

# ULTIMATE HOME BUYER PROCESS



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*Real Estate*

Welcome to the Ultimate Home Buyer Process, let's get you the home of your dreams.



I hope you enjoy listening to the modules, I made sure they were brief but full of content of the most important information you will need to start your home buying journey.

If you live in the Los Angeles area, I would love the opportunity to work with you, or if you have any additional questions along the way, please feel free to call or text me at 661.510.3136. You can also email me at [erikabird@outlook.com](mailto:erikabird@outlook.com)

If you are outside the Los Angeles area, I have a network of top producing agents ready to help and guide you. I would be happy to set up a referral for you and make sure you are well taken care of.

Learn more about me at [www.erikasellscv.com](http://www.erikasellscv.com)  
Check out my personal branding website and connect with me at [www.connectwitherika.com](http://www.connectwitherika.com)



# **BUYING A HOME** *WHAT TO CONSIDER*





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# THE GROUNDWORK

1

**IT'S ABOUT YOU**

Figure out your Needs, Wants, Questions, Concerns, Finances, Timeline etc. Interview an agent, get your pre approval in order. Determine the areas that will suit your needs.

2

**MORTGAGE  
PRE-APPROVAL**

Sellers are typically more willing to accept offers from pre-approved buyers, because it shows that the buyer has the financial resources available to make good on their offer.

3

**HOME HUNTING  
STARTS**

Once you know the budget and the financing available, you can start to search for homes that fit your criteria in your preferred neighbourhoods.



# THINGS TO KNOW

## *BEFORE HOUSE HUNTING*

### 1. PERFECT TIMING DOESN'T EXIST

If you have found a house that you like, don't wait for the housing market to crash and interest rates to come down. If and by the time that happens, there is a good chance that your favorite house is already gone.

### 2. DON'T ASK FOR TOO MANY OPINIONS

It's natural to want reassurance for such a big decision but the more you ask, the more you will get confused. Focus on the wants and needs of the people who will actually be living in the home.

### 3. NO HOUSE IS EVER PERFECT

If it's in the right location, the yard may be a bit smaller than you had hoped. The kitchen may be perfect, but the roof needs repair. Make a list of your top priorities and focus in on things that are most important to you. Know and decide that you will have to possibly compromise on your wants.

### 4. BE READY TO ACCOMMODATE

Negotiation is definitely a part of the real estate process, but trying to "win" by getting an extra-low price or refusing to budge may cost you the home you love.

### 5. YOU ARE NOT JUST BUYING THE HOUSE, YOU ARE BUYING THE LOCATION

Don't get so caught up in the physical aspects of the house itself that you forget about important issues such as noise level, access to amenities, and other aspects that also have a big impact on your quality of life.

### 6. KEEP YOUR READINESS HIGH

Don't wait until you've found a home to get approved for a mortgage, investigate insurance, or consider a moving schedule. Being prepared will make your bid more attractive to sellers.

### 7. CHOOSE A HOME FIRST BECAUSE YOU LOVE IT; THEN THINK ABOUT APPRECIATION.

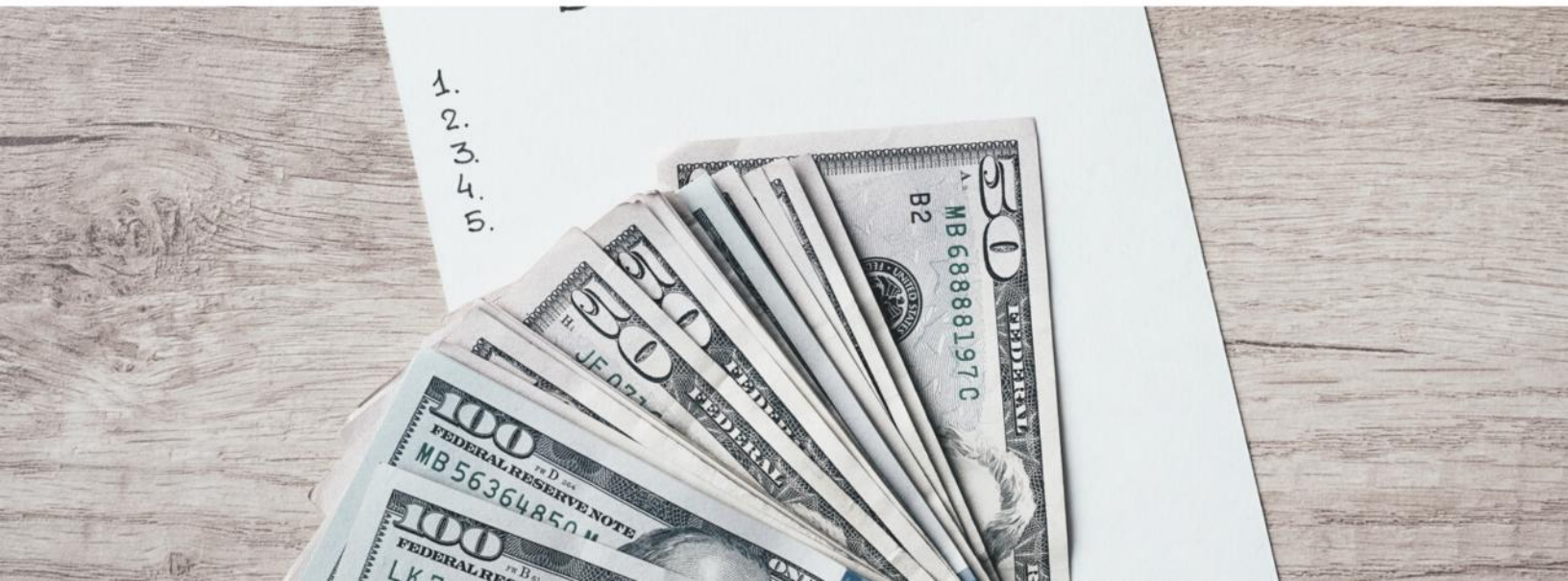
A home is still considered a great investment, but its most important role is as a comfortable, safe place to live.



# COSTS TO CONSIDER

When you buy a new home, there are costs that you will need to pay from your savings

1. Down Payment – can be anywhere between 3% to 20% of the purchase price. Usually it will be 3%-5%
2. Home Inspection – can be anywhere between \$ 300 - \$ 500
3. Appraisal – can be anywhere between \$300 - \$500
4. Earnest Money Deposit: Initial Money given to secure the contract with the seller. This is mostly non-refundable once you have removed contingencies. Ask your Realtor for more information this can be up to 3%
5. Closing Costs – can be 3%-5% of purchase price
  - Mortgage insurance premium
  - Notary Fees
  - Home Warranty
  - Local real estate taxes
  - Lender Application, underwriting, and origination fees you'll need to pay
  - Escrow Fees
6. Brokerage Commission: Some Agents and Brokerages charge a small commission to the buyer. Ask for this information up front.



# INTERVIEWING A REALTOR







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Newton's Third Law of Motion is simple-for every action, there is an equal and opposite reaction. You might wonder what physics has to do with selling real estate. The answer is easy: to get results you have to generate results, and that requires action. Being a Realtor and helping our clients is a privilege we take seriously, and any Realtor you decide to hire. As a client you deserve your agents best efforts. The knowledge and experience we have gained over our 25+ years of experience in the industry, consistently produce results.

## **When you hire an agent, here's what their goals should be:**

1. Get to know you better
2. Answer all your questions
3. Ask you important information
4. Determine if they are the agent for you

# BUYING YOUR NEW HOME

## Questions to ask a Realtor you might hire.

1. How long have you been an agent?

An agent with some experience will be able to anticipate problems before they arise and have tried and tested negotiation skills. They will also have relationships with other real estate professionals already.

2. How many homes total have you closed?

The average number of homes closed per year for a real estate agent is 10-12, so if your agent is below that, be cautious.

3. Do you work full time or part time?

A full time agent is able to devote more time working on your behalf. Would you hire a part time professional ever?

4. Is there someplace I can find reviews?

It is always a good idea to read up on the professional you are going to hire. See what kind of reviews they have on Zillow, Facebook Business page or Google. See what other buyers and sellers are saying about that Realtor.

5. Will I be working with you individually, or with a team?

It is common for most productive Realtors to have a team. They usually have a team of buyers agents. However, you want to make sure that should any concerns or red flags come up, that agent will step in or be there to help guide you. You do not want to get tossed to a newbie. You want to make sure the team leader will be available to you. Be clear about who you will primarily be dealing with, what your agent will handle personally, and what gets delegated to their support staff.

6. How familiar are you with the area we are looking in?

You want to make sure that your agent has extensive knowledge of the area and will be looking out for your wants and needs and of course your best interest in purchasing a home.

7. How does your commission work?

Buyers do not pay their agents commission, however some Realtors charge their buyers fees, or the company they work for charge a company commission. This is something to budget for or you have the option to negotiate not paying it.

# BUYING YOUR NEW HOME

## Questions to ask a Realtor you might hire.

8. Do you have a referral for a lender I can work with?

Realtors usually have a few lenders they work with that know can get the job done, all while taking care of the client and their needs. Purchasing a home takes team work and it can be a smooth process if everyone works together for the same end result.

9. What are your strategies?

In an ultra competitive market, you want your agents knowledge up front. What are they seeing in the current market place? Ask their strategies to help you stand out from the competition. This is essential, especially if you are in a market where multiple offers are standard. It is best to know up front what is ahead of you during the process.

## Now that you have found your agent, great! The interview process isn't over yet, consider these few questions as well.

1. Can you explain the homebuying process from start to finish?

Once your offer is accepted it is go time! The process can be long and sometimes feel complicated for new buyers. Ask your agent what to expect in the process. Take notes and ask for clarifications along the way. While these are all covered in other videos, here are some topics to ask; How does the offer process work? What happens during a home inspection? What happens once my offer is accepted? What happens during the term of the escrow? And, anything else you can think of.

2. What is the best way to contact you?

Of course within reason, you want your agent to be available to you when needed. Find out their hours, is it an office line or cell phone. What happens if you can't get ahold of them? Is there another team member you can reach out to? Especially in a competitive market, you want to be able to reach your agent immediately if you have possibly found a suitable home.

3. What is your availability to your clients during the week and the weekends?

You want to know that your agent will be available to you when needed. Real Estate is a 24/7 business, so you want an agent that will be available to you.

# GETTING PRE-QUALIFIED





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# GETTING A PRE QUALIFICATION

## 1

# Gather Financials and Figure Out How Much You Can Afford

Before you start looking at homes for sale, get your financial house in order. It is important to start first with a pre qualification or pre approval if you are in an ultra competitive market.

Make sure you have watched the video understanding the loan process, before you start looking for lender. Or, once you have found a Realtor you would like to work with, ask them for some referrals.

Next, compile all the documents you may need to provide to a loan officer, including pay stubs, bank statements, and previous years' tax returns.

Financials and Mortgage Payment	
<input type="checkbox"/>	Compile necessary documents, including pay stubs, bank statements, W2's and past tax returns.
<input type="checkbox"/>	Determine how much of a payment you are comfortable with. Don't forget you will have taxes, Insurance and possibly HOA fees on top of your base mortgage payment!

To Rent or Buy: Weighing the Benefits	
Pros of Renting	Pros of Buying
May be easier on your budget	May include tax benefits
More flexibility for sudden moves	It can be an equity-building investment
No hassle of home maintenance	Total control over your living space

When looking at your budget and the liquid money you have to purchase, don't forget to factor in money you'll need for a down payment, closing costs, fees (such as fees for an appraisal, inspection, etc.) and the costs of remodeling or furniture. Remember that you don't always have to put down 20 percent as your parents once did. There are loans available with little to no down payment. An experienced home loan expert can help you understand all your loan options, closing costs and other fees.

# UNDERSTANDING THE CONTRACT







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## Make an Offer on the Home

Now that you've found the home you want, you have to make an offer. Once you've made your offer, don't think it's final. The seller may make a counter-offer to which you can also counter-offer. Once you've agreed on a price and terms, you'll make an earnest money deposit, which is money that goes in escrow to give the seller a sign of good faith.

Stay on top of the time frames negotiated in your offer. Remember the default is 17 days for investigations, disclosures etc. Then, 21 days for your loan contingency

### Making an Offer

- Receive your comparable market analysis.
- Decide what price you're comfortable with.
- Submit offer with your agent

## Close on Your Home

### Closing on Your Home

- Home inspection completed.
- Closing date set.
- Transfer utilities and get homeowners insurance
- Closing money saved.

Make sure you get a home inspection before you close. It will be well-worth the money spent since it ensures the property's structural soundness and good condition.

Setting the closing date that is convenient to both parties may be tricky, but can certainly be done. Remember that a seller may have to wait until they close on their new house.

Be sure you talk to your mortgage banker to understand all the costs that will be involved with the closing so there are no surprises. Closing costs will likely include (but are not limited to) your down payment, title fees, appraisal fees, escrow fees, inspection fees, and points if you decided to buy down your interest rate.

# UNDERSTANDING THE PROCESS





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## The 10 Step Home Buying Process



Even if you have bought or sold a home in the past, the real estate process can be confusing. This chart will help you better understand the steps involved in your real estate sale. Your agent's job is to tie the steps together as smoothly as possible and to keep you informed along the way.

# BUYING YOUR NEW HOME



## Understanding the process

Once your contract is accepted it is go time!!! Time is of the essence. Here are some upfront things to know once you have an accepted offer

- Wire your deposit to escrow
- Get your Inspections Scheduled
- Review Disclosures, Preliminary Title Report and Natural Hazards Report
- Wire your deposit to escrow
- Make sure you get all documentation escrow needs including insurance, and filling out the statement of information
- Check with your CPA or a Lawyer on the manner on how you want to take
- <sup>title</sup> Work with your lender. Do they need updated paystubs? Do they need additional bank statements?
- Your Realtor will be able to guide you but make sure you know your close of escrow date and that your lender will help you make that date.

# HOME INSPECTIONS

**WHAT YOU NEED  
TO KNOW**





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# HOME INSPECTION

## CHECKLIST

Note: This checklist is not a home inspection report and should not be considered a substitute for a home inspection. Contact a professional if you require a home inspection.

## Exterior



- **Fences** - Does the fence need repair?
- **Landscaping** - Are there any trees and bushes that need trimming? Any vines on the structure?
- **Drainage** - Is there evidence of standing water?
- **Wiring** - Are there any exposed wires? Do outdoor outlets have covers?  
Is there any wiring not to code
- **Home foundation** - Is it structurally sound?
- **Roofing** - Is the material in good condition, what is the life expectancy?
- **Chimney** - Is the structure in good condition?
- **Decks, porches, & patios** - Are there any cracks, gaps or loose planks?
- **Doors and windows** - Do you see any cracks, broken glass, or decay?
- **Septic tank** (if applicable) - Are there any leaks or signs of a leak?
- **Garage** - Does the garage door work and is it in good condition?

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## Interior



- **Odor** - Does the interior smell strange or musty?
- **Ceiling** - is the ceiling intact and in good condition?
- **Walls** - do you see cracks? Are the walls sturdy?
- **Doors** - Do all doors operate easily?
- **Cabinets** - Do all cabinets work? Are they free from any sort of decay?
- **Floor** - Are there any loose or missing tiles? Are there any stains?
- **Stairs** - is each step sturdy? Are the railings intact?
- **Electrical** - Do all of the lights and outlets work? Are there any exposed wires? Does the house use breakers instead of fuses?
- **Plumbing** - Do you see rust and evidence of any leaks? Do all faucets and drains work adequately?
- **Insulation** - Is the home properly insulated? Check the walls, Attic and basement.
- **Ventilation** - Are there any vents and are they properly installed? Does the kitchen have a working exhaust fan?
- **Appliances** - if they are included; are they in good condition?
- **Heating and Cooling System** - Does it seem to work optimally? What is the age and size?
- **Pests** - Do you see rotten wood? Any evidence of rodents, termites, and carpenter ants?

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# INTERVIEW WITH A LENDER



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# JOIN MY *HAPPY CLIENT CLUB*

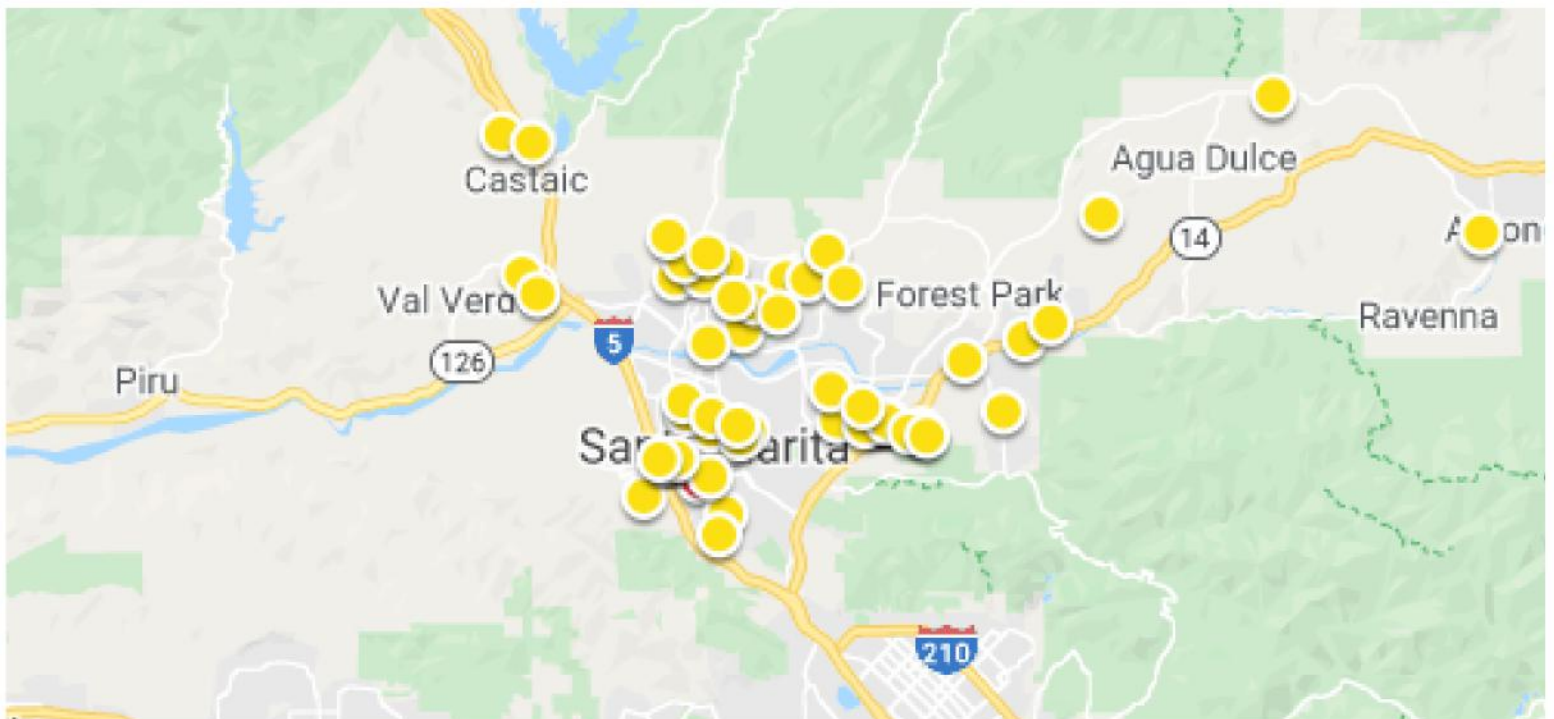
Good service speaks for itself. We're looking forward to the opportunity to earn your referrals too!



**Erika Kauzlarich-Bird**

Equity Union

★★★★★ 5.0



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# THANK YOU



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**This is not intended as a solicitation if you already have a buyer broker agreement with another Brokerage. There are many other contractual terms to think about and your realtor will be able to guide you, or feel free to call me to discuss any concerns.**