

## WHAT TO EXPECT AS A BUYER.

To most people, the “American Dream” includes owning a home. And though the prospect of buying a home is exciting, it can also be a bit overwhelming. Shorewest, REALTORS®’ decades of experience can simplify the home buying journey for you.

**The advantages of home ownership.** If one purchase could give you freedom, privacy, stability and tax advantages, you probably would make this purchase as soon as possible. Owning a home provides these benefits and more:

- Mortgage interest is tax deductible.
- Real estate taxes are deductible.
- Unlike rent, which is a total expenditure, a portion of every mortgage payment builds equity, saving you money over time.
- By accumulating equity in your home, you can later “move up” to another home, with a good down payment on hand.
- Rents may go up each year, but mortgage payments usually remain stable.
- Home ownership is a symbol of financial integrity, which improves your credit rating.
- Owning a home helps establish roots in a community.
- Your home will offer more space than most apartments, both inside and out.
- Enjoy more privacy in a home of your own.

- A home often appreciates in value.
- The pride that comes with owning your home is perhaps the greatest benefit of all. You’re living the American Dream!

**Selecting a sales associate: your partner in the purchase.** One call finds them all. Your Shorewest, REALTORS® sales associate has the systems and expertise to locate all the homes for sale which meet your requirements. Purchasing a home is often your largest investment. Your relationship with your sales associate is built upon communication and trust. You and your sales associate work together based on communication and trust to find the right home for you.

**Loan pre-approval.** Your Wisconsin Mortgage Corporation Loan Officer can pre-approve your mortgage before you start house hunting. A pre-approval is a guaranty that you can qualify for financing to a maximum purchase price and loan amount. This means you can write a stronger Offer to Purchase. In a competitive market, that could mean the difference between acceptance of your offer rather than another buyer’s. Also, you can close on your new home sooner, easier and with far fewer worries.

**Make an offer.** Once you’ve found the home that’s right for you, it’s time to write an Offer to Purchase. Writing the offer is an exciting, emotional and complicated experience. You’ll be glad you have an experienced sales associate at your side to help you through each part of the process.

**Submit earnest money.** When you submit an offer, be prepared to make an Earnest Money deposit. This sum of money indicates your seriousness about the offer. All money is held in an escrow account by the broker. At closing, the amount of the earnest money will be applied to the purchase price.

**Order a home inspection.** A professional home inspection is an essential step in the home buying process. A professional home inspector will see beyond the “cosmetics” and will survey all parts of the house, including the structure, roof, exterior and the major systems (electrical, plumbing, heating, cooling and ventilation).

**Apply for a home loan.** When you apply for your loan, your lender will give you a good faith estimate of your closing costs. This document estimates the amount of money you will need for closing. Some of the charges detailed are: points, lender closing fees,

mortgage and title insurance and recording fees. The lender will also order an appraisal of the property you wish to purchase to confirm it is adequate security for the mortgage. Once the lender has verified the information you’ve given and reviewed your credit history and appraisal, a commitment letter will be prepared. This document is a promise from the lender to make you a loan. It will include: conditions that must be met prior to closing, the term of the loan, total points and interest rate.

**Attend closing day.** Congratulations, today you will become a home owner! Remember, our full service continues right through to closing day. At the closing, you will settle all the financial details, the title to your new home will be conveyed and usually you will receive the keys to your new home. Most closings are conducted by a representative of your lender. There will be several papers and checks to sign. Read them carefully and don’t be afraid to ask questions. You need to bring to the closing:

1. A Home Owner’s Insurance Policy and a receipt showing payment of one year’s premium.
2. A certified or cashier’s check for your closing costs. Call your lender a day before closing to find out the exact amount.

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