



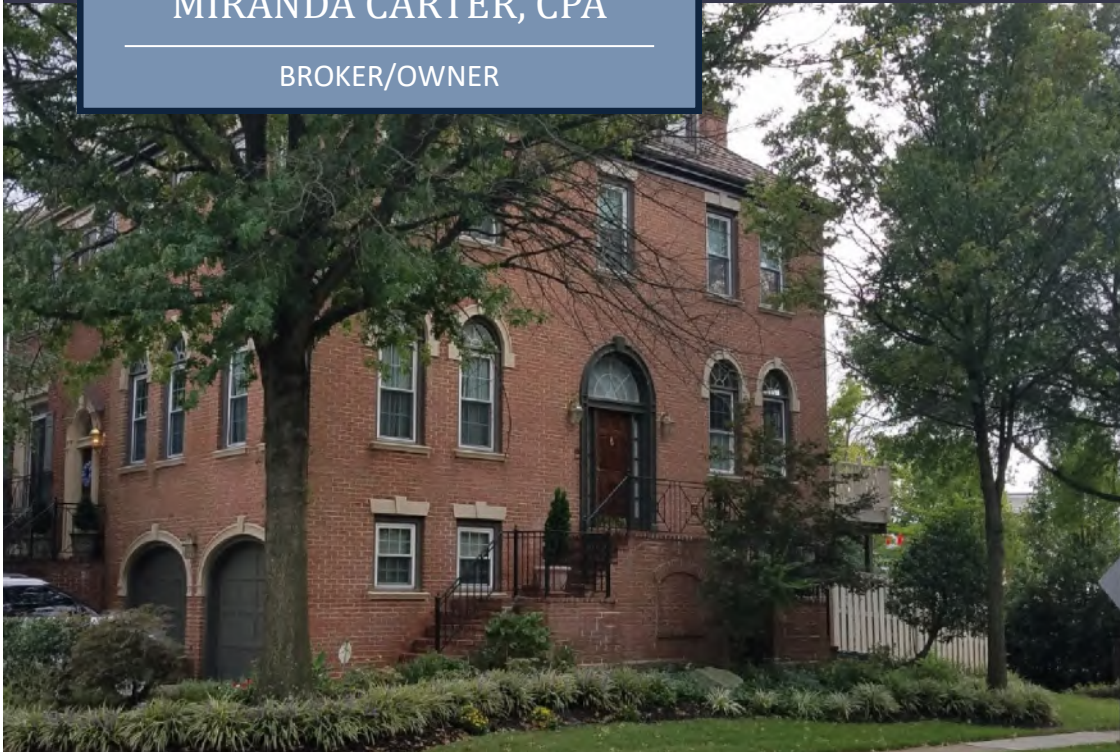
MIRACAZA

ULTIMATE GUIDE TO BUYING A HOME

TIPS, TOOLS AND RESOURCES FOR A
SUCCESSFUL HOME PURCHASE

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BROKER/OWNER



STEP 1. GET READY



CREDIT AND FINANCES

Having your finances in order is the foundation for a successful home purchase. Know your credit score. Earmark savings for your home purchase.

Want to improve your credit score?

HUD counselors are available in the area
and FREE

PRE-APPROVAL

LENDER DOCS NEEDED

GET APPROVED IN 1 BUSINESS DAY!

- ✓ W-2/1099 FOR LAST 3 YEARS
- ✓ 2 YEARS SIGNED TAX RETURNS
- ✓ RENTAL AGREEMENT/LEASES FOR PROPERTY OWNED
- ✓ SUPPORT FOR OTHER INCOME (CHILD SUPPORT, RETIREMENT, ETC.)
- ✓ 2 MONTHS STATEMENTS FOR ALL ASSET ACCOUNTS



Pre-approval is mandatory for you, your Realtor and the Seller to know your purchasing power.

DMV LOAN PROGRAMS

FIRST TIME HOME BUYER?
NEED DOWN PAYMENT ASSISTANCE?



VIRGINIA

- VA Housing Development Authority (VHDA)
- First Time Home Buyer (FTHB) Assistance Programs by County

MARYLAND

- MD Mortgage Program
- First Time Home Buyer (FTHB) Assistance Programs by County

DC

- DC Open Door
- DC Home Purchase Assistance Program

TIP: EACH COUNTY IN MARYLAND AND VIRGINIA HAVE FIRST TIME HOME BUYER LOAN PROGRAMS. DO YOUR RESEARCH. THE LENDERS RECOMMENDED BY MIRACAZA ARE SKILLED AT SHOWING ALL YOUR FINANCING OPTIONS.



STEP 2. SHOP FOR HOMES

HAVE A GAME PLAN

It's a Seller's Market. You need to be prepared.



- 1. Determine your priorities***
- 2. Do your homework/ take notes***
- 3. Have a purchase strategy***

BEFORE An Offer:

- Talk to would be neighbors.***
- Visit home at different times/ days***

BEFORE YOU MAKE AN OFFER

This is typically the most expensive purchase you will make. Some due diligence before you make an offer will go a long way.



1. Make a visual inspection of the property.
2. Review the Comparative Market Analysis.
3. View the neighborhood at different times of the day.
4. Talk to your would be neighbors. The information gained can't be Googled.
5. If buying a condo and you have a pet, make certain your pet will be accepted.
6. Research the schools.
7. Research criminal activity in the area.
8. If location will be a commute, test out the commute.

WHAT A SELLER CONSIDERS WHEN REVIEWING YOUR OFFER

- 1 PRICE**
This is the 1st thing Seller looks at. Is your offer at, above or below list price?
- 2 EARNEST MONEY**
You may be in a bidding war with other Buyers. The amount of your earnest/"good faith" deposit can be the deciding factor.
- 3 CONTINGENCIES:**
Typical contingencies are financing, appraisal and inspections. contingencies? Less attractive to Seller.
- 4 DOWN PAYMENT:**
Even though the Sellers receives cash at settlement, they look at the own payment, If a Buyer with 100% financing or 95% financing. Which would you chose?
- 5 CONCESSIONS**
Money you're asking the Seller for to go towards your closing costs, reducing the amount the Seller receives at closing.
- 6 DAYS TO CLOSE**
In a Seller's market, how quickly you can settle may get your offer selected. Several lenders we work with can get you to settlement in 14—21 days.

STEP 3. UNDER CONTRACT/ESCROW

Congratulations! You're under contract. There are several steps **before** you get your keys. Miracaza will ensure a smooth path to homeownership.

EARNEST MONEY COLLECTED

LENDER APPLICATION COMPLETE

PROPERTY INSPECTION

APPRAISAL

CONTRACT TO TITLE COMPANY

HOMEOWNER INSURANCE

HOME WARRANTY

CLEAR LOAN CONDITIONS

ORDER SURVEY

CONTRACT TO KEYS

21–45 DAYS

STEP 4. SETTLEMENT & BEYOND

Your hard work has paid off and it's time for settlement. Make sure you're ready for life as a homeowner.



Utilities Setup.



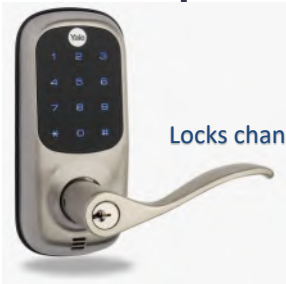
Final Walk Thru



Moving day. Don't forget to arrange for a cleaning.



Settlement.
Congratulations!



Locks changed.



Basic tools. Maintenance is your responsibility.

GLOSSARY OF TERMS

Appraisal. Written analysis of a home's estimated value. Required by the Lender.

Buyer Broker Agreement. An exclusive agreement that outlines the duties and obligations of both agent and buyer. Required.

Clear to Close. All loan conditions have been met and Buyer is clear to go to settlement.

Closing/Settlement Day. The day you sign the Deed, loan documents (if applicable) , other disclosures and get the keys to the house.

Closing Costs. Fees paid to close the mortgage, such as origination fee, discount points, title insurance fees, survey fees and attorney fees.

Closing Disclosure. A disclosure to help you understand all of the costs of the home purchase.

CMA/Comparative Market Analysis. Report that provides data on recently closed homes similar to the home you're purchasing to determine rough estimate of value.

Contingencies. Conditional events that must happen before the loan can be closed.

Conventional Financing. Mortgage financing that isn't insured or guaranteed by a government agency such as HUD/FHA or VA.

Deed. Transfers ownership of property from Seller to Buyer.

Deed of Trust. Security instrument that conveys title from Buyer to 3rd party (Trustee) to be held in trust as security for the lender.

Earnest Money Deposit. Amount of "good faith" money you include with your offer to purchase. In the DMV area, it's generally 1% or more of the purchase price.

Federal Housing Administration (FHA). A federal agency with the Department of Housing and Urban Development that provides mortgage insurance for residential mortgages.

Home Inspection. Inspects the overall condition of the property to include major defects, needed repairs and replacement along with health and safety issues.

Home Warranty. Home protection plan that covers a variety of items and systems for 1 year.

GLOSSARY OF TERMS CONTINUED

Loan Estimate. Disclosure to help Buyer understand the total cost of the loan.

PITI (Principal, Interest, Taxes and Insurance). This is generally considered your total mortgage payment. Over time, taxes and homeowners insurance will probably increase annually.

PMI/MIP (Private Mortgage Insurance or Mortgage Insurance Premium). If less than 20% down payment, monthly amount paid to protect mortgage lender against financial loss if Buyer defaults on loan.

Pre-Approval. Lender has approved you for a mortgage after verification of income.

Ratified Contract. Sales contract terms have been agreed to by Buyer and Seller.

Sales Contract. Written agreement between Buyer and Seller outlining terms and conditions of the sales of property.

Seller Disclosure/Disclaimer. Seller discloses any known defects or disclaims any knowledge of defects to a home.

Survey. Measurement of house and land with known points and dimensions.

Title Insurance (Lender). Insures lender against errors in title search. Required by the lender.

Title Insurance (Owner). Protects the homeowner by ensuring the property being purchased is free from all defects, liens and encumbrances.

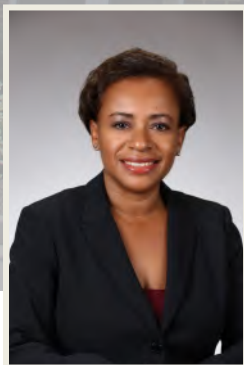
Underwriter. Person who reviews all loan application documents and gives the final loan approval.

This guide was created to answer some questions we encounter. Choosing an experienced Realtor who explains things to you in a concise way and is your trusted partner is critical. Contact Miranda today.

LEARN MORE

FREE

Consultation



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