

# Home Buying Guide

BY PATRICE CARTER



Patrice Carter

REAL ESTATE AGENT



# 10 STEPS TO HOME OWNERSHIP

Ready to learn about what it takes to become a homeowner? While it may seem like a tough process if you are a first-time home buyer, I am here to help guide you and make the process easy and effortless.



# Gather Your Down Payment

The very first step in buying your new home is to figure out your finances and start saving for your down payment.

While 20% down is ideal to avoid any extra fees, such as private mortgage insurance and higher interest rates, many first time home buyers will qualify for 3.5% down or even 0% if you qualify for a VA or USDA loan.

You will want to speak to a mortgage lender early on to decide what loan type you should save for.

## Main Loan Types

### Conventional

A conventional mortgage or conventional loan, is any type of home buyer's loan that is not offered or secured by a government entity. Instead, conventional mortgages are available through private lenders, such as banks, credit unions, and mortgage companies.

### Federal Housing Administration (FHA)

A (FHA) loan gives borrowers a chance to buy a home with a lower minimum down payment (3.5%) and lower credit scores, than many conventional loans. You'll need a credit score of at least 580 to qualify. If your credit score falls between 500 and 579, you can still get an FHA loan as long as you can make a 10% down payment.

### Veterans Administration (VA)

VA loans assist active service members, veterans, and surviving spouses to become homeowners. VA loans offer up to 100% financing on the value of a home. VA loan recipients do not have to be first-time home buyers.

### U.S. Department of Agriculture (USDA)

A USDA home loan is a zero down payment mortgage for eligible rural and suburban homebuyers. A USDA loan allows you to get low mortgage interest rates, even without a down payment. If you put little or no money down, you will still have to pay a mortgage insurance premium.

# Check Your Credit Score

Your credit score helps determine the interest rate and other costs you pay on a mortgage loan.

If your credit scores are high, it tells lenders that you've paid your credit card bills on time, haven't "maxed out" your credit cards, and so on. Lenders see you as likely to pay your loan payments consistently and on time. They see you as a low-risk investment and offer you a lower interest rate and other costs on your loan.

You can qualify for certain loans with a low credit score of 530. But don't forget, you will be paying higher interest rates and insurance.

For example, if the 30-year primary mortgage rate is 3.875%, someone with good credit would pay 4.125% in interest (.25% above the primary rate) and you'll pay 4.5%. Your monthly payment will be \$82.99 more each month and \$29,876.40 more over the 30-year life of the loan.

It is a good idea to work on your credit if you have a low score and plan to buy a home.

Some ways to increase your credit score is to start by getting your credit report and verifying the information. Dispute any errors. Next, avoid new credit card purchases or applications and pay off past due balances and existing credit card debts, starting with the highest interest rates first. Do not close any of your accounts, as your credit history plays an important part in your score.

## Action Plan

STEPS TO INCREASE CREDIT SCORE

DEADLINE:

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# Get Pre-Approved For A Mortgage

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Before you head out to look at homes, you will want to know exactly how much home you can afford or how much you want to spend on a monthly payment. This depends on what you are approved for.

You may think that you will want to spend \$400,000 on a new home, but a lender may think otherwise. You may also qualify for \$500,000, but not want to make the higher payment that comes with borrowing more money.

Make sure to get pre-approved by your lender and not just pre-qualified . A pre-approval will give you your exact loan terms and will be required when making an offer.

It will require you to complete a mortgage application. where the lender will check paperwork such as your w-2, paystubs, bank statements and tax returns. They will also check your credit and employment history. All of this will determine how much a bank will approve you for and at what interest rate.



# Hire A Buyer's Agent

Buying a house is a very exciting time and one that buyers should prepare for. Whether it's preparing to get a mortgage or shopping for houses, a buyers agent will guide you and help you avoid making any mistakes that could cause many future headaches.

Most houses that are being sold will have an agent representing the seller, which is frequently referred to as a listing agent or sellers agent. The listing agents main responsibility is to make sure the sellers best interests are being protected. Therefore, you will want an agent to represent you, and be looking out for YOUR best interests.

And best part is....it's free! It does not cost you anything to hire and work with a buyers agent. The seller pays your agent their commission. So why wouldn't you want to hire a buyers agent?

## Tips For Working With Your Agent:

■ Make Your Expectations Known

■ Rely Only On Your Agent To Show You All Properties

■ Ask About Contracts Before You Sign, If You Do Not Understand

■ Be Ready to Buy



## Meet Patrice Carter

Patrice Carter, a Boothbay Harbor native, has dedicated her career to serving the Midcoast Maine area, first as a respected pharmacist and now as a passionate real estate professional. With a deep-rooted connection to the region, Patrice's transition from healthcare to real estate was driven by her personal experiences and a keen interest in property development. Alongside her husband, John, she has successfully revitalized a range of properties, including an old camp and an 1887 Victorian farmhouse, demonstrating her ability to see potential in every home.

Holding a doctorate in pharmacy, Patrice has spent many years contributing to her family's pharmacy business while raising two children. Her decision to shift to real estate was inspired by her own extensive involvement in over 20 real estate transactions, which provided her with invaluable insights into the buying and selling process. This experience has equipped her with a comprehensive understanding of the real estate market, particularly in the Midcoast Maine area.

Patrice's approach to real estate is characterized by her unwavering dedication to her clients. Whether assisting sellers in marketing their property or guiding buyers towards their dream home, she leverages her local knowledge and professional experience to ensure a smooth and successful transaction. Patrice's commitment to her clients' needs and her trustworthiness, honed through years of caring for people's health, now extend to helping them with their most significant investments—their homes.

For those looking to buy or sell in Midcoast Maine, Patrice Carter offers a blend of local expertise, real estate acumen, and a genuine commitment to achieving their goals. Her background in both healthcare and property renovation underscores her diverse skill set and her ability to navigate complex situations, making her a reliable partner in any real estate endeavor.

# Time To Shop For A Home



Once you've chosen to work with a buyers agent, you will want to discuss your needs and wants in your new home. You should have some ideas of non-negotiable's, but you may need to be more flexible with your wants if you are competing in a sellers market.

Your agent can set up your home search requirements so that you can be notified immediately when a home hits the market and meets your needs and wants list.

When a house you want to see comes on the market, your agent will set up a property showing for you.





# Wants & Needs List

Ready to start home shopping? Fill out the form below so your agent can set you up to start receiving homes that meet your requirements.

PRICE	# BEDROOMS	# BATHROOMS
<input type="text"/>	<input type="text"/>	<input type="text"/>
SQUARE FEET	LOT SIZE	YEAR BUILT
<input type="text"/>	<input type="text"/>	<input type="text"/>

OTHER NEEDS/WANTS:

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New Construction

YES

NO

Pool

YES

NO

Needs Renovations

YES

NO

HOA Community

YES

NO



# MAKE AN OFFER

Once you've found a home that you've fallen in love with, it's time to make an offer.

Making an offer is basically sending a proposal to the seller's agent, who presents it to the home seller. If they like your terms and conditions made in the offer, they will accept it. If not, they will counter back with their own terms and conditions.

Once an offer is accepted, it is signed and legally binding. It is important that your offer contain all requirements as there will be no going back to make changes.

## LIST OF NEGOTIABLE TERMS

Price

Who Pays For Termite Inspection

Value of Home Warranty

Buyers Closing Costs

Transfer Fees

Home Repairs

Amount of Inspections

# GET A HOME INSPECTION



A home inspection is a must when buying a home and often required when using a loan to finance. This is a direct buyer cost and most home inspectors charge a few hundred dollars for their service.

A home inspection will be done by a professional, who will check for anything that may be wrong with the house. Think mold, leaky roof, faulty foundation. They also mark minor things, such as missing tiles in the bathroom or broken seals around the faucet.

After the inspection is complete, you will get a full report on the home and any faulty findings. Should something come up, you have an opportunity to ask the seller to fix the issue, back out of the contract, or decide to fix them after you move in.

Most lenders however, will require major issues to be fixed before they will sign off on the loan.

## HOME INSPECTION CHECKLIST

- |  |  |
|--|--|
| <input type="checkbox"/> Basement & Garage   | <input type="checkbox"/> Porches and balconies                             |
| <input type="checkbox"/> Walls, ceilings, and floors<br>Doors and windows                | <input type="checkbox"/> Walkways and driveways                            |
| <input type="checkbox"/> Foundation, Roof, Attic Space                                   | <input type="checkbox"/> Plumbing fixtures, faucets, and water heater      |
| <input type="checkbox"/> Exterior paint/brick/siding                                     | <input type="checkbox"/> Appliances  |
| <input type="checkbox"/> Electrical panel, Light Switches, Power Outlets                 | <input type="checkbox"/> Walls, Ceilings, And Floors.<br>Doors And Windows |
| <input type="checkbox"/> Thermostats and heating, cooling, and ventilation (HVAC) system | <input type="checkbox"/> Stairs, steps, and railings                       |

# GET A HOME APPRAISAL

A home appraisal is needed if you are financing your home. It is required by the bank to estimate the homes value.

Just because you and the seller agreed to a price, doesn't mean that the bank will.

After all, the home is their collateral in case you can't make your mortgage payment. The bank can then foreclose on you and resell the home.

If the home is appraised over the contract price, the seller will need to either come down in price, or you will have the choice to make up the difference with cash, or you may back out of the deal.

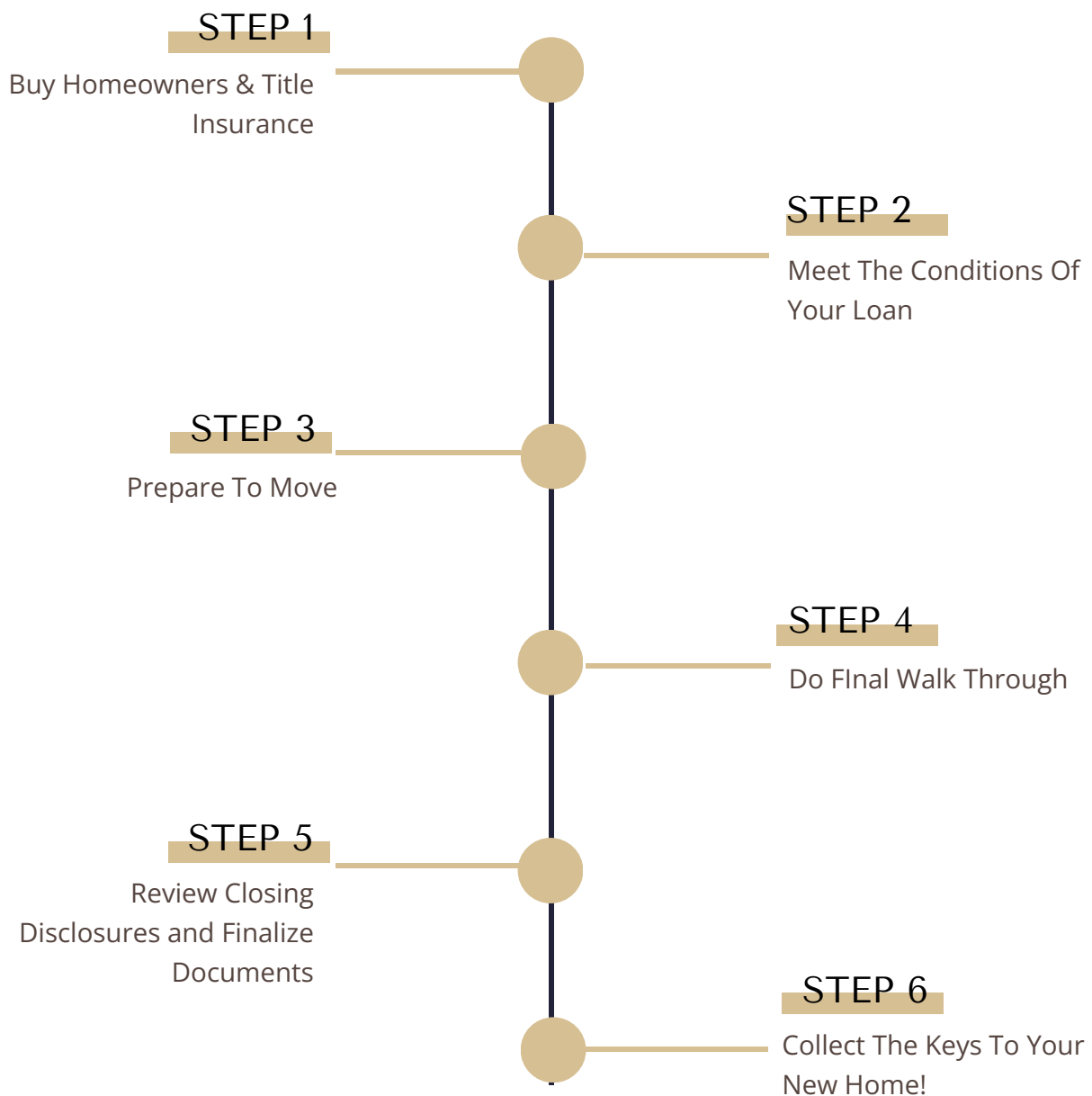
An appraisal is a good thing for a buyer overall. It will keep you from falling in to a bad deal and over paying.

# Final Steps To Close

Before you get the keys handed over to you on closing day, you will need to take these steps to finalize on your home,

Your Homeowner and Title insurance will happen through Escrow, along with meeting the conditions of your loan, such as paying your down payment and finalizing your loan. You will then want to start packing up your current home and hire movers

Next, you will walk through your new home before closing, to make sure that the home has been vacated and left in acceptable condition. After that, you will finalize all your documents and close on escrow. Congratulations! You are now a homeowner!



# LET'S DO THIS!

Buying a home really is as easy as that. If you see your future as a homeowner, contact me today and we will get started TOGETHER.

When you choose to work with me as your agent, I will help guide you to becoming a confident home buyer and lead you to making a deal on that dream home. What are you waiting for!? Let's get started today.

"Don't wait for  
the right  
opportunity.  
Create it."  
-Unknown



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LOOKING FORWARD TO HEARING FROM YOU!