



YOUR GUIDE TO A
STRESS FREE HOME PURCHASE



BUYER *Guide*

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hello

I AM ANDREW KRUGLANSKI,
BROKER ASSOCIATE WITH LPT REALTY.



Over the years, I have experienced almost every aspect of the real estate industry. I have developed and built residential and commercial projects. As general partner, I managed a large portfolio of investment properties. In the capacity of Investor, Builder, Realtor and Real Estate Broker, I have sold millions of dollars of residential and commercial properties. As Broker Associate, I strive to reach the highest standards in our industry. Whether you are a seller or a buyer, with LPT Realty standing behind me, I will strive to deliver outstanding customer service and results.

LET'S CONNECT!



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@aakrealtor

THE HOMEBUYING PROCESS AT A GLANCE

1

FINANCES

- ✓ Gather your documents
- ✓ Obtain pre-approval or proof of funds
 - ✓ Locate down payment funds
 - ✓ Budget for any additional costs

2

HOME SEARCH

- ✓ Preview potential properties online
- ✓ Schedule showings and view the properties you are most interested in

3

OFFER

- ✓ Write an offer to favorite property
- ✓ Negotiate the terms of the offer

6

UNDER CONTRACT

- ✓ Deposit money, insurance quotes
- ✓ Complete Loan Application within 7 days

5

DUE DILIGENCE

- ✓ Conduct inspections
- ✓ Resolve/negotiate any issues from inspection
- ✓ Obtain homeowners insurance

4

APPRAISAL

- ✓ Arrange for a professional appraiser to visit the home and determine a value
- ✓ Submit any necessary docs to lender in a timely manner

7

SCHEDULE MOVE

- ✓ Schedule your move date and arrange for movers

8

CLOSING

- ✓ Receive closing statement/clear to close
- ✓ Wire funds to closing company
- ✓ Conduct a final walk-through of property
- ✓ Closing day: Get your keys, it's all yours!

THE COSTS OF BUYING A HOME

DEPOSIT:

The initial amount you provide to show that you are making the offer in good faith. This ranges from 2% to 3% of the offer price and reduces the amount you must provide to close. This can be placed in escrow in one or split into two payments.

INSPECTIONS:

Home inspections help you to understand the physical condition of the home you have contracted to buy. A general home inspection is a must, but you can also order a termite / pest inspection, a radon inspection, a water inspection (if well water), a septic tank inspection (if on-site septic), a stucco inspection, and lead paint inspection.

APPRAISAL:

Most lenders will require an appraisal to ensure that a home has sufficient value to meet the requirements of the loan it secures. An appraisal is ordered by and prepared for the lender, but the borrower pays for it. It usually costs between \$400 - \$575. This fee is paid upfront, but doing so will reduce the total you must pay at closing.

DOWN PAYMENT & CLOSING COSTS:

These are not due at the offer stage. Typically borrowers put between 3.5% (with an FHA loan) 20%, down. The good faith made with the offer and any additional deposits required as contingencies are lifted are applied towards closing costs and then the down payment at closing. You will also be required to bring balance due to close, if any, in cleared funds with you to the closing.

Closing are the fees that must be paid at closing. They include lender fees, transfer tax, escrow fees and unpaid real estate taxes, reimbursements, and homeowners insurance. Closing costs typically range from 3%-5% of the purchase price.

average costs

GENERAL HOME INSPECTION: \$450-\$600 (DEPENDS ON SQUARE FEET)

RADON:

\$110-\$150

TERMITE:

\$110-\$150

WATER (IF APPLICABLE):

\$200-\$400

ON-SITE SEPTIC (IF APPLICABLE):

\$350-\$800

STUCCO (IF APPLICABLE):

\$500-\$1,000

***IT IS ALSO IMPORTANT TO ELECT TO HAVE PROPERTY & FLOOD INSURANCE RECORDS REVIEWED, TO MAKE SURE THAT THERE ARE NO MAJOR CLAIMS ON THE PROPERTY THAT WERE NOT DISCLOSED!

*COSTS MAY VARY DEPENDING ON THE INSPECTION COMPANY USED.

THE MORTGAGE PROCESS

The very first step of the home buying process is to get a pre approval letter from a lender stating how much you are qualified to borrow.

A pre approval is only valid for 30-90 days, so while you can start talking to lenders, you'll want to hold off applying for a pre approval letter until you're ready to begin looking for a home in earnest.

QUESTIONS TO ASK POTENTIAL LENDERS:

1. What type of loan do you recommend for me? Why? There are multiple types of mortgage loans, and you should learn which one is best for you and how it works.
2. Will my down payment vary based on the loan I choose? If you're tight on cash and want to limit the amount you are required to put down, let your lender know. Loans vary in their down payment requirements.
3. What are the interest rate and the annual percentage rate (APR)? Everyone is concerned about the interest rate, but the APR is just as important. It combines the interest rate with the fees a lender charges to originate your loan.
4. Can I lock in the interest rate? If so, for how long? If you think rates will be moving up, ask if you can lock your rate in for a set period of time.
5. What will my closing costs be? Are they added to my loan balance, or will I pay them in cash at closing? Closing costs usually run 3-5% of your loan amount so you'll want to know how they'll be paid.

MY RECOMMENDED LENDERS

YOU ARE FREE TO USE WHOMEVER YOU'D LIKE - THESE ARE TWO OF THE LENDERS I KNOW AND TRUST.

SUPREME LENDING
JUANITA BILES, PRODUCTION MANAGER
NMLS #519964
CELL: 352.538.4516
BRANCH: 214.340.5225
JUANITA.BILES@SUPREMELENDING.COM

CLG HOME LOANS
JENNIFER PRICE, MORTGAGE BROKER
NMLS # 2173916
CELL : 352.781.9349
OFFICE: 352.234.1705
JPRICE@SMPRATE.COM

MORTGAGE LOAN GUIDE

WHICH TYPE OF LOAN IS RIGHT FOR YOU?

CONVENTIONAL LOAN

The most common type of home loan; offered through private lenders.

FHA LOAN

Loan designed for those with high debt-to-income ratios and low credit scores; most commonly issued to first-time homebuyers; Offered by FHA-approved lenders only and backed by the Federal Housing Administration.

VA LOAN

Loans designated for veterans, their spouses, and reservists; offered through private lenders and guaranteed by the U.S. Department of Veteran Affairs.

USDA LOAN

Loans for homebuyers in designated rural areas; backed by the U.S. Department of Agriculture.

TYPE OF LOAN	DOWN PAYMENT	TERMS	MORTGAGE INSURANCE	MINIMUM CREDIT SCORE
CONVENTIONAL	3-20%	15-30 Years	On down payments under 20%	620
FHA	3.5-20%	15-30 Years	For 11 years or life of the loan	500
VA	None	15-30 Years	None	640
USDA	None	15-30 Years	None	640

THE DO'S & DON'TS OF THE LOAN PROCESS



There are certain “Do’s and Don’ts” which may affect the outcome of your loan request. These remain in effect before, during, and after loan approval, up until the time of settlement, when your loan is funded and a mortgage is recorded. Your credit, income, debts and assets may be verified as late as the hour before you are to sign your final loan documents.

MAKE SURE THAT YOU DO NOT:

- Don’t buy a car.
- Don’t get married or divorced.
- Don’t change professions or start your own business.
- Don’t change bank accounts.
- Don’t buy ANYTHING major! (appliances, furniture, etc.)
- Don’t throw away documents.
- Don’t get lazy with your monthly bills. Pay them on time!
- Don’t allow a credit check to be run or apply for new credit cards.

MAKE SURE THAT YOU DO:

- Do keep all accounts current, including mortgage, car loans, credit cards, etc.
- Do contact your lender anytime a question related to financing arises.
- Do make all payments on or before due dates on all accounts, including accounts is being paid off with your new loan proceeds.
- Do have any lender-required funds to your loan officer within 72 hours of the home inspection contingency being lifted.
- Do quickly return phone calls from your agent, loan officer, settlement company, or anyone else involved in your transaction!

YOUR HOME SEARCH

Once you've got your finances in order, the fun of looking for the perfect home begins!

I will set up on an automatic search campaign for you through the Multiple Listing Service (MLS), the database that Realtors use to list and search for homes. The moment a home that fits your search criteria is listed for sale, it will be sent directly to your email inbox. If you ever want to adjust the search criteria, just let me know. I can make any changes you need.

Please feel free to search on your own as well. Using my website would be best, because I will be able to see properties you show interest in and stay on top of everything. That will allow me to provide the outstanding service you deserve. As you search, here are some things to keep in mind:

- Use the search filters, but not too many at one time.

Of course, you don't want to narrow your search so much that you only have a handful of homes to view. So,, keeping your wants vs. needs list in mind, consider expanding your geographic search if your search results in too few properties being displayed.

- If you find a home that catches your eye, check the Google street view or drive-by.

Online pictures can be deceiving, so a virtual walk down the street will give you a better sense of the house and neighborhood.

- Remember, you can't change the lot or the location so make sure you love both.

You also don't want to buy the priciest home on the block. I will help you assess whether or not that's a concern when you begin to seriously consider submitting an offer on a home.

- Don't let yourself get distracted by decor or staging.

For example, furniture and furnishings will usually not convey with the house and paint color can be easily changed. So try to stay focused on the things that cannot be changed as easily.

- Take your time.

If a home makes a good first impression, let me know you're interested and that you'd like to spend a bit more time touring it. This is likely one of the largest purchases you'll ever make, so it's wise to learn as much as you can before submitting an offer.

QUESTIONS TO ASK YOURSELF BEFORE SEARCHING FOR A HOME

1. WHERE DO YOU WANT TO LIVE?
2. IS THERE A SPECIFIC SCHOOL DISTRICT YOU'D LIKE TO BE IN?
3. ARE YOU INTERESTED IN NEW CONSTRUCTION OR A RESALE HOME?
4. WHAT STYLE OF HOME WOULD YOU PREFER?
5. ARE STAIRS ACCEPTABLE?
6. DO YOU WANT A 2 CAR GARAGE? 3 CAR GARAGE?
7. WHAT SIZE LOT WOULD YOU PREFER?
8. DOES IT MATTER IF THERE IS AN HOA?
9. WHAT 3 FEATURES OF A HOME ARE MOST IMPORTANT TO YOU?

OFFER & NEGOTIATIONS

So you think you've found "the one" and you're ready to make an offer, one that will prove simply irresistible to the sellers. Then let's talk about how to make your offer stand out.

IN ORDER TO WRITE AN OFFER, WE WILL NEED THE FOLLOWING INFORMATION:

- **PRE-APPROVAL LETTER OR PROOF OF FUNDS.**

Including a pre-approval letter shows that you're serious, qualified, and ready to purchase.

- **OFFER PRICE**

I will help you determine the property's fair market value. Put your best foot, and price, forward. You may only get one shot, so make it count. Use comps and trends as a guide, but go in with a strong number you know a seller would look upon favorably.

- **ESCROW DEPOSIT**

This is typically 2-5% of the purchase price.

- **FINANCING AMOUNT**

What percentage of the loan are you financing, and how much are you putting down?

- **CLOSING DATE**

If you are applying for a mortgage, you should typically choose a date 30-45 days after acceptance of the offer. This will be the day you receive title to your new home. To increase the strength of your offer, take into account the sellers' preferred settlement date if possible.

- **INSPECTIONS**

The inspection contingency usually allows you 7-15 days to perform inspections and accept the home as is, begin to renegotiate or terminate the contract. You should only choose the latter if the inspection discloses major problems and you are unable to negotiate an acceptable solution.



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INSPECTIONS

During the inspection period, the buyer has the right to hire a professional to inspect the condition of the home.

The standard home inspector's report will cover the condition of the home's heating system; central air conditioning system; interior plumbing and electrical systems; the roof, attic, visible insulation, walls, ceilings, floors, windows, and doors; the foundation, basement and other structural components. You will receive a written report of the inspection, *but I recommend you attend the inspection personally as well.*

ADDITIONAL INSPECTIONS YOU MAY NEED:

- **RADON INSPECTION** - Radon gas is the 2nd leading cause of lung cancer in the US. It is a naturally occurring gas that is colorless and odorless.
- **TERMITE INSPECTION** - Ask your lender if your loan requires a Wood Destroying Organism (WDO) inspection. However, even if it does not, you would be wise to order one if the home is in a region where termite damage is a concern.
- **LEAD-BASED PAINT INSPECTION** - If the home was built prior to 1978, a lead-based paint inspection is recommended.
- **WELL WATER / SEPTIC TANK INSPECTION** - if the home has a septic system or well water, order this inspection to make sure the water is not contaminated and the septic system is working properly.



MY RECOMMENDED INSPECTORS

Call for quotes:

Patrick Connor
ASAP Home Inspections
(813) 777-8824
sapconnor20@outlook.com
www.asaphomesinspect.com

Jim Reynolds
Full Circle Home Inspectors
(352) 459-6173
fullcirclehomeinspectors.com

HOMEOWNERS INSURANCE

HOMEOWNERS Homeowners insurance offers financial protection against loss due to theft, accidents and such.

Here are some additional coverages you may want to consider:

HAZARD Hazard insurance protects against damage caused by fires, severe storms, hail/sleet, or other natural events.

FLOOD Protects against damage caused by a flood. (To get this coverage, you will need a separate flood policy.)

WINDSTORM Protects against damage caused by events such as tornadoes, hurricanes, or gales.

MY TRUSTED INSURANCE AGENTS CALL FOR QUOTES

SCOTT CAMERON, STATE FARM
SCOTTJCAMERON.COM
(352) 861-2266

AFFILIATED AGENCY
WWW.AFFILIATEDAGENCYINS.COM
352-694-7600



(352)234-3048

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PREPARING TO CLOSE

TITLE:

The title company will conduct a title search to ensure that clear title to the property can be conveyed at closing. The search will identify mortgages, liens, judgments, restrictions, easements, leases, unpaid taxes or any other encumbrances. Once the title is found to be "clear", the title company will issue a title insurance policy that protects lenders and owners against undiscovered claims against title that existed at the time of closing, and legal fees associated with them. Clear title is required in order to record a mortgage, and title insurance offers protection you must not do without even if you are a cash buyer. The fee paid for title insurance is a closing cost. Additionally, this fee is usually state-regulated, Therefore, every title company will charge the same amount for title insurance. You don't need to "shop around"!

"CLEAR TO CLOSE" IS EXCELLENT NEWS!

It means the mortgage underwriter has officially approved all documentation required to fund the loan. All that remains is the actual closing process.

FINAL WALKTHROUGH

We will perform a final walkthrough the day of settlement to confirm that the seller made the repairs that were agreed upon and to make sure no issues have come up while under contract.

closing checklist

- TRANSFER ALL UTILITIES INTO YOUR NAME (GAS, ELECTRIC, WATER, SEWER, ETC).
- REVIEW THE SETTLEMENT STATEMENT A FEW DAYS BEFORE CLOSING TO MAKE SURE YOU UNDERSTAND IT, DETERMINE THE AMOUNT OF MONEY YOU ARE REQUIRED TO BRING TO THE CLOSING TABLE, AND ARRANGE FOR THE FUNDS TO BE AVAILABLE.
- FINAL WALK-THROUGH
- WIRE FUNDS TO THE CLOSING COMPANY OR GET A CERTIFIED CHECK FROM YOUR BANK TO BRING WITH YOU.
- BRING YOUR DRIVER'S LICENSE OR PASSPORT TO THE CLOSING TABLE

TAKE YOUR KEYS, POP THE CHAMPAGNE, AND MOVE IN!

MOVING CHECKLIST

4-6 WEEKS BEFORE

- Declutter, discard & donate
- Collect quotes from moving companies
- Locate schools, healthcare providers in your new location
- Secure off-site storage if needed
- Choose a mover and sign contract
- Create a file of moving-related papers and receipts
- Contact homeowner's insurance agent about coverage for moving
- Contact insurance companies to arrange for coverage in new home

3-4 WEEKS BEFORE

Notify the following about your change of address:

- Banks + Post Office
- Credit Card Companies
- Insurance Companies
- Family + Friends

Notify utility companies of date to discontinue or transfer service

- Electric
- Gas
- Water
- Internet
- Trash
- TV

2-3 WEEKS BEFORE

- Notify DMV of new address
- Discontinue additional home services (housekeeper, gardener/lawn service)
- Start using up things you can't move, such as perishables
- Close/open bank accounts
- Arrange for child and pet care on moving day
- Notify HOA about upcoming move, reserve elevator usage

1 WEEK BEFORE

- Confirm final arrangements
- Arrange transportation for your pets and plants
- Review your moving-day plan with moving company
- Take a picture in your home
- Pack an essentials box for quick access at new home
- Label moving boxes with the contents inside

General Things

To Know

Don't Hire The Seller's Agent!

A single Realtor can facilitate both side sofa transaction only if both buyer and seller agree. In that case, the Realtor transitions to a transactional agent and represents neither party. Instead, he or she merely facilitates the transaction from that point forward. However, you need a buyer's agent, someone with a fiduciary responsibility to you and who will represent your interests. Therefore, you would be wise to hire your own buyer's agent!

I can represent you before builders

A builder's rep is the employee of the builder by definition. Therefore he or she is there to protect the builder's interests. On the other hand, I will represent you. I can negotiate on your behalf, answer your questions with your interests in mind, help you to understand the process, recommend other builders, and much more. You would be wise to hire me to represent you if you prefer new construction over a resale!

Foreclosures & REOs

A foreclosure may attract you with its aggressive pricing, but there is more here than meets the eye. Such properties are frequently in a poor state of repair due to neglect or damage done by owners on their way out the door. Additionally, they are sold on an as is basis, using contracts written to protect the bank, not the buyer. Also, it is rare indeed for the seller to agree to any repairs whatsoever. So there are significant risks packaged with the attractive price. One more thing of note is that it is not unusual for bank owned properties to take 120 days or longer to close after going to contract. Now that you know what you are walking into, please be aware that we are certified in foreclosures and short sales and would be glad to represent you and protect your interests.

REVIEWS



"Andy is a stellar realtor. Helped us find what we were looking for and supported us through the buying process. Our questions were answered in detail and he stepped in to clear communications between all parties concerned. We are happy with the results and strongly recommend Andy as an agent." - L. Folsom

"I would recommend all my friends and family that live in the Ocala area to use Andrew Kruglanski as their Realty Agent. Because he does very good work and will help you find the house you are looking for in your price range" - S Williams

"Love the website. So informative and the search options are amazing!"
- Elite Equestrian

"Our interest in an entirely different home led us to Andrew. He showed us two other houses in the area that he knew about....and we ended up picking one of the houses he showed us.....He's awesome, and I'll definitely call him if I move again." - R. Johnson

"Andy sold me a home I fell in love with . It was within walking distance of my job and just what I was looking for. A few years later, I listed it with him, flowed his advice and sold it for more than I expected and faster than I had imagined possible. Awesome Realtor"
- Radica K

"Andy is knowledgeable and helpful. Great to work with. Definitely five stars." - E. Quarles