

BUYERS GUIDE TO A NEW HOME



ACCEL
REALTY PARTNERS

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Congratulations!

The decision to buy your own home is an exciting one. And the first step to the “American Dream of Homeownership” The experience should be enjoyable as well as get you the perfect home with the least amount of hassle. Thank you for the opportunity to let me represent you in this very important time in your life. I am dedicated to using my valuable experience to assisting you toward a successful closing of your new home!

Purchasing a home is a very important decision. I would like to help you with honest, accurate information so you can make well-informed decisions regarding the purchase of your home. I think of all of my clients as individuals with specific needs, no two are alike!

Now is absolutely the best time to be a buyer! Interest rates are at a historic lows. Expect us to help you shop for the best mortgage rates and services provided by our preferred lending associates.. Sellers are still negotiable and are cooperating to do what it takes to sell their home. The first big step to purchasing a home is to select the right Realtor to effectively and profitably represent your best interests.

This guide will give you an idea of what to expect during each phase of your transaction. It also contains reference pages, note pages, deadline information, and more. It will be useful as a reference guide even after the transaction is closed. Please keep this guide for your convenience as we find your dream home ... I look forward to being part of that journey!



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Enclosed Please Find:

The Home Buying Process

Preparing for the Lender

Do's and Don'ts During the Loan Process

Mortgage Preapproval Myths

Questions to ask your Realtor

Buyer Plan of Action

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Why do you need a Realtor?



A REALTOR brings a wealth of knowledge and experience to the business of buying a home. In fact, a licensed real estate professional provides much more than the service of helping you find the home of your dreams. REALTORS are not just sales agents. They are expert negotiators, and superb navigators around the local neighborhood. They are members of the National Association of Realtors (NAR) and must abide by a Code of Ethics and Standards of Practice enforced by the NAR. A professional REALTOR is your best resource when deciding to buy a home.

Let Me Be Your Guide —

Working with a real estate agent can save you endless amounts of time, money and frustration. I know the housing market inside and out and can help you avoid many a “wild goose chase.” I can help you with any house even if it is listed elsewhere, or is being sold by the owner directly.

I know the best lenders in the area! I can help you get pre-qualified for a mortgage and can discuss down payments, closing costs, and monthly payment options.

I am experienced at presenting your offer to the homeowner and can help you through the process of negotiating the best price. I bring objectivity to the buying transaction, and can point out advantages and disadvantages of a particular property.

And the BEST thing is that all the help normally won't cost you a cent. Generally, the seller pays the commission to REALTORS. However, that doesn't affect my dedication or the spirit of teamwork that I will put into helping you find and buy the home of your dreams.

Step by Step...The Buying Process

Find a Realtor you can trust:

In the home buying process it is very important to find an experienced REALTOR that you can trust and sign a Buyer's Agent Agreement. This guarantees, by the laws of the state, that your needs are met professionally and represented throughout the entire process of buying your home.

Looking for a home:

Your next step is to look at various homes. My experienced team is available at anytime to help you find your dream HOME.

- How long are you planning on living in your next home?
- How much can you afford?
- What kind of loan will be the best for you? FHA? Conventional? VA?
- Make sure your credit is in good shape.
- What kind of home do you want? (Single Level, Two Story, Acreage?)

Your Offer:

When you find your dream home, you should present a competitive offer immediately. I have extensive experience in contract negotiations. I will ensure you get just what you want for a fair price – a transaction in your best interest.

The Contract:

When the seller accepts your offer, you go "under contract." You want to make sure every detail is handled accurately and immediately. I will ensure your home closes properly and on time.

The Escrow Process:

Final details are handled and inspections are performed to ensure the property is "perfect" for you. Contract details are further negotiated, and disclosures are reviewed. Then we order an appraisal, secure financing, and head to closing!

Now it is YOURS!

Be prepared to bring a certified check and identification to the closing procedure – the next steps you will take will be over the threshold of your new home! During this step, you will have a final walk through of your home and can begin changing over utilities.

Real Estate Brokerage Relationships

IN IDAHO,

Real Estate brokers and their salespersons are required to disclose the type of working relationship they have with the buyers in a real estate transaction. There are several types of relationships that are available to you. You should understand these at the time a broker provides specific assistance to you in buying real estate. Buyer's Agent and Seller's Agent relationships are commonly referred to as "agency" relationships and carry with them legal duties and responsibilities for the broker as well as for the buyer and seller.

BUYER'S AGENT

A Buyer's Agent acts solely on behalf of the buyer and owes duties to the buyer, which includes the utmost good faith, loyalty, and fidelity. The agent will negotiate on behalf of, and act as an advocate for the buyer. The agent must disclose to sellers all adverse material facts concerning the buyer's financial ability to perform the terms of the transaction and whether the buyer intends to occupy the property. A separate written buyer's agreement is required which sets forth the duties and obligations of the parties.

SELLER'S AGENT

A Seller's Agent acts solely on behalf of the seller and owes duties to the seller which includes the utmost good faith, loyalty, and fidelity. The agent will negotiate on behalf of, and act as an advocate for the seller. The agent must disclose to buyers or tenants all adverse material facts about the property known by the broker. A separate written listing agreement is required which sets forth the duties and obligations of the parties.

The Advantages of a Buyer's Agency Agreement



YOUR INTERESTS ARE PROFESSIONALLY REPRESENTED —

Enlisting the services of a professional Buyer's Agent is similar to using an accountant to help you with your taxes, a doctor to help you with your health care, or a mechanic to help you with your car. So, the first advantage is pretty obvious. If you had the time to devote to learning all you need to know about accounting, medicine, and automotive mechanics, you could do these services yourself. But who has the time? You probably already have a full-time career to which you are committed. This is why you allow other professionals to help you in specific areas of expertise.

I have devoted my time to perfecting a career in real estate service. Continuous education, market research, and vast experience are combined with an excellent team of real estate professionals to find you the perfect home quickly. Our team will take care of all the hassles of every day real estate transactions for you. We let you concentrate on your full-time job, while we do ours. I will guide you through the home buying process and exclusively represent your interests as we help you find a home, present your contract offer, negotiate, and close!

YOU WILL GET A GREAT HOME QUICKLY AND CONVENIENTLY —

The advantage to signing a Buyer's Agency Agreement with me is that you will have a professional working to find and secure the perfect home for you exactly when you need it. It is nearly impossible to find a home that meets your needs, get a contract negotiated, and close the transaction without an experienced consultant. I have vast computer networks to make sure you only tour homes that meet your specific needs. You won't need to spend endless evenings and weekends driving around looking for homes for sale or trying to search computer networks yourself. When you tour homes with me, you will already know that the homes meet your criteria for bedrooms, bathrooms, garage space, square footage, neighborhood, etc. Also, I will ensure you are looking at homes that are in the price range YOU desire.

YOU GET A PERSONAL SPECIALIST WHO KNOWS YOUR NEEDS —

Just as your accountant, doctor, and mechanic get to know your needs through a steady relationship, I will get to know your real estate needs and concerns. The type of relationship is built by open communication at all times and by touring homes with me so that I get a good idea of your feedback and concerns about each home. If you try to jump from agent to agent, you will not receive the best real estate services possible, and you will be violating your agreement to me. There is nothing to gain from trying to find and tour homes on your own, and you will save a lot of time when I can tell you everything about any home before you see it.

WHAT IS THE BUYER'S AGENCY AGREEMENT —

Entering into a Buyer's Agency Agreement has countless advantages and no disadvantages. When you sign the agreement, you are simply agreeing to "hire" a personal representative who, by law, must represent your best interests to the best of their ability. All of our personal service is available at absolutely NO COST TO YOU! With me, you get a professional devoted to protecting your needs to help you make one of the most important investment decisions of your life — and you don't even have to pay the fee!

Preparing for the Lender

Personal Information

- Full names of all purchasers as they are to appear on title.
- Social security numbers of all purchasers.
- Present residence address for all purchasers.
- Previous address of all purchasers going back two years if they have not resided in the present home for two years.
- Home, office, and cell phone numbers.

Employment Information

- Present Employer: Name, address, and a contact person to send employment verification form.
- Explanation for any gap during two-year history.
- Relocation letter for any transferees—giving date, salary, new location, and any relocation benefits.
- Previous Employer: name, address, and a contact person, going back two years if not in present job for two years.
- Present Salary: Year to date pay stub and last two years W-2's and/or 1099's.
- If self-employed: Two years' signed federal tax returns and corporate returns (if applicable.) Also, a profit and loss statement and balance sheet.
- Diploma or transcript if student during two-year period.

Other Income

- Rental Income: Copy of a lease which is current and at least one year in length.
- Alimony and Child Support (only if used for qualification): Copy of divorce decree and property settlement (ratified) setting out terms. Proof of payment will also be requested at application.
- Income from Notes Held: A copy of the ratified note.
- Retirement, Social Security, and Disability Income: Copy of award letter and latest check showing amount of present payment. Copy of end of year statement if applicable.

Preparing for the Lender (continued)

Assets

- Bank Accounts: Name of bank, account numbers, types of accounts, and present balances. With checking, use average balances.
- Copy of two most recent statements of all accounts.
- Stocks and Bonds: Copy of certificates or copy of recent (within 30 days) broker statement listing the holdings.
- Life Insurance: Cash value, only if being used for a down payment.
- Vehicles: Year, make, and value. Copy of title if under 4 years old with no outstanding lien.
- Real Estate: Address and Market Value. If free and clear, deed of release, deed or mortgage payoff.
- Present Home: Copy of sales contract, settlement sheet, &/or lease.
- Gift Letter: From will be provided by financial representative. Donor capacity must be verified. Receipt of funds must be shown in account.

Liabilities

- Credit Cards: Account numbers and outstanding balances.
- Loans (Auto, Mortgage, Personal, Student, etc.): Name of institution, address, account numbers, outstanding balances, monthly payments, months left on the loan. Copy of next payment coupon. 12 months' statements or cancelled checks for present mortgage.
- Alimony and Child Support: Copy of Ratified Decree and property settlement setting out terms.

VA Loans

- Certificate of Eligibility: To obtain certificate, you will need a DD-214 (Separation of Service) or if in the Service, you will need a statement of service signed by Commanding Officer or Personnel Officer (certificate must be updated prior to application.)
- If in service, you will need Authorization to Live Off Base (DD-1717 from Housing Office) & Transfer Orders (if applicable.)

Will Mortgage Pre-Approvals Hurt My Credit Score?

This is a very common myth most buyers have regarding getting preapproved. Getting preapproved is 100% a benefit to you as the buyer because it will give you the confidence to write offers and prevent any heart ache down the road. In a competitive market like ours a good agent and a smart seller will not even consider looking at a financed offer without a preapproval letter.

Credit Bureau Scoring

Credit bureaus use a subtle formula (that they don't publicize) to crunch your credit history down to a single credit score. One of the things that can cost you points on your credit score is to have a bunch of inquiries coming in very close to each other. So, should you worry about what mortgage pre-approvals will do to your credit reports? Probably not. The "ding" for one inquiry is very small.

The most a single inquiry on your credit report will cost you is five points. Often your score, which can range from 300 to 850, will suffer even less than that. Unless you are seeking a new mortgage and are right in the cusp between a good credit score and a fair credit score, five points shouldn't make any difference in your loan terms.

Making the Mortgage Process Easier

All of the credit bureaus understand the complexity & timing of getting a mortgage. Therefore, they have instituted measures to avoid reflecting pre-approval inquiries on credit reports, to a certain degree. For instance, if you are shopping around for the best rate, and several mortgage companies make credit inquiries about you within 45 days of each other, all of those inquiries will be bundled into a single event with a miniscule effect on your credit report. In addition, your credit report does not include any credit inquiries made within 30 days prior to your loan application. It is, therefore, nearly impossible that the mortgage process of preapproval will cause enough damage to your credit score to hurt your mortgage terms. Don't worry if your real estate agent asks to see your letter of pre-approval.

Getting pre-approved for the mortgage you want won't hurt you!

And it will make it easier to get an acceptance of an offer.

How Much Home Can You Afford?



When you are ready to begin looking at various houses to find your dream home, you need to prepare all of the necessary materials to present to the lender. Your lender will tell you exactly what you can afford so that you do not spend time looking at "too much" home. There are three key factors that you will need to consider when determining how much home you can afford. These are:

- 1.) **The down payment.**
- 2.) **Your ability to qualify for a mortgage.**
- 3.) **The closing costs associated with your transaction.**

Down Payment Requirements:

Most loans today require a down payment of between 3.5 & 5.0% depending on the type and terms of the loan. If you can come up with 20-25% down payment, you may be eligible to take advantage of special fast-track programs and possibly eliminate mortgage insurance. It is often thought that bigger is better when it comes to down payments. In many cases, that may be true. However, the arithmetic will differ from case to case. A bigger down payment means smaller monthly payments and lower interest expense for as long as you remain with a mortgage. There can be an important factor for many people. But if you can put your available funds to work for you so that they can earn more than the interest rate on your loan, you could be dollars ahead with a smaller down payment. Also, a smaller down payment may allow you to keep extra cash liquid and available for an emergency.

Closing Costs:

Don't forget to think ahead carefully. In addition to the down payment on your dream home, you will be required to pay fees for loan processing and other closing costs. These fees must be paid in full in cash at the time of the final settlement, unless you are able to include these in your financing. Typically, total closing costs will range between 2-5% of your mortgage loan. A more detailed schedule will be included in both your pre-qualification and final closing documents.

Qualifying for the Mortgage:

Most lenders require that your monthly payment range between 25-28% of your gross monthly income. Your mortgage payment to the lender includes four items.... the PITI. These items are discussed in detail on the page entitled, "Predicting Your Monthly Payment (The PITI)." Remember, when you buy a home all interest is tax deductible, so you will qualify for a major tax advantage that will effectively increase your take-home pay. Your total monthly PITI and all debts (from installments to revolving charge accounts) should range between 33-41% of your gross monthly income. There is a general rule of thumb, but other key factors specifically determine your ability for a home loan. These factors are:

INCOME: History of employment, stability of income, potential for future earning, education, vocational training and background, and any secondary income such as bonuses, commissions, child support, etc.

CREDIT REPORT: History of debt repayment, total outstanding debt and total available credit. If you have concerns about your credit report, consider contacting one of the major credit bureaus for a copy of your file: TRW (1-800-4224879), Trans Union (1-602-933-1200), and CSC Credit (1-800-759-5979).

ASSETS: Cash on hand, other liquid assets such as savings, checking, CDs, stocks, etc.

PROPERTY VALUE: The home you are buying must be appraised to determine that it has adequate value and is marketable to ensure it will secure the loan.

PREDICTING YOUR PAYMENT (PITI)

Your monthly payment (**PITI**) is the sum of four items – the principal on the loan (**P**), the interest on the loan (**I**), property taxes (**T**), and homeowner's insurance (**I**). To predict your monthly payment for a 30-year fixed rate loan, use the following table to determine the principal and interest part of the payment. Simply divide the loan amount by 1,000 and then multiply that figure by the appropriate interest rate factor from the table below. To that sum add 1/12th of the amount of your yearly taxes and 1/12th the amount of your yearly insurance. Sometimes your lender will also collect for the HOA (if any) and this will be added to the total monthly payment.

For example: If your mortgage loan amount is \$150,000 and the interest rate is 5%, your monthly "PI" would be:

$$\begin{aligned} \frac{\$150,000}{1,000} &= 150 \\ 150 \times 5\% &= \$750.00 \end{aligned}$$

Then add your monthly insurance premium (approximately \$25-\$75) and your property tax to your principal and interest and there is your monthly payment.

All property owners must pay general real estate taxes. These taxes are also called "ad value" taxes because the amount of the taxes varies, according to the value of your property. General real estate is levied for the operations of various governmental agencies and municipalities. Other taxing bodies may include school districts, drainage, water, sanitary, and recreation districts.

Each agency or municipality determines how much money is needed for the budget. They receive these funds through mills levied against properties in their counties. The state limits how much the mill levy can increase each year without voter approval. Each mill is equal to one-thousandth of one dollar (\$.001) of assessed value or \$1 for every \$1,000 of assessed value.

The actual tax is calculated by multiplying the assessed value by the current mill levy. General taxes are a lien against your home as of January 1st, the year of the tax, even though they are not due until the following year.

Properties are valued or assessed by the county assessor. The land and buildings are usually assessed separately. The assessed value is approximately 12-15% of the true value (percentage value is determined by state law). If an owner feels the assessed value of their property is incorrect, they can present their objection through the local taxing authority on an annual basis.



THE Do's & DO NOT's during the loan process

There are certain "Do's and Don'ts" which may affect the outcome of your loan request. These remain in effect before, during, and after loan approval up until the time of settlement when your loan is funded and recorded. Many times credit, income, and assets are verified the hour before you have signed your final loan documents. Below is a list you should comply with to help ensure a smooth closing.

Make sure that you do not do anything that may alter your credit and may risk you obtaining your loan. Also, these things may put you in default of your sales contract, may put your escrow deposit at risk, and may put you at risk of being sued.

DO NOT quit your job or change jobs. If this is likely, consult with your loan officer and call our office.

DO NOT allow anyone to make an inquiry on your credit report except for your lender. This causes more "hits" on your credit rating which can reduce your credit score.

DO NOT change bank accounts or transfer money within your existing accounts.

DO NOT cosign for anyone, for anything, for any reason.

DO NOT purchase or attempt to purchase anything else on credit, such as another car, truck, boat, furniture, or any other real estate.

DO NOT charge any abnormal amounts to your current credit cards or credit lines.

DO NOT send in late payments, or incur late fees for anything.

DO NOT wait longer than the time frame given per your contract to provide all necessary paperwork and information to your lender when requested.

MAKE SURE THAT YOU DO:

- DO** keep all accounts current, including mortgages, car loans, credit cards, etc.
- DO** contact both your lender and your sales associates anytime a question may arise.
- DO** make all payments on or before their due dates on all accounts, even if the account is being paid off with your new loan.
- DO** have any lender-required money/funds to your loan officer within 72 hours after home inspection is complete.
- DO** return phone calls from your agent, loan officer, settlement company, or anyone else involved in your transaction within 2 hours of a message, if you can to keep things always moving forward.

How Do I Rate?

Most credit scores – including the FICO and Vantage – operate within the range of 300 to 850. Within that range, there are different categories, from bad to excellent. They generally look like this:

Considered EXCELLENT is	750 and above score
GOOD Credit	700-749
FAIR Credit	650-699
POOR Credit	600-649
BAD Credit	Below 600

There are however all types of loan programs, from VA which gives more flexibility in the credit score to FHA and Special loan programs that consider even high risk or poor credit scores, but apply different rates and Mortgage Insurance premiums depending on your score.

So, it's always best to at least get yourself qualified by one of our prime lending affiliates to see what kind of house purchase loan you can get to start you on your path to home ownership.

What type of transaction is this?

Navigating this market can be very complex at times. In your search for a home you mostly come across three types of sellers. Each one will have different escrow timeframes, negotiation styles, pricing strategies, and timeframes for accepting your offer. Without knowing the different characteristics of the different types of sellers it can be very frustrating out there as a buyer.

Traditional Sales:

These are sellers who have equity in their homes and are looking to close escrow in 30-45 days. When writing an offer in a traditional sale your agent will usually negotiate directly with the seller or through the seller's agent.

Short Sales:

These are sellers who owe more than what they can currently sell their home for and therefore have to negotiate with their bank to receive a lesser amount. Typically, the negotiation process with the bank can take 4-9 months to get an offer approved and the price is subject to change at this time. There is also a chance that the bank will reject the seller's request for a short sale and instead foreclose on it.

Foreclosures:

These are homes which have been foreclosed on and taken back by the bank, also known as REO's (Real Estate Owned) or "bank owned." Like the traditional sale, the bank will want to close escrow within 30 days upon accepting your offer. The banks are motivated to sell these homes quickly and will typically price them slightly below market value to get multiple offers and create a bidding war to drive the price up. Even though you may pay over the asking prices these can still be great values.

Five Items We Negotiate with CARE



1. **Price**
2. **Terms**
3. **Inclusions**
4. **Possession**
5. **Contingencies**

We'll work through all of these together!

That's My Commitment to You!

What to Expect when Writing an Offer

Here are some things to consider to ensure your offer gets accepted:

- What type of sale is it?
Foreclosure, Short Sale, Traditional Sale and what type of loan will I need, if any?
- Is it priced right for the market?
What is the buyer activity?
Are there offers on the home?
What other homes are for sale in the neighborhood?
What has sold recently in the area?
How long has it been on the market?
- What is the seller's motivation?
Are they price driven or are there other terms that are important to them?
How long of an escrow are they looking for?
- Do you need concessions for closing costs?
Closing costs such as title, escrow, and lender fees usually cost between 1 and 3% of the sales price.
- Are there multiple offers on the property?
This is not uncommon for the homes priced right for the market and in great condition.
Often times the seller will ask for your "highest and best" offer. In other words, what is the highest price you will offer that if another buyer offered more you would not have any regrets because you gave it your best shot?

What to Expect From This Market

Housing supply is tight in most cities across the United States, but that does not mean that every market is a seller's market.

What is a Buyer's Market?

If you are a buyer looking to purchase a home in a buyer's real estate market, this is the best financial market in which to buy.

Why? Because there are more homes available for sale than buyers to purchase them. Buyers have more homes to choose among, which increases the odds a buyer will find that perfect home.

Signs of a Buyer's Market

- Inventory is high as compared to previous months / years.
- More than six months of inventory is on the market.
- Comparable sale prices are higher than active listing prices.
- Fewer buyers are purchasing, resulting in lower closed sale numbers.
- Median sales prices are declining.
- Real estate ads are getting bigger.
- For Sale signs are staying up longer, resulting in longer DOM.

What is a Seller's Market?

If you are a home owner who wants to sell a house in a seller's real estate market, this is the best financial market in which to sell. Why? Because there are more buyers than available houses to buy.

In a hot real estate market, serious buyers are often willing to pay more than list price. This means you can probably sell your home quickly and quite possibly for more than you ask for it. If your market is sizzling hot, you might be able to demand that buyers waive appraisals and inspections, although it's always a good idea to let a buyer have a home inspection. Moreover, without waiving the right in writing, federal law says you must give a buyer 10 days to inspect for lead paint.

Signs of a Seller's Market

- Inventory is very low as compared to previous months / years.
- Less than six months of inventory is on the market.
- Comparable sale prices are lower than active listing prices.
- More buyers are purchasing, resulting in higher closed sale numbers.
- Median sales prices are increasing.
- Real estate ads are getting smaller.
- For Sale signs are up for a few days before a pending or sold

Using a REALTOR® to Purchase a New Home



Why should I use a REALTOR® to purchase a new home?

The advantages of having me help you purchase a new home are the same as those for purchasing a resale home...knowledge of the market, help in finding the perfect home quickly, expertise in contract writing/negotiation, and closing assistance. The builder has a professional representative watching out for his/her needs, and you need the same expert representation.

Buying a new home is a little more difficult and time-consuming than buying a resale. I can professionally guide you through their process. I have experience working with builders and have access to a database of information about subdivisions, floor plans, etc. I am also familiar with new home warranties and builders purchase contracts.

It is very important that your interests be professionally represented when you are entering into a contract for a semi-custom or build-to-suit home. These transactions are complex and the contract details must be exact in order to protect you and to ensure you get exactly the home you want!

Is there any advantage to not using a REALTOR® to purchase a new home?

No. There is no financial advantage for you to buy directly from the builder. Builders have a "single-price" policy, meaning you will be charged the same price whether your interests are represented by a REALTOR® or not. Just as in any resale, the Seller pays your REALTOR's fee.

REMEMBER – If shopping for New Construction home, the Builder requires that your REALTOR® accompany you on your first visit to the Builder's sales office, or they will NOT PAY your buyer representative's fee!

Buyer Questionnaire

Contact Information:

Name: _____

Address: _____

Phone Numbers (Cell) _____ (Home) _____

Email Address: _____

FHA VA Conventional Cash Down Payment _____

Lender Info: _____

Price Range: _____

Areas: _____

Bedrooms: _____ Baths: _____ Sqft: _____

School District: _____

Notes: _____

Loan Application Checklist

This summary list is a summary guideline only-This guideline will just get you started on what to bring to your lender appointment.

General:

- Picture ID with social security number of borrower and co-borrowers.
- Payment to cover the application fee.
- Name and complete address of all landlords for the past two years.

Income:

- Employment history for the past two years including names, addresses, phone numbers, and length of time with company.
- Copies of your most recent pay stubs and W-2 forms (past two years).
- Verification of other income (social security, child support, retirement).
- If self-employed, you need copies of the past two years signed tax returns including all schedules, and a signed profit and loss statement of the current year.
- Retirees need tax returns for the past two years.
- If you have rental property income, bring a copy of all lease agreements.

Assets:

- Copies of all bank and credit union statements for the past three months.
- Copies of all stock/bond certificates and/or the past three statements from all investment and retirement accounts.
- Prepare a list of household items and their values.
- Copies of title documents for all automobiles, boats, motorcycles, etc.
- Face amount, monthly premiums and cash values of all life insurance policies.

(Cash value may be used for closing costs or down payments. You need documentation from the carrier indicating cash value).

Creditors:

- Credit cards (account numbers, current balances, and monthly payments).
- Installment loans (car, student, etc.) Same details as for credit cards.
- Mortgage loans (property address, lender with address, account numbers, monthly payment and balance owed on all properties presently owned or sold within the last two years).
- Bring proof of sale of properties sold.
- Child care expense/support (name, address, and phone number).

Other:

- Bankruptcy – bring discharge and schedule of creditors.
- Adverse credit – bring letters of explanation.
- Divorce – bring Divorce Decrees, property settlements, quit claim deeds, modifications, etc. for all divorces by yourself or your spouse.
- VA only – bring Form DD214 and Certificate of Eligibility.
- Retirees – bring retirement and/or Social Security Award Letter.



Home Warranty Protection

New Home Warranties



**We've Got
You Covered.**

When you purchase a newly built home, the builder usually offers some sort of full or limited warranty on things such as the quality of design, materials, and workmanship. These warranties are usually for a period of one-year from the purchase of the home.

At closing, the builder will assign to you the manufacturer's warranties that were provided to the builder for materials, appliances, fixtures, etc. For example, if your dishwasher were to become faulty within one year from the purchase of your newly built home, you would call the manufacturer of the dishwasher – not the builder.

If the homebuilder does not offer a warranty, BE SURE TO ASK WHY!

Resale Home Warranties

When you purchase a resale home, you can purchase warranties that will protect you against most ordinary flaws & breakdowns for at least the first year of occupancy. The warranty may be offered by the Seller as part of her overall package or by some REALTORS who have access to programs that will ensure the buyer against any defects in the home. Even with a warranty, you should have the home carefully inspected before you purchase it.

A home warranty program will give you peace of mind, knowing that the major covered components in your home will be repaired if necessary.

Ask me for more details about how to get a FREE home warranty package.

WARRANTY INFORMATION

Company Name: _____	Contact: _____
Address: _____ _____	Phone: _____
Policy #: _____	Fax: _____
Coverage: _____	Policy Value: _____
	Duration: _____

How to Choose a Good Inspection Company



Is an inspection necessary?

You have the right to request an inspection of any property you are thinking of purchasing by a professional inspector of your choice. You should always exercise your option to have the physical condition of the property and its inclusions inspected. Many of the more severe and expensive problems such as mechanical, electrical, structural, and plumbing are not noticeable to the untrained eye. If repairs are needed, negotiate these in your contract offer. A professionally conducted home inspection followed by a written evaluation is becoming standard procedure in home buying because of increased buyer awareness and savvy.

Are inspectors licensed?

Since an increasing number of buyers are requesting property inspections, there has been a rapid increase in the number of people entering the inspection field. It is recommended that you hire an inspector who has been through rigorous training and has extensive experience. Ask for an ASHI (American Society of Home Inspectors) home inspector to get the more thorough and extensive inspection of your prospective home.

What does an inspection entail?

A qualified inspector will follow Standards of Practice in conducting their inspection. The inspection consists of a physical inspection of the home followed by a written report detailing their findings. They report on the general condition of the home's electrical, heating, and air systems, interior plumbing, roof, visible insulation, walls, ceilings, floors, windows, doors, foundation, and visible structure. The inspection is not designed to criticize every minor problem or defect in the home. No home is perfect. It is intended to report on major damage or serious problems that require repair for the wellbeing of the home and that might require significant expense.

More Inspection Information...

Buyer education is necessary —

The primary purpose of the inspection is to educate the buyer to make an informed purchasing decision. The inspector should allow and even encourage the buyer to attend the home inspection. A good home inspector knows how the home's many systems and components work together and how to minimize the damaging effects of sun and water. The buyer's attendance of the inspection provides them with an over all idea of possible future repair costs and maintenance routines. There is valuable information, which could increase the life span, and perhaps the future selling price of the home.

Continuing education is important for inspectors —

A competent home inspector is familiar with the latest construction materials, home building techniques, and professional equipment. Consumers should research whether prospective home inspectors actively monitor the changes in construction and real estate in order to keep their business practices current and professional. Members must meet annual continuing education requirements for their purpose.

Time and fee guidelines for the inspection —

The time necessary to properly inspect a home, as well as the fee charged by an inspector, varies according to market location, the size and age of the home, and the individual inspection company. However, you can expect that it will take an average of two to three hours to competently inspect a typical one-family, three-bedroom home, with an average cost of \$275 to \$400.

Beware of false claims —

Consumers must be cautious in evaluating some of the claims made by people hoping to fill the growing demand for home inspection services. Many new companies request only an application fee. Some claim to offer certification but do not require exams or proven credentials. Still others boast engineering licenses as assurance of competence, even though the engineering license has nothing to do with home inspecting.

Inspection extras —

Some inspectors may be qualified to provide other types of services with their inspection that go beyond the scope of the ASHI standards.

Now We CLOSE Your Transaction!

What is a Real Estate “Closing?”

A “closing” is the meeting the Buyer, Seller, and their agents, and representative from the lending institution (optional), and title company wherein the actual transfer of title to the property occurs. The purchase agreement or contract you have signed describes the property, states the purchase price and terms, sets forth the method of payment, and usually names the date and place where the closing or actual transfer of the property title and keys will occur. This meeting is also referred to as the settlement.

The title company transferring ownership of the property to you will prepare a new deed. Your lender will require you to sign a document, usually a promissory note, as evidence that you are personally responsible for repaying the loan. You will also sign a mortgage or deed of trust on the property as security to the lender for the loan. The mortgage or deed of trust gives the lender the right to sell the property if you fail to make the payments. Before you exchange these papers, the property may be surveyed, appraised, or inspected, and the ownership of title will be checked in county and court records.

What Should I do to Prepare for the Closing?

As previously mentioned, you should have already conducted any inspections, etc. you wish to have done on the property.

There are two kinds of title insurance. A lender or mortgagee’s title insurance policy protects only the lending institution. Lenders require this type of insurance and require the borrower to pay for it. That does not mean that the borrower will receive its protection. An owner’s policy is necessary to protect the owner against loss.

You will also be required to pay all fees and closing costs in the form of “guaranteed funds” such as a Cashier’s Check. You will be notified of the exact amount by your agent or escrow officer at closing or slightly before.

What is an Escrow Account?

An escrow account is a neutral depository for funds that will be used to pay expenses incurred by the property, such as taxes, assessments, property insurance, or mortgage insurance premiums which fall due in the future. You will pay one-twelfth of the annual amount of these bills each month with your regular mortgage payment. When the bills fall due, they are paid by the lender from the special account. At closing, it may be necessary to pay enough into the account to cover these amounts for several months so that funds will be available to pay the bills as they fall due. You may also be required to refund items prepaid by the Seller. For example, if the Seller has paid the special assessments or taxes for that year, you may be required to refund the value of the months remaining in the year when you take possession of the property. An escrow fee is usually charged to set up the account.

WE'RE MOVING!

Now that you have a new address, send out all your change of address notices.

Complete your Change of Address notices and mail them to the following. Keep in mind that the post office will forward your mail for 30 days but they do expect that you are sending notices to everyone who sends you mail.

- Post Office
- Friends and relatives
- Magazine and mail order subscriptions
- Clubs, social or civic organizations with mailings
- Charge accounts, insurance carriers, and creditors
 - Driver's bureau to receive tag notices
 - Voter Registration officials



Don't forget the needs of your furry friends!

Remember to update your pets name tag information & inform your veterinarian of your new address to assure you don't miss important checkups!

Keep detailed records – some moving expenses are tax deductible!

Keep detailed records of all moving expenses if your move is job related. Many expenses, including house-hunting trips, are tax deductible. If your move is 35 miles or more from your home, you can deduct your family's travel expenses, including meals and lodging; the cost of transporting furniture, other household goods and personal belongings; food and hotel bills for up to 30 days in the new city if you have to wait to move into your new home; and the costs associated with selling your old home or leasing your new home.

Note: There is a ceiling on deductions which is outlined in detail in the IRS's Publication 521, "Tax Information on Moving Expenses," available free from the IRS offices.

When you close on your new home, you should complete the following:

Ask your bank about electronically transferring your funds to a bank in your new area. Discuss branch options and arrange for check cashing in your new location.

Close out your safety deposit box.

Obtain travelers checks for traveling funds and for funds while you are settling into your new location.

Ask your insurance agent to transfer coverage to your new home. Make sure all coverage (life, health, automobile, personal belongings, etc.) is in force while you are en route.

Schedule a moving company to assist you or begin notifying people who are helping you of your planned move date.

Begin depleting your store of canned and frozen foods. Defrost your freezer and use charcoal to dispel odors.

Now that you have a new address, you can begin transferring or canceling home services:

Electric , Gas and Water

Telephone

Cable/Satellite Television

Trash, Sewer, & Recycling

Make arrangements for canceling home deliveries and services such as the following. Arrange for service at your new address.

- ✓ Newspaper
 - ✓ Cleaning
 - ✓ Diaper Service
 - ✓ Dry Cleaning – Pick up all you have left at the service!!!
 - ✓ Laundry Service
 - ✓ Alarm Company
 - ✓ Maid Service
 - ✓ Gardener
 - ✓ Pool Service
-
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Peach Peterson
Associate Broker, GRI, ePRO

As a founding member of the Associate Brokers Group at ACCEL REALTY PARTNERS , I strive to put your Distinctive Real Estate interests first. As your Lifestyle Property Broker, I take your real estate wants and dreams very seriously and I am able to assist you with the help of my team of affiliates and professionals, most of whom I have worked with for many years.

Following is a roster of the members of the Peachy Lifestyle real estate team.

They will be assisting me to make sure that we stay on top of your real estate process.

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