



BUYERS GUIDE

your ultimate guide to buying a home

BUYER'S GUIDE



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Khalid Islam

MEET YOUR AGENT

As a Top Producing Dallas Realtor Khalid has earned a reputation for real estate knowledge, professionalism, honesty, and integrity. Khalid is admired for his negotiation skills, Local market knowledge, work-ethics, out of the box thinking, and unparalleled service. Our client's real estate goals are different, and no two transactions are the same. Depending on the needs Khalid creates a tailored plan and working strategy catered to each individual and homeowner.

When you choose to work with us, you are aligning yourself with ultimate professional, and assuring yourself the best service and results. To be ahead of the curve Khalid believes staying educated on real estate market gives our clients an edge and leads to long-term relationships and success.

Khalid's goal is to provide the finest real estate services to his clients in Dallas, Fort Worth, Southlake, Westlake, Keller, Frisco, McKinney, Parker, Lucas, Fairview, Celina, and the surrounding areas. Khalid is passionate about real estate and make sure our clients get the experience they deserve.

Having obtained needed designations in Real Estate Graduate Realtor Institute (GRI), Accredited Buyer Representative (ABR), and Seller Representative Specialist (SRS), and obtaining an MBA from school of Business, Khalid is equipped with needed knowledge and experience to serve his clients. Khalid loves nothing more than getting to know people and enthusiastically working to maintain close relationships, which has allowed him to form an invaluable network of contacts.

Khalid understands that relationship building is at the heart of any business, and mutual respect and open communication is the key to maintaining a strong relationship. Khalid participates in, and volunteer for events and charities to benefit local schools and organizations. Khalid prides himself on nurturing lasting relationships with his clients that extend far beyond the sale or purchase of any home. When Khalid is not assisting his clients, he enjoys spending time with his family and friends. Khalid likes Golfing, horse riding, outdoor activities and enjoys traveling.

STEP 1:

GETTING STARTED

1. PRE-APPROVAL

- **To be pre-approved** means you submitted an application to a mortgage lender and they approved your application and you can get the funding you need to buy a home. You can shop different lenders to see who has the best mortgage rates & price for closing costs
- **To start the pre-approval process** you will fill out a mortgage application with your social security number. The lender will use this to run a credit check on you.

PRE-QUALIFICATION

- **To be pre-qualified** means you can find out amount of money you qualify for to buy a home without them pulling your credit.
- You provide an overview of your finances, income & debts to the mortgage lender and they give you an estimated loan amount. It's a good way to get an idea of the amount of loan you qualify for before you start looking for homes to buy.

DOCUMENTATION CHECKLIST IN MOST CASES:

- | | |
|---|---|
| <input type="checkbox"/> Pay stubs (last 2 months) | <input type="checkbox"/> Any other income documentation (social security/disability, pension, retirement, etc.) |
| <input type="checkbox"/> Federal tax returns (last 2 years) | <input type="checkbox"/> Documentation of assets such as: bank statements of checking & savings accounts, 401k, stocks or bonds |
| <input type="checkbox"/> W2's (last 2 years) | |

SAVE FOR YOUR DOWN PAYMENT

To save from having to pay extra interest and fees you'll want to save for a down payment amount that is 10-20% of the total house price.

2. WHAT KIND OF LOAN?

CONVENTIONAL LOAN: (Also known as a Fanny Mae or Freddie Mac loan. A loan for anyone who qualifies)

FHA LOAN: (Good option for those with a low credit score)

VA LOAN: (For those with a military connection)

USDA LOAN: (For those who want to live in rural or suburban areas)

Type of loan	Down payment	Years	mortgage insurance	minimum credit score
Conventional	3-15%	15-30 yrs	Yes , if you put down less than 20%	620
FHA	3.5-10%	15-30 yrs	Yes, length varies	500-580
VA	none	15-30 yrs	none	640
USDA	none	15-30 yrs	none	640



3. HOME HUNTING

Your real estate agent will use all of the tools and resources at their disposal to find you amazing home listings. Here are some tips to find the best house for you:



TIP #1:

Look until you find the price range you want

It may be tricky but don't give up and use your agent's expertise to find the right house for the right price you can afford



TIP #2:

Size & Layout

Consider how much square footage you need. 1800 square feet? 3200 square feet? How many bathrooms do you need? Try to match your needs as much as you can to your budget. Also, is the floorplan right for how you want to use your space? This too is very important to plan and think about.



TIP #3:

Location, Location, Location

Are there schools nearby? Is the distance to commute to work right? Is the community the right fit for you? Make sure and consider these things while searching for a house.





 TIP # 4:

Ask the right questions while viewing the house

- What are the neighbors like?
- How old is the roof?
- Does price include appliances/light fixtures?
- Have you had any pest or mold problems?
- Have you had any leak problems?
- When were appliances last updated? (HVAC, plumbing, water softener, septic tank, washer & dryer, fridge, oven & dishwasher)
- What is it like to live there in the summer & winter months?
- What have you really loved about the house?



STEP 2:

MAKE OFFER & NEGOTIATE PRICE



1. MAKE AN OFFER

- Get personable.** Make a cover letter that is personable & explains what you love about their house (see next page for example).
- Let them know you are serious.** Include your pre-approval lender letter.
- Research the market & the seller** so that you understand what their home should really be worth and to have an overall better understanding of what's fair.
- Make a respectable offer based on your research of the market.** Don't lowball unless you can back it up with comps (homes comparable that have that lower price point).

2. NEGOTIATE PRICE

- **Get a home inspection.** If the home inspection reveals any problems you could negotiate a lower price or help pay closing costs to make up for the problems found.
- **Ask for help with closing costs.** Closing costs typically will cost 3-6% of the loan value. Closing costs include appraisal fees, credit check fees & inspection costs. You can ask the seller to help chip in to help pay for them which is good for them because they can sell their home more quickly. However, if they have a lot of offers they may choose someone else.
- **Find out why they are moving.** The seller may need to move quickly and may be willing to give a discount so the closing process will be quicker. This may mean that things that need to be repaired will not be.
- **Walk away.** It's easy to go over budget because of high competition and bidding wars. Sometimes it's best to move on and find another home.

3. SIGN CONTRACT

Once you and the seller are in agreement on terms **a sales agreement is signed** and the house is officially under contract and in escrow.



HOW TO SET YOURSELF APART

Sometimes the market is competitive and there may be many offers on the house you want. Make your home offer letter personable & give specifics of why you love the home.

SAMPLE LETTER



ABOUT US:

RACHEL:

A stay at home mom who loves to cook, volunteer and play with her boys.

DANNY:

A hard working and amazing father who works as an engineer, loves to cook and play soccer with his son and their dog.

LUKE:

2 1/2 years old and loving it. Training to be a soccer player like his dad and enjoys large grassy areas to play and run around in.

SUNNY:

A fluffy dog whose interests are running, playing and running some more. Loves large backyards and summer breezes.

DEAR OWNERS OF THE BEAUTIFUL & DREAMY BLUE HOME ,

We're the Robinson's and we love your home!

We've been searching a long time to find the right home to be our forever home and where we could raise our family. Your home has the location, the layout, and the overall amazing feel that are just so important to us. The large, beautiful backyard is just what we need for our soccer playing family (and dog).

The area where your home resides brings us back to our roots as we're moving back to the area from out-of-state.

We've also heard of how amazing the schools are which is definitely one of the top things we want for our growing family.

Please take the time to consider us. We will take care of this home and make it a special place for years to come.

Sincerely,

the Robinson's

STEP 3:

UNDER CONTRACT

1. PUT DOWN ESCROW DEPOSIT

Your real estate agent will collect your earnest money (down payment) and put it in an escrow account. This good faith deposit will sit in the escrow account until it is ready to be submitted at closing.

2. TITLE SEARCH

A title search will be done on the home to ensure that the seller doesn't have any liens on the property and to make sure they are the property's rightful legal owner of the home.

3. HOME INSPECTION

The home inspector will give the buyer a detailed report of the home and any issues or repairs that are needed. Inspections are typically completed 10-14 days after contract/sales agreement is signed.

4. RE-NEGOTIATE IF NEEDED

If any problems or issues come up during the inspection the buyer can re-negotiate with seller (i.e. have price lowered or have seller repair items themselves before closing.)

5. APPRAISAL ON HOME

The bank or lender will set up an appraisal of the home. If the appraisal comes in lower than the offered price, the lender will not give you financing unless you are willing to come up with the cash to make the difference or if the seller lowers their price to the appraised amount.

STEP 4:

PRE-CLOSING & CLOSING

PRE-CLOSING

1. INSURANCE REQUIREMENTS

Homeowners Insurance: Most lenders require proof that you have homeowner's insurance. This insurance covers things like natural disasters, fire, and theft. The cost will be determined by factors like your credit score and the home's location, age & condition.

Title Insurance: Most lenders also require title insurance. This insurance protects buyers & lenders from outstanding liens & back taxes that might be associated with the home's title. Title insurance is paid with a one-time payment at closing.

2. CLOSING DISCLOSURE

3 days before closing your lender will send you the closing disclosure documents for you to sign digitally. The documents include:

- Loan term, loan amount and interest rate
- Estimated amount of money you'll pay on your loan each month
- Closing costs, which include origination, underwriting and government fees
- Amount of money you'll need to bring to closing, also known as cash to close
- Loan disclosures

3. FINAL WALKTHROUGH

It's always good to **re-inspect the property one last time** before closing to make sure no new damage has occurred. Also, that the seller has left all of the agreed-upon appliances/fixtures.

CLOSING DAY!

4 . SIGNING CLOSING DOCUMENTS

Closing day is when you sign all the final paperwork which usually takes 1-2 hours. On average it takes 30-45 days for a home to close from the time of the initial offer so you've definitely come a long way to get to this point!

You've been approved by the lender, searched for homes, made the offer, negotiated terms, signed the sales agreement, had the home inspected & appraised, did the final walkthrough & signed the closing disclosure documents.

At the closing you will be signing the final paperwork, reviewing the mortgage loan application and paying closing costs.

WHAT TO BRING TO CLOSING:

- Government-issued photo ID (like driver's license or passport)
- Proof of homeowner's insurance
- Certified check or cashier's check in the amount of closing costs due
- Your signed closing disclosure (your lender will most likely have this ready to go)





YOU DID IT!

YOU GET THE KEYS!

Buying a home can be a big job but with teamwork and my experience & expertise we can find your home for a great price and quickly!

If you have any questions at anytime through the process I am always available for you,

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