



**BURGOS**

Realty Company

BUYING A NEW

*home*



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# Hello!

**JOSEPH BURGOS**  
REAL ESTATE BROKER  
PRESIDENT & CEO



Thank you for trusting us to handle logistics of your new home purchase. Every member of Burgos Realty Company is committed to ensuring that ALL of your real estate needs are not just met, but exceeded!

We created this guide for your convenience and hope you will find it a valuable resource before and during the buying process. While the home buying process is outlined for you here, please know that we will be in close and constant contact with you throughout the process. We are focused on creating a buying experience that matches your unique buying needs and exceeds expectations.

# Burgos Realty Company

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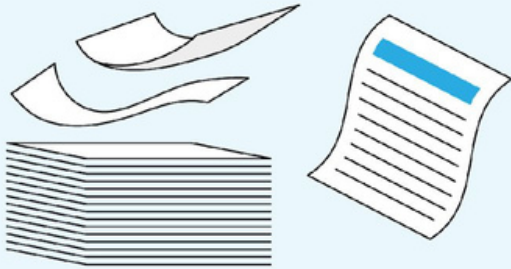
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# STEPS TO CLOSING

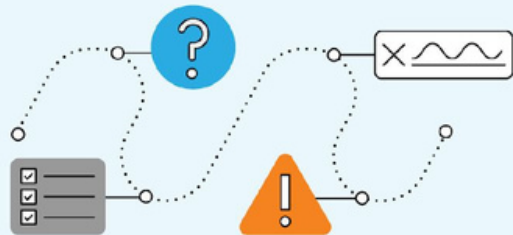
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# WHY REAL ESTATE PROFESSIONALS ARE NECESSARY



## CONTRACTS

We help with all disclosures and contracts necessary in today's heavily regulated environment.



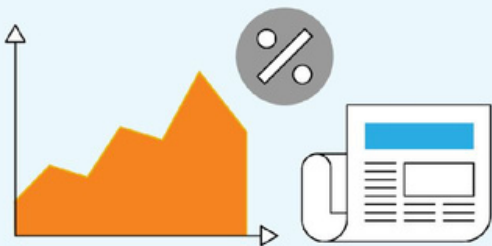
## EXPERIENCE

We are well-versed in real estate and experienced with the entire sales process.



## NEGOTIATIONS

We act as a buffer in negotiations with all parties throughout the entire transaction.



## EDUCATION

We simply and effectively explain today's market conditions and decipher what they mean for you.



## PRICING

We help you understand today's real estate values when setting the price of a listing or making an offer to purchase.

# 01 CONNECT WITH A BURGOS REALTY COMPANY 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, who looks 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.



# OUR COMMITMENT TO YOU



## GETTING YOU IN THE DOOR

- 1** 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

- 2** 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

- 3** 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.

# OUR COMMITMENT TO YOU



## ON YOUR SIDE

- 4** 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

- 5** 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

- 6** 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.

# 02 PREPARE YOUR FINANCES

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.

## 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, earnest money, closing costs & home inspector

- 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.
- A Down Payment is typically between 0% & 20% of the purchase price depending on buyer qualifications 7 mortgage
- Closing Costs for the buyer are on average 5% to 6% of the loan amount
- A Home Inspection is in the range of \$500 to \$700

### FINANCIALS AND MORTGAGE PAYMENT

- Review your credit report. Make note of any errors you see and talk to your lender about them.
- Compile necessary documents, including pay stubs, bank statements, and past tax returns.
- Determine how much of a payment you are comfortable with. Don't forget you will have taxes and insurance on top of your base mortgage payment!

### TALK TO YOUR AGENT ABOUT:

- Credit Specialists
- Mortgage Lender Recommendations
- Down Payments
- Closing Costs
- Home Inspections





# 03 RESEARCH LENDERS GET PRE-APPROVED

Credit score and financial documents in hand, you're ready to start researching options for your home loan. Discuss mortgage lender recommendations with Burgos Realty Company. We have long lasting relationships with trusted lenders and are happy to share them with you!

## SHOP ONLINE

You can comparison shop from a diverse group of reputable lenders in all 50 states, ranging from small, regional providers to larger, well-known brands such as Citi and Bank of America. You'll get a personalized quote and can read lender reviews and ratings to help gain insights into which lender is right for you. Find out if you qualify for a special loan, such as a Veterans Affairs (VA) loan or any special home buying financing options through state or federal programs.

Make sure you get that mortgage pre approval letter — it'll make you a more competitive buyer.

## PRE-APPROVED VS. PRE-QUALIFIED

This 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.

### RESEARCH MORTGAGES AND LENDERS

- Find out if you qualify for a special loan, such as a VA, FHA, or HUD home buying program.
- Request quotes from multiple lenders and comparison shop for loans.
- Get preapproved for a mortgage and receive your letter

# THINGS TO AVOID AFTER APPLYING FOR A MORTGAGE

Consistency is the name of the game after applying for a mortgage. Be sure to discuss any changes in income, assets, or credit with your lender, so you don't jeopardize your application.



Don't change bank accounts.



Don't apply for new credit or close any credit accounts.



Don't make any large purchases.



Don't deposit cash into your bank accounts before speaking with your bank or lender.



Don't co-sign other loans for anyone.

The best plan is to fully disclose and discuss your intentions with your lender before you do anything financial in nature.



# LET'S GO SHOPPING

## WHAT CAN I DO NOW?

- Get a head start by compiling your home wish list.
- Spend time in each area, imagining yourself living there.
- Find properties in your price range in your preferred neighborhoods.
- Visit open houses and have one of our team members schedule private showings.

## Make A List

- \_ Minimum # of bedrooms and bathrooms
- \_ Desired kitchen size and cabinet space
- \_ Closet wishes
- \_ Additional rooms (i.e. family room, finished basement)
- \_ Outdoor space

Once you've made a list of your must-haves, don't forget to think about the kind of neighborhood you want, types of schools in the area, the length of your commute to and from work, and the convenience of local shopping. Take into account your safety concerns as well as how good the rate of home appreciation is in the area.

## TIPS

*Consider all of the details of the home*

- Plumbing, heating, and electrical
- Windows and doors

*Evaluate the neighborhood*

- Surrounding homes maintenance
  - Street traffic
- Lifestyle convenience (i.e. distance to schools, work, entertainment, stores, transportation)

# 5 TIPS FOR



## MAKING A SUCCESSFUL OFFER

Today's real estate market clearly has high homebuyer interest and low housing inventory. With so many buyers competing for a limited number of houses for sale, it's more important than ever to know the ins and outs of making a confident and competitive offer. Here are five keys to success for this important stage in the homebuying process.

### 1. LISTEN TO YOUR REAL ESTATE ADVISOR

An article from Freddie Mac offers guidance on making an offer on a home today. Right off the bat, it points out how emotional this can be for buyers and why your trusted agent can help you stay focused on the most important things:

*"Remember to let your home buying team guide you on your journey, not your emotions. Their support and expertise will keep you from compromising on your must-haves and future financial stability."*

Your Burgos Realty Company Agent should be your primary source for answers to the questions you have when you're ready to make an offer.

### 2. UNDERSTAND YOUR FINANCES

Having a complete understanding of your budget and how much house you can afford is essential. The best way to know this is to get pre-approved for a loan early in the homebuying process. Only 44% of today's prospective homebuyers are planning to apply for pre-approval, so be sure to take this step so you stand out from the crowd. It shows sellers you're a serious and qualified buyer and can give you a competitive edge if you enter a bidding war.

# 5 TIPS FOR

# MAKING A SUCCESSFUL OFFER



### 3. BE READY TO MOVE QUICKLY

According to the Realtors Confidence Index, published monthly by the National Association of Realtors (NAR), the average property sale today receives over three offers and is on the market for just a few weeks. These are both results of today's competitive market, showing how important it is to stay agile and vigilant in your search. As soon as you find the right home for your needs, be prepared to submit an offer as quickly as possible.

### 4. MAKE A FAIR OFFER

It's only natural to want the best deal you can get on a home. However, Freddie Mac also warns that submitting an offer that's too low can lead sellers to doubt how serious you are as a buyer. Don't submit an offer that will be tossed out as soon as it's received. The expertise your agent brings to this part of the process will help you stay competitive:

*"Your agent will work with you to make an informed offer based on the market value of the home, the condition of the home and recent home sale prices in the area."*

# 5 TIPS FOR



# MAKING A SUCCESSFUL OFFER

## 5. BE A FLEXIBLE NEGOTIATOR

After submitting an offer, the seller may accept it, reject it, or counter it with their own changes. In a competitive market, it's important to stay nimble throughout the negotiation process. You can strengthen your position with an offer that includes flexible move-in dates, a higher price, or minimal contingencies (conditions you set that the seller must meet for the purchase to be finalized). Freddie Mac explains that there are, however, certain contingencies you don't want to forego:

*"Resist the temptation to waive the inspection contingency, especially in a hot market or if the home is being sold 'as-is', which means the seller won't pay for repairs. Without an inspection contingency, you could be stuck with a contract on a house you can't afford to fix."*

## BOTTOM LINE

Today's competitive landscape makes it more important than ever to make a strong offer on a home. Let's connect to make sure you rise to the top along the way.

# MAKE AN OFFER

# 05

Your finances are in order, your ideal neighborhoods identified — next up is finding that perfect property and making a competitive offer. More importantly, one that is accepted over other offers. As more and more people looking to become homeowners, it's important to prepare yourself for the mortgage process, home search, bidding wars, and what you'll do next if you do not get the home of your dreams.

Check out 5 of our strategies to getting your offer accepted!

01

## COMPETITIVE OFFER

A good rule of thumb, specifically in a seller's market, is to start strong. To do this, we will assess the property's market value with a CMA and determine what it's worth in the current market.

02

## EARNEST MONEY

This deposit signals how serious a buyer you are. Try doubling the amount that the seller requests or that is customary in the area. So, be sure you do not back out of the contract for no good reason. If you do, you'll lose your earnest money.

03

## GIFT OF TIME

Express your willingness to work with the sellers' timetable to go to closing. We can ask the sellers when their ideal closing date would be so the offer will make them feel like they are winning!

04

## LIMIT CONTINGENCIES

Contingencies can add time to the negotiation process. They're beneficial to buyers, but can be a nuisance to sellers who are ready to move on fast. It's important to avoid any unnecessary contingencies. According to the National Association of Realtors, the offer with the fewest contingencies is often the most attractive.

05

## ESCALATION CLAUSE

An escalation clause is a way to automatically escalate your bid by a certain dollar amount, up to a certain dollar amount. Keep in mind, you're risking the seller seeing the true amount you'll pay and maybe paying significantly over the home's appraised value. Is this home truly worth it? Talk to us to ensure this makes sense for you.

# THE OFFER

# PROCESS

## After Making an Offer

### First Offer Submitted

- 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

A counter-offer is when the seller offers you different terms. If this happens, you can:

- ACCEPT THE COUNTER OFFER
- DECLINE THE COUNTER OFFER

### Repeat

You can negotiate back and forth as many times as needed until you reach an agreement or someone chooses to walk away.

### Accepted

Once all parties agree on all the terms, you are officially under contract! CONGRATS!



# ORDER AN INSPECTION

A home inspection can help identify deficiencies in a home you're considering purchasing. If the inspection reveals problems are at work or repairs are needed, you may be able to negotiate with the seller to fix those issues.

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 a list of findings.



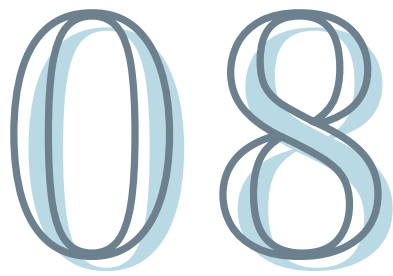
# NEGOTIATE FINAL OFFER



Talk to your real estate agent about what your home inspection reveals:

1. Repairs
2. Potential Credits
3. Sales Price
4. Inspection Contingencies (if any in place)

After this discussion your Burgos Realty Company agent will handle the negotiations on your behalf.



# APPRAISAL ORDERED

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When your home is under contract, you can't move forward with the sale until an appraisal is done on your home. The outcome can affect whether or not you make it to closing and whether the price in the offer is the price you'll end up with on settlement day. We ensure the appraiser has full access to all areas of the home.

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# 09

# 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.

## 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

# 09

# CLOSING DAY

## CLOSING TABLE

Who will be there:

- Your agent
- The seller
- The seller's agent
- Your loan officer
- Your attorney
- And most importantly...YOU :)

## BRING TO CLOSING

- Government-issued photo ID
- Copy of the sales contract

## 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!

# PATH TO HOMEBUYING

1



## Save for Your Down Payment

Create a budget and do your research. There are lots of low down payment options available.

2

## Know Your Credit Score

Learn your score and clean up outstanding debts like student loans and credit cards.

3

## Find a Real Estate Agent

Contact a local professional to guide you through the process.



4

## Get Pre-Approved

Differentiate yourself as a serious buyer and have a better sense of what you can afford.



6

## Make an Offer

Determine your price and negotiate the contract.

5

## Find a Home

Work with your agent to find a home in your budget that meets your needs.



7



## Have a Home Inspection

Address any hidden issues in the home with the seller.



8

## Get a Home Appraisal

Ensure the property is worth the price you are prepared to pay.



9

## Close the Sale

Schedule a closing date once the loan is approved so you can sign the final paperwork.



10

## Move In Congrats!

You're a homeowner.



# KEY TERMS

# HOMEBUYING

Here's a list of several common terms in the homebuying process



## APPRAISAL

**A professional analysis used to estimate the value of a home.**

A necessary step in validating a home's worth to you and your lender as you secure financing.



## CLOSING COSTS

**The fees required to complete the real estate transaction. Paid at closing, they include points, taxes, title insurance, financing costs, and items that must be prepaid or escrowed.**

Ask your lender for a complete list of closing cost items.



## CREDIT SCORE

**A number ranging from 300–850 that's based on an analysis of your credit history.**

Helps lenders determine the likelihood you'll repay future debts.



## DOWN PAYMENT

**Down payments are typically 3–20% of the purchase price of the home. Some 0% down programs are also available.**

Ask your lender for more information.



## MORTGAGE RATE

**The interest rate you pay to borrow money when buying a home.**

The lower the rate, the better.



## PRE-APPROVAL LETTER

**A letter from a lender indicating you qualify for a mortgage of a specific amount.**

This is a critical step in today's competitive market.



## REAL ESTATE PROFESSIONAL

**An individual who provides services in buying and selling homes.**

Real estate professionals are there to help you through the confusing paperwork, find your dream home, negotiate any of the details that come up, and so you know exactly what's going on in the housing market.

The best way to ensure your homebuying process is a confident one is to find a real estate pro who will put your needs first and guide you through every aspect of the transaction with **'the heart of a teacher'**.



## 20% DOWN... YAY OR NAY???

Is the idea of saving for a down payment holding you back from buying a home right now? You may be eager to take advantage of today's low mortgage rates, but the thought of providing a large down payment might make you want to pump the brakes. Today, there's still a common myth that you need to come up with 20% of the total sale price for your down payment. This means people who could buy a home may be putting their plans on hold because they don't have that much in the bank yet. The reality is – whether it's your first home or you've purchased one before – **you most likely don't need a 20% down payment.** Here's why.

According to Freddie Mac:

*“The most damaging down payment myth—since it stops the homebuying process before it can start—is the belief that 20% is necessary.”*

If saving that much money sounds daunting, potential homebuyers might give up on the dream of homeownership before they even begin – but they don't have to.

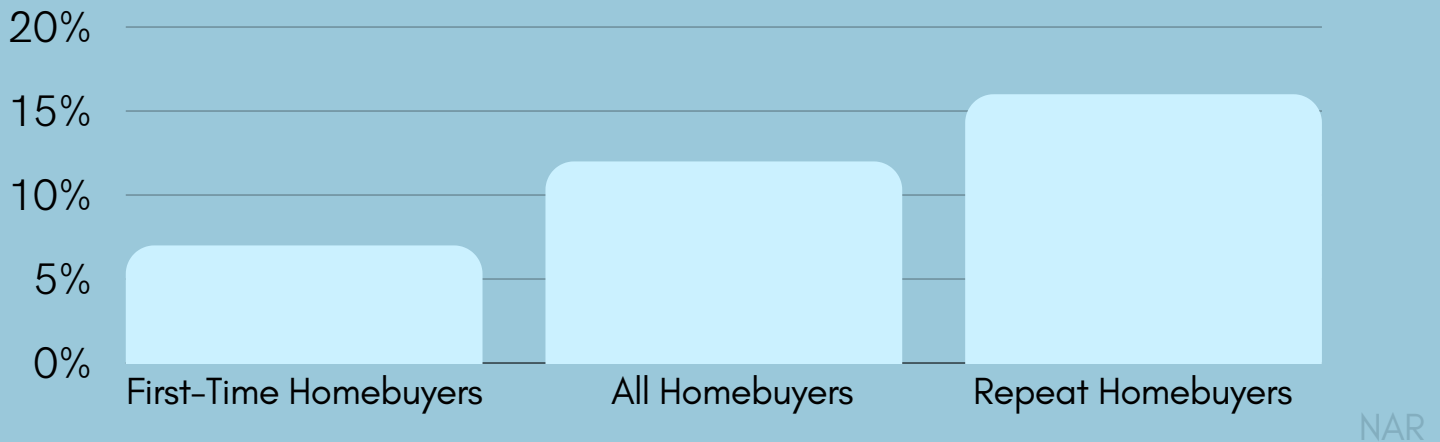
The 2020 Profile of Home Buyers and Sellers from the National Association of Realtors (NAR) notes how the median down payment **hasn't been over 20% since 2005**, and even then, that was only for repeat buyers, not first-time homebuyers.

# DO I REALLY NEED A 20% DOWN PAYMENT?

As the image below shows, today's median down payment is clearly less than 20%.

TODAY'S MEDIAN DOWN PAYMENT IS LESS THAN 20%

COMMON MISCONCEPTION: 20%



What does this mean for potential homebuyers?

If you're a first-time buyer and putting down 7% still seems high, understand that there are programs allowing qualified buyers to purchase a home with a down payment as low as 3.5%. There are even options like VA loans and USDA loans with no down payment requirements for qualified applicants.

It's important for potential homebuyers to know they likely don't need a 20% down payment, but they do need to do their homework to understand the options available. When you're interested in learning more about down payment assistance programs, information is available through sites like [downpaymentresource.com](https://downpaymentresource.com). Be sure to also work with trusted professionals from the start to learn what you may qualify for in the homebuying process.

Don't let down payment myths keep you from hitting your homeownership goals. If you're hoping to buy a home this year, let's connect to review your options.



# SCHEDULING YOUR MOVE 10

## 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)



# SCHEDULING YOUR MOVE 10

## 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
- 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
- Pack essentials for a few night in new home





# HOMES TOURED

ADDRESS

PRICE

HOW MUCH DID YOU LIKE THIS HOUSE?

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

1 2 3 4 5 6 7 8 9 10

# BURGOS REALTY COMPANY

## client compliments



It was a dream come true when I hired Burgos Realty Company to assist me in looking for house. The Burgos Realty Company was great and very professional. I will recommend Burgos Realty Company for anyone interested in purchasing a house.

*Dr. Akeem & Mrs. Bilikis Balogun*



CONTACT US TO DISCUSS  
YOUR NEXT HOME



# BURGOS

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## Realty Company

Questions are part of the real estate process so ask many.  
My team and I would love to answer them!

# Burgos Realty Company

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