

# Buying a Home



## Goals:

- ✓ My Duty to You
- ✓ The Steps in the Process
- ✓ Dos and Don'ts
- ✓ Financing
- ✓ What to Expect



Kenneth "Ken" Clark; 602-561-5881; [realestate@kenclarkforaz.com](mailto:realestate@kenclarkforaz.com)

# Homebuyer's Process

1. Select a licensed, qualified real estate agent
2. Pre-qualification by a lending institution
3. Find the right home
4. Present offer to seller
5. Contract acceptance by seller, Inspection
6. Mortgage application and Underwriting
7. Final walk-through
8. Close of escrow



Your John Hall & Associates Realtor Will Perform All These Duties & More...**ALONE!**

1. Select a licensed, qualified real estate agent.

Yeah, I do that!


Food?

Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com



## 2. Pre-qualification by a lending institution

A loan status report (LSR) just gives an honest snapshot of what you can afford and what you can expect to pay every month in principle, interest, insurance and taxes.



### LOAN STATUS REPORT ("LSR")

---

**BUYER'S LOAN INFORMATION**

---

**JOE AND MARY HOMEBUYER** ("Buyer") submits the following LSR.  
Property Address: 123 ANY STREET SUNSHINE, USA 10000  
Buyer intends to obtain a loan on the following terms:  
Purchase Price \$ 200,000.00  
Loan amount requested 1st \$ 150,000.00  
Loan to value (LTV) 96.5% 95.0% (FHA required 3.5%)  
Combined loan to value (CLTV) \_\_\_\_\_  
Term of Loan 30 YEAR  Fixed Rate  Adjustable Rate. Interest Rate shall not exceed 5.5 % as an annual rate for a fixed rate loan or an initial rate for an adjustable rate loan.  
Loan amount requested 2nd \$ \_\_\_\_\_  
Loan to value (LTV) \_\_\_\_\_  
Combined loan to value (CLTV) \_\_\_\_\_  
Term of Loan \_\_\_\_\_  Fixed Rate  Adjustable Rate. Interest Rate shall not exceed \_\_\_\_\_ % as an annual rate for a fixed rate loan or an initial rate for an adjustable rate loan.  
Loan Program  Conventional  FHA  VA  Other \_\_\_\_\_  
Buyer agrees to establish the interest rate and "waiver" by separate written agreement with the Lender during the Inspection Period or the interest rate provision of the Loan Contingency shall be waived.  
Property Type:  Single Family Residence  Condominium  Planned Unit Development  Other \_\_\_\_\_  
Occupancy:  Primary  Secondary  Non-Owner Occupied  
Buyer  is  is not relying on the sale or lease of a property to qualify for this loan.  
 Buyer has not yet had the opportunity to consult with a lender.  
 Buyer has consulted with a lender and submits the loan information below or attached.  
Buyer instructs lender to provide loan status updates to Seller and Broker(s) upon request.

---

**LENDER PRE-QUALIFICATION**

---


The undersigned mortgage servicer/lender ("Lender") has discussed the loan terms herein above with the Buyer(s) and has completed the following criteria points below:

NO	YES	DATE
<input type="checkbox"/>	<input checked="" type="checkbox"/>	3 / 31 / 09
<input type="checkbox"/>	<input checked="" type="checkbox"/>	3 / 31 / 09
<input type="checkbox"/>	<input checked="" type="checkbox"/>	4 / 01 / 09
<input type="checkbox"/>	<input checked="" type="checkbox"/>	3 / 31 / 09

Additional comments: Buyers have very stable employment and great credit 4 / 01 / 09

Lender agrees to provide loan status updates to Seller and Broker(s) in this transaction.

Lender Name: FTFinancial Inc. Loan Officer: Les Lieberman  
Street Address: 9420 E. Doubletree Ranch Road City: Scottsdale State: AZ Zip Code: 85258  
Phone: 480-870-6400 Fax: 480-961-7733  
Email: 980@ftfinancialinc.com Mortgage License #: 09A0004533

 4/1/09

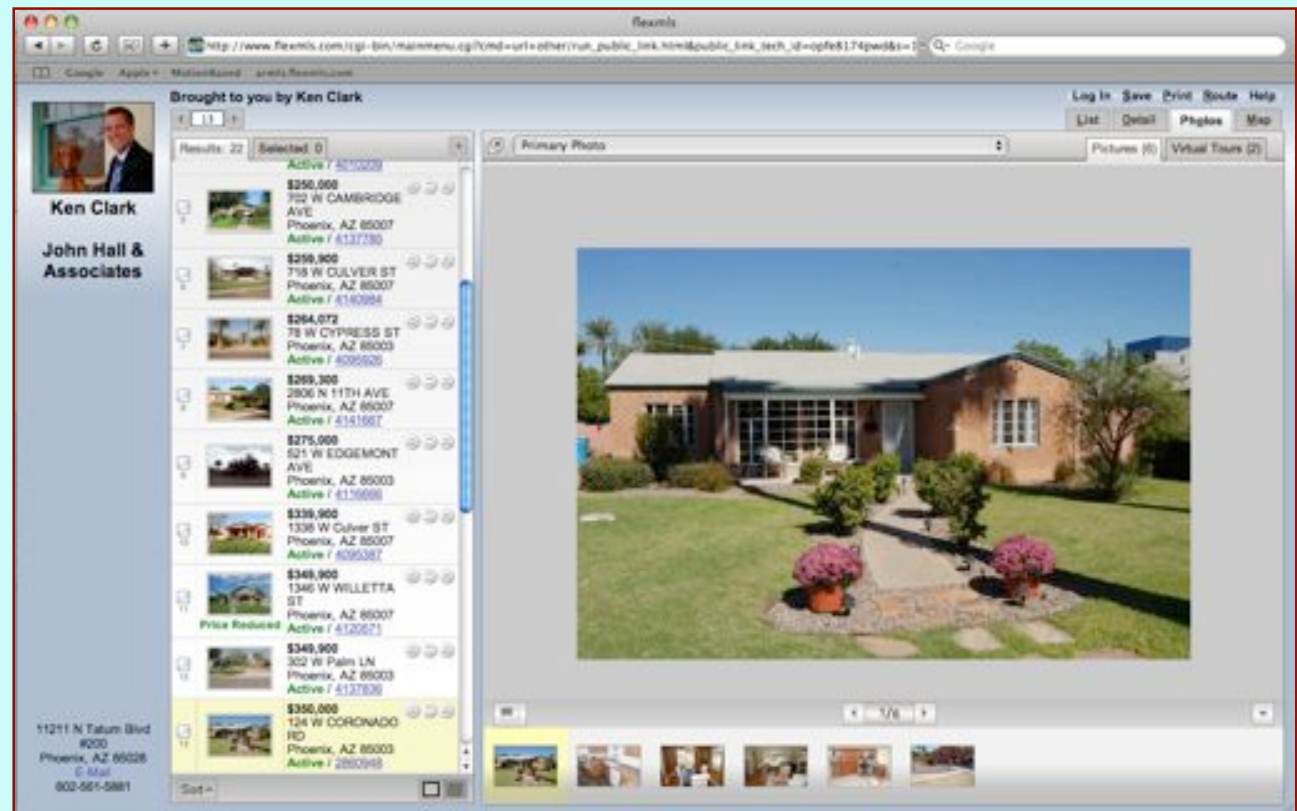
---

Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com

# 3. Find the Right Home

1. You will have exclusive access to the Multi-Listing Service (MLS).\*
2. We will work together to narrow down your search to only the best homes to make your search more effective.
3. We will tour the top contenders.
4. You will have access to a personal web portal that allows you to see new listings and price changes.

\*Zillow ain't got nothing on this!!



# 4. Present Offer to Seller

At this point, there could be:

1. A counter offer from the seller.
2. A rejection from the seller.
3. Acceptance from the seller.



John Hall

Page 1 of 9

## RESIDENTIAL RESALE REAL ESTATE PURCHASE CONTRACT

Document created  
May 2008

The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effect of any provision, including the consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.

**1. PROPERTY**

1a. 1. BUYER: JOE BUYER, JANE BUYER \_\_\_\_\_

2. SELLER: PHIL SELLER \_\_\_\_\_ or  as identified in section 2c.

3. Buyer agrees to buy and Seller agrees to sell the real property with all improvements, fixtures, and appurtenances thereon 4. or incidental thereto, plus the personal property described herein (collectively the "Premises").

5b. 5. Premises Address: 1234 E. MAIN STREET Assessor's # 1234-567

6. City: PHOENIX County: MARICOPA AZ Zip Code: 85001

7. Legal Description: \_\_\_\_\_

1c. 8. \$ 250,000.00 Full Purchase Price, paid as outlined below

9. \$ 1,000.00 Earnest money

10. \$ 25,000.00 ADDITIONAL DOWN PAYMENT

11. \$ 224,000.00 AS FINANCED BY A NEW 30-YEAR FHA LOAN

12. \_\_\_\_\_

1d. 13. Close of Escrow: Close of Escrow ("COE") shall occur when the deed is recorded at the appropriate county recorder's 14. office. Buyer and Seller shall comply with all terms and conditions of this Contract, execute and deliver to 15. Escrow Company all closing documents, and perform all other acts necessary in sufficient time to allow COE to 16. occur on \_\_\_\_\_ ("COE Date"). If Escrow Company or recorder's office 17. is closed on COE Date, COE shall occur on the next day that both are open for business.

18. Buyer shall deliver to Escrow Company a cashier's check, wired funds or other immediately available funds to pay any down 19. payment, additional deposits or Buyer's closing costs, and instruct the lender, if applicable, to deliver immediately available funds 20. to Escrow Company, in a sufficient amount and in sufficient time to allow COE to occur on COE Date.

1e. 21. Possession: Seller shall deliver possession, occupancy, access to keys and/or means to operate all locks, mailbox, security 22. system/alarms, and all common area facilities to Buyer at COE or  \_\_\_\_\_

23. Broker(s) recommend that the parties seek appropriate counsel from insurance, legal, tax, and accounting professionals 24. regarding the risks of pre-possession or post-possession of the Premises.

1f. 25. Addenda Incorporated:  Assumption and Carryback  Buyer Contingency  Domestic Water Well  HUD forms  
 26.  H.O.A.  Lead-Based Paint Disclosure  Additional Clause  On-site Wastewater Treatment Facility  
 27.  Other: \_\_\_\_\_

1g. 28. Features and Personal Property: Seller agrees that all existing fixtures on the Premises, and any existing personal property 29. specified herein, shall be included in this sale, including the following:

30. * free-standing range/oven	* flush-mounted speakers	* outdoor landscaping, furniture, and lighting
31. * built-in appliances	* attached fireplace equipment	* water-saving systems
32. * light fixtures	* window and door screens, sun screens	* solar systems
33. * ceiling fans	* storm windows and doors	* pellet, wood-burning or gas-log stoves
34. * towel, curtain and drapery rods	* shutters and awnings	* trees
35. * draperies and other window coverings	* garage door openers and controls	* mailbox
36. * attached floor coverings	* attached TV/media entertainment dishes	* storage sheds

2/9

Residential Resale Real Estate Purchase Contract - (Updated May 2008)  
Copyright © 2008 Arizona Association of REALTORS. All rights reserved.

Page 1 of 9

Printed with permission by copyright © 2007 The Real Estate Board of Greater Phoenix. All rights reserved.

Design

Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com

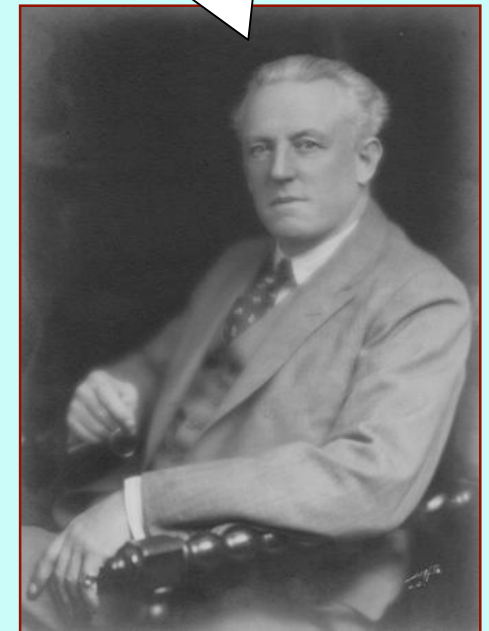
## 5. Contract Acceptance by Seller; Enter Escrow; Inspection Period

- A. Present your earnest money deposit to the title company (“enter escrow”).
  
- B. You typically have 10 days to:
  - 1. Conduct a general inspection of the property;
  - 2. Conduct a termite inspection of the property;
  - 3. Learn all you can about the neighborhood, neighbors, schools, etc.;
  - 4. Search public records to be certain the title is clear (the title company does this for you);
  - 5. Report to the seller anything you find wrong with the property and negotiate the price, where necessary;
  - 6. Agree to the final price.

## 6. Mortgage Application and Underwriting

- A. Your mortgage broker will seek a formal loan underwriting for you.
- B. There will be an appraisal of the property by the lender.
- C. Verification of employment, financial background and credit report.

I vuld like to see your kredit report, please!



Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com

## 7. Final Walk-through



This is your chance to look over the property one last time and make certain everything is as you expected when you signed the contract.

You usually do this the day that you sign the final documents.

Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com

## 8. Close of Escrow

Get your signing hand ready because now you are going to sign closing documents:

- Title Documents
- Final Mortgage Documents
- Any other Documents to be Recorded

Now, get your keys, it's yours!

**Congratulations!**



Kenneth "Ken" Clark; 602-561-5881;  
realestate@kenclarkforaz.com

# Stuck in a Lease?

Example: Rent ends July 1st (6 months from now)

Work backwards from close of escrow.

- Close May 30th, 1st mortgage payment 1st of July.
- Will you get a cleaning deposit returned to you?
- Spend June painting and moving in.
- Write offer mid to late April (4-6 week escrow period)
- Start looking February to March

Count backwards. If...

Close May 30th	No Double Payments
Close April 30th	One Double Payment
Close March 30th	Two Double Payments