



BUYERS GUIDE



GRAND ALLURE
HOME GROUP



RE/MAX
EXECUTIVE



LET AN EXPERIENCED BUYER REPRESENTATIVE WORK FOR YOU

Sellers list their homes with real estate associates who look out for their interests throughout the process and as a buyer, you deserve the same kind of service.

PROPERTY SEARCH

Your buyer representative will understand your criteria for a house and neighborhood, then search for properties that fit those specifications. Your buyer representative will schedule appointments for showings and monitor the market as new listings become available. We also network with agents throughout the area, which may help us to know about properties sometimes before they even hit the market.

MARKET DATA

Market value is determined by many factors, including the availability of similar properties at competitive prices, location, condition, and most of all price, that a knowledgeable buyer is willing to pay. Your buyer representative will provide market data to help determine an offering price.

PURCHASE OFFER

There may be other considerations besides price that are equally important in structuring a purchase offer. The terms and conditions of the offer, amount of deposit and possession date are likely to be factors when an offer is made, and an experienced agent will be able to craft a desirable offer.

NEGOTIATING

When a purchase offer is made, the sellers may be concerned with certain aspects, including the ability of the purchaser's ability to fulfill their agreement, the terms and conditions of the offer, the breakdowns of closing costs between buyer and seller and even the motivations and lifestyle of the prospective new owners. Your buyer representative will help structure a negotiating strategy that will create the desired result – a new home.

COORDINATING DETAILS

Many things need to occur between signing a purchase offer and moving into your new home. A seasoned buyer representative will keep everyone on track and informed throughout the entire process.

STEPS IN THE HOME BUYING PROCESS



1 PRE APPROVAL

2 HOME SEARCH

3 MAKE AN OFFER

4 INSPECTIONS

5 APPRAISAL

6 UNDERWRITING

7 CLOSING

STEPS IN THE MORTGAGE PROCESS



GETTING PRE-APPROVED

It is extremely important that you connect with a qualified lender. We can recommend lenders who have earned our trust and with whom we've had good experience in the past. The lender will review your financial position to determine the price most suited to your ability to pay and your comfort level.

The pre-approval process will help you in the following ways:

- You will know in advance what your payments may be.
- You won't waste your time or get your sights set on a home you can't afford.
- There are many different loan programs that you can choose from so you will have the time to investigate what will work best for you.
- Sellers will find the offer more favorable if they know in advance of your ability to secure financing. This will make your offer more competitive if you are in a competition with multiple offers. Also, most listing associates will require a pre-approval letter to accompany all purchase agreements.
- You will have an estimate of your closing costs and we will be able to explain them to you in detail.
- You'll have peace of mind.
- Best Piece of Advice: Take the pre-qualification one step further and get a full loan approval.

DOCUMENTS NEEDED FOR YOUR LENDER

These are the typical documents you will be asked to procure from your loan officer:

- Last two months of bank statements
- Last two months of retirement and 401K statements
- Last 30 days of pay stubs
- Award letters for Retirement Income, Social Security, Disability Income and SSI
- Last two years 1040 Federal Income Tax Returns
- Last two years of Federal Corporate and/or Partnership Tax Returns
- Last two years of W-2 forms
- Copy of Driver's License and Military ID
- Statement of Service from Command – must include eligibility for re-enlistment
- If you have rental property income, bring a copy of all lease agreements



COMMON CLOSING COSTS PAID BY THE BUYER

You will likely be responsible for a variety of fees and expenses that you and the seller will have to pay at the time of closing. Your lender must provide a good faith estimate of all settlement costs, the title company or other entities. Conducting the closing will tell you the required amount for:

- Down payment
- Loan origination
- Points or loan discount fees which you pay to receive a lower interest rate
- Home Inspection
- Appraisal
- Credit report
- Private mortgage insurance premium
- Insurance escrow for homeowner's insurance, if being paid as part of the mortgage
- Property tax escrow, if being paid as part of the mortgage. Lender keeps funds for taxes and insurance in escrow accounts as they are paid with the mortgage
- Deed recording
- Title insurance policy premiums both lender and owner
- Land survey
- Notary fees
- Proration for your share of costs, such as property taxes
- Attorney fees



WHAT IS TITLE INSURANCE?

Five things to know about title insurance

Title insurance protects the holder from any losses sustained from defects in the title. Most mortgage lenders require it. Here are five other things you should know about title insurance.



- 1** It protects your ownership right to your home, both from fraudulent claims against your ownership and from mistakes made in earlier sales, such as mistakes in spelling of the person's name or an inaccurate description of the property.
- 2** It's a one-time cost usually based on the price of the property.
- 3** It's usually paid for by the buyers, although this can vary depending on your state and local customs.
- 4** There are both lender title policies, which protect the lender, and owner title policies, which protect you. The lender will probably require a lender policy.
- 5** Discounts on premiums are sometimes available if the home has been bought within only a few years since not as much work is required to check the title. Ask the title company if this discount is available.

WHAT IS HOMEOWNERS INSURANCE

1 KNOW ABOUT EXCLUSIONS TO COVERAGE

For example, most insurance policies do not cover flood or earthquake damage as a standard item. These types of coverage must be bought separately.

2 KNOW ABOUT DOLLAR LIMITATIONS ON CLAIMS

Even if you are covered for a risk, there may be a limit on how much the insurer will pay. For example, many policies limit the amount paid for stolen jewelry unless items are insured separately.

3 KNOW THE REPLACEMENT COST

If your home is destroyed, you'll receive money to replace it only to the maximum of your coverage, so be sure your insurance is sufficient. This means that if your home is insured for \$150,000 and it costs \$180,000 to replace it, you'll only receive \$150,000.

4 KNOW THE ACTUAL CASH VALUE

If you choose not to replace your home when it's destroyed, you'll receive replacement cost, less depreciation. This is called actual cash value.

5 KNOW THE LIABILITY

Generally, your homeowners insurance covers you for accidents that happen to other people on your property, including medical care, court costs and awards by the court. However, there is usually an upper limit to the amount of coverage provided. Be sure that it's sufficient if you have significant assets. For example, most insurance policies do not cover flood or earthquake damage as a standard item. These types of coverage must be bought separately.



UNDERSTANDING DUE DILIGENCE



Due Diligence is the buyer's opportunity to engage in the process of further investigation of the property and the transaction as described in the Offer to Purchase form within a period of time and agreed to by the seller and buyer.

Q: *What might the buyer investigate during the "Due Diligence Period"?*

A: A buyer has the opportunity to investigate anything a buyer deems important to proceed with the purchase such as home inspection, pest inspection, survey, septic inspection, appraisal, title search, loan qualification and application, repair negotiations – to name a few.

Q: *How much time is allowed for the "Due Diligence Period"?*

A: The amount of time is negotiable between seller and buyer and begins with the effective date of the contract. Buyers and Buyer's agent should consult with lender to confirm there is enough time to complete appraisal and loan approval.

Q: *What is the Due Diligence Fee?*

A: The due diligence fee, if any, is a negotiated amount between seller and buyer for buyer's right to conduct what buyer deems important during the due diligence period. The amount depends on various matters such as sale price for property, number of days on the market, personal circumstances of the buyer and seller, and the length of the due diligence period.

Q: *Is there a limit to the repair items the buyer can ask the seller to perform?*

A: No. The buyer is free to ask for any number of things; however, the seller is not obligated to agree to any of them. Repairs, if any, are completely negotiable.

Q: *If the buyer is not satisfied with the seller's response, or lack thereof, to repair requests, what can the buyer do?*

A: A buyer can terminate the contract for any reason, or no reason, or agree to move forward without repairs, but the due diligence fee will remain with the seller.

UNDERSTANDING DUE DILIGENCE CONTINUED

Q: *Must the seller complete the repairs before the end of the “Due Diligence” period?*

A: No, but the seller is required to complete any repairs in a good and workman-like manner prior to the settlement date. Failure by the seller to complete the repairs could result in a breach of the contract. It’s a good idea to ask for receipts of work done.

Q: *Must the seller allow the buyer to inspect the property to verify the repairs have been completed even if the “Due Diligence” period has expired?*

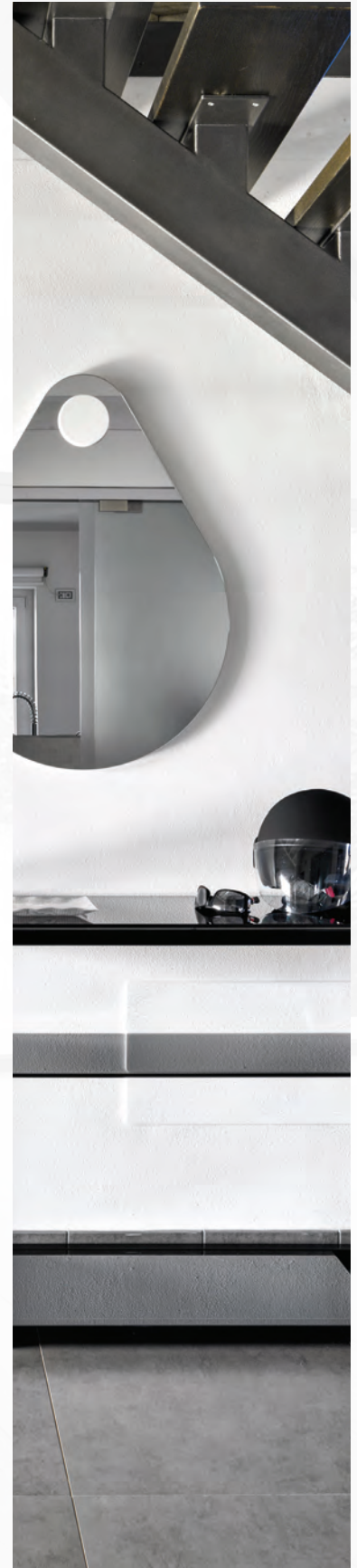
A: Yes. The buyer has the right to verify the repairs have been satisfactorily completed, during or after the “Due Diligence” period. The buyer also has the right to do a final walk-through. The seller’s failure to permit the buyer to verify repairs or to do a final walk-through is a breach of the contract.

Q: *What happens at the end of the “Due Diligence” period?*

A: The buyer must make a decision to move forward with the contract or to terminate. If the Due Diligence period is not extended and expires, the buyer’s loss of the right to terminate for any or no reason then places the earnest money at risk. To avoid any misunderstandings, a buyer’s agent will need to get an extension signed in writing by both seller and buyer.

Q: *If the buyer decides to terminate the contract under the “Due Diligence” clause, must the seller agree?*

A: No. It is the buyer’s sole decision to make, assuming it is made during the “Due Diligence” period and not afterward. The termination is a notification to the seller and must be in writing, but the buyer does not need the consent of the seller. It is a unilateral decision made by the buyer for any reason or no reason at all. The buyer typically gets back the earnest money but not the “Due Diligence” fee, unless otherwise negotiated as per the Offer to Purchase form.





WHAT A HOME INSPECTION SHOULD COVER

Home inspections will vary depending on the type of property you are purchasing. A large historic home, for example, will require a more specialized inspection than a small condominium. However, the following are the basic elements that a home inspector will check. You can also use this list to help you evaluate properties you might purchase.

Structure: A home's skeleton impacts how the property stands up to weather, gravity and the earth. Structural components, including the foundation and the framing, should be inspected.

Exterior: drainage – the inspector should look at sidewalks, driveways, steps, windows and doors. A home's siding, trim and surface are also part of an exterior inspection.

- Doors and windows
- Siding (brick, stone, stucco, vinyl, wood, etc.)
- Driveways/sidewalks
- Attached porches, decks and balconies

Roofing: A well-maintained roof protects you from rain, snow and other forces of nature. Take note of the roof's age, conditions of flashing, roof draining systems, (pooling water), buckled shingles, loose gutters and downspouts, skylight and chimneys.

Plumbing: Thoroughly examine the water supply and drainage systems, water heating equipment and fuel storage systems. Drainage pumps and sump pumps also fall under this category. Poor water pressure, banging pipes, rust spots or corrosion can indicate problems.

Electrical: Safe electrical wiring is essential. Look for the condition of service entrance wires, service panels, breakers and fuses and disconnects. Also take note of the number of outlets in each room.

Heating: The home's system, vent system, flues and chimneys should be inspected. Look for age of water heater, whether the size is adequate for the house, speed of recovery and energy rating.

Air Conditioning: Your inspector should describe your home cooling system, its energy source and inspect the central and through-wall cooling equipment. Consider the age and energy rating of the system.

Interiors: An inspection of the inside of the home can reveal plumbing leaks, insect damage, rot, construction defects and other issues. An inspector should take a close look at:

- Steps, stairways and railings
- Countertops and cabinets
- Garage doors and garage door systems

Ventilation/insulation: To prevent energy loss, check for adequate insulation and ventilation in the attic and in secured insulation in walls. Insulation should be appropriate for the climate. Excess moisture in the home can lead to mold and water damage.

Fireplaces: They are charming but could be dangerous if not properly installed. Inspectors should examine the burning appliances.

TYPICAL HOME SYSTEM LIFE SPANS

ROOFING

TYPE	TYPICAL LIFE SPAN
Asphalt Shingles (3-Tab)	20 years
Asphalt (Architectural)	30 years
Copper	70+ years
EPDM (Ethylene propylene diene monomer) Rubber	15 - 25 years
Metal	40 - 80 years
Slate	60 - 150 years
Clay/Concrete	100+ years
Wood	30 years
<p>The life expectancy of a roof can vary based on several factors such as weather conditions, material storage, maintenance and/or the location of the structure. Warmer climates can significantly reduce the life of asphalt shingle.</p>	

ELECTRICAL

TYPE	TYPICAL LIFE SPAN
Bare Copper	100+ years
Copper-Clad Aluminum	100+ years
Copper-Plated	100+ years
Ground-Fault Circuit Interrupters (GFCIs)	Up to 30 years
Arc-Fault Circuit Interrupters (AFCIs)	30 years
Service Panel	60 years
<p>Copper-plated wiring, copper-clad aluminum and bare copper wiring are expected to last a lifetime. Electrical accessories and lighting controls, such as dimmer switches, may need to be replaced before or after 10 years. GFCIs and AFCIs could last 30 years, but much less if tripped regularly.</p>	

HEATING AND AIR

TYPE	TYPICAL LIFE SPAN
Air Conditioners	8 - 15 years
Central Air-Conditioning Unit	7 to 15 years
Evaporator Coolers	15 - 25 years
Attic Fan	15 - 25 years
Ducting	60 - 100 years
Furnaces	15 - 25 years
Gas Fireplaces	15 - 25 years
Heat Exchangers	10 - 25 years
Heat Pumps	10 - 25 years
Chimney Flue Tile	40 - 120 years
<p>HVAC systems and components can last longer if serviced and maintained properly</p>	

APPLIANCES

TYPE	TYPICAL LIFE SPAN
Refrigerator	9 - 13 years
Dishwashers	9 years
Disposals (food waste)	12 years
Compactors (trash)	6 years
Washing Machine	5 - 15 years
Dryers	13 years
Gas Range	15 - 17 years
Electric Range	13 - 15 years
Microwave Oven	9 years
Whole-House Vacuum Systems	20 years
<p>Modern Appliances have integrated technology making them more efficient, but more expensive to repair.</p>	

PREPARING TO MOVE



OUT OF TOWN

- Get estimates from several moving companies or truck rental companies, depending on how you plan to move.
- Draw up a floor plan of where your furniture should be placed in your new home, to avoid confusion for you and/or your movers.
- Plan your travel itinerary and make transportation and lodging reservations in advance. Pack an arrival kit of necessities, just in case you arrive before the movers. Request records, for example, doctors, dentists, eye doctors, schools and veterinarians. Ask for professional referrals, if available (e.g., doctor, accountant, dentist).
- Pay existing bills and close out and/or transfer any existing services. Arrange for service of utilities for your new home.
- Record expenses incurred during your house-hunting trips. If your move is employment-related, you will also want to save your moving-expense receipts for tax-deduction purposes.
- Notify others of your new address: post office, banks, charge accounts, subscriptions (Amazon), relatives and friends, national and alumni organizations, church, mail order clubs (books, videos, catalogue), W-2 forms and retirement-account information.

LOCAL MOVES

- Get estimates from several moving companies or truck rental companies if you're not moving yourself.
- Be sure to get a hand truck for large, heavy items if you are moving yourself.
- Cancel or transfer deliveries, newspaper, garbage collection, etc.
- Arrange for service of utilities for your new home.

BENEFITS OF WORKING WITH THE GRAND ALLURE HOME GROUP

The Grand Allure Home Group doesn't only facilitate the buying and selling of home; We do more than help you with your largest financial investment... we're invested in you and your family for life. With our years of real estate experience, The Grand Allure Team is:

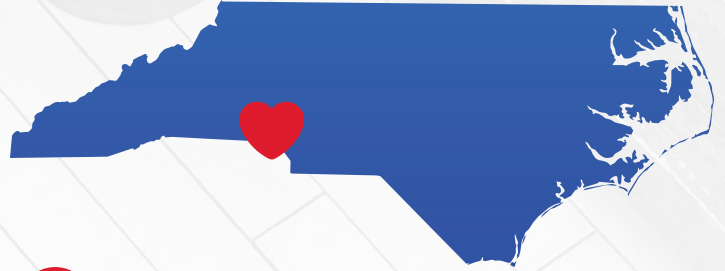
“Going above and beyond for all of your home buying/selling needs!”

Our Sales Partners for buyers are experts throughout the Charlotte region, and have unique tools and skill sets to help you really “find” your dream home.

With our state of the art searches, you'll never miss out on your favorite properties again! Not to mention with the Best Seller Suite - Free Home Evaluation tool, you'll always know how your investment is doing.

“He who has the information...WINS!”

CORE VALUES



- L** EGACY
- O** UTSTANDING
- V** ALUED
- E** THICAL
- C** OMMUNITY
- L** OYALTY
- T** RUSTWORTHY



GRAND ALLURE
HOME GROUP



With both Buyer and Listing Specialists, our team expertly cares for all your real estate needs - making selling your home for the most money possible and in your preferred time frame is the utmost importance if you are the seller, and also getting the most for your money if you are the buyer. Additional resources that support our efforts include the services of our Client Care Coordinator and Transaction Coordinators, thorough checklists, and aggressive marketing strategies. With our team, you gain the benefits of our combined networks of buyers, sellers, and agent relations to get you the best visibility and insight into the market.

Our commitment is that you will be completely satisfied with the service you receive from Grand Allure Home Group. We understand that buying a home is one of the most important financial decisions you may make, and we want to ensure that the process is smooth and effortless. Good service speaks for itself and we hope to do such a fantastic job for you that you will tell all your friends, family, and co-workers about us too!

Maybe that's why more than 85 percent of our business comes from repeat customers and them telling others about us.

We love helping buyers find their dream home. That's why we work with each client individually, taking the time to understand their unique lifestyle, needs and wishes. This is about more than a certain number of bedrooms or a particular zip code: this is about your life. And it is as important to us than it is for you, that you are happy with your new home.

When you work with Grand Allure Home Group, you get a knowledgeable and professional REALTOR® and a committed ally to negotiate on your behalf.

Thank you for selecting us and we look forward to working with you!

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