

mcp<sup>ar</sup>land  
realty  **buyer's guide**

# the home buying process

Buying a home can be an intimidating experience, but it doesn't have to be if you become familiar with the process. Below are our Thirteen Steps to Buying Your Home, which demystifies the home buying process.

## **1 Find a Realtor you trust**

McParland Realty will be working with you every step of the way to make sure that all of your needs are met and that you feel confident about your investment.

## **2 Analyze your needs**

Do you need 4 bedrooms? A fenced yard? Good public schools? Where are you commuting to? Many communities will have great amenities, but not all will be valuable to you.

## **3 Obtain Financial Pre-Approval**

McParland Realty has a fantastic network of professionals to guide you through the home-buying process. We will set you up with a great lender who can get you pre-approved to let you know your buying range.

## **4 Start Hunting!**

When you know how much you can spend, use [www.mcparlandrealty.com](http://www.mcparlandrealty.com) to preview homes online and drive-by. When you have a few candidates, let us know and we'll go check them out.

## **5 Write an Offer to Purchase**

🕒 **24-48 hours**

**\$ 500-1000**

When you've found the home that makes your heart skip a beat, your agent will guide you through the Offer to Purchase. This is it! Your offer will be accompanied by a check for \$500 to \$1000 to show that you mean business.

## 6 Negotiate the Offer

🕒 **24-48 hours from the offer**

Your agent will negotiate with the seller's agent to get the best terms for you. The offer will be valid to negotiate for a set period of time, usually 24 to 48 hours.

## 7 Accept the Counter-Offer

🕒 **24-48 hours from the offer**

After a successful negotiation you'll accept the offer, and then the attorneys will start to develop the contract terms for the purchase and sale agreement.

## 8 Inspection

🕒 **10 days from accepted offer**  
**\$ 300-500**

Unless you are buying a condo, there will be no one to fix those shingles coming loose on the roof. A home inspection will fill you in on just how many weekends you'll be spending on DIY home projects, whether you'll need a professional, or in some circumstances, if you need to re-negotiate your offer terms. It is normal to get nervous during the inspection, and your agent will help you put things back into perspective. In the event that you do need to change your purchase terms, they will be incorporated into the p&s. The sooner you get the inspection finished, the faster you will get the report, and the more time you can give the attorneys to work it all out.

## 9 Complete your mortgage application

When you finalize the price of the home, you can finish applying for your financing.

## 10 Purchase and Sale Agreement

🕒 **14 days from accepted offer**  
**\$ 5% of the purchase price**

The p&s is your true commitment to buy the home. Your attorney will take care of the documentation and walk you through it. It should be fully executed (signed by both parties) within 14 days of the accepted offer.

## 11 Loan approval

🕒 **14 days from executed p&s**

Your lender will confirm the bank's commitment to fund your purchase.

## 12 Close on the Property

🕒 **14 days from executed p&s**  
**\$ remainder of down payment,**  
**1-3% for closing costs**

When you show up to the closing, you will close on the loan with the lender, and then purchase the house from the sellers. They'll hand over the keys to your new domain!

## 13 Take possession of your new home

Fill the van and move in!

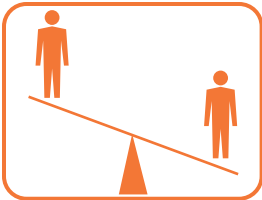
# first things first.

Whether you are buying or selling a home, you want an agent and a real estate firm that will work for you, give exceptional service and most of all, meet your needs. So we kindly ask that you contact us for a reference.

Before you start reading this information packet, please ask our clients the following three questions:

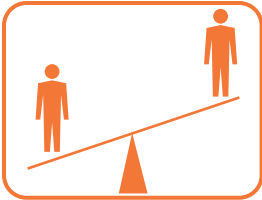
- 1 How was your overall experience with Mary McParland and McParland Realty?
- 2 Did Mary always put your best interest first?
- 3 I am about to become a client of McParland Realty. What is the single best service McParland Realty will provide for me?

# understanding agency



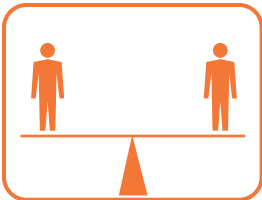
## **Seller Agency (Single Agency)**

- Agent will represent the best interests of the seller
- Agent will owe the seller fiduciary duties
- Agent must give the buyer all material facts so that the buyer can make an educated decision



## **Buyer Agency (Single Agency)**

- Agent will represent the best interests of the buyer
- Agent will owe the buyer fiduciary duties
- Agent must give the seller all material facts so that the seller can make an educated decision



## **Transaction Broker (Dual Agency)**

- Agent represents both the buyer and the seller equally
- Agent's objective is to get a mutually satisfactory agreement among all parties
- Agent gives all options to the buyer and the seller
- Depending on the local market, all parties may be present at contract presentation to negotiate on their own behalf
- All parties have confidentiality. Agent may do nothing to detriment of either the buyer or the seller
- Both the buyer and the seller have a right counsel. Before making any decisions, both parties have the right to seek family, religious, legal, or financial counsel.

In all relationships, as your Agent, I have a duty to act honestly with both the buyer and the seller.

# buyer's agency

## **Your Interests are Professionally Represented.**

Enlisting the services of a professional Buyer's Agent is similar to using an accountant to help you with your taxes, a doctor to help you with your health care, or a mechanic to help you with your car. At McParland Realty, we will guide you through the home buying process and exclusively represent your interests as we help you find a home, present your contract offer, negotiate and close!

In a dedicated client relationship, the agent:

- Works for the client
- Performs ministerial administrative functions
- Demonstrates fairness, honesty, loyalty (good faith) and confidentiality.
- Discloses material facts
- Obeys the clients
- Delivers accountability and advocacy
- Shows care, skill and diligence
- Provides advice and investigation
- Discloses all agency relationships

## **What is the Buyer's Agency Agreement?**

Entering into a Buyer's Agency Agreement has countless advantages and no disadvantages. When you sign the agreement, you are simply agreeing to "hire" a personal representative who, by law, must represent your best interests to the best of their ability. You get a professional devoted to protecting your needs to help you make one of the most important investment decisions of your life.

# financing

Before you look at any properties, you, along with your agent and lender, need to evaluate the following:

- How much you can you afford
- Your credit history
- How much you will need for a down payment
- How large a loan you can be approved for
- What your mortgage payment will look like

Once you understand your finances and what you can afford, you can start identifying neighborhoods and homes in your range. A key part of the financial process is getting pre-approved by your lender. Be sure to get a copy of your pre-approval letter. We have worked with many mortgage companies over the years. We will be glad to share the names of the very best with you. You'll enjoy dedicated personal service, plus a seamless connection to your real estate transaction.

## **10 don'ts of mortgages**

- 1 Don't change jobs, become self-employed or quit your job.
- 2 Don't buy a car, truck or van (or you may be living in it!)
- 3 Don't use charge cards excessively or let your accounts fall behind.
- 4 Don't spend money you have set aside for closing.
- 5 Don't omit debts or liabilities from your loan application.
- 6 Don't buy furniture.
- 7 Don't originate any inquiries into your credit.
- 8 Don't make large deposits without first checking with your loan officer.
- 9 Don't change bank accounts.
- 10 Don't co-sign a loan for anyone.

# the home search

Your agent will work closely with you as a single point of contact to gather information on neighborhoods and surrounding communities, giving you a good overview of available properties. This will allow you to make an informed decision and receive consistent communication in all aspects of the purchase transaction. Your agent will be available to you by phone, voice mail, email and, of course, in person.

Using our web site is an easy way to search for your new home.

Go to [www.mcparlandrealty.com](http://www.mcparlandrealty.com) to register.

- Click Register on our Home Page and follow the simple prompts. Be sure to include your contact information.
- You will receive an email confirmation immediately with your password. Click on the link in your email and it will take you to our web site with access to all the listings on MLS.
- You will be able to search, save, and share properties that interest you. Save the properties you wish to view with your agent.
- Your agent will then schedule showings for you.
- After viewing the properties, you will discuss the pros and cons of each property. This will help your agent determine what is really important to you in a home.

Remember, if you see a sign, a newspaper ad, an open house announcement, a For Sale by Owner or hear about any property through word of mouth, contact your agent immediately. Your agent will do the research for you and provide all the information you need.



# preparing your offer

You've made your choice. Now it's time to make the appropriate offer. Your agent will work with you to draw up and submit an offer. In addition to price, the offer includes other terms such as Financing, Inspection and Closing Date. Your offer may be accepted right away, or you may go through some negotiations. Your goal is to present an offer that demonstrates your seriousness in purchasing the property.

Here are some of the steps you'll be taking at this point:

- Understand and discuss all aspects of this purchase.
- Determine earnest money deposit amounts, financing options and terms.
- Set a closing date and possession time.
- Confirm time allowed for inspections before you are obligated to complete this purchase.
- Clarify that all improvements and repairs were done to code and that all permits were signed off by the building department.
- Confirm inclusion or exclusion of non-real estate items or furnishings (e.g. special light fixtures, window treatments, appliances, fireplace accessories, pool equipment, etc.)
- Get an explanation of all addenda and contingencies.
- Negotiate through multiple offers, if necessary.
- Obtain a lead-based paint addendum and other property disclosures.
- Confirm closing costs-appraisal, title work, escrows required, pre-pays tax and interest pro-ratae, recording fees and more.
- Review all sales and agency disclosure statements/agreements.

# the home inspection

The home inspection is often a key contingency for the buyer. For the nominal fee you pay, it is well worth your time and money to find out as much as possible about the structural and mechanical condition of the home.

## Inspection Tips

- You may find a home inspector on your own or your agent can recommend one for you. Make sure the home inspector is experienced and credible, and does not have any complaints against him or her.
- Make sure you understand what will be inspected and what the cost is for adding additional items.
- Understand the inspector does not "pass" or "fail" a house. They only report their findings. Since you're the one who hires the inspector, you're the only one who will receive a copy of the final report. This report will be used to provide information about the structural integrity of the property, as well as information on the condition of such fixtures as hot water heaters, oil tanks or furnaces and the roof – not cosmetic imperfections such as wallpaper, carpets and paint.

## Additional Service Options

- Radon Gas Test
- Lead Paint Test
- Water Quality Test and Quantity
- Septic Inspections\*
- Clarify all improvements and repairs.

\* If the property has private sewer then the seller should have the system pumped. The system then must be inspected and provide a Title V report to the buyer.

# the closing

The closing is the final exchange of legal documents, title and monies before you take possession of your new home. The buyers, sellers and attorneys for both parties will be present.

- You will conduct a final walk-through of the property with your Agent prior to the closing.
- Bring a valid photo ID.
- Provide evidence of homeowner's insurance (pre-paid for one year) to the closing agent.
- Have your personal checkbook on hand for last-minute adjustments and prorations, such as leftover oil in the tank, the outstanding water bill, and courier or attorney fees.
- Certified funds are required. Personal checks are not acceptable for closing costs. Please be sure to bring a treasurer's check, cashier's check or certified check for the monies due. You can wire funds directly to the bank for your closing. However, you must allow at least 24 hours for a wire transfer to be completed.
- Get the keys and start enjoying your new home!



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