



Presented by:

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REALTOR®

THE ROAD TO

home

A HOME BUYER'S GUIDE



HOMES ^{OF} IDAHO



hello.

I AM SUSAN DAVIDSON
YOUR LOCAL REAL ESTATE EXPERT

It's really great to "meet" you! I am a well-travelled Brit. Having lived in Santa Barbara CA for 25 years, I relocated to Boise in 2016. As such, I do a great job of introducing people to the Treasure Valley and assisting with any relocation needs and questions. My clients are a good mix of Buyers, Sellers and Investors. I cover bare land, work with builders when my clients would like custom new construction, and of course I cover the daily buying and selling of existing residential real estate.

I have been fortunate to have been recognized repeatedly as a member of the Idaho Circle of Excellence which recognizes the top 20% of Idaho Realtors in sales volume. So, rest assured, when you are ready to work together, you will be in capable hands! I am here to be of service, so please reach out to me with your real estate needs and let's make a plan!

let's connect

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10 *steps* TO BUYING A HOME

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CLOSING DAY

Buying a home is a major life purchase. Having an experienced agent on your side is crucial to protect your best interests. A buyer agent represents you, ensuring your protection throughout the process.

A listing agent, on the other hand, represents the seller's interests and aims to get them top dollar.

Having a buyer agent is highly valuable - someone working for YOUR best interests in the homebuying process.



GETTING YOU IN THE DOOR

A Buyers Agent does so much more than 'getting you in the door'. Today, many buyers are comfortable with searching online and selecting the homes they would like to see. They can also often reach out to the Listing Agent themselves, to enquire about the house. But the process of finding a property, to getting an accepted offer, and a successful close, is quite the journey! Getting you to a successful close, ideally with no hidden or unexpected issues and costs, is best achieved with the assistance of an experienced local real estate agent.

STAYING ON TOP OF THE PAPERWORK

Buying a home requires dealing with various documents. With my expertise and knowledge, I'll guide you through real estate contracts, ensuring nothing is missed. You'll have a clear understanding of what each paper means before you ever sign on the dotted line.

ON YOUR SIDE

As your buyer's agent, we prioritize your best interests.

With a keen understanding of the local market and how various features impact home value, we'll ensure you submit a competitive offer on the ideal house for you. You will have our expertise and knowledge to help you navigate the real estate contracts, to guide you on counter offers and other powerful strategies aimed at doing our utmost to help you find and close on the property you desire.

PROBLEM SOLVER

My commitment is to safeguard all your interests and address any issues that emerge during the entire process. I strive to make purchasing a home a delightful and tranquil experience, working tirelessly to achieve this goal.

NEIGHBORHOOD EXPERT

On a daily basis, I collaborate with inspectors, contractors, and negotiate with sellers in various neighborhoods. With my market knowledge, I can help you secure your dream home at the best price. Understanding the local real estate market is crucial when it's time to make an offer on a house. Count on me to guide you through the process with expertise.

VALUABLE AND AFFORDABLE

My goal is to make working with me both valuable, affordable, and of course very beneficial to you. We will enter into a Buyers Representation Agreement that will cover the terms of our agreement, including any fees that you could incur and do or do not agree to cover. I work with full integrity and transparency.

Oftentimes, the Seller and/or Listing Brokerage will have allocated a budget to cover some or all of our Buyers Agent Fee, and this fee will be paid to us at closing. Therefore, when we negotiate the Buyers Representation Agreement, you have the ability to govern what out of pocket expenses you are willing to pay, if any, in advance of entering into a relationship with me.

My goal is to ensure you see the great value in working with us, and that you have no surprises with regards to any possible costs related to engaging me and benefiting from our services.

finding the
right
agent **1**

2 prepare financing

HOW MUCH HOUSE CAN YOU AFFORD?

When it comes to purchasing a home, mortgage lenders advise against buying a property that exceeds 3 to 5 times your annual household income. Unless you are buying with cash, obtaining a mortgage pre-approval from your lender is essential. The lender will collaborate with you to secure a loan that suits your requirements. While some buyers prioritize keeping their monthly payments at a minimum, others prioritize ensuring that their monthly payments never increase.

CHECK YOUR CREDIT

To obtain a mortgage, a favorable credit score is necessary. Try the following to improve your score:

- Pay down the balances on your credit card
- Ensure timely payments of your debts
- Wait until you obtain approval before applying for new credit cards or car loans
- Refrain from making significant purchases until you have secured approval
- If possible, avoid job changes until you have been approved.

SAVE CASH FOR A DOWN PAYMENT & OTHER EXPENSES

If you wish to turn your dream of buying a home into a reality, you will need to save cash for the following: down payment, earnest money, closing costs, and home inspector.

Here are some key points to note about the costs associated with buying a home:

A down payment usually falls within the range of 3.5% to 20% of the purchase price.

Earnest money is the amount paid as a show of commitment when purchasing a home, also known as a good faith deposit.

Closing costs for the buyer typically range from 2% to 5% of the loan amount.

The cost of a home inspection typically ranges from \$300 to \$500.

3 get pre-approved

To be pre-approved for a loan, as opposed to merely pre-qualified, you must provide documented financial information (income, asset and debt statements, credit reports, etc.) for review and verification by the lender. Pre-approval indicates that a lender has approved you for a specific loan amount.





get
qualified

INCOME QUALIFICATIONS

QUALIFYING INCOME

W-2 Income/Salary
Income from part-time jobs
Income from a second Job
Overtime & Bonuses
Seasonal jobs
Self-employed Income
Alimony & child support (Documentation required)

NON-QUALIFYING INCOME

Income from the lottery
Gambling
Unemployment pay
Single bonuses
Non-occupying co-signer income
Unverifiable income
Income from rental properties

needed
documents

W2's from the past 2 years
3 months worth of pay-stubs
Bank statements (past 3 months)
Previous 2 years of tax returns
List of your debts & assets
Divorce decree
Additional income documents

types of mortgage loans

TYPES OF LOANS

	WHO QUALIFIES	DOWN PAYMENT	UPFRONT MORTGAGE INSURANCE	MONTHLY MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
VA Department of Veteran Affairs	Veterans Personnel with honorable discharge Reservists & National Guard Surviving Spouses	NONE	NONE	NONE	580
USDA Department of Agriculture	Someone who is buying a home in a USDA -designated rural area.	NONE	2% of the loan amount. Can be rolled into loan amount.	REQUIRED	640
FHA Federal Housing Administration	Anyone who meets the minimum credit and income levels.	At least 3.5% of purchase price	1.75% of loan amount	REQUIRED	580-640
203K Federal Housing Administration	Anyone who plans to purchase a fixer-upper or needs to renovate their home and meets credit & income requirements	At least 3.5% of purchase price	1.75% of loan amount	REQUIRED	580-640
CONVENTIONAL 97	Depending on the program, available first time home buyers (a buyer who hasn't owned in the last three years) can put 3% down with a Conventional 97 program.	Varies from 3%-20% of purchase price	NONE	REQUIRED	620
CONVENTIONAL	Anyone who meets lenders credit, income & debt level requirements	Varies from 3% -20%, but typically ranges from 5-20%	NONE	REQUIRED	620

4 start home shopping

Start touring homes in your price range

It's time to start the ultimate home shopping spree! We'll be visiting countless beautiful homes, so don't worry about forgetting the details - we'll take notes for each one we see. To make sure you don't miss any of the important features, snap pictures or videos to reminisce about each house. Once we've found "THE ONE", we'll put together an offer based on recent sales and current activity in the neighborhood. Of course, we'll also consider the current condition of the property. There might be some negotiations involved in the process too, so prepare for excitement!



We will make sure to check every little detail of each house

- Test the plumbing
- Test the electrical system
- Open and close the windows & doors to make sure they work properly

Take note of the neighboring homes – are they well-maintained?

Consider the amount of traffic on the street – is it bustling or peaceful?

Assess the convenience of the location – is it close to schools, shopping centers, restaurants, and parks?

5 make an offers

WHEN TO MAKE AN OFFER:

Congratulations on finding THE house! That's fantastic! In the current market, where demand exceeds the number of available homes, it's crucial to act quickly.

HOW MUCH TO OFFER:

We'll analyze recent sales, current buyer activity, and property value to determine the price you'd like to offer. Let's sit down and put all this information together.



SUBMITTING AN OFFER

The first thing we need to analyze, when you decide on 'the one' is 'are we in a Sellers Market or in a Buyers Market' (in this city/area/sub-division/price point etc.)? This will dictate/indicate the probability of any flexibility in price, and in the terms the Seller may accept.

When making an 'offer' you often only get 'one chance' to have that offer accepted by the Seller. But equally, you do not want to leave 'money on the table'. This is where my expertise will be of great value to you.

SUBMITTING AN OFFER - STRATEGIES

When we are in Sellers Market, there are lots of strategies we can use to try and position your offer as the most compelling offer on the table. I will not be 'tipping my hand' here, but know I have the experience and knowledge to work with you to craft your offer to be as attractive as possible to the Seller, without over paying.



AFTER YOU SUBMIT AN OFFER

THE SELLER COULD

- ACCEPT THE OFFER**
- DECLINE THE OFFER**

This happens if the seller thinks your offer isn't close enough to their expectations to further negotiate.

•**COUNTER-OFFER**

A counter-offer is when the seller offers you different terms. If this happens, you can:

- ACCEPT THE SELLER'S COUNTER-OFFER**
- DECLINE THE SELLER'S COUNTER-OFFER**
- COUNTER THE SELLER'S COUNTER-OFFER**

You can negotiate back and forth as many times as needed until you reach an agreement or someone chooses to walk away.

OFFER IS ACCEPTED - CONGRATS!

It's official! You're under contract now that you've signed on the dotted line. It's time for the contingency period, where inspections, appraisals, and anything else you've agreed upon in the purchase agreement will go down.

Let's set up an inspection during the inspection period with a reputable home inspector for a comprehensive investigation of the house. After inspection, we'll get a list of their findings.

You can then choose to take care of the issues as-is or request the seller to address them. We'll be reasonable on smaller items but cautious on significant issues.

6 order an inspection

7 negotiate final offer



After the home inspection, issues often come up, leading to another round of negotiations for credits or fixes. Here's what you need to keep in mind:

Request credit for necessary repairs: The seller is usually not eager to handle repairs themselves.

Focus on the big picture: Don't stress over minor things like caulking or a leaky faucet. Repairs can still be negotiated, and a small credit could assist with closing costs.

Maintain a poker face: The listing agent will be present during inspections. It's important not to reveal your comfort level with the home, as it could impact future discussions or negotiations.



8

appraisal

ordered



Your lender will arrange for an independent appraiser to assess the value of the house you're purchasing. This appraisal ensures that everyone agrees on a fair price.

Once approved, the loan file proceeds to the mortgage underwriter. If successful, you'll receive a final commitment letter with the loan terms and percentage rates. Almost there!

PROPERTY TITLE SEARCH

Rest assured, this step ensures that the seller is the rightful owner of the property and that any outstanding liens, loans, or judgments on the property are fully disclosed. It's all about covering our bases!

HOME OWNERS INSURANCE

Before the closing, it's important to secure insurance for your new home. This insurance will provide protection against potential risks such as fire, storms, and flooding. It's your safety net for peace of mind!



9 scheduling your move

AFTER SIGNING

Finalize your home mortgage.
Schedule a home inspection to ensure everything is in order.
Take the opportunity to declutter! Sort through every drawer, closet, cupboard, and shelf to remove items you no longer need or like.
Donate or sell items that are still in good condition.
Gather copies of your medical records and file them.
Create an inventory of valuable items you plan to move.
Obtain estimates from moving companies to compare

Let's make moving a breeze!

4 WEEKS TO MOVE

Give your current landlord a 30-day notice if you're renting.
Schedule movers or rent a moving truck.
Purchase or find packing materials.
Start packing up your belongings. It's time to get organized and ready for the big move!

3 WEEKS TO MOVE

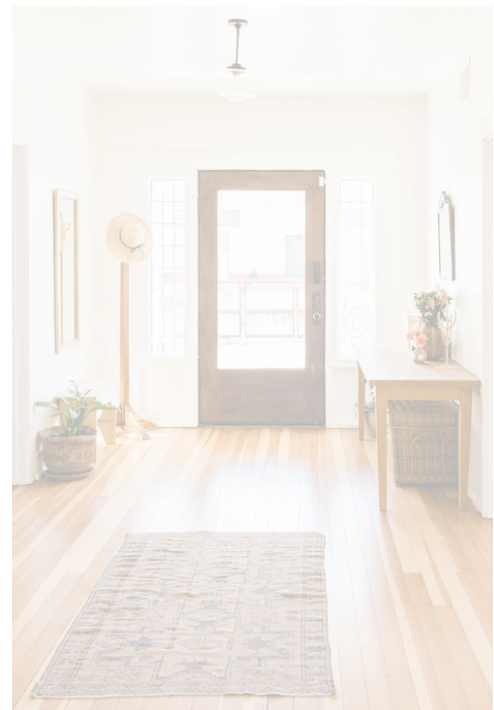
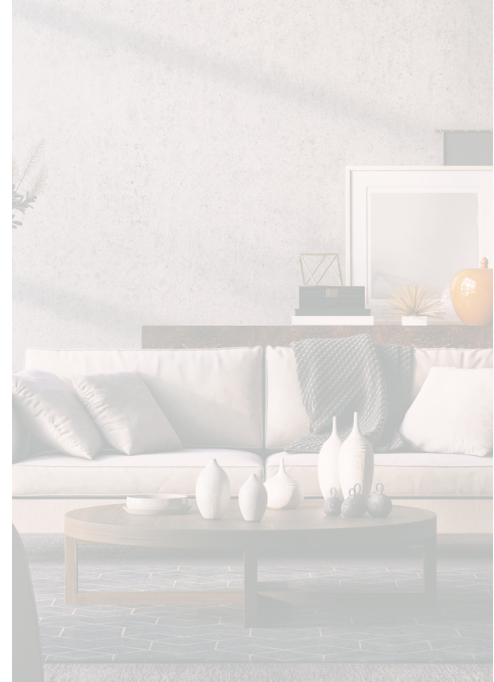
Arrange appraisal
Complete title search (Title company will do this)

2 WEEKS TO MOVE

Secure Home Warranty
Get quotes for home insurance
Schedule time for closing
Contact utility companies (water, electric, cable)
Change address: mailing, subscriptions, etc.
Minimize grocery shopping
Keep on packing

1 WEEK TO MOVE

Obtain certified checks for closing.
Schedule and attend a final walkthrough to ensure everything is in order.
Finish packing your belongings.
Clean your old home to make sure it's left in good condition.
Pack essential items for your first few nights in your new home.
Confirm the delivery date with the moving company and share the directions to your new home along with your cell phone number.





closing

10

day

CLOSING DAY

Closing is the final step where you sign paperwork, get the keys, and officially become a homeowner. It usually takes about four to six weeks. During this time, your money is held in escrow until the transaction is complete, ensuring it's safe throughout the process.

CLOSING DISCLOSURE

Lenders must give you a closing disclosure at least three days before closing. This document shows your final loan terms and closing costs, giving you time to review it. The purpose is to avoid any surprises during the closing process. If there's a major difference between the loan estimate and closing disclosure, we need to inform your lender and title company right away.

FINAL WALKTHROUGH

Within 24 hours of closing, we will conduct a final walk-through of the home to ensure its condition. This inspection typically takes about an hour. During this time, we will verify that any agreed-upon repair work by the seller has been completed.

We will specifically:

- Check that all appliances are functioning correctly.
- Run water in all faucets to detect any leaks.
- Test the opening and closing of garage doors with the opener.
- Flush toilets to confirm proper operation.
- Run the garbage disposal and exhaust fans.

This thorough check ensures that the property is in good condition before finalizing the purchase.

CLOSING TABLE

The following individuals will be present at the closing:

agent

The seller

The seller's agent

A representative from the title company

Your loan officer

Any real estate attorneys involved in the transaction
The closing usually takes place at the title company's office. Be prepared to sign a variety of documents, such as the deed of trust, promissory note, and other necessary paperwork. Get your writing hand warmed up for this important step!

CLOSING COSTS

Your total closing costs may depend on the cost of your home and the location. Typically, you should anticipate paying 3% to 4% of the sale price for closing costs. Note that the seller may sometimes cover some of the closing costs.

BRING TO CLOSING

The amount of closing costs you will need to pay can differ based on the price of your home and the location. As a general estimate, expect your closing costs to be approximately 3% to 4% of the sale price of the home. It's worth noting that in some cases, the seller may agree to share some of these closing costs with you.

RECEIVE YOUR KEYS

Woo-hoo, you did it! All the hard work has finally paid off, and you are officially a homeowner! Time to celebrate this awesome achievement with your loved ones and new neighbors.

what to expect

AT OUR CORE, WE VALUE HONESTY, TRANSPARENCY, AND INTEGRITY. WE BELIEVE IN TREATING YOU WITH THE UTMOST RESPECT AND BEING READILY AVAILABLE WHEN YOU NEED US.

OUR GOAL IS TO ALWAYS ACT IN YOUR BEST INTEREST, ENSURING THAT YOUR NEEDS AND PRIORITIES ARE OUR TOP PRIORITY.





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