



Homebuyer Guide

Navigate the homebuying journey
with confidence.



Table of Contents

Information at your fingertips	3
Buying: are you making the right choice?	4
Stop paying someone else's mortgage	5
Protect your ownership dream	6
What to bring on closing day	8
How to prepare a successful closing	10
What happens after closing	11

Information at your fingertips.

For quick access to key homebuying details, fill in the information below as it becomes available.



✓ Property

Escrow: _____

Address: _____

City/State/ZIP: _____

✓ Real Estate Agent

Name: _____

Team Members: _____

Company: _____

Address: _____

City/State/ZIP: _____

Cell Phone: _____

Office Phone: _____

Fax: _____

Email: _____

Website: _____

✓ Closing Agent or Attorney

Agent/Attorney

Name: _____

Address: _____

City/State/ZIP: _____

Phone: _____

Email: _____

Assistant

Name: _____

Phone: _____

Email: _____

✓ Services

Internet/Cable

Company: _____

Account #: _____

Activation Date: _____

Gas

Company: _____

Account #: _____

Activation Date: _____

Electric

Company: _____

Account #: _____

Activation Date: _____

✓ Homeowner's Insurance

Current Agent

Name: _____

Phone: _____

Policy #: _____

End Date: _____

New Agent

Name: _____

Phone: _____

Policy #: _____

Start Date: _____

Home Warranty

Plan #: _____

Policy #: _____

Buying: are you making the right choice?

Renting offers an attractive accessibility, but is the convenience it offers today worth the limitations of tomorrow? If you're still on the fence between renting and owning, consider how the two stack up.

RENTING

Many renters are drawn to short-term perks:

Flexibility: When life changes, it's easier to get out of a lease than it is to sell a house.

Lower upfront costs: Costs typically include your first month's rent and a security deposit.

No maintenance worries: A landlord typically handles repairs and outdoor maintenance like lawn care or snow removal.

But over time, the downside becomes clear:

No equity: Every rent check goes to your landlord's investment, not yours.

Rising rent: Monthly rent costs will almost always continue to go up – sometimes significantly and with little notice.

Restricted freedom: Even if you were okay with paying to renovate or decorate a property that doesn't belong to you, you still have to get your landlord's permission first.

Uncertainty: Most leases are either month-to-month or year-to-year, which means you're subject to the landlord's decisions in the long-term.

OWNING

Owning a home isn't just a purchase, it's a step toward financial empowerment:

- ✓ **Building equity:** With every mortgage payment, you're investing in your future.
- ✓ **Wealth growth:** As your property value increases, so does your financial net worth.
- ✓ **Stable monthly costs:** With a fixed-rate loan, your monthly principal and interest payments are consistent throughout the loan's life.
- ✓ **Creative control:** Aside from any association restrictions, when you own your home, you can enjoy the freedom to renovate and decorate as you wish, making your home truly your own.
- ✓ **Long-term investment:** With potential property appreciation, your home can provide financial security over time.



Stop paying **someone else's mortgage.**

Check out the chart below to get a picture of how the rent you pay adds up to a sizeable sum over the years, with no return on your investment.

RENT	1 YEAR	3 YEARS	5 YEARS	10 YEARS	15 YEARS	RETURN
\$800	\$9,600	\$28,800	\$48,000	\$96,000	\$144,000	\$0
\$900	\$10,800	\$32,400	\$54,000	\$108,000	\$162,000	\$0
\$1,000	\$12,000	\$36,000	\$60,000	\$120,000	\$180,000	\$0
\$1,500	\$18,000	\$54,000	\$90,000	\$180,000	\$270,000	\$0
\$2,000	\$24,000	\$72,000	\$120,000	\$240,000	\$360,000	\$0
\$2,500	\$30,000	\$90,000	\$150,000	\$300,000	\$450,000	\$0
\$3,000	\$36,000	\$108,000	\$180,000	\$360,000	\$540,000	\$0

Invest in your future with homeownership.

Consider how the rent you pay could be contributing toward building equity in your own real estate. When it comes to building long-term stability and wealth, homeownership provides a more secure path.

Protect your **ownership dream.**

As you invest in your future with the purchase of your new home, protect your investment and ownership rights with title insurance.



PLAY IT SAFE

You've made the commitment, and now you're ready to step into your dream home.

Without an owner's title insurance policy from a reputable, financially secure company, your property rights or mortgage investment could be at risk. This policy protects against a range of covered issues – including those listed below – and provides legal defense of your ownership rights.

✔ **Errors in public records**

To err is human, but when it affects your home ownership rights, those mistakes can be devastating. Clerical or filing errors could affect the deed or survey of your property and cause undue financial strain in order to resolve them.

✔ **Unknown liens**

Prior owners of your property may not have been meticulous bookkeepers – or bill payers. Even though the former debt is not your own, banks or other financing companies can place liens on your property for unpaid debts even after you've closed on the sale. This is an especially worrisome issue with distressed properties.

✔ **Illegal deeds**

While the chain of title on your property may appear perfectly sound, it's possible that a prior deed was made by an undocumented immigrant, a minor, a person of unsound mind, or someone who is reported single but is in actuality married. These instances may affect the enforceability of prior deeds, affecting prior, and possibly present, ownership.

✔ **Boundary/survey disputes**

You may have seen several surveys of your property prior to purchasing, however, other surveys may exist that show differing boundaries. That means it's possible that a neighbor or other party may attempt to claim ownership to a portion of your property.

✓ **Missing heirs**

When a person passes away, the ownership of their home may fall to their heirs or those named within their will. However, those heirs are sometimes missing or unknown at the time of death. Other times, family members may contest the will for their own property rights. These scenarios – which can happen even after you've purchased the property – could affect your rights to the property.

✓ **Forgeries**

Forged or fabricated documents could exist, affecting property ownership filed within public records and obscuring the rightful ownership of a property. Once these forgeries come to light, your rights to your home could be in jeopardy.

✓ **Undiscovered encumbrances**

At the time of purchase, you may not know that a third party holds a claim to all or part of your property – due to a former mortgage or lien, or non-financial claims, like restrictions or covenants limiting the use of your property.

✓ **Unknown easements**

You may own your new home and its surrounding land, but an unknown easement may prohibit you from using it as you'd like, or could allow government agencies, businesses, or other parties access to all or portions of your property. While usually non-financial issues, easements can still affect your right to enjoy your property.

✓ **Undiscovered will**

When a property owner dies with no apparent will or heir, the state may sell his or her assets, including the home. When you purchase such a home, you assume your rights as owner. However, even years later, the deceased owner's will may come to light and your rights to the property could be seriously jeopardized.

✓ **False impersonation of previous owner**

Common and similar names can make it possible to impersonate a property owner. If you purchase a home that was once sold by a false owner, your legal claim to the property could be at risk.



What to bring on closing day.

To avoid delays and ensure a seamless experience on closing day, go in prepared. Use this checklist to make sure you're ready for your big day.



Valid photo identification

To help defend against forgery and fraud, state notary laws include requirements that parties signing documents in a real estate transaction must provide acceptable forms of identification. All documents must be current and contain the signer's photograph, signature, and bear a serial or other identifying number.

Closing document signatures must match the name that appears on the identification presented. An abbreviated form may be acceptable, for example: John D. Smith instead of John David Smith. However, deviation is only allowed if the individual is signing with less than and not more than what is on the identification document. If your name has changed, or will change, prior to the closing, documentation must be provided to support the change.

Specific requirements may vary by state.

Acceptable forms of identification:

- Valid driver's license or state-issued ID
- U.S. passport or foreign passport stamped by the U.S. citizenship and immigration services (USCIS)
- Valid U.S. military ID
- Veterans' health ID
- Valid Canadian or Mexican driver's license issued by the official agency

Unacceptable identification:

- Temporary driver's license
- Driver's license without a photograph
- Social Security card
- Employee ID badge
- Permanent resident ID card

Hazard insurance policy and receipt

A hazard policy, also known as homeowner's insurance, with the lender designated as the insured holder of the mortgage, is required on most loans. Evidence of hazard insurance, including a paid receipt, must be provided prior to closing.

Cashier's check, treasurer's check, or wire transfer

In the event you're required to bring funds to closing, personal checks or cash cannot be accepted. If you prefer to wire your funds, be sure to contact your closing/settlement agent to request bank routing instructions. If you'll be bringing a proceeds check from another settlement, contact your closing/settlement agent to verify the acceptance of those funds.

Required attendees

If possible, all parties who hold title to the property should attend the closing. State-specific laws may require the spouse of the parties in title, even though their name does not appear on the deed, to sign certain documents when obtaining a mortgage. If anyone is unable to attend closing, contact your closing/settlement agent to arrange the power of attorney or closing by mail.

Other items that may be required

In some cases, one or more of the following may be required. Check with your closing/settlement agent beforehand to determine whether any items from this list are required at closing.

- Home warranty application
- Payoff authorization to release information
- Power of attorney (original needed at closing)
- Divorce decree and quit claim deed (original needed at closing, if not recorded)
- Court order from bankruptcy court
- Corporation documents: Board of resolution, certificate of good standing and articles of organization
- Death certificate (original needed at closing)
- Prior owner's title policy
- Trust agreement and attorney contact
- Letter of authority for probated estate (original needed at closing, if not recorded)
- Limited liability company documents

How to prepare for a **successful closing.**

To ensure the best possibility of a seamless experience and avoid delays in your closing process, try to avoid the following situations until after you've closed on your transaction.

✘ **Don't change your marital status.**

How you hold title is affected by your marital status. If changing your marital status is unavoidable, be sure to make both your lender and the title company aware of any changes in your marital status so that documents can be prepared correctly.

✘ **Don't change jobs.**

A job change could result in your loan being denied, particularly if you're taking a lower-paying position or moving into a different field. Even if you've received approval earlier in the process, the lender may call your employer to re-verify your employment just prior to funding the loan.

✘ **Don't switch banks or transfer your money to another institution.**

After the lender has verified your funds at one or more institutions, the money should remain there until needed for the purchase.

✘ **Don't pay off existing accounts.**

If your loan officer advises you to pay off certain bills in order to qualify for the loan, follow that advice. Otherwise, leave your accounts as they are until your escrow closes.

✘ **Don't make large purchases.**

Making a major purchase that requires a withdrawal from your verified funds or increases your debt could jeopardize your qualification for the loan. A lender may check your credit or re-verify funds at the last minute, so leave major purchases that could impact your loan approval until after your transaction closes.



What happens **after closing?**

Below is a checklist of things you can expect or steps you should take after your signing is complete.



Keys to your new home

Once the signing has been completed, you'll receive a set of keys to your new home. To ensure security, it's a good idea to change the locks before moving in.

Owner's title insurance policy

If you did not receive a title owner's policy at the closing table, you'll receive your policy by mail in 4-6 weeks.

Recorded deed

Once recorded in the official county records, the original deed to your home will be mailed directly to you, generally within 4-6 weeks.

Loan payments

Instructions were provided as part of your closing with information and details about your first loan payment. If you have questions about your tax and insurance escrows, contact your closing agent or attorney.

Filing for homestead

Depending on your home's state, you may be required to declare homestead or file a homestead exemption. A homestead exemption reduces the value of a home for state-tax purposes. Please check with the local county recorder's office to determine eligibility, filing requirements, and deadlines.

Property taxes

At the closing, prorated property taxes were collected based on occupancy time in the home. You may not receive a tax statement for the current year, however, it's your obligation to make sure the taxes are paid when due. Check with your lender to confirm whether property taxes are included in your payment and paid from escrow funds.

Utilities

If you haven't already done so, contact the local service providers to make arrangements for electricity, gas, water, phone and cable services.

Postal service

Your local Post Office can provide the necessary change-of-address forms to expedite the delivery of mail to your new home. You can speed up the process by notifying everyone of your new address and the date of your move.

Driver's license and vehicle records

You're required by law to notify your state Department of Motor Vehicles (DMV) after any relocation so that a new driver's license can be issued. You'll also need to have your auto registration transferred to your new address and depending on your state, submit to a driving test and vehicle inspection. Check with your state DMV to determine requirements.





Good luck on your homeownership journey.

We hope this Homebuyer Guide will be a valuable resource in helping you navigate the homebuying process and beyond.

Questions?

Reach out to me for more information on
the homebuying process.



Homebuyer Guide

Navigate the homebuying journey
with confidence.

David Rosenberg

GLG Law

203-742-1509

david@glg-law.com

