

A modern living room with a grey sofa, wooden coffee table, and framed art. The room is decorated with a white patterned blanket, a woven pouf, and several potted plants. Two framed artworks are on the wall, one of which is a drawing of a skyscraper.

First-Time Home Buyers

GUIDE

RE/MAX[®]

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hello



Tamara is a full-time licensed realtor with RE/MAX One Hundred, and a proud member of the Durham Realtor's Association. She was born and raised in Durham, NC but has lived and traveled all around the world. She moved back to her home town roots over 2 years ago, and has witnessed the tremendous change and growth that's transformed the area into one of the most sought-after destinations. She truly believes in the power of building generational wealth through real estate, and works closely with First-Time Home Buyers and investors.

From the first time you meet Tamara, you will feel at ease with her professional and personable working style and confident in her ability to represent your best interest through the Real Estate transaction. She continually upgrades her education and knowledge, and has the designation of certified negotiation expert. She always puts relationships first, which has always left a positive impact on the client's she's worked with in the past..

Tamara has a BBA from Emory University, and a Master's in Media and Communication from the University of the Arts in London. When she's not selling homes, she enjoys cooking, traveling, and spending time hiking on the local trails with her family's 3 dogs.

LET'S CONNECT



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A top-down view of a light-colored wooden desk. In the top left corner, a portion of a silver laptop is visible. In the top center, there is a small green plant. In the top right, a black notebook with a white and black striped cover is partially shown. On the left side of the desk, two silver paper clips are visible. In the bottom left corner, another small green plant is present. In the bottom right corner, a white smartphone is lying on the desk. A white rectangular box with a thin gold border is centered on the desk, containing text and quotation marks.

“

Committed to bringing you the most professional, informative, trustworthy & dedicated service that you deserve.

The best interests of my clients will always come first in every transaction.

”

10 STEPS TO *to buying a home*

- 01/** FIND THE RIGHT AGENT
- 02/** PREPARE FINANCES
- 03/** GET PRE-APPROVED
- 04/** START HOME SHOPPING
- 05/** MAKE AN OFFER
- 06/** ORDER AN INSPECTION
- 07/** NEGOTIATE FINAL OFFER
- 08/** APPRAISAL ORDERED
- 09/** SCHEDULE THE MOVE
- 10/** CLOSING DAY

01/ FIND THE RIGHT AGENT

Buying a home is one of the most significant purchases in a lifetime. It is essential to have an experienced agent in your corner, always looking out for your best interest. A buyer agent's fiduciary responsibility is to represent the buyer and to ensure that their interests are protected.

After all, a seller has someone in their corner. A listing agent has an allegiance to the seller. Their goal is to get the seller top dollar for their home. There is incredible value in having someone working for YOUR best interests when buying a home.



GETTING YOU IN THE DOOR

We will narrow down the homes that fit your unique wants and needs get you in the door! Looking at dozens of homes every week, I can help you identify potential problems within a home.

HANDLING CHALLENGING CONVERSATIONS

When repairs or changes in price need to be made, I will be your guide and handle requesting any repairs or changes in price to the sellers.

STAYING ON TOP OF THE PAPERWORK

Buying a home involves many types of documentation. I have the experience and knowledge to navigate real estate contracts. Ensuring that nothing is overlooked, and that you truly understand what a paper means before ever signing on the dotted line.

ON YOUR SIDE

A buyer's agent will represent your best interests. With a pulse on the local market and a sound understanding of how various amenities effect the value of a home, we will make sure we submit a competitive offer on the right house for you.

NEIGHBORHOOD EXPERT

Working daily in neighborhoods with inspectors, contractors, and negotiating with sellers, I have the market knowledge you need to get the best results from your purchase. Understanding the local real estate market can go a long way when it comes time to make an offer on a house.

PROBLEM SOLVER

I will work hard to protect all of your interests and take on any issues that may arise throughout the entire process. Hopefully making buying a home a fun and stress-free process.

THE BEST PART.....IT'S FREE

The seller typically pays the commission for both the seller's agent and the buyer's agent.

02/ PREPARE FINANCES

HOW MUCH HOUSE CAN YOU AFFORD?

Mortgage lenders recommend you do not stretch yourself beyond buying a home that is more than 3 to 5 times your annual household income. If you are not purchasing a home with cash, you will need a mortgage pre-approval provided by your mortgage lender. A lender will work with you to get a loan that meets your needs. Some buyers are concerned with keeping their monthly payments as low as possible, others want to make sure that their monthly payments never increase.

START WITH CHECKING YOUR CREDIT

A mortgage requires a good credit score. You can improve your score by:

- Paying down credit card balances
- Continuing to make payments on time
- Avoid applying for a new credit card or car loan until you have been approved
- Avoid making big purchases until you have been approved
- If possible, avoid job changes until you have been approved

SAVE CASH FOR A DOWN PAYMENT & OTHER EXPENSES

In order to make your dream of buying a home a reality, you will need to save cash for your down payment, due diligence money, earnest money, closing costs, home inspector, and appraisal

- A Down Payment is typically between 3.5% & 20% of the purchase price
- Due Diligence Money can be thought of as a non-refundable deposit that you put down in order to take the home off the market. This money is given directly to the seller.
- Earnest Money is money you put down to show you're serious about purchasing a home. It's also known as a good faith deposit.
- Closing Costs for the buyer run between 2% & 5% of the loan amount
- A Home Inspection can range between \$300 to \$500
- An Appraisal costs between \$350 to \$800

03/ GET PRE-APPROVED

Being pre-approved, unlike being pre-qualified, means you've actually been approved by a lender for a specific loan amount. You will need to provide documented financial information (income, statements, assets, debt & credit reports etc.) to be reviewed & verified by the lender.



preparing
FOR A HOME LOAN



GET *qualified*

TYPE OF LOAN	CREDIT SCORE	DOWN PAYMENT
VA LOAN	620	NO DOWN PAYMENT
USDA LOAN	620	NO DOWN PAYMENT
FHA LOAN	580+	3.5%
	500-579	10%
203K LOAN	640	3.5%
FTHB LOAN	640	3%
CONVENTIONAL LOAN	640	5-20%

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
- Per Diem

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

Ask me about the...



First Time Home Buyer's

Financing Programs

COASTAL FEDERAL UNION

- No Down-payment? No Problem. Coastal has a 100% Financing Program.
- Private Mortgage Insurance (PMI) isn't required, saving you hundreds of dollars per month.
- Underwriting fee of just \$600 and no charges for document prep or credit report.
- Even if your not a first-time homebuyer, all benefits may still be available if you have not owned a home in the past 3 year.
- Requires 640 credit score and above
- \$18 membership fee applies if you are not already a member with Coastal.

NC FINANCING AGENCY - DOWN PAYMENT ASSISTANT

- NC Home Advantage Mortgage offers up to 5% of the loan amount for first time and move up buyers.
- NC 1st Home Advantage offers a \$8,000 downpayment assistance option.
- Repayment of all downpayment options is required ONLY if you sell.
- Income limits apply

STATE EMPLOYEES CREDIT UNION (SECU)

- No Down-payment? No savings for closing costs? No Problem! SECU has a program with financing up to 110%.
- Private Mortgage Insurance (PMI) isn't required, saving you hundreds of dollars per month.
- No application fees or credit report fees.
- Must be a member or have a family member with a membership at SECU.



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
FTHB First Time Home Buyers	Depending on the program, available first time home buyers (a buyer who hasn't owned in the last three years) can put no down payment	NONE	NONE	NONE	620-640
Conventional	Anyone who meets lenders credit, income & debt level requirements	Varies from 3% -20%, but typically ranges from 5-20%	NONE	REQUIRED until you reach 20% of the loan amount	620

04/ START HOME SHOPPING

START TOURING HOMES IN YOUR PRICE RANGE

We will take notes on all the homes we visit. It can be hard to remember all the details of each home, so take pictures or video to help you remember each home, and review the notes you have written. Once we have found THE house for you, we will present an appropriate offer based off of recent sales and current buyer activity in the area, as well as the value of the property in its current condition. Negotiations may take place after the offer is presented.

TIP

We will make sure to check out the little details of each house

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

Evaluate the neighborhood and surrounding areas.

- Are the surrounding homes well maintained?
- How much traffic is on the street?
- Is it conveniently located to schools, shopping, restaurants, & parks?

05/ MAKE AN OFFER

WHEN TO MAKE AN OFFER:

So you have found THE house! Congrats! In today's market when the demand is higher than the amount of properties available it is important to act fast!

HOW MUCH TO OFFER:

We will sit down and look at recent sales and current buyer activity in the area, as well as the value of the property in its current condition. With the knowledge of all this information, we will determine the price that you would like to offer.

SUBMITTING A GOOD OFFER:

There are some components to an offer that makes it more appealing to the sellers.

●Put Your Best Foot Forward

We will work together to discuss your options and create your very best offer. Depending on the circumstances, you may have only one chance to make an impression on the seller.

●Put Down a Healthy Earnest and/ or Due Diligence Deposit

A larger deposit shows you are serious

●Cash Talks

A transaction that is not dependent on receiving loan approval is more attractive to a seller.

●Shorter Inspection Periods

Try shortening the inspection period to 10 days

●Write the Seller a Letter

We will make your offer stand out by writing a personal letter to the seller, explaining why you fell in love with the home.

●Offer to Close Quickly

Many sellers prefer to close within 30 days or fewer.

DUE DILLIGENCE (DD) AND EARNEST MONEY (EM) EXPLAINED

DUE DILLIGENCE:

Non-refundable Deposit paid upfront to the seller to take their home off the market. This money goes towards the purchase price of the home, however, if the buyer decides to not proceed with the transaction, that money is lost.

EARNEST MONEY:

This money also goes towards the purchase price of the home. It is also paid upfront, but it is usually held by the attorney. Unlike the due diligence deposit, this money can be returned before the set due diligence date.

THE PROCESS

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 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 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

You will sign the purchase agreement and you are now officially under contract! This period of time is called the contingency period. Now inspections, appraisals, or anything else built into your purchase agreement will take place.

06/ORDER AN INSPECTION

During the inspection period, we will schedule an inspection with a reputable home inspector to do a thorough investigation of the home. Once this is complete, the inspector will provide us with a list of findings. You can take the issues as-is or request the seller to address some or all of the findings. We will be cognizant of not being too nit-picky on small items, while being very careful of potentially significant issues.



07/NEGOTIATE FINAL OFFER

Issues typically arise after the home inspection, and those issues tend to result in another round of negotiations for credits or fixes.

- 1. Ask for a credit for the work that needs to be done.** Likely last thing the seller wants to do is repair work.
- 2. Think “big picture” and don’t sweat the small stuff.** Tile that needs some caulking, or a leaky faucet can easily be fixed. Repairs are still up for negotiation and perhaps a small credit would help with closing costs.
- 3. Keep your poker face.** The listings agent will be present during inspections and revealing your comfort level with the home could come back to haunt you in further discussions or negotiations.



08/ORDER AN APPRAISAL

Your lender will arrange for a third party appraiser to provide an independent estimate of the value of the house you are buying. The appraisal lets all parties involved know that the price is fair. The loan file then moves on to the mortgage underwriter.

If approved you will receive your final commitment letter that includes the final loan terms & percentage rates.

Property Title Search

This ensures that the seller truly owns the property, and that all existing liens, loans or judgments are disclosed.

Homeowner's Insurance

You'll need insurance for the new home prior to closing. This will protect against things like fire, storms and flooding

09/ SCHEDULE THE MOVE

AFTER SIGNING

- FINALIZE MORTGAGE
- SCHEDULE HOME INSPECTION
- Declutter! Sort through every drawer, closet, cupboard & shelf, removing items you no longer need or like. Donate or sell items that are in good condition
- Get copies of medical records and store with your other important documents
- Create an inventory of anything valuable that you plan to move
- Get estimates from moving companies

4 WEEKS TO MOVE

- Give 30 days notice if you are currently renting
- Schedule movers/moving truck
- buy/find packing materials
- START PACKING

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 OR PREPARE FOR WIRE TRANSFER TO ATTORNEY'S OFFICE
- SCHEDULE AND ATTEND FINAL WALK THROUGH
- Finish packing
- Clean
- Pack essentials for a few night in new home
- Confirm delivery date with the moving company. Write directions to the new home, along with your cell phone number
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CLOSING

- BRING YOUR PHOTO ID
- CERTIFIED CHECKS
- ANY OTHER REQUIRED DOCUMENTS
- GET YOUR KEYS TO YOUR NEW HOUSE
- MEET YOUR NEW NEIGHBORS

10/ CLOSING DAY

CLOSING DAY

Closing is when you sign ownership and insurance paperwork and you receive your new home's keys! Typically, closing takes four to six weeks. During this time, purchase funds are held in escrow, where your money is held safe until the transaction is complete.

CLOSING DISCLOSURE

Lenders are required to provide you with a Closing Disclosure, at least three days before closing. This will show you what your final loan terms and closing costs will be. You will have three days to review the statement. This is done to ensure that there are no surprises at the closing table. If there is a significant discrepancy between the Loan Estimate and the Closing Disclosure, we must notify your lender and title company immediately.

FINAL WALK THROUGH

We will do a final walk through the home within 24 hours of closing to check the property's condition. This final inspection takes about an hour. We will make sure any repair work that the seller agreed to make has been done.

We will be sure to:

- Make sure all appliances are working properly
- Run the water in all the faucets and check for any possible leaks
- Open and close garage doors with opener
- Flush toilets
- Run the garbage disposal and exhaust fans

CLOSING TABLE

Who will be there:

- Your agent
- The seller
- The seller's agent
- A title company representative
- Your loan officer
- Any real estate attorneys involved in the transaction

The closing typically happens at the attorney's office. You will be signing lot's of paper work so get your writing hand warmed up! Some of the papers you will be signing include: the deed of trust, promissory note , and other loan documents.

CLOSING COSTS

Closing costs can vary depending on your home's purchase price and where you are located. You can generally expect your closing costs to be around 3% to 4% of the home's sales price. These closing costs can sometimes be shared with the seller. They will include the lender's loan origination fee, discount points, title searches, title insurance, and the prepaid items from your escrow. Your escrow is just a fancy word for a bank account that's set aside to pay your homeowner's insurance and property taxes.

BRING TO CLOSING

- Government-issued photo ID
- A GOOD INK PEN TO SIGN ALL OF THE DOCUMENTS

RECEIVE YOUR KEYS

Congratulations! It was a lot of hard work but you are now officially home owners!! Time to throw a party and get to know your new neighbors!

A modern living room with a white sofa, wooden coffee table, and plants. The room is bright and airy, with a white wall and a large window with light-colored curtains. A wooden coffee table with a small plant on it is in the foreground. A white sofa with a patterned throw and a grey pillow is in the background. A large, textured, round ottoman is in the foreground on the right. The overall aesthetic is clean and contemporary.

Any Questions?

*Feel free to reach out....
am always happy to help*

YOUR LOCAL REALTOR

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