

Buyer Guide

verve
REALTY®



Passion for Homes.
Neighborhood Specialists Since 1986

Five Steps in the Process...

1. Prepare



Research Online

- Get a feel for your ideal:
 - Location
 - Price range
 - Styles of home

Investigate

- School districts
- Commute times
- Current lease terms

Wants & Needs

- Make a list clarifying "must-haves" and "would likes"

2. Team Up



Choose a Realtor®

- Discuss Agency
- Review process
- Discuss wish list & timing
- Set up auto-search
- Ask lots of questions
- Tour a home together

Choose a Lender

- Local lenders preferred to online because:
 - Better service
 - Experience w/MN forms & programs

Get Pre-Approved

- Meet lender to review:
 - Assets/Income Docs
 - Loan Types
 - Down Payment
 - Pre-approval
 - Closing costs

3. Search



Tour Homes

- We need a day's notice to show occupied homes
- Discuss with your agent about visiting open houses

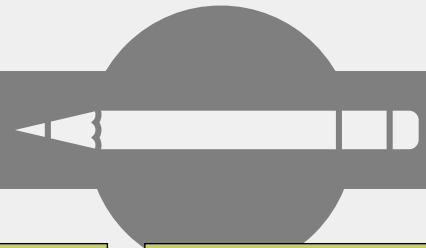
Refine Your Search

- Narrow down areas, commutes, preferred styles, amenities & finishes
- Clarify/modify wants vs. needs

Prepare Your Offer

- Info we need to write an offer: _____
- Pre-approval
 - Closing date
 - % down
 - Review disclosures & closing costs
 - Discuss "Buyer Love Letters"
 - Offer price
 - Earnest money amount
 - Loan type

4. Offer



Make an Offer	Negotiate Offer	Inspection	Inspection Negotiation
<ul style="list-style-type: none">• Review disclosure thoroughly• We prepare a draft offer for your review• You sign electronically via email (can be done on your phone)• This happens quickly – time is of the essence!	<ul style="list-style-type: none">• We try to finalize negotiations within a half a day or less• Expect give-and-take with Seller• Commonly negotiated: price, earnest money, downpayment, close date, contingencies	<ul style="list-style-type: none">• Typically a 5-7 day deadline• Review process & expectations with your agent• Discuss other testing needed (radon, etc.)• Cost is \$400-800 paid at the inspection	<ul style="list-style-type: none">• Must finalize within contingency deadline• Focus on major issues• Small or previously known issues often stall negotiations• Earnest money is refundable if not able to come to terms

5. Final Stretch



Get Insurance <ul style="list-style-type: none">• Your lender requires an insurance policy or "binder" for closing after you lock a rate• Required for "Written Statement" deadline	Appraisal & Underwriting <ul style="list-style-type: none">• Lender schedules appraisal• Costs \$400-\$500• Price negotiation if low appraisal• Expect intense communication & requests for documents in this stage	Keep Your Finances in Order <ul style="list-style-type: none">• Don't close accounts• No large purchases• Don't move money• Don't buy a car or boat
Final Walkthrough <ul style="list-style-type: none">• Done on the day of, or day before, closing• Should take 15-20 minutes• Check overall condition: systems, personal property & requested repairs	Closing <ul style="list-style-type: none">• Lender & Title company provide final numbers prior to closing• You must be there in person• It takes 45 minutes to 1 hour• Sign papers & pay downpayment• Get your keys - Congrats!	Move In! <ul style="list-style-type: none">• Lift with your legs, not with your back!• Put utilities in your name• Change locks• Homestead your property

Verve agents are with you every step of the way.

Buyer Costs & Timing



A Tried-and-True Guideline to Expected Costs

Immediately After Offer is Accepted

Earnest Money | **1-3% of Sales Price**

- applied to (reducing) your downpayment at closing
 - paid via an online wire transfer from your bank
 - refundable if cancelling within your contingencies

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Between Offer & Closing

Inspection & Appraisal Fees | **\$1,000-\$1,500**

- paid at time of inspection & when appraisal is ordered, respectively
 - these fees are non-refundable

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At the Closing Table

Buyer's Closing Costs | **3% of Sales Price**

- plus -

Downpayment | **% of Sales Price minus Earnest Money**

- both paid at closing and require a wire transfer or cashier's check
- yes, earnest money is applied to (reducing) your downpayment amount
- Buyer's closing costs can be "paid" by Seller by raising the sales price and financing them in your loan. (Must be agreed to by Seller.)

Who Pays the Realtors?

Your Buyer Agent (representing you) is paid a percentage of the Listing Agent's commission at closing. This is part of the Seller's closing costs, comes out of their sale proceeds, and has been calculated into the sale price of the home.