

Before You Look At Any Homes... There Are A Few Things You Should Know About Purchasing Property!

- What is the neighborhood (and your neighbors) like?
- Are there certain area features that would affect the value of this property in the future?
- What are the utilities?
- How far do I have to travel for schools, public transit, and shopping and medical facilities?
- What is the traffic flow in front of or near the property...any main roads, bus routes, or railway tracks?
- Are there any utility easements or encroachments over the property?
- How much are the closing costs...and is there a better time in the month to close to minimize them?
- How do you select the best lender to work with?
- How is my financing approval determined?
- What can I have included in the sale? Are there any exclusions?
- What are the other comparable homes in the area selling for?
- How flexible are the sellers on their asking price?
- At what price do we put in our initial offer? What is the normal discount off the asking price?
- What can I have included in the sale? Are there any exclusions?

*** How do you know for sure how much home you can afford?**

We've found that affordability is probably the single biggest concern of today's first-time homebuyers.

Our advice. Call us.... There are many financing options available today, and some include low down payments. We will put you in touch with a lender who will help you find an option that fits your budget, and you may be surprised at just how much home you can afford!

*** What should I consider when I'm deciding which community I want to live in?**

Good city services, nice parks and playground facilities, convenient shopping and transportation...these are just a few considerations that are important to people when they choose a community in which to live. As for individual neighborhoods within a village or city, there is no better source of information than Kranz Real Estate. We know the people and the communities they serve and chances are we can help find a neighborhood that fits your family's needs.

*** Where can I get information about local schools?**

Again, Kranz Real Estate is perhaps your best source. We know where the local schools are and can provide you with valuable information about school districts, bus services and more.

If you're relocating, Kranz Real Estate may even be able to put you in touch with teachers and principals when you visit the area.

*** How can I find out what homes are selling for in a given neighborhood?**

Home sales are a matter of public record. You can get all the information you want about recent sales, including prices and time on the market, by asking us.

If you're interested in a particular home, we will be able to provide you with a list of comparable sale prices of homes in your area that are roughly the same size and age as the home you're considering.

Although there will certainly be some differences between the homes...the house next door may have an extra bedroom, or the one down the block may be older than the one you're looking at...it's a good way to evaluate the sellers asking price.

*** When I start visiting homes, what should I be looking for the first time through?**

The house you ultimately choose to call home will play a major role in your family's life. A home can be an excellent investment, of course, but more importantly, it should fit the way you really live, with space and features that appeal to everyone in the family. As you look at each home, pay close attention to these important considerations...

- Is there enough room for you now and in the near future?
- Is the home's floor plan right for your family?
- Is there enough storage space?
- Will you have to replace the appliances?
- Is the yard the size you want?
- Are there enough bathrooms?
- How much maintenance and/or decorating will you need to do right away?
- Will your present furniture work in this house?

*** How many bedrooms should I be considering?**

Whether you are married or not, or have kids or not, spare bedrooms come in handy when family and friends come to stay. When you're not having guests, extra bedrooms are useful as a library, den, or TV room.

Another good reason to choose a home with extra bedrooms...extra space will make your home more appealing to a larger number of interested buyers when it comes time to sell.

*** What should I ask about each home that I look at?**

As a rule of thumb, ask any questions you have about specific rooms features or functions. Pay particular attention to areas that you feel could become "problem" areas - additions, defects, areas that have been repaired. And above all, if you don't feel your questions have been answered, ask until you do understand and are satisfied.

*** What should I tell my agent about the homes I looked at?**

Open communication is critical. Tell us everything you liked and didn't like about each home that you see. Don't be shy about talking about a home's shortcomings. Is the home too small for your needs?

Let your agent know. Was the home perfect except for the carpeting? Let your agent know that too. The more open and descriptive you are, the easier it is for us to "zero in" and find a home you'll love.

*** How many homes should I look at before I buy?**

There is no set number of homes you should look at before you decide to make an offer on one. That's why providing your agent with as many details as possible up front is so helpful.

The perfect home may be waiting for you on your first visit! Even if it isn't, the house-hunting process will help you get a feeling for the homes in each community and narrow your choices to a few homes that are worth a second look.

Sometimes seeing many houses can become confusing! An excellent way to differentiate each home is to name it! Call it the "cat house" if there were several cats or the "deck house" if the main feature is the deck. This will make it easier to remember and reach a decision.

*** I'd like to have a professional look at the home before I buy it. What does a Home Inspector do?**

For your own safety, and to make sure you're not going to have any surprise repair expenses, using a professional home inspector is highly recommended.

A home inspector will check a home's plumbing, heating, cooling, and electrical systems, plus look for structural problems, check the roof for water leakage, and look at the exterior and interior finishes throughout the property.

Usually you call an inspector immediately after you've made an offer on a home. However, before you sign any written offer, make sure that it includes an inspection clause or other language that says that your offer is conditional upon having a satisfactory home inspection.

Your home cannot "pass" or "fail" an inspection and your inspector will not tell you whether he or she thinks the home is worth the money you are offering. The inspector's job is to make you aware of repairs that are recommended or necessary plus health and safety issues.

A seller may be willing to renegotiate a price to accommodate needed repairs, or you may decide that the home will take too much work and money. A professional inspection will help you make a clear-headed decision.

* Should I be present during the inspection?

Absolutely! It's not required, but it is very much to your advantage. You'll be able to clearly understand the inspection report and know exactly which areas need attention. The inspection usually takes about 3 hours. Hint: wear your Saturday work clothes and sturdy shoes.

Plus, you can get answers to many questions and tips for maintenance and a lot of general information that will help you when you move into your new home. Most important, you'll see the home through the eyes of an objective third party.

Inspection Checklist:

Your professional home inspector will visually examine all parts of a house and property on both the interior and exterior! Items on your inspection report will include...

FOUNDATIONS, BASEMENTS, AND STRUCTURES

Basement floor and walls, proper drainage and ventilation, evidence of water seepage.

EXTERIOR SIDING, WINDOWS, DOORS

Exterior walls, windows, and doors; porches, decks, and balconies; garage.

ROOF

Roof type and material, condition of gutters and downspouts.

INTERIOR PLUMBING SYSTEM

Hot and cold water systems; the waste system and sewage disposal; water pressure and flow; and hot water equipment.

ELECTRICAL SYSTEM

Type of service, the number of circuits, type of protection, outlet grounding, and the load balance.

CENTRAL HEATING & COOLING SYSTEM

Energy sources, heating equipment, age, capacity, and distribution.

INTERIOR WALLS, CEILINGS, FLOORS, WINDOWS, AND DOORS

Wall, floors, ceilings, stairways, cabinets, and countertops.

ATTIC

Structural, insulation, and ventilation information.

FIREPLACE

Notes about the chimney, damper, and masonry and cleaning.

GARAGE

Doors, walls, floor, opener.

APPLIANCES

Including a wide range of built-in and other home appliances, smoke detectors and television/cable hookups.

LOT AND LANDSCAPING

Ground slope away from foundation, condition of walks, steps, driveway.

*** Do I need to talk to an insurance agent?**

Yes, and the sooner, the better. Most insurance professionals have a lot of experience in working with homeowners and can offer useful tips about home ownership, particularly regarding home safety and keeping your premiums low.

Once you've found a home, work together to develop a homeowner's policy that meets your individual insurance needs. You'll need to bring proof that you have a paid-up policy in place for your mortgage lender when you go to your lawyer's office to sign all the closing documents.

Ask us for some recommendations for insurance agents...Kranz Real Estate has dealt with several in their years of experience.

*** When I've found the home I like, how do I make an offer?**

When you've found a special house you want to call home, you'll probably feel excited and a bit nervous. We are ready to help you through this important time. With Kranz Real Estate, you'll write an "Agreement of Purchase and Sale"...a written document that declares how much you will pay for the home provided that certain conditions are met.

This is a legally binding contract that you will sign and date. Your offer will have a time limit for the seller to accept, reject, or make a counter-offer. If a counter-offer is made, you have time to respond. Often, offers go back and forth until accepted or one party decides to end negotiations.

Be prepared to encounter a phenomenon called "buyer's remorse". This occurs after you make a large purchase of anything, let alone a house. You will ask yourself "Did I make the right decision?" The answer is, "YES"...consider this self-analysis to be entirely normal!

*** How do I determine the amount of my initial offer?**

There is really no rule to use in calculating a realistic offer. Naturally the buyer wants the best price, but negotiations can be influenced by many factors.

After you've looked at the home's features, asked questions, checked comparable sales in the neighborhood, and talked about it with us, you should have a good idea of what the home's value is in the current market.

*** Consider what you can afford and make an offer that's fair.**

Most buyers and sellers negotiate on price, with both sides "giving" a little until both agree. When the price is agreed upon, both parties will initial the paperwork. Our skills are in negotiating a fair price for you...so use those skills to the fullest!

***What's a "deposit" or "earnest money" and how much do I need?**

When you sign an offer to purchase, the seller will require a deposit...that is, money that shows you are serious about wanting to buy. Usually, you will be asked to write a check for a specified amount, typically from \$1,000 to \$10,000 or more...depending upon the value of the property being purchased and the norm in your community.

We will hold this check until you have an accepted offer. Then that check will be sent to the listing office and deposited. Therefore, your deposit funds must be made readily available before you consider signing an offer.

Once the offer is accepted and acknowledged, your deposit will be included as part of your down payment. If your offer is not accepted, you'll get back your deposit.

Keep in mind, though, that if you back out of an offer once it's accepted and all conditions have been removed, you may forfeit the full amount of the deposit and may be liable for other costs incurred by the seller.

*** Is there any way I can protect myself against emergency repair bills in my new home?**

Yes. **Home Warranties** offer you protection against many potentially costly problems not covered by your homeowner's insurance.

They've become increasingly popular in recent years and for a good reason: the coverage can save you thousands in the event of a major mechanical breakdown, at a time when your cash reserves have been depleted by your down payment and moving expenses.

*** There's so much to remember... what do I have to do?**

Kranz Real Estate can help you with many of these things and a good realtor will keep in close contact with you right through the closing period!

Here's a partial closing checklist...

- Are all the necessary inspections complete?
- Are all the required repairs complete?
- Is your insurance policy paid up and ready to go into effect on the day you close?
- What form of check can you use (and who should it be made out to) to pay for the closing costs?

*** Is there anything I should do immediately after closing?**

The first thing you'll want to do is have the **locks changed**. Also, make sure that all your utilities have been switched on and are now in your name (electricity, gas, water, telephone and cable television).

Remember to put your deed, survey and other important paperwork from the closing in a secure place, preferably a safety deposit box. Even though it's all on file at the registry office, it's smart to know where your copies are and that you have access to them at all times.

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