

A photograph of a young couple standing in a modern kitchen. The woman is on the left, wearing a white tank top, and the man is on the right, wearing a white t-shirt and jeans. They are both smiling and looking at each other. The kitchen has white cabinets, a marble countertop, and a sink. A fruit basket is on the counter. In the background, there are white stairs with a marble railing.

Home Buyer's Guide

EVERYTHING YOU NEED TO KNOW TO TAKE THE
FIRST STEPS IN BUYING A HOME

Matthew Bosch
HOMES

SEASIDE
Realty

REALTOR®
EQUAL HOUSING
OPPORTUNITY



Matthew Bosch
Realtor®

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Introduction



Hi, I'm Matt

As a Virginia Beach native growing up in the area, Matthew has had over 30 years to get to know Hampton Roads and all it has to offer. He has devoted his career in customer service & management most of his life, developing a focused commitment to his team members and most significantly his clients.

Matt's pristine attention to detail, and his extraordinary observances makes him a perfect partner when buying and selling a home. He is known for his strong sense of ethics, always keeping the best intentions for the buyer or seller.

Whether you're looking to buy, sell, or just need advice, call Matt today!
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WHAT I BRING TO THE

Table

EXPERIENCE AND EXPERTISE

I can provide helpful insights into what to look at in a home, how to negotiate for the best deal, where to find helpful lenders and inspectors, and a lot of great information as you contemplate buying a home.

NEGOTIATION SKILLS

I am contractually obliged to protect your financial interest and I can usually negotiate for a lower price than you could on your own.

LAW AND CONTRACT KNOWLEDGE

Buying a house is a complicated process, full of legal and financial obligations. I will help you understand all of the implications and make sure you sign the best deal for you.

PROFESSIONAL NETWORK

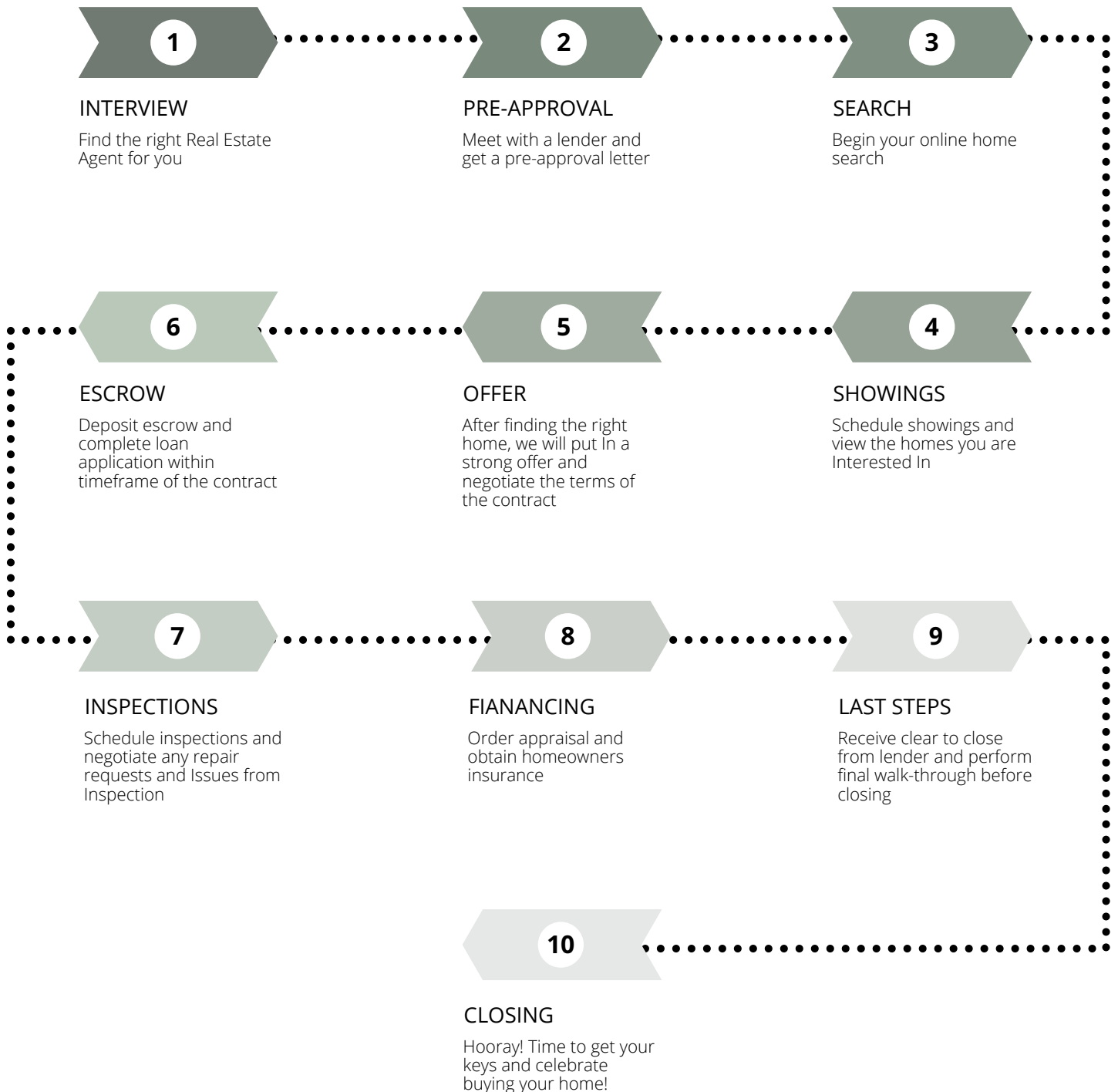
I can tap into my network to reach a wider base of buyers. I also have relationships with other professionals you'll need like lawyers, appraisers, home inspectors, and mortgage professionals, to name a few.

DEDICATED TIME

I live and breathe real estate, and am prepared to handle all the calls, paperwork, scheduling, and legwork involved.

THE BUYER'S Roadmap

A brief summary of the timeline for purchasing your home. Remember, as your Real Estate Agent, I will be there to be sure you feel confident during each step of the process.



Step 1

GETTING FINANCES IN ORDER

Before you begin any home search, I highly recommend starting with talking to a lender and getting pre-approved. A lender will be able to answer all of your questions regarding finances and give you a clear understanding of the exact price range you will be pre-approved for an estimate of the expenses to expect.

GREAT QUESTIONS TO ASK POTENTIAL LENDERS:

- WHAT FEES CAN I EXPECT FROM YOU?
- WHAT ARE MY ESTIMATED CLOSING COSTS?
- WHAT IS THE BEST TYPE OF LOAN FOR ME?
- DO I QUALIFY FOR ANY SPECIAL DISCOUNTS OR LOAN PROGRAMS?
- WHAT INTEREST RATES CAN YOU OFFER?
- WHEN CAN YOU LOCK IN MY RATE?



There are many factors that a lender will use to calculate your pre-approval. A few of the documents you can expect to be requested are:

- *Tax Returns*
- *W-2 Forms*
- *Pay Stubs*
- *Bank Statements*
- *Monthly Debt*

FINANCIAL Breakdown

You need to have a good idea of your income and debts to get a clear idea of what kind of mortgage you can afford. You also may need money upfront for the down payment and closing costs. I will work with you to help you prepare the budget for the house and suggest to you the best mortgage options available.

KEY COMPONENTS OF YOUR FINANCES

1 SAVINGS

Ideally, you would need at least 3-5% money for the down payment of the house. Some lenders may require more in order to approve your mortgage. Putting more money down can get you better rates. Acceptable sources for procuring cash to close can be:

- Stocks
- Bonds
- IRA401(k)
- Checking/Savings
- A money market account
- Retirement account
- Gift money

*Lender required "cash reserve" (depends on lender) - This ensures that you will be able to make your payment during the first few months. The most typical requirement is 2 months.

3 CREDIT SCORE

Your credit score determines your ability to get a mortgage and the interest rate you'll pay.

- A credit score of 670 or higher is considered good
- Credit score below 620 makes it harder to get a loan
- To qualify for the best interest on mortgage, aim for a credit score of 750

A high credit score when you apply for a mortgage could save you thousands of dollars in interest over the life of your loan.

You can get a free credit report at www.freecreditreport.com

How to improve Credit Score:

- Don't max out credit cards. Keep balances below 30% of your overall credit limit.
- Don't default even if it is a tiny payment. Defaults hit the credit score badly.
- Pay off your credit card debt in full every time.
- Don't open a new line of credit. Postpone large purchases.

2 DEBT-TO-INCOME

To help decide what mortgage payments you can comfortably afford, lenders predominately use this criterion:

Amount of Debt + Projected Mortgage ÷ Pre-Tax Income = Your Debt-to-Income ratio

Ideally, this ratio should not be more than 35%, or lenders may not extend you the loan. Even if they do, the interest rate would be high and you would likely struggle to make mortgage payments.

What could you do?

- Reduce current debt by paying off loans early
- Refinance existing debt if you qualify for lower interests
- Boost your income
- Look for lower priced homes

4 PRE-APPROVAL

A mortgage pre-approval is more than an estimate. It's an offer by a lender to loan you a certain amount of money.

- Most sellers expect buyers to have pre-approval letters and will be more willing to negotiate if you do.
- The pre-approval usually lasts for a particular period, such as 60-90 days

Documents for Pre-Approval:

- Government-issued photo ID
- Social Security number
- Bank statements from the last 60 days
- Pay stubs from the last 30 days
- Two years of W-2's or 1099 tax forms
- Credit reports and scores from all three bureaus

RECOMMENDED

Lenders



DIANE STEIN NMLS #1523994
SOUTHERN TRUST MORTGAGE
757.450.2955 CELL

dstein@southerntrust.com
295 Bendix Road, Suite 400
Virginia Beach, VA 23452



LOGAN VARGAS NMLS
SOUTHERN TRUST MORTGAGE
757.773.3803 CELL

LVargas@southerntrust.com
295 Bendix Road, Suite 400
Virginia Beach, VA 23452



RANDY DEMILLE MLS #112145
ATLANTIC BAY MORTGAGE
757.737.0588 CELL

randydemille@atlanticbay.com
600 Lynnhaven Pkwy Suite 100
Virginia Beach, Virginia 23452

PLEASE FEEL FREE TO REACH OUT AND
INTERVIEW A FEW OF THE LENDERS
THAT I KNOW AND TRUST





Questionnaire

WHAT FACTORS WILL INFLUENCE YOUR DECISION? (NEIGHBORHOODS, SCHOOL ZONES, DRIVING TIME TO WORK, ETC.)

WHAT FEATURES ARE THE MOST IMPORTANT TO YOU IN YOUR NEW HOME?

WHAT ARE THE MUST-HAVES IN YOUR NEW HOME?

ARE THERE ANY DEAL-BREAKERS IN YOUR NEW HOME?

ANYTHING ELSE WORTH MENTIONING?

Step 2

THE SEARCH

ONCE YOU ARE PRE-APPROVED FOR A MORTGAGE AND KNOW THE BUDGET WELL, YOU GET TO GO HOME SHOPPING! IT BECOMES MY GOAL TO KNOW AND UNDERSTAND YOUR HOME GOALS TO HELP YOU ACHIEVE THEM. I WILL SEND YOU A LIST OF HOMES TO VISIT AND START NARROWING THINGS DOWN.



1

After you speak with a lender and get pre-approved, we will begin your online home search. I will set you up on an automated search on the multiple listing service (MLS).

2

We will discuss your ideal price range, your must-haves list, deal breakers, location preferences, school districts, and all other factors that will help me to best guide you during the home search process.

3

When you are interested in a home, we'll schedule a showing to view the home in person. If you decide it meets your criteria, we'll write an offer for the home. When we get an accepted offer, you'll be under contract.

THINGS YOU SHOULD KNOW BEFORE

House Hunting

- **PERFECT TIMING DOESN'T EXIST**

If you find a house that you like, don't wait for the housing market to crash and Interest rates to come down. If and by the time that happens, there is a good chance your favorite house is already gone.

- **DON'T ASK FOR TOO MANY OPINIONS**

It's a natural thing to want reassurance for such a big decision, but the more you ask, the more you will get confused. Focus on the wants and needs of the people who will actually be living in the home.

- **NO HOUSE IS EVER PERFECT**

If it's 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 in on things that are most important to you.

- **BE READY TO ACCOMODATE**

Negotiation Is definitely a part of the real estate process, but trying to "win" by getting extra low prices or refusing to budget may cost you the home you love.

- **KEEP YOUR READINESS HIGH**

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.

- **YOU'RE NOT JUST BUYING A HOUSE**

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.

Must-have home checklist

KITCHEN

- ☐ Island
- ☐ Updated countertops
- ☐ Walk-in Pantry
- ☐ Updated cabinets
- ☐ Breakfast nook
- ☐ Updated appliances

MAIN LIVING AREA

- ☐ Split floor plan
- ☐ Primary on 1st floor
- ☐ Storage space
- ☐ Walk-in closet

BATHROOMS

- ☐ Bathtub
- ☐ Updated bathrooms
- ☐ Double vanities
- ☐ Walk-in shower
- ☐ Guest bathroom

OTHER FEATURES

- ☐ Formal dining room
- ☐ Fireplace
- ☐ Hardwood floors
- ☐ Office
- ☐ Open floor plan
- ☐ Front Porch
- ☐ Separate laundry area
- ☐ Parking space

Step 3

OFFERS AND NEGOTIATIONS

Once you have decided on a home, we'll work together to write an appropriate offer to present to the seller. The seller can respond in one of three ways:

1. Accept the offer

As soon as both sides sign, we are under contract and you are on your way to own the house.

2. Counteroffer

You can either choose to accept this counteroffer, go back with another offer of your own, or walk away.

2. Decline

You could then try to make a more appealing offer if your budget allows, or move on to find another house.

INFORMATION REQUIRED

Before writing an offer, we will need to gather some documents and discuss some important details.

- Offer price
- Pre-approval letter
- Financing amount
- Closing date
- Closing costs
- Escrow amount
- Inspection period

MULTIPLE OFFER SCENARIOS

It's more common than ever to see homes go into multiple offer situations. This means that your offer is not the only offer on the table for the sellers. Here are some of my best tips to win a multiple offer situation.

- Submit your Pre-approval letter with your offer
- Have your lender call the listing agent to share your Pre-approval details
- Make a cash offer if possible
- Offer more than asking price
- Be flexible with your closing date
- Add a personal letter and a photo of you and your family
- Offer a higher amount for the Escrow deposit so the seller knows you're serious
- Keep your offer clean when it comes to contingencies and don't ask for any that are not a deal breaker for you.

WALKING THROUGH ESCROW

Congratulations! We are almost there. You will turn in your Escrow Deposit, we will get inspections scheduled, negotiate repairs if necessary, and move forward with your loan application. The entire process from contract to close typically takes between 30-45 days depending on the type of loan you have.

Step 4

UNDER CONTRACT

INSPECTIONS

It is critical that we begin scheduling the inspections you choose to have done as soon as we are under contract on your potential new home. This will ensure that we do not run out of time or have any delays in the process. Inspections are paid for out of your pocket and run between \$300-500 depending on the house.

It is a good idea to tag along with the home inspector. This allows us to see the issues first hand. The inspection takes anywhere from 2-6 hours and the Inspector will send a detailed report in 3-4 days.

The typical inspection period is between 7-10 days.



TYPES OF INSPECTIONS:

- HOME INSPECTION
- RADON TESTING
- WOOD-DESTROYING ORGANISM (WDO) INSPECTION
- MOLD INSPECTION
- FOUNDATION INSPECTION
- HVAC INSPECTION
- LEAD-BASED PAINT INSPECTION

WARRANTIES

It is generally a good idea to buy a home warranty. It will cover your home for electrical, plumbing, and air conditioning faults for 1 year.

The average home warranty coverage ranges from \$300-\$600 per year.

If you are buying a newly constructed house, you can skip the home warranty.

RECOMMENDED

Inspectors

PLEASE FEEL FREE TO REACH OUT AND
INTERVIEW A FEW OF THE INSPECTORS
THAT I KNOW AND TRUST



VIRGINIA STATE HOME INSPECTIONS
757.503.3677 CELL
JACOB KNAPP

Info@VAStateHomeInspections.com
vastatehi.com



M.A.D. HOME INSPECTIONS
757.770.8413 OFFICE
BRANDON BOGGS

madinspections.com
madinspections@gmail.com



PRO CRAFT INSPECTIONS
757.362.2300 OFFICE

procraftinspections.com

THE APPRAISAL Process

The appraisal process usually happens after an offer has been made and the home has been inspected. As the buyer, you'll pay for the appraisal.

Once it's complete, the appraisal report is usually sent directly to the lender.

Expect the appraisal process to take from three to ten business days.

Sometimes the appraised value of a house comes in lower than expected. If the house does not appraise for the offer in the contract it means we will need to renegotiate. There are many scenarios that can be worked out in this case - but the good news is that it does not automatically mean that the deal is over.

If the property is appraised at the same as or at more than the sales price, you'll get the loan amount you qualified for.



MORTGAGE Underwriting



After the appraisal, things move on to the underwriter, who reviews all of the documents and determines whether or not you can move on to closing.

You might receive what is known as conditional approval. This means there are still some items that need to be resolved or explained.

For example:

- Verification of your current employment and/or income
- Proof of mortgage insurance
- Letter of explanation for a recent withdrawal
- Other missing or incomplete documents needed for loan funding.

It is vital that you turn in your documentation in a timely manner as even the smallest of delays can cause larger issues in the home buying process. So, stay in touch with your loan officer throughout this process, to make sure he or she has what they need to move forward to closing.

The mortgage lender will provide you with a Closing Disclosure, or CD, three business days before settlement. This is a formal statement of your final loan terms and closing costs.

Insurances

REQUIRED BY LAW

TITLE INSURANCE

This protects your ownership right to your home, both from fraudulent claims against your ownership and from mistakes made in the earlier sales, such as misspellings of a person's name or an inaccurate description of the property.

- In some states, it is customary for the seller to purchase the policy on your behalf.
- The mortgage lender will ask you to arrange the insurance before approving the loan.
- The amount of the policy is equal to the amount of your mortgage at its inception.
- The fee is typically a one-time payment rolled into closing costs.

HOMEOWNERS INSURANCE

A homeowners insurance policy will protect you against certain losses and damage to your new home and is generally required by lenders prior to closing.

Some lenders will collect the money you owe for homeowners insurance as part of your monthly mortgage payment and place it in an escrow account, paying the insurer on your behalf when the bill is due.



Step 5

PREPARE TO CLOSE



IMPORTANT REMINDER

As excited as you may be to begin shopping around for furniture and all of the things that help make a house a home, don't yet! Be very careful during this period not to make ANY major purchases, open new lines of credit, or change jobs. If in doubt, be sure to call me or your Lender.

WHAT TO BRING TO CLOSING DAY

Your closing day is the day you become the legal owner of your new home! To make sure everything runs smoothly, you'll need to bring a few things to the closing appointment:

- Photo ID
- Outstanding documents or paperwork for the title company or mortgage loan officer
- Certified or cashier's check, made payable to the title or closing company for closing costs that aren't being deducted from the sales price.

WHAT HAPPENS

- You'll have a final walk through of the house.
- You'll pay any remaining closing costs, as listed in your Closing Disclosure
- The seller will sign documents to transfer property ownership
- The title company will register the new deed in your name

You'll sign the following:

1. Settlement statements that list all costs related to the home sale
2. Mortgage note stating your promise to repay the loan
3. Mortgage or deed of trust securing the mortgage note

CONGRATULATIONS

Once you finish the closing appointment, you will get the keys to your new home and you can move in immediately if you wish! Congratulations new home owner!

Costs TO CONSIDER

When you buy a new home, there are costs that you will need to pay from your savings:

DOWN PAYMENT

- can be anywhere between 3% to 20% of the purchase price. Usually, it will be 3%-5%

HOME INSPECTION

- can be anywhere between \$300-\$500

APPRAISAL

- can be anywhere between \$300-\$500

EARNEST MONEY DEPOSIT

- Initial Money given to secure the contract with the seller. This is mostly non-refundable except in cases where your loan application falls through.

CLOSING COSTS

- can be anywhere between 3%-5% of the purchase price
 - Mortgage insurance premium
 - Notary Fees
 - Home Warranty
 - Local real estate taxes
 - Lender application, underwriting, and origination fees you'll need to pay
 - Escrow fees

BROKERAGE COMMISSION

- If the home is listed, then you don't have to pay me anything.



Referrals

I approach business differently than most Realtors. Instead of "buying leads," I give my clients 110% of my effort, energy, resources and competence. This way, I can provide outstanding results that speak for themselves, allowing my friends and clients to become repeat customers and to refer their friends with confidence.

YOUR TRUST AND SUPPORT MEAN SO MUCH.

My business thrives on referrals, no matter how near or far! You can be confident that I will go out of my way to take the very best care of any friends or family you refer. Do you know of anyone who is looking to buy or sell in the next 6 months?

NAME _____
ADDRESS _____
CITY _____
STATE _____ ZIP _____ PHONE _____

NAME _____
ADDRESS _____
CITY _____
STATE _____ ZIP _____ PHONE _____

REFERRED BY _____
PHONE _____

NAME _____
ADDRESS _____
CITY _____
STATE _____ ZIP _____ PHONE _____

NAME _____
ADDRESS _____
CITY _____
STATE _____ ZIP _____ PHONE _____

REFERRED BY _____
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Thank you

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