

# HOME BUYERS GUIDE

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**ROCKSTAR**  
REALTY

# BOUTIQUE REAL ESTATE AGENCY

Our mission is to provide you with specialized and personal real estate services so you can enjoy the lifestyle you've created. We are real estate ambassadors, taking you where lifestyle meets real estate. Love where you live. We will get you there.

Established in 2011, RockStar Realty infuse passion, technology and education to present you with a cutting edge real estate experience.

Our team of associates are highly trained real estate specialists with hyper local expertise and a skill set that makes selling your home or helping you procure a new one, seamless and transparent.

The brokerage holds its primary Realtor membership with the Royal Palm Coast Realtor Association and it's secondary membership with Punta Gorda Association of Realtors. Boasting Multiple listing service participation from Orlando south to Marco Island.

Whether your are buying or selling a residential property, commercial property or in need of property management for your investment property, RockStar Realty is here to help.

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## Ways It Pays To Work with a Realtor®

Thinking about buying or selling a home on your own? Consider all the steps you'll personally have to complete:

<b>DETERMINE HOW MUCH YOU CAN AFFORD.</b> Price existing home without the input of market expert.	<b>Check credit report.</b> Arrange home and pest inspections on new home.	Negotiate terms of sale or purchase, including repairs or concessions.
Put existing house on market.	Find attorney to draft contract.	Review and approve contract.
Decide where to advertise to reach best potential buyers.	<b>GET SIGNED CONTRACT TO SELLER.</b>	
Host open houses to sell existing home.	Schedule appointments to show current home or to see new ones.	Hire attorney or title company to complete closing research.
<b>FIND NEW HOME WITH ALL THE FEATURES YOU WANT.</b>		<b>Choose mortgage lender.</b>
<b>Investigate school system.</b>	Hire surveyor to survey property.	
Research neighborhoods and local amenities.	Order title search.	<b>OBTAIN TITLE INSURANCE.</b>
Analyze comparable home sales and make offer on new home.	Consider offers for current home.	Obtain homeowners' insurance.
Review homeowners' association documents for new home.	Coordinate closing with lender, title company and customer.	Conduct final walk-throughs of home.
Meet home and pest inspectors for review of current home.		<b>Review and sign closing documents.</b>



Benefits of using a boutique agency:

1. Culture centered on customer service and professionalism.
2. Depend on our abilities as opposed to our brand to determine our worth.
3. Our community comes first. We flourish when our community flourishes.
4. Seasoned and extensively trained associates in specialty areas.



# HOW A REAL ESTATE TRANSACTION WORKS



**Buyer's  
Realtor®**



**Seller's  
Realtor**



## LOAN EVALUATION

Before making an offer, smart buyers apply to at least three lending sources to determine how much they can afford to spend and the best interest rate.

## OFFER PRESENTED

Buyer's Realtor presents buyer's offer to seller's Realtor, who conveys it to seller.

## GOOD FAITH DEPOSIT

Along with the offer, buyer submits "earnest money," or good faith, deposit to cement the deal. Deposit is held in escrow to be applied toward the down payment.

## SALES AGREEMENT EXECUTED

## PURCHASE NEGOTIATION

Working through their Realtors, seller and buyer negotiate final sales price, sales terms and any contingencies buyer may request, such as whether sale is contingent on inspections, appraisal, attorney's review, etc.

## SELLER'S DISCLOSURE

Seller discloses issues that may materially affect the value of the property and which are not readily evident.

## LOAN APPLICATION PROCESSED

Lender conducts extensive review of buyer's credit report, employment, source of down payment, property appraisal, etc.



## TITLE SEARCH

Concurrent with the loan process, closing agent confirms seller has clear right to sell property and establishes facts, such as whether there are restrictive covenants on the use of the property.

## CLOSING DOCUMENTS ISSUED

Lender provides loan estimate and closing disclosure detailing all terms and costs.



## CONTINGENCIES SATISFIED

Once financing is complete and other hurdles are removed, contingencies may drop off.



## FINAL WALK-THROUGH

1-2 days before closing, buyer confirms that the home is in the same condition as when purchase offer signed and all elements that are to be conveyed are still in place.

## CLOSING

Buyer and seller sign documents and complete sale.



**FloridaRealtors®**  
The Voice for Real Estate® in Florida

# WORDS YOU SHOULD KNOW

**APPRAISAL** A written estimate of a property's current value.

**CLOSING COSTS** Fees associated with buying a house that your lender charges and/or you rack up from various third parties.

**CONTINGENT** A status in which a house has accepted an offer but relies on meeting certain criteria, such as passing a home inspection or appraisal.

**CONVENTIONAL MORTGAGE** A mortgage loan not insured by the government or guaranteed by the Veterans' Administration. It is subject to conditions established by the lending institution and State statutes.

**COMMISSION** A percentage of the sale that is paid to the real estate professional. In most situations, commissions are paid by the seller of the property.

**DOWN PAYMENT** The amount of your home's purchase price you pay upfront.

**FHA MORTGAGE** A mortgage that is insured by the Federal Housing Administration (FHA). FHA loans are designed to make housing more affordable.

**FORECLOSURE** A property seized by the mortgage lender due to the homeowner failing to make full payments on their mortgage. In hopes to recover the balance of the home loan, the lender will sell the house.

**FSBO A.K.A. For Sale by Owner.** A FSBO is a property that is being sold by the current homeowner without the aid of a real estate agent.

**EARNEST MONEY** A deposit made by the potential home buyer to show that he/she is serious about buying the house.

**INSPECTION** An evaluation of the home in which a professional inspector determines the current condition of the home and its systems.

**PMI (Private Mortgage Insurance)** The monthly insurance payment a lender must pay if the down payment is less than 20% of the sale price.

**PRE-APPROVAL** An evaluation by a lender that determines if the potential buyer qualifies for a loan and, if so, the maximum amount the lender would be willing to lend.

**REO** An acronym for "Real Estate Owned." A REO property is owned by the bank due to a foreclosure. REO properties can be purchased from the bank; however, they are often sold "as is."

**SELLER ASSIST** Money given from the seller to the buyer at settlement to pay for part of the closing costs. The amount varies depending what the mortgage company allows.

Don't let the loan application process prevent you from making an offer on the home of your dreams! Be ahead of the game by having all your documents organized and ready to give your loan originator.

Here is a checklist of documents and materials you will need in order to apply for a mortgage:

### **Purchase contract and property information**

- o Copy of the sales contract
- o Mailing address and property description
- o Contact information for access to the property
- o Plans and specifications (new construction only)

### **Personal information**

- o Social Security number
- o Age
- o Years of schooling
- o Marital status
- o Number and ages of dependents
- o Current address and telephone numbers
- o Addresses for the past seven years
- o Current housing expenses (Rent, mortgage, insurance, taxes)
- o Name and address of landlord or mortgage holder for past two years

### **Employment history and income**

- o Two years of employment history, with complete details of each job
- o Recent pay stubs and two years of W-2 forms
- o Complete tax returns and financial statements if self-employed
- o Written explanation of employment gaps
- o Records of dividends and interest received
- o Proof of other income

### **Assets**

- o Complete information on all bank and money accounts
- o Two months of bank statements
- o Current values of stocks, bonds, mutual funds and other investments
- o Vested interests in retirement funds
- o Value of life insurance
- o Information on vehicles you own
- o Information on real estate you own
- o Value of significant personal property you own

### **Liabilities**

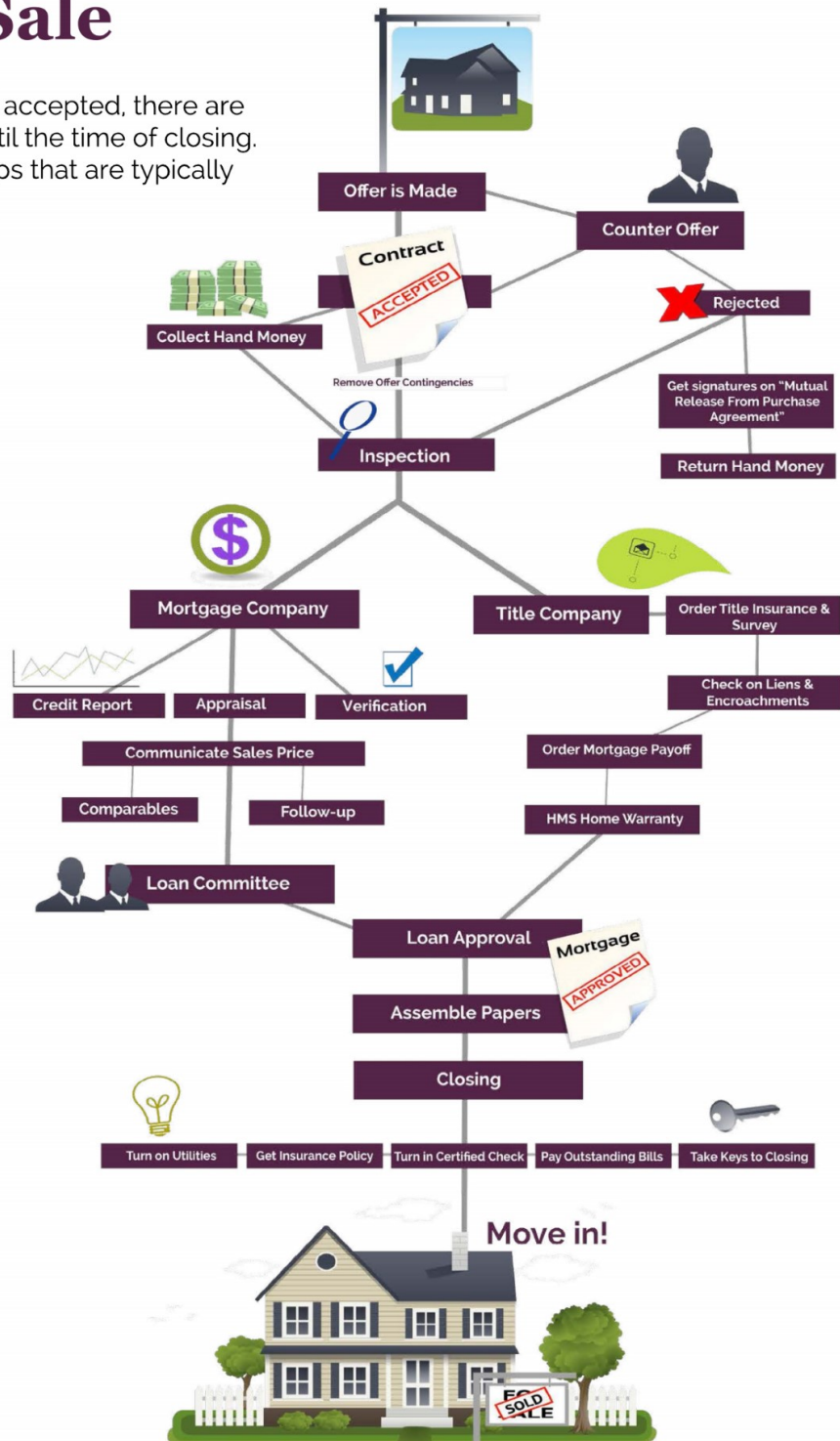
- o Itemized list of all current debts (loan, credit cards, and other bills)
- o Written explanation of past credit problems
- o Full details of bankruptcy during the last seven years

### **Fees**

- o Credit report and appraisal fees (usually \$500 or less)

# After the Sale

After a Purchase Agreement is accepted, there are a myriad of details involved until the time of closing. This infographic shows the steps that are typically taken.





# TODAY'S HOME BUYERS

**13** Percent of homes purchased by multigenerational household

## Top 6 Search Sources

1. Online website
2. Real estate agent
3. Mobile website or app
4. Mobile search engine
5. Yard sign
6. Open house

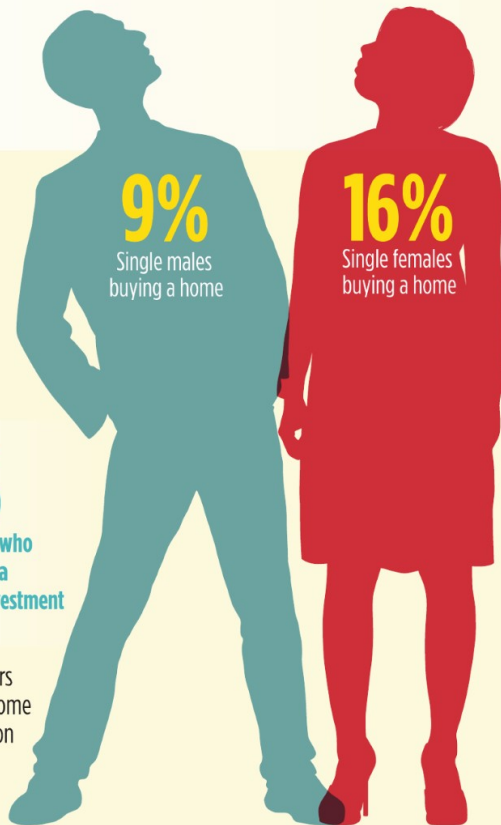


**84%**  
Buyers under 33 who consider buying a home a good investment

**76** Percent of buyers who visited a home after finding it on the Internet



**Biggest Reasons for Multigenerational Buy**  
 24% - Cost savings  
 23% - Adult children moving back in  
 18% - Caretaking for aging parents  
 10% - Spending more time with aging parents



**Down Payment Woes**  
 Most common reasons buyers had trouble saving for downpayment:  
 • Credit card debt: 50%  
 • Student loans: 46%  
 • Car loans: 38%

**10**  
Number of weeks in typical search

## Buyer Profile by Generation

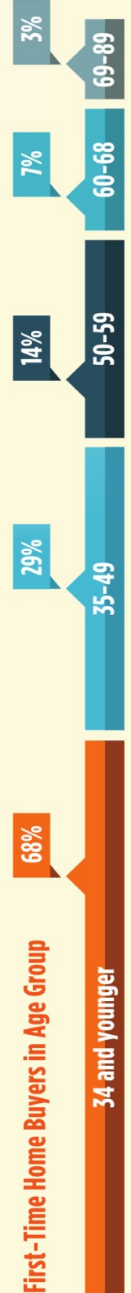
**Gen Y – 32%**  
 Average Age: 29  
 Household Income: \$76,900  
 Size of Home: 1,720 sq.ft.  
 Median Price: \$189,000

**Gen X – 27%**  
 Average Age: 41  
 Household Income: \$104,600  
 Size of Home: 2,100 sq.ft.  
 Median Price: \$250,000

**Younger Boomers – 16%**  
 Average Age: 54  
 Household Income: \$96,600  
 Size of Home: 1,890 sq.ft.  
 Median Price: \$216,000

**Older Boomers – 15%**  
 Average Age: 64  
 Household Income: \$76,400  
 Size of Home: 1,800 sq.ft.  
 Median Price: \$215,000

**Silent Generation – 10%**  
 Average Age: 73  
 Household Income: \$63,600  
 Size of Home: 1,800 sq.ft.  
 Median Price: \$190,100



## Most Likely Place to Buy



**5 FOR MILLENNIALS**

Most important factors influencing Millennial purchase choice

1. Quality of neighborhood
2. Convenient to job
3. Overall affordability
4. Convenient to family/friends
5. Quality of schools