xfinity Comcast (209) 624-1607

## Phone/News/Cable TV

City of Exeter (559) 592-3710  
City of Farmersville (559) 747-0458  
City of Porterville (559) 782-7499  
City of Tulare (559) 684-4320

## Law Enforcement

Exeter Police Dept. (559) 592-3710  
Farmersville Police (559) 747-0321  
Porterville Police (559) 782-7426  
Tulare Police (559) 684-4238  
Visalia Police (559) 734-8116  
Woodlake Police (559) 564-3346  
California Highway Patrol (559) 7346767  
Tulare County Sheriff's Office (559) 733-6211

## Fire Department

Exeter Fire Dept. (559) 592-3714  
Porterville Fire Dept. (559) 782-7526  
Tulare Fire Dept. (559) 684-4300  
Visalia Fire Dept. (559) 622-7600  
Woodlake Fire Dept. (559) 564-2181

## Medical Services

Kaweah Delta Health Care (559) 624-2000  
Sierra View Dist. Hospital (559) 784-1110  
Tulare Regional Medical Center (559) 688-0821

## Public Offices

CA Dept of Motor Vehicles (800) 777-0133  
Tulare County Library (559) 713-2700  
Visalia Chamber of Commerce (559) 734-5876  
Visalia City Hall (559) 713-4312  
Visalia Post Office (559) 7322237

# Success Stories

*Here is What Are Clients Are Saying*

“

Jacob has been wonderful to work with while buying a home. He answered our questions and was quick to schedule house viewings. He did not pressure or rush us during this process. I felt like he had our back during this process. He was great at explaining the contract and addressing our concerns.

*-Lindie*



”



“

Blake did a wonderful job at helping us get our home. He was very attentive and always there to answer any questions we had. Very quick responses and made sure all the other moving parts were in order even though it was his job. Anything we needed or asked he was right there to help and guide us through our first home.

*-Ryan*



”

“

Blake had a huge impact on the success of us purchasing our home. When communication broke down during the process, it was Blake's tenacity, experience, and knowledge that kept the process moving. I firmly believe that it was his tireless effort that made our dream a reality

*-Dave*



”



# Representation Commitment

**Date:** \_\_\_\_\_

**Buyer Name(s) Printed:** \_\_\_\_\_

**Pre-approval Information:** \_\_\_\_\_

This letter is to provide notice of my intent to allow The Shawn Team to represent me in my Real Estate Transaction and can begin the home-buying process. I understand that the required buyer representation paperwork will be sent to me via email within 24-48 hours for completion.

---

**Buyer Signature**

**Date**

---

**Buyer Signature**

**Date**

---

**Agent Signature**

**Date**

# Buyer's Profile

## Contact Information:

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone Numbers: (C) \_\_\_\_\_ (H) \_\_\_\_\_

## Financial Information:

Type(s) of Down Payment (\$5,000, \$10,000, \$25,000, \$50,000 \$100,000):

\_\_\_\_\_

Lender Information: \_\_\_\_\_

Price Range: \_\_\_\_\_

## Desired Property Characteristics:

Areas: \_\_\_\_\_

Bedrooms: \_\_\_\_\_ Baths: \_\_\_\_\_ SQ ft: \_\_\_\_\_

School District: \_\_\_\_\_

## Notes:

\_\_\_\_\_

\_\_\_\_\_