

POWELL TEAM REAL ESTATE

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# BUYER'S GUIDE

COMPLETE GUIDE FOR THE HOME BUYING PROCESS



# Before you buy: understanding the home buying process.

There's many steps, tasks, and requirements to buying a home and you may be anxious about making an expensive mistake. To demystify the process, here's a rundown of what you need to consider before you buy and what you can expect from the buying process:

- get to know your broker
- get to know our company
- buyer questionnaire
- financing tips
- buying step by step
- Initial process
- house hunting
- inspection and more
- closing time
- buyer mistakes
- real estate terms
- buyer resources



[info@powellteam.com](mailto:info@powellteam.com) for more  
information.





## GET TO KNOW YOUR REAL ESTATE BROKERAGE

The Powell Team is a boutique real estate brokerage in Central Oregon. We offer exceptional custom service for clients. We specialize in residential real estate. This includes everything from luxury homes, large rural estates to neighborhood homes. We also have years of experience in new construction. We value our authentic local reputation for providing for you with top notch service and professional expertise.

We understand that investing and purchasing real estate can seem like an overwhelming undertaking at times, and we want to make the experience as stress free as possible! You are important to us, and we care about you, your goals and needs. We will coach you through the process and be there for you every step of the way.

Our Brokerage has a wide local network in our community. As well as a much broader platform on social media and an online presence with our website and MLS that is linked to hundreds of sites through the world. We know where to go beyond our local area to target the audience needed to sell a home. We also know where to look to help you find your dream home.

We host our own weekly local Radio Show, "Real Estate Talk" where we discuss all things real estate related. It has been a great experience for us as well as our listeners to keep up on the market and what this means to Central Oregon. We also post a blog and our shows on our website. This has information and answers a great deal about Real Estate. We also publish a free Guide for both Buyer's and Seller's and offer free Comparative Market Analysis for your property.

Our promise to you is to personally oversee all marketing, set up showings, review offers, handle all negotiations, go over with you all aspects of your contract, to ensure you are protected, and guaranteed to get the best deal possible. We work cooperatively with the other brokers and Title and Escrow to make sure everything moves forward smoothly. Our goal is to help your transaction go as seamlessly as possible from listing to closing. We are not going to be satisfied until you are!



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# Buyer QUESTIONNAIRE

DESIRED LOCATION  
*Look and feel of preferred area.*

PRICING & FINANCING  
*What is your price range? If you need financing, are you pre-qualified yet?*

TIMEFRAME  
*Do you need to sell a current home? Are you leasing? When does your current lease end?*

INTERIOR  
*Number of Bedrooms? Bathrooms? Total square feet? Other interior requirements?*

EXTERIOR  
*Lot size? Garage? Pool? Pet needs? Other exterior requirements?*

*In a competitive market, sellers may ask for proof of pre-approval. This document can help strengthen your offer! Make sure to get a pre-approved letter before we start viewing homes.*

## *Financing Tips*

### GET YOUR CREDIT IN CHECK

Make sure you're financially prepared for homeownership. Do you have a lot of debt? Plenty saved for a down payment? What about closing costs? Ask yourself "how much house can I afford?" before you go further. Additionally, know that lenders look closely at your credit score when determining your eligibility for a mortgage loan. Check your credit score and do anything you can to improve it, such as lowering outstanding debt, disputing any errors and holding off on applying for any other loans or credit cards.

### FIND THE RIGHT LENDER

Just like you want to get the home that best suits your needs, you'll want to find a lender that best suits you. We suggest you consider using a broker to help you find a lender, talk to your broker—we are here to help, ask friends and family for referrals, and compare at least three lenders.

### BE PREPARED

A lender will need information from you in order to get you pre-approved and through the home buying process. Here are a few things to have ready for them:

- W-2 forms from the past two years
- Pay stubs from the past 30 days
- Federal tax returns from the past two years
- Proof of other sources of income
- Recent bank statements
- Details on long-term debts such as car or student loans
- ID and Social Security number

\*If you're self-employed, you may have to provide extra proof of your financial stability, including having a higher credit score or large cash reserves, and possibly providing business tax returns.



# STEP BY STEP *Buying*

01

## CONSULTATION

Meet with your Real Estate Broker! Discuss what you are looking for.

02

## PRE-APPROVED

If you need financing, get pre-approved by a lender or bank.

03

## HOME SEARCH!

Your broker will narrow down options for your review.

04

## MAKE AN OFFER!

Negotiate the offer and get it accepted!  
Contingent on inspection.

05

## HOME INSPECTION

Discuss Results, decide if any repairs are needed and if you want to move forward.

06

## APPRAISAL & TITLE SEARCH

The bank or lender orders the appraisal, title search and final financing is set.

07

## CLOSING

Sign papers and pop the bubbly! Congratulations, you are home owner.



# THE INITIAL PROCESS

## 1. CONSULTATION

I would love to chat with you about your needs, wishes and wants in your new home!

- How long have you been looking for a new home?
- What areas and neighborhoods are you looking at?
- What is your Plan B, if you can't find the home you have in mind?
- What are some of your must have items?
- What are deal breaker items?



## 2. PRE-APPROVAL

This is a quick and **necessary** process that helps narrow down and determine how much you can afford!

Lenders typically recommend a home that costs no more than three to five times your annual household income, with a 20% down payment. However, there are MANY different financing structures that they can make work for you!

*Did you know?  
88% of all Buyers work with Realtors®!*

# HOUSE HUNTING

## 3. FINDING "THE ONE"

I will tailor listings based on your criteria. I funnel all properties and pick the best to view, and will filter out the homes that will not work.

Most buyers look at approximately 10 properties and are then ready to make an offer. At that time, if you have not found a home you are looking for - it's HIGHLY recommended that we sit down and review your criteria to make sure that we are still looking for the right house!

Once you find one you love... it's time to determine the market value of that property. I will compare that home to others that have sold and from there we will determine the value for the home!

## 4. MAKING AN OFFER

Now is the exciting time! When you are ready to write an offer, I will walk you through the contract. It is important to write a fair offer or you can run the risk of the Seller not responding or even losing the property to another buyer making an offer.

- Write the offer
- Negotiate the offer
- Satisfy conditions





# INSPECTIONS AND MORE

## 5. HOME INSPECTIONS

The immediate step after your offer is accepted is to schedule a home inspection. You will have a certain number of days to complete this inspection after the offer was accepted. This also includes termite inspection if you are in an area where you would be effected.

Your home inspection letter will verify that all items considered defective or problems relating to the safely of the home corrected prior to closing.



## 6. APPRAISAL, TITLE SEARCH & LENDER LETTER

The title is right to own, possess, use and control of a property. When purchasing a home you are buying a sellers title to the home. Before closing a title search is done to ensure there are no leans, or problems that might prevent a clean title for you to close on the home.

An appraisal, is an estimate of the property value. The approval is not only to justify the lender's investment, but to help keep the buyer from overpaying on a property. Your lender will typically hire an appraiser and charge you the fee at closing.

Final commitment lender's letter approves your home loan! You will receive a letter and loan term to your mortgage agreement. Your final letter will include your annual percentage rates, monthly fees, and repayment info for the loan.

# CLOSING TIME

## 7. THE CLOSING

The closing process finalizes the purchase of your home.

### A FEW THINGS TO BRING

- A valid government issued photo ID
- Cashier's check payable for the total amount due
- Any outstanding documents for the title company or loan officer



### CLOSING COSTS

Closing costs are an assortment of fees—separate from Broker commissions—that are paid by both buyers and sellers at the close of a real estate transaction. In total, fees typically total 5% - 9% of the total purchase price and can include:

- Escrow Fees
- Recording fees
- Application and underwriting fees
- Appraisal Fees
- Local Transfer Taxes
- Homeowners Insurance
- Homeowners Association Fees

# Buyer Mistakes

## AVOID THESE MISTAKES WHEN BUYING YOUR HOME

### GETTING TOO EMOTIONAL

Think it's impossible? It's actually not. Once you decide to buy a home, start thinking of yourself as a business person and investor rather than just a future homeowner. In fact, forget that you're the "Buyer" altogether. By looking at the transaction from a purely financial perspective, you'll distance yourself from the emotional aspects of buying the property. While it is important to factor in certain emotional aspects, don't let it cloud the process. Real estate IS an investment. Don't let emotions distract you from that.

### SHOPPING BEFORE GETTING PRE-APPROVED

It's more fun to look at homes than it is to talk about your finances with a lender. So that's what a lot of first-time home buyers do: They visit properties before finding out how much they are able to borrow. Then, they are disappointed when they discover they were looking in the wrong price range (either too high or too low) or when they find the right home, but aren't able to make a serious offer. How to avoid this mistake: Talk to a mortgage professional about getting pre-approved for a home loan before you start to seriously shop for a place. The pre-approval process involves a review of your income and expenses, and it can make your bid more competitive because you'll be able to show sellers that you can back up your offer.

### EMPTYING YOUR SAVINGS

If you buy a previously owned home, it almost inevitably will need an unexpected repair not long after. Maybe you'll need to replace a water heater or pay a homeowner's insurance deductible after bad weather. How to avoid this mistake: Save enough money to make a down payment, pay for closing costs and moving expenses, and take care of repairs that may come up. Lenders will give you estimates of closing costs, and you can call around to get estimates of moving expenses.

### CHOOSING THE WRONG LENDER

Shopping for a mortgage is like shopping for a car or any other expensive item: It pays to compare offers. Interest rates vary from lender to lender, and so do fees such as closing costs and discount points. But according to the Consumer Financial Protection Bureau, almost 60% of borrowers don't shop for a loan. How to avoid this mistake: Apply with multiple mortgage lenders. A typical borrower could save \$430 in interest just in the first year by comparing five lenders. All mortgage applications made in a 45-day window will count as just one credit inquiry. We have recommendations on page 15!

# REAL ESTATE TERMS

*buyers Need to Know*

## APPRAISAL

A DETERMINATION OF THE VALUE OF SOMETHING, IN THIS CASE, THE HOUSE YOU PLAN TO BUY. A PROFESSIONAL APPRAISER MAKES AN ESTIMATE BY EXAMINING THE PROPERTY, LOOKING AT THE INITIAL PURCHASE PRICE, AND COMPARING IT WITH RECENT SALES OF SIMILAR PROPERTY.

## CLOSING COSTS

ALL SETTLEMENT OR TRANSACTION CHARGES THAT HOME BUYERS NEED TO PAY AT THE CLOSE OF ESCROW WHEN THE PROPERTY IS TRANSFERRED. THESE TYPICALLY INCLUDE LENDER'S FEES AND POINTS OR PREPAID INTEREST, A PRORATED SHARE OF THE PROPERTY TAXES, TRANSFER TAXES, CREDIT CHECK FEES, HOMEOWNERS' AND TITLE INSURANCE PREMIUMS, DEED FILING FEES, REAL ESTATE AGENT COMMISSIONS, INSPECTION AND APPRAISAL FEES, AND ATTORNEYS' FEES.

## APPRECIATION

INCREASE IN THE VALUE OR WORTH OF AN ASSET OR PIECE OF PROPERTY THAT'S CAUSED BY EXTERNAL ECONOMIC FACTORS OCCURRING OVER TIME, RATHER THAN BY THE OWNER HAVING MADE IMPROVEMENTS OR ADDITIONS.

## MLS

A COMPUTER-BASED SERVICE, COMMONLY REFERRED TO AS MLS, THAT PROVIDES REAL ESTATE PROFESSIONALS WITH DETAILED LISTINGS OF MOST HOMES CURRENTLY ON THE MARKET. THE PUBLIC CAN NOW ACCESS MUCH OF THIS KIND OF INFORMATION THROUGH SITES LIKE ZILLOW, REDFIN, REALTOR.COM, ETC.

## ZONING

THE LOCAL LAWS DIVIDING CITIES OR COUNTIES INTO DIFFERENT ZONES ACCORDING TO ALLOWED USES, FROM SINGLE-FAMILY RESIDENTIAL TO COMMERCIAL TO INDUSTRIAL. MIXED-USE ZONES ARE ALSO USED. ZONING ORDINANCES CONTROL SIZE, LOCATION, AND USE OF BUILDINGS WITHIN THESE DIFFERENT AREAS AND HAVE AN EFFECT ON TRAFFIC, HEALTH, AND LIVABILITY.

## CONTINGENCY

A PROVISION IN A CONTRACT STATING THAT SOME OR ALL OF THE TERMS OF THE CONTRACT WILL BE ALTERED OR VOIDED BY THE OCCURRENCE OF A SPECIFIC EVENT, USUALLY BY SPECIFIC DATES LEADING UP TO THE CLOSING.

## ESCROW

THE HOLDING OF FUNDS OR DOCUMENTS BY A NEUTRAL THIRD PARTY PRIOR TO CLOSING YOUR HOME SALE. THIS IS TYPICALLY DONE BY A TITLE COMPANY.

## HOME INSPECTION

AN EXAMINATION OF THE CONDITION OF A REAL ESTATE PROPERTY. A HOME INSPECTOR ASSESSES THE CONDITION OF A PROPERTY, INCLUDING ITS HEATING / COOLING SYSTEMS, PLUMBING, ELECTRICAL WORK, WATER AND SEWAGE, AS WELL AS SOME FIRE AND SAFETY ISSUES.

## TITLE

OWNERSHIP OF REAL ESTATE OR PERSONAL PROPERTY. WITH REAL ESTATE, TITLE IS EVIDENCED BY A DEED (OR OTHER DOCUMENT) RECORDED IN THE COUNTY LAND RECORDS OFFICE.





# RECOMMENDATIONS

IT'S IMPORTANT TO TRUST THE COMPANY RESPONSIBLE FOR HELPING YOU PACK AND GET FROM POINT A TO POINT B. BELOW ARE A FEW TRUSTED MOVING COMPANIES WE HIGHLY RECOMMEND TO HELP YOU MOVE YOUR THINGS AND START YOUR NEW CHAPTER!

**Allied**  
(541)-213-2720  
*allied.com*

**College Hunks**  
(541) 275-8210  
*62987 Plateau Dr, Bend, OR 97701*

**Higher Ground Moving**  
(541) 316-3155  
*20580 Painters Ct, Bend, OR 97701*

**UPack**  
(844)-594 -3077  
*upack.com*

# Central Oregon UTILITIES

## CABLE & INTERNET

TDS...844.628.6611

PrineTime...541.447.9840



## ELECTRIC

Pacific Power...888.221.7070

Central Electric...541.548.2144



## GAS

Ed Staub...541.504.8265

Cascade Natural...888.522.1130



## RECYCLE/TRASH

Republic Services...541.382.2263

\*may vary with location



## WATER/SEWER

Call your local city



# *Lender* RECOMMENDATIONS

THE FIRST STEP TO HOMEOWNERSHIP IS GETTING PRE-APPROVED FOR A LOAN AND SEEING WHAT YOU CAN QUALIFY FOR. BELOW ARE A FEW LENDERS THAT WE HIGHLY RECOMMEND.

## **Academy Mortgage**

*Tyrell Hobbs, Branch Manager*

*(212)-124-5453*

*tyrell.hobbs@academymortgage.com*

## **Cross Country Mortgage**

*Keely Matteo, Branch Manager*

*(503)-784-3458*

*keely@thematteoteam.com*

## **Cross Country Mortgage**

*Scott McCarty, Mortgage Loan Officer*

*(503) 806-0700*

*scott.mccarty@ccm.com*

## **Guild Mortgage**

*Sarah Saraceno, Mortgage Loan Officer*

*(541) 213-8626*

*ssaraceno@guildmortgage.net*

## **Hixon Mortgage Co.**

*Jillian Koland, Team Loan Officer*

*(541)-241-4553*

*Jillian.koland@hixonmortgage.com*

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## **Landmark Professional**

*Renee Dornhecker (Manufactured homes)*  
(503)-302-3352  
renee@landmarkprofessional.net

## **Loan Depot**

*Barbara Hart, Loan Consultant*  
(408)-391-5030  
barbarahart@loandepot.com

## **Loan Depot**

*Katie Pelcher, Loan Consultant*  
(503)-593-1416  
KPelchar@loandepot.com

## **Loan Depot**

*Kevin Peters, Loan Consultant*  
(541)-640-0241  
kevinpeters@loandepot.com

## **Mann Mortgage**

*Jake Van Cleave, Loan Officer*  
(541)-213-7979  
jake.vancleave@mannmortgage.com

## **OCCU**

*Chris Walker, Loan Advisor*  
541.681.6651  
CWalker@MyOCCU.org



# *Other Lender* RECOMMENDATIONS

WHEN PURCHASING VACANT LAND OR A CONSTRUCTION  
LOAN, YOU MAY NEED TO LOOK CONTACT A CREDIT  
UNION OR BANK TO OBTAIN A LOAN

**Mid Oregon Credit Union**  
*Dina Bliss, Mortgage Specialist*  
(541) 585-1872  
*dbliss@midoregon.com*

**Mid Oregon Credit Union**  
*Jenny Vessey, Mortgage Specialist*  
(541) 585-1125  
*jvessey@midoregon.com*

**SELCO**  
*Erin Torrance, Loan Officer*  
(541) 312-1832  
*etorrance@selco.org*

**US BANK**  
*Josh Alexander, Mortgage Officer*  
(541) 548 1123  
*josh.alexander@usbank.com*



QUICK GUIDE TO A FEW  
RECOMMENDED LOCAL SERVICE  
PROVIDES IN YOUR AREA

## CONTRACTORS / PAINTERS

Gabe Saenz...541.815.2831  
Greenwood Painters.... 541.699-2940  
Jeremiah Rohr.... 541.213.8534  
Jose Campuzano....541.410.7804  
Monarca Construction...541-408-8181

## HOME INSPECTORS

Base Camp...661.965.7942  
Bearing Point.... 541.419.6605  
BrickKickers.... 541.690.2013  
Forest Peak....971-264-8856  
River to the Sea.... 541.610.2323

## ELECTRICIANS

Cascade Solar & Electric...541.527-2156  
Monte's Electric... 541.480.9860  
Ridgeline Electric...541.588.3088

## LANDSCAPERS

Millar Yards & Landscape.... 541.233.7592  
Lawn Care Master.... 541.325.6665





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PROVIDES IN YOUR AREA

## INSURANCE AGENTS

### **Farmer's Insurance**

Courtney Echternkamp... 541.447.5209

### **Outwest Insurance**

Alyssa Harwell...541.447.5642

### **All State**

Janice Burges...541.548-1416

## PLUMBERS

GPS Plumbing.... 541.416.8866

Einstein Pros...541.420.8888

Central Oregon Heating, Cooling, Plumbing  
... 541.923-1855

## WINDOW CLEANERS

Alpha Window Cleaning.... 541.241.4556

Fish Window Cleaning...541.388.9062

Pane'N The Glass...541.241.6772