



RiseGroup

REAL ESTATE

RESOURCE GUIDE

Helping You Navigate the Buying Process

POWERED BY

 RADIUS | AGENT REALTY

Setting the Standard

Rise Group Real Estate Expectations

- Always put the clients' interests first.
- Be up-to-date on the latest real state laws and local issues.
- Do not discriminate against any party based on race, religion, sex, or other legally protected classes.
- Treat you and everyone involved in your transaction with the greatest respect.
- Follow all Multiple Listing Service rules and the Nation Association of Realtors code of ethics.
- Keep you informed promptly and regularly.

In short, our Standards of Practice ensure that the Rise Group Real Estate team hold themselves to an even higher level of competence and accountability. We hope this translates into a more satisfying real estate experience and peace-of-mind for our clients, knowing that doing right by them is our highest priority. If you would like a copy of our Standards of Practice, I would be happy to provide one to you.





How do Realtors® help buyers?

Market Insights

- Provide market overview
- Produce Comparative Market Analysis
- Show what comparable homes are selling for
- Provide relevant neighborhood information on:
 - Schools
 - Parks
 - Dining
 - Recreation
 - Commute times
 - Arts, culture & entertainment

Buyer Needs

- Conduct Buyer Consultation
- Connect buyer with mortgage broker
- Set up customized property search
- Promote needs within office
- Promote needs to sphere of influence showings

Preview Homes

- Schedule showings
- Show homes
- Broker tour

Contracts

- Explain Contract to Buy & Sell
- Explain home inspection reports
- Explain required disclosure documents
- Explain deeds
- Explain title work
- Obtain & review qualification letter

Communication

- Explain the buying process
- Review & arrange financing options
- Guide through the inspection process
- Guide through the appraisal process
- Explain closing procedure
- Schedule & manage vendors
- Track due diligence deadlines
- Recommend providers & coordinate with:
 - Lenders
 - Appraisers
 - Inspectors
 - Title company

Negotiation

- Offer strategy
- Price
- Inspection resolution
- Appraisal resolution
- Title resolution
- Multiple offers
- Seller concessions
- Earnest money
- Inclusions & exclusions
- Conditional sale contingency
- Survey resolution
- Due diligence resolution
- Closing & possession date
- Payment for failed or untimely possession

Buyer's Terms



Earnest Money Deposit

An earnest payment is a specific form of security deposit made in some major transactions such as real estate dealings or required by some official procurement processes to demonstrate that the applicant is serious and willing to demonstrate an earnest of good faith about wanting to complete the transaction. In California, a typical or average earnest money deposit might range from 1% to 3% of the purchase price.

Title Insurance Fee

A one-time premium that a buyer pays for protection against loss or damage in the event of an incorrect search of public records or misinterpretation of title. The title insurance policy also shows what the property is subject to in terms of liens, taxes, encumbrances, deed restrictions and easements.

Escrow Fee

The amount a buyer pays the escrow company or closing agent for preparing papers, accounting for all funds and coordinating the information between all parties involved in the transaction.

Buyer Contingencies

Contingencies are a common occurrence in real estate transactions. They simply mean the sale and purchase of a house will only happen if certain conditions are met. The offer is made and accepted, but either party can bow out if those conditions aren't satisfied.

Seller Disclosures

Seller disclosures are forms disclosing the seller's knowledge of the condition of the property. The seller disclosures do not serve as a substitute for any inspections of warranties the purchaser may wish to obtain.



Credit Report

It's important to check your credit report before you see your lender because:

- Lenders check this to determine the amount of loan you qualify for.
- It allows you to correct any mistakes in the report before lenders see it
- If there are any blemishes in your report that are not errors, you should be prepared to explain them to your lender

You are entitled to one free request each year from each of the three credit bureaus. The best way to do this is to go online to AnnualCreditReport.com.

Credit Score

You may want to check your credit score at the same time you check your credit report (usually for a fee). This score influences how much lenders are willing to loan to you and at what interest rate.

Loan Amount

The amount of the mortgage based on the purchase price, minus the down payment.

Down Payment

Cash that the buyer provides the lender as their portion of the purchase price. The down payment is considered the buyer's equity (or cash investment) in their home.

Closing Costs

A general term for all the estimated charges associated with the transfer of ownership of the property.

Prepaid Interest

The amount of interest due on the loan during the time period between closing of escrow and the first mortgage payment, due at the time of closing.



Piti

The estimated house payment, including principal, interest, taxes and insurance.

Principal and Interest

The loan payment, consisting of the amount to be applied against the balance of the loan, and the interest payment, which is charged for interest on the loan.

Preapproval

A letter of preapproval from a lender shows that they have checked all your documentation and are prepared to make you a loan. Getting preapproved prior to starting your home search saves you time by:

- Keeping you focused on viewing only the homes that are within your budget
- Helping you obtain your financing more quickly once you find a house you want to buy

Premium Mortgage Insurance (PMI)

Insurance for the lender, to cover potential losses if the borrower defaults on the loan.

Frequently Asked Questions

How does my offer get presented to the seller?

In today's electronic world, offers are sent via email to the seller's agent. I will call the agent to let them know it's coming and tell them a little bit about you and the details of your offer. Then I will follow up with the agent again to confirm receipt of your offer.

Does it cost me money to make an offer?

When you write the offer on the home you've chosen, you will be expected to include an earnest money deposit. The deposit is a sign of your good faith that you are seriously interested in buying the home.

Where does my earnest money go?

Once the buyer and seller have a mutually accepted offer, the earnest money is deposited into a trust account. That deposit becomes a credit to the buyer and becomes part of the purchase expense.

Is that all the money that's involved?

Some lenders require the cost of the appraisal and credit report at the time of the loan application.

Can I lose my earnest money?

Real estate contracts are complicated legal transactions. This is another area where having a knowledgeable and professional agent is a necessity. Rarely does the buyer lose the earnest money. Most often, if the transaction falls apart, there are circumstances beyond the buyer's control that cause it to happen. If the buyer willfully decides, however, that they no longer want to buy the house and has no legal reason for rescinding their offer, then the seller has the right to retain the earnest money.

What happens if I offer less than the asking price?

If you offer less money, the seller has three options. They can accept the lower offer, counter your offer or reject it completely. Remember that there could be another buyer who is also interested in the home you've chosen. If they happen to write an offer at the same time you do, the seller will have two offers to compare. There are usually many aspects of each offer to consider, but ultimately the seller will want to accept the best and most complete offer. In active real estate markets, homes often sell for their listed price. In hot markets, there may be many buyers vying for the same house, which sometimes drives the final sale price above the original listing price.

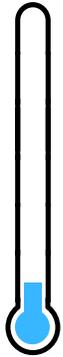
As a real estate professional, I can help you plan your strategy, based on the current real estate market in our area.

What if I need to sell my home before I buy a new one?

To put yourself in the best negotiating position before you find the new home you want, hire a qualified real estate agent to help you put your home on the market. Once you write an offer on a new home, your offer will be "contingent" upon the sale of your home. A buyer in this position may not have the same negotiating power as one whose home has already sold (or at least has an accepted offer). The seller may be hesitant to accept your offer because there are too many things that must happen before the sale can close.

Offer Strategies to Win

PRICE



- Escalation Amount \$_____
- Above Highest Price Comp \$_____
- At Highest Price Comps \$_____
- At List
- Below List

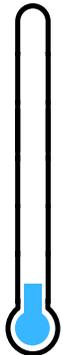
FINANCING



- Cash
- Waive Financing Contingency*
- 80%-90% Conventional Financing
- 96.5%-100% Financing I FHA/VA
- Seller Concessions

*Per lender recommendation

INSPECTION



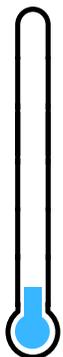
- Waive All Buyer Investigation Contingency
- Waive Physical Inspection only
- "As is" with Inspection
- Reduce Buyer Investigation Contingency Timeframe
- Full Buyer Investigation Contingency

APPRAISAL



- Pay Full Difference Over Appraised Value
- Commit to Pay \$_ Difference Over Appraised Value
- Waive Appraisal Contingency
- Reduce Appraisal Contingency Timeframe
- Full Appraisal Contingency

TIMING



- Close in 15 Days Or Less
- Close and Rent Back To Seller
- Close In 21-25 Days
- Close In 30 Days or More
- Close Contingent On Sales Of Buyer's Home

SELLER EXPENSES



- Free Rent Back To Seller Up To 60 Days
- Buyer Pay Point Of Sale Ordinance
- Buyer Pay Home Warranty
- Buyer Pay Inspections
- Seller Concessions

Guiding You Through

The Inspection

Home inspections are a critical part of the home buying and selling process.

A home inspection benefits all parties involved by providing insight into the condition of the home.

If Seller(s) complete inspections prior to listing the property, the seller(s) has already done their due diligence to fully disclose the property's condition in efforts to help buyer(s) confidently submit their highest and best offer.

If Sellers have not completed inspections before listing, Buyer(s) are responsible for scheduling inspections once an offer has been accepted.

I can help you

- Find a reputable inspector and home repair contractors.
- Prepare for when unknown problems are discovered.
- Review inspection options.
- Negotiate fair and appropriate solutions if necessary.



Coordinating the Closing

