THE COMPLETE

Home Buyer's Guide

Everything you need to know — from your first steps to closing day.

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What's Inside

Twelve sections covering the full path from first thoughts to keys in hand.

SECTION 1

Why Buy a Home?

Homeownership is one of the most powerful financial and personal decisions you can make. Here are seven compelling reasons buyers choose to purchase rather than rent.

7 Great Reasons to Own a Home

1 Build Wealth Over Time

Real estate has historically appreciated in value over the long term. As your home's value grows and your mortgage balance shrinks, you build equity — a form of forced savings that renters simply cannot access.

2 Stability and Predictability

With a fixed-rate mortgage, your principal and interest payment stays the same for the life of the loan. Renters, by contrast, face the risk of rent increases year after year.

3 Tax Benefits

Homeowners may deduct mortgage interest and property taxes on their federal returns, potentially saving thousands annually. Consult a tax advisor for specifics in your situation.

4 Freedom to Personalize

Your home is yours to paint, renovate, landscape, and customize however you like — no landlord approval needed.

5 Roots in the Community

Studies consistently show that homeowners have stronger ties to their communities, higher civic participation, and greater long-term stability for their families.

6 Inflation Hedge

A fixed mortgage payment locks in your housing cost while rents and home values continue to rise with inflation — making ownership more valuable over time.

7 Pride of Ownership

There's an emotional dimension to owning your home that no statistic fully captures. It's yours. Your space. Your investment. Your legacy.

> ✓ PRO TIP: Even in a challenging market, the long-term benefits of homeownership almost always outweigh renting — especially when you plan to stay for 5+ years.

SECTION 2

Getting Started

7 Principles for Homebuyer Success

Before you start touring homes, set yourself up for a smoother, less stressful experience by following these core principles:

1. Get pre-approved for a mortgage — not just pre-qualified — before making any offers. Sellers take pre-approved buyers far more seriously.
2. Know your numbers. Understand your income, debts, savings, and credit before you speak to a lender.
3. Define your needs vs. wants. Make two lists: features you absolutely must have, and features you'd love but can live without.
4. Research neighborhoods first. Your home's location is permanent; the house itself can often be updated.
5. Work with a trusted agent. A REALTOR® has the market knowledge, negotiation skills, and fiduciary duty to guide you through the process.
6. Don't make major financial moves during the process — no new credit cards, car loans, or large cash deposits until after closing.
7. Be patient and flexible. The perfect home at the perfect price rarely appears instantly. Discipline now leads to satisfaction later.

How to Prepare to Buy a Home

Preparation is the difference between a smooth closing and a stressful one. Here's how to get ready:

- Determine your budget — include down payment, closing costs (typically 2–5% of the purchase price), moving costs, and cash reserves for post-move repairs or purchases.
- Review your credit report at annualcreditreport.com and dispute any errors before applying for a loan.
- Save aggressively. Most loan programs require 3–20% down. More down = lower monthly payment and no PMI at 20%.
- Gather key documents: two years of tax returns, recent pay stubs, bank statements, and ID.
- Establish a timeline. Factor in how long it typically takes in your target market to find a home and close escrow.

WORKSHEET: Track Your Budget

Before meeting with a lender, tally your monthly gross income, all recurring debts (car, student loans, credit cards), and estimated new housing costs (mortgage, taxes, insurance, HOA). Lenders typically look for a total debt-to-income ratio of 43% or less.

SECTION 3

Credit, Financing & Lenders

What to Know About Credit Scores

Your credit score is one of the most important numbers in the home buying process. It directly affects whether you qualify for a loan and what interest rate you receive.

SCORE RANGE	RATING	TYPICAL LOAN IMPACT
760 – 850	Excellent	Best rates available; strong loan options
700 – 759	Good	Competitive rates; most programs available
640 – 699	Fair	Higher rates; some program restrictions
580 – 639	Poor	Limited options; FHA may still be available
Below 580	Very Poor	Very limited; focus on rebuilding before buying

How to Improve Your Credit

If your score needs work, these proven strategies can help improve it before you apply:

- Pay every bill on time — payment history accounts for 35% of your score.
- Pay down existing balances — credit utilization (how much of your available credit you're using) makes up 30% of your score. Aim to keep it below 30%.
- Don't close old accounts — the length of your credit history matters. Keep old cards open even if you don't use them.
- Avoid opening new credit before applying for a mortgage — each hard inquiry temporarily lowers your score.
- Check for and dispute errors on your credit report at all three bureaus: Equifax, Experian, and TransUnion.
- If you have collections, talk to a lender before paying them off — sometimes paying old collections can temporarily lower your score.

> ✓ PRO TIP: Most credit improvement strategies take 3–6 months to show results. Start early — ideally 6–12 months before you plan to buy.

How to Prepare to Finance a Home

Getting financially ready for a mortgage goes beyond just your credit score. Here's what lenders will evaluate:

- Income & Employment: Lenders want to see at least 2 years of stable employment. Self-employed buyers typically need 2 years of tax returns.
- Debt-to-Income Ratio (DTI): Your total monthly debts divided by gross monthly income. Most lenders prefer 43% or less.
- Down Payment: The more you put down, the better your loan terms. 20% eliminates Private Mortgage Insurance (PMI).
- Cash Reserves: Many lenders want to see 2–6 months of mortgage payments in savings after closing.
- Assets: Bank accounts, retirement funds, and investment accounts all count.

Creative Ways to Finance a Home

Beyond a conventional 30-year mortgage, there are several financing paths worth knowing about:

FHA Loans

Backed by the Federal Housing Administration. Requires as little as 3.5% down with a credit score of 580+. Great for first-time buyers but requires mortgage insurance premium (MIP).

VA Loans

Available to eligible veterans, active-duty service members, and surviving spouses. No down payment required, no PMI, and competitive interest rates.

USDA Loans

For buyers in eligible rural and suburban areas. No down payment required. Income limits apply.

Down Payment Assistance Programs

Many states, counties, and cities offer grants or low-interest loans to help with down payments. Your agent or lender can help you identify programs available in your area.

Seller Financing / Carry-Back

In some situations, the seller may agree to finance part or all of the purchase directly. This can be helpful when conventional financing is difficult to obtain.

Gift Funds

Many loan programs allow buyers to use gift money from family members for all or part of the down payment. Documentation is required.

Questions to Ask When Choosing a Lender

Not all lenders are equal. Interview at least three before choosing one. Here's what to ask:

- What loan programs do you offer, and which one do you recommend for my situation?
- What interest rate and APR can I qualify for today?
- What are the total estimated closing costs?
- How long does your process take from application to clear to close?
- Will my loan be sold after closing, and who will service it?
- What happens if my rate lock expires before closing?
- What documentation will you need from me?
- Are you available outside of business hours if issues arise?

Your Mortgage Application Checklist

Have these documents ready when you apply:

- Government-issued photo ID
- Social Security number
- Last 2 years of W-2s and federal tax returns
- Most recent 30 days of pay stubs
- Last 2–3 months of bank and investment account statements
- List of all debts (car loans, student loans, credit cards) with balances and payments
- Landlord contact info or 12 months of canceled rent checks (if renting)
- Documentation of any gifts for down payment
- If self-employed: 2 years of business tax returns and a year-to-date P&L

SECTION 4

Choosing Your Team

7 Reasons to Work With a REALTOR®

A REALTOR® is more than a door-opener. Here's why working with one protects your interests and saves you time, money, and stress:

1. Market expertise — REALTORS® have access to comprehensive MLS data and deep knowledge of local pricing, inventory, and trends that the public simply doesn't see.
2. Negotiation skills — A skilled agent can often negotiate thousands off the purchase price, secure seller concessions, or win in a multiple-offer situation.
3. Fiduciary duty — Your agent is legally obligated to act in your best interests, keep your information confidential, and disclose all material facts.
4. Network of professionals — Your agent can connect you with trusted lenders, inspectors, attorneys, and other service providers.
5. Contract expertise — Real estate contracts are complex. Your agent understands contingencies, timelines, and what's negotiable.
6. Transaction management — From offer to close, a REALTOR® manages dozens of moving parts so nothing falls through the cracks.
7. Problem-solving — When issues arise (and they often do), an experienced agent knows how to navigate them without blowing up the deal.

Questions to Ask When Choosing a Real Estate Agent

Interview at least 2–3 agents before signing a buyer's representation agreement. Ask:

- How long have you been working in real estate, and how many transactions have you closed in the past 12 months?
- Do you specialize in this neighborhood or price range?
- How will you communicate with me, and how quickly can I expect responses?
- Will I always work directly with you, or will I be handed off to a team member?
- How do you get compensated, and who pays your commission?
- Can you explain how buyer's representation agreements work?
- What's your strategy for winning in a competitive offer situation?
- Can you provide references from recent buyers?

Understanding Agency & Agency Relationships

Before you start working with an agent, it's important to understand the different types of representation:

Buyer's Agent

Represents only you, the buyer. Has a fiduciary duty to protect your interests in the transaction. Must disclose all known material facts and keep your negotiating position confidential from the seller.

Listing Agent (Seller's Agent)

Represents the seller. While they must deal honestly with you, their loyalty is to the seller. Don't share your top price or motivation with a seller's agent.

Dual Agent

Represents both buyer and seller in the same transaction. This limits the agent's ability to fully advocate for either party. Must be disclosed and consented to in writing.

Transaction Broker / Non-Agent

Facilitates the transaction without representing either party. Laws vary by state.

> ⚠ **IMPORTANT:** Always clarify who your agent represents before sharing sensitive information like your maximum budget or timeline pressure.

SECTION 5

Finding the Right Home

Worksheet: Define Your Dream Home

Before you tour a single property, clarify what you're looking for. Use this as your personal guide:

NON-NEGOTIABLES (Must Have)

Location/neighborhood: ______________________ Bedrooms (minimum): _______ Bathrooms (minimum): _______ Garage/Parking: ______________________ School district: ______________________ Max commute time: ______________________ Other must-haves: ______________________

WISH LIST (Would Love)

Home style (single-family, condo, townhome): _______ Kitchen features: ______________________ Outdoor space: ______________________ Storage: ______________________ Smarthome/tech features: ______________________ Proximity to: ______________________

Questions to Ask About the Neighborhood

The right neighborhood is just as important as the right house. Before making an offer, investigate:

- What is the current average price per square foot, and how has it trended over the past 3–5 years?
- What are the schools rated, and what are the school boundaries? (Even if you don't have children, school quality affects resale value.)
- Is the area flood-prone, in a fire hazard zone, or near a flight path?
- What are the noise levels at different times of day and night?
- What is the commute like during actual rush hour — not on a map app?
- Are there planned developments, road projects, or zoning changes nearby?
- Is the neighborhood walkable? Bikeable? Close to parks, grocery stores, restaurants?
- What is the crime rate compared to surrounding areas?

> ✓ **PRO TIP:** Visit the neighborhood at different times — early morning, during rush hour, on a Friday night. The same street can feel very different depending on when you visit.

How to Buy in a Tight Market

In competitive markets with low inventory, buyers need a clear strategy to win without overpaying:

- Get fully pre-approved (not just pre-qualified) and have your letter ready before you tour homes.
- Move fast — in hot markets, well-priced homes can receive offers within 24–48 hours of listing. Be ready to act.
- Work with your agent to understand how much above list price homes are actually selling for in your target area.
- Strengthen your offer with a larger earnest money deposit to signal commitment.
- Limit contingencies where you can afford to — but never waive the inspection entirely if you're not experienced with construction.
- Write a personal letter to the seller (where permitted by fair housing law) — some sellers care who buys their home.
- Be flexible on the close date or possession date — aligning with the seller's timeline can be as powerful as price.
- Consider homes that have been on the market longer — they may have less competition and more room to negotiate.

Questions to Ask When Considering a Condo

Buying a condo or unit in a planned development comes with additional considerations:

- What are the monthly HOA dues, and what do they cover?
- Are there any special assessments pending or anticipated?
- Is the HOA financially healthy? Review the reserve fund study.
- What is the owner-occupancy ratio? (Lenders may require 51%+ owner-occupied for conventional financing.)
- Are there rental restrictions? Can you rent the unit if needed?
- What are the rules on pets, renovations, parking, and move-in/move-out?
- Are there any pending lawsuits involving the HOA?

Questions to Ask the Condo Board

If possible, speak directly with HOA board members or management before making an offer:

- What major repairs or capital improvements are planned in the next 2–5 years?
- Have dues increased significantly in recent years? Is another increase expected?
- How are disputes between residents handled?
- What's the process for approving renovations to individual units?

SECTION 6

Inspections & Property Condition

What to Know About the Home Inspection

A home inspection is one of the most important steps in protecting your investment. Here's what to know:

A licensed home inspector will conduct a visual examination of the property's major systems and components — typically taking 2–4 hours for a single-family home.

What's Typically Covered:

- Foundation and structure
- Roof, gutters, and drainage
- Electrical systems and panel
- Plumbing and water heater
- HVAC (heating and cooling) systems
- Windows, doors, and insulation
- Attic and crawl space
- Garage, driveway, and exterior
- Built-in appliances

What's NOT Typically Covered:

- Sewer lines (requires a separate sewer scope)
- Pests and termites (requires a pest inspection)
- Pool and spa (requires a pool inspection)
- Underground oil tanks or buried utilities
- Environmental hazards like mold, asbestos, or radon (require specialized testing)

> ⚠ IMPORTANT: Never skip the home inspection — even in a competitive offer situation. Waiving the inspection contingency is different from waiving the inspection itself. You can still inspect; you just can't use the findings to back out.

Questions to Ask a Home Inspector

The inspection report is only as useful as the conversation around it. Ask your inspector:

- Is this a safety issue, a maintenance issue, or just something to monitor?
- How urgent is this repair? Can it wait, or does it need immediate attention?
- How much would you expect this to cost to repair or replace?
- Is this typical for a home of this age and type?
- Is there evidence of a past or active leak? Has it been repaired or is it ongoing?
- What's the approximate age and remaining useful life of the roof, HVAC, and water heater?
- Are there any areas you could not access that I should follow up on?
- What are the top 3 things you'd fix first if this were your home?

> ✓ PRO TIP: Attend the inspection in person — you'll learn far more walking through the home with the inspector than from reading the report alone.

What to Know About Home Hazards

Older homes in particular may contain materials or conditions that require special attention:

Asbestos

Common in homes built before 1980. Found in insulation, floor tiles, ceiling tiles, and pipe wrap. Undisturbed asbestos is often not a risk — it becomes hazardous when disturbed or deteriorating. Testing requires a certified inspector.

Lead-Based Paint

Banned for residential use in 1978, but still present in many older homes. Federal law requires sellers to disclose known lead-based paint hazards for pre-1978 homes. Buyers have the right to a 10-day inspection period for lead.

Radon

A colorless, odorless radioactive gas that naturally seeps up through the ground. Long-term exposure is the second leading cause of lung cancer. Testing is inexpensive and easy; mitigation systems can reduce levels significantly.

Mold

Often a sign of past or present water intrusion. Some molds require professional remediation. Look for musty odors, water staining, or visible discoloration during tours.

Carbon Monoxide

Produced by combustion appliances (furnaces, stoves, water heaters). Detectors are required by law in many states. Ensure all combustion appliances are properly vented.

SECTION 7

The Appraisal Process

What to Know About the Appraisal

If you're financing your purchase, your lender will order an appraisal to confirm the home's market value supports the loan amount.

How It Works

A state-licensed appraiser will visit the property and assess its value based on recent comparable sales ("comps"), the home's condition, size, location, and features. The appraisal typically takes 1–2 weeks from the time it's ordered.

If the Appraisal Comes in at or Above Purchase Price

Great news — the loan proceeds as planned.

If the Appraisal Comes in Below Purchase Price

You have several options: negotiate the price down to the appraised value, pay the difference out of pocket (the "appraisal gap"), challenge the appraisal by providing comparable sales the appraiser may have missed, or walk away if your contract has an appraisal contingency.

APPRAISAL VS. INSPECTION

These are two completely different processes. The inspection evaluates the physical condition of the home for your benefit. The appraisal determines market value for the lender's benefit. You need both.

SECTION 8

Homeowners Insurance

What to Know About Homeowners Insurance

Your lender will require homeowners insurance before closing. It's not optional — and not just for the lender's protection. A solid policy protects your investment from fire, theft, weather damage, and liability.

What a Standard Policy Typically Covers:

- Dwelling coverage — rebuilding or repairing the home's structure
- Personal property — your belongings inside the home
- Liability protection — if someone is injured on your property
- Additional living expenses — hotel and meals if you're displaced by a covered event

What's Typically NOT Covered:

- Floods — requires a separate flood insurance policy (required if you're in a FEMA flood zone)
- Earthquakes — requires a separate earthquake policy (especially important in California)
- Sewer backup — often available as a rider
- Pest infestations

How to Lower Homeowners Insurance Costs

Insurance is negotiable. Here's how to reduce your premiums without sacrificing coverage:

- Bundle home and auto insurance with the same carrier for a multi-policy discount.
- Raise your deductible — increasing from $500 to $1,000 can reduce your premium by 10–25%.
- Install safety features: smoke detectors, deadbolts, security systems, and storm shutters.
- Ask about loyalty discounts, claim-free discounts, or new-buyer discounts.
- Shop around — get quotes from at least 3 insurers before deciding.
- Avoid making small claims — multiple claims can raise your rates or trigger non-renewal.
- Know your home's rebuild cost, not its market value — insure for what it would cost to rebuild, not what you paid.

What Is Title Insurance?

Title insurance protects you (and your lender) against problems with the property's ownership history that may not appear during the normal title search.

Owner's Title Policy

Protects you as the buyer against future claims on the property — for example, if an unknown heir appears and claims ownership, or if a contractor files a lien for unpaid work from a previous owner. This is a one-time premium paid at closing.

Lender's Title Policy

Required by virtually all lenders. Protects the lender's interest in the property, but does NOT protect you. You need a separate owner's policy for that.

> ⚠ **IMPORTANT:** Always purchase an owner's title insurance policy. The one-time premium is small relative to the protection it provides for as long as you own the home.

SECTION 9

Closing Day & Beyond

Your Final Walk-Through Checklist

The final walk-through typically takes place within 5 days of closing. This is not a second inspection — it's to confirm the property is in the same condition as when you made your offer and that any agreed-upon repairs have been completed.

Check the following:

- All agreed repairs have been completed (ask for receipts and warranties)
- All appliances included in the sale are present and operational (test each one)
- All fixtures and items listed in the contract are still there
- No new damage has occurred since your inspection
- HVAC systems heat and cool properly
- All lights and outlets work
- All plumbing fixtures work, no new leaks
- Windows and doors open, close, and lock properly
- Garage door openers are present and functional
- The home has been reasonably cleaned and is in broom-clean condition
- The sellers have removed all personal belongings and debris

Worksheet: Track Closing Costs

Closing costs typically run 2–5% of the purchase price. These are the fees you should expect to see on your Closing Disclosure:

COST ITEM	TYPICAL RANGE	YOUR ESTIMATE
Loan origination fee	0.5–1% of loan	
Appraisal fee	$500–$1,000	
Credit report fee	$25–$75	
Title search fee	$200–$400	
Owner's title insurance	0.5–1% of purchase price	
Lender's title insurance	0.25–0.5% of loan	
Escrow / closing fee	$500–$2,000	
Home inspection	$350–$600	
Prepaid homeowners insurance (1 yr)	Varies	
Prepaid property taxes (prorated)	Varies	
Prepaid mortgage interest (prorated)	Varies	
Recording fees	$50–$250	
TOTAL ESTIMATED CLOSING COSTS		

Worksheet: Service Provider Contacts

Keep this list handy throughout your transaction:

YOUR TRANSACTION TEAM

Real Estate Agent: ____________________________ Phone: _______________ Lender / Loan Officer: _________________________ Phone: _______________ Escrow / Title Officer: _________________________ Phone: _______________ Home Inspector: _______________________________ Phone: _______________ Insurance Agent: ______________________________ Phone: _______________ Real Estate Attorney (if applicable): _____________ Phone: _______________

SECTION 10

Property Taxes

Questions to Ask About Property Tax

Property taxes are an ongoing cost of homeownership that can vary significantly by location. Here's what to research before buying:

- What is the current annual property tax on this home, and what is the effective tax rate?
- When was the property last assessed? If the home has not been sold recently, the assessed value may be well below market — meaning your taxes could increase significantly after purchase.
- Are there any special assessments, Mello-Roos taxes, or community facilities district bonds attached to this property?
- Does the county or city offer a homestead exemption, and if so, how much does it reduce the taxable value?
- Are there senior, veteran, or disability exemptions that apply?
- What is the appeal process if I believe my assessment is too high?

> ✓ PRO TIP: In California, property taxes are generally capped at 1% of the assessed value under Proposition 13, plus any voter-approved bonds and special taxes. Ask specifically about Mello-Roos taxes, which are common in newer developments and can add hundreds per month.

SECTION 11

Green Home Features

Green Home Programs & Energy Efficiency

Green home features are increasingly valuable — both for the planet and for your wallet. Here's what to look for and ask about:

Energy Efficiency Features Worth Evaluating:

- Solar panels (owned or leased — understand the difference before assuming ownership transfers)
- Energy-efficient windows and insulation (check the R-value)
- ENERGY STAR® rated appliances
- Tankless or heat-pump water heaters
- Smart thermostats and LED lighting
- EV charging outlet or conduit in the garage

Programs and Incentives to Know:

- Federal Energy Tax Credits — available for solar, EV chargers, and energy-efficient upgrades.
- PACE Financing (Property Assessed Clean Energy) — energy improvements financed through a lien on the property. If the property has PACE financing, it transfers to you as the new owner. Ask about this explicitly.
- Utility rebates — many local utilities offer rebates for energy-efficient appliances, insulation, and HVAC systems.
- Green home certifications — LEED, ENERGY STAR, and Green Point Rated certifications indicate third-party verified efficiency.

> ⚠ **IMPORTANT:** If the home has leased solar panels, you will need to either assume the lease or have the seller pay it off before closing. Review the solar agreement carefully before making an offer.

SECTION 12

Buying a Short Sale

Before Making a Short Sale Offer

A short sale occurs when the seller owes more on the property than it's worth, and the lender must approve the sale at a reduced price. Short sales can be great opportunities — but they require patience and preparation.

- Understand the timeline: Short sales can take 60–120+ days to close, or longer, because the seller's lender must approve the purchase price.
- Get pre-approved and have your finances fully in order before making an offer — the lender will scrutinize the buyer's qualifications.
- The home is typically sold "as-is" — the seller has no money to make repairs. Budget accordingly.
- Multiple lenders may be involved if the home has more than one loan — each must approve the sale separately.
- Don't fall in love before approval — until the seller's lender approves the price in writing, the deal is not a deal.
- Ensure your agent has short sale experience — this is a specialized transaction.

Your Short Sale Purchase Team

A successful short sale requires the right professionals working together:

- Experienced buyer's agent — someone who has closed short sales and understands the process.
- Real estate attorney — recommended in complex short sales, especially if multiple liens are involved.
- Patient lender — make sure your loan approval does not expire before the short sale is approved. Ask about extended rate lock options.
- Experienced title company — short sales often have complex title situations including potential junior liens that need to be negotiated.

Glossary of Key Terms

Loans & Lending Terms

TERM	DEFINITION
Amortization	The gradual repayment of a loan through scheduled payments of principal and interest over the loan term.
APR (Annual Percentage Rate)	The total cost of borrowing expressed as a yearly rate, including interest, fees, and other costs. More complete than the interest rate alone.
ARM (Adjustable-Rate Mortgage)	A mortgage whose interest rate can change periodically after an initial fixed period (e.g., 5/1 ARM is fixed for 5 years, then adjusts annually).
Balloon Payment	A large lump-sum payment due at the end of a loan term, common in some seller-financed deals.
Conforming Loan	A loan that meets the size and underwriting standards set by Fannie Mae and Freddie Mac, making it eligible for sale on the secondary market.
DTI (Debt-to-Income Ratio)	Total monthly debt obligations divided by gross monthly income. Most lenders look for 43% or less.
Escrow	A neutral third party that holds funds and documents during a real estate transaction until all conditions are met.
Fixed-Rate Mortgage	A mortgage with an interest rate that stays the same for the entire loan term.
Jumbo Loan	A loan that exceeds the conforming loan limit set by the FHFA. Typically requires stronger credit and a larger down payment.
LTV (Loan-to-Value Ratio)	The loan amount divided by the property's appraised value. Higher LTV = more risk for the lender.
PMI (Private Mortgage Insurance)	Insurance required by lenders when the down payment is less than 20%. Protects the lender, not the buyer. Can be removed once LTV reaches 80%.
Points	Prepaid interest paid at closing to reduce the interest rate. One point = 1% of the loan amount.
Pre-Approval	A lender's conditional commitment to lend a specific amount, based on verified income, assets, and credit. Stronger than pre-qualification.
Rate Lock	A lender's guarantee to hold a specific interest rate for a set period (usually 30–60 days) while the loan is processed.
Title	Legal ownership of a property. Clear title means no liens, disputes, or encumbrances.
Underwriting	The process a lender uses to evaluate the risk of a loan application and decide whether to approve it.

Transaction Documents

DOCUMENT	WHAT IT IS
Purchase Agreement	The binding contract between buyer and seller that outlines all terms of the sale.
Earnest Money Deposit	A good-faith deposit made by the buyer to demonstrate commitment. Applied to the purchase price at closing.
Contingency	A condition that must be satisfied for the transaction to proceed (e.g., inspection, financing, appraisal).
Counter Offer	A seller's response to a buyer's offer, modifying one or more terms. Creates a new offer requiring buyer acceptance.
Addendum	A document that modifies or supplements the original purchase agreement.
Closing Disclosure (CD)	A federally required form provided by the lender at least 3 business days before closing, detailing all loan terms and closing costs.
Grant Deed	The document that legally transfers ownership from seller to buyer. Recorded in the county where the property is located.
HUD-1 / Settlement Statement	An itemized accounting of all funds received and disbursed in a real estate transaction.
Title Report / Preliminary Title Report	A report showing the current state of title — ownership, liens, easements, and encumbrances.
Disclosure Statement (TDS)	Required in California — seller's written disclosure of all known material defects and conditions affecting the property.

Agency & Relationship Terms

TERM	DEFINITION
Agency	The legal relationship in which a real estate agent (the agent) is authorized to act on behalf of a principal (buyer or seller).
Fiduciary Duty	The highest level of legal obligation — to act in the best interests of the client, with loyalty, confidentiality, disclosure, and care.
Buyer's Agent	An agent who exclusively represents the buyer's interests in a transaction.
Listing Agent	An agent who represents the seller and markets the property.
Dual Agency	When the same agent or brokerage represents both buyer and seller in the same transaction. Requires written consent of all parties.
MLS (Multiple Listing Service)	A database of properties for sale, shared among licensed real estate agents and brokers.
REALTOR®	A licensed real estate professional who is a member of the National Association of REALTORS® and bound by its Code of Ethics.

READY WHEN YOU ARE

Let's talk about your move.

Whether you're twelve months out or ready to tour this weekend, a short conversation now saves a lot of guesswork later. I'll walk you through what your budget actually buys in the Tri-City and South Bay — and what the process looks like start to finish.

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