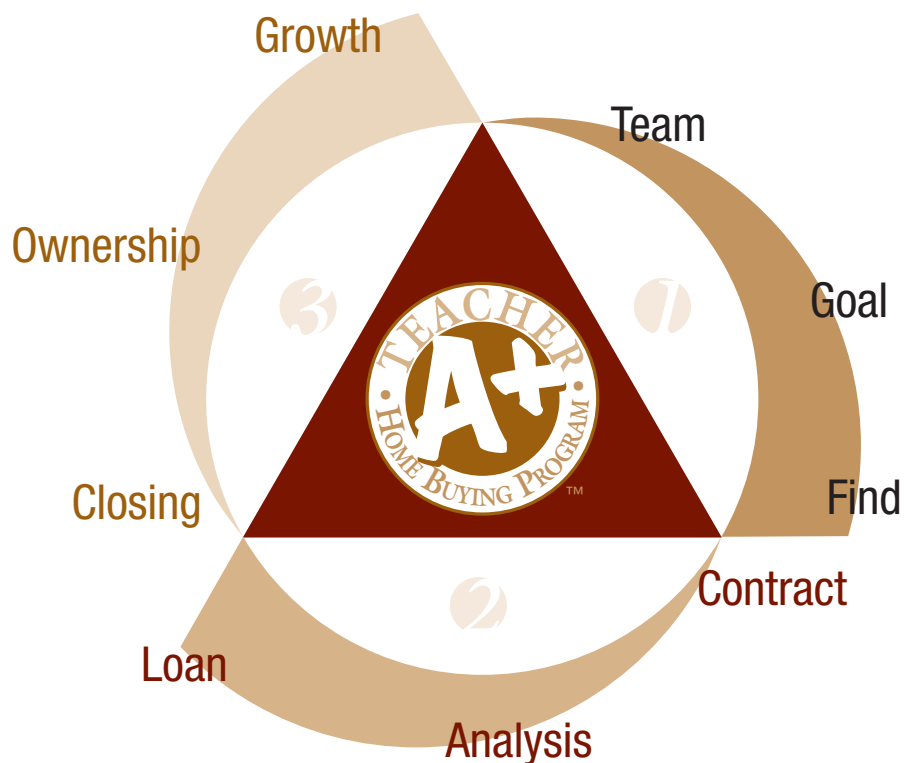




Lesson Plans For Home Ownership

Build Your Team





Build your TEAM

Selecting your team of advisors and real estate professionals may be the most important decision you make in the process of buying a home. Your team could consist of a Real Estate Agent, Mortgage Lender, Title/Escrow Agent, Insurance agent, Home Inspector, and the list can go on.

Below you will find short descriptions of the six primary team members that you will need when buying a home. Also attached is a worksheet that list questions that you may want to ask each team member when interviewing them.

Real Estate Agent

When buying a home, it's helpful to have a real estate agent who will keep the process running smoothly. Finding an agent who has expertise in the area you are looking is crucial. Your agent will know the market and work to get the best deal possible for you. Buying a home also means wading through a great deal of paperwork and dealing with some procedures that may be foreign to you, such as hiring a home inspector. A good agent will help you organize and coordinate all the important elements of buying a home.

One way to find a real estate agent is to ask friends and family for recommendations. However, if you're looking in a different area than where that agent normally works, you could miss seeing some homes because the agent isn't familiar with the area. Make sure you interview every agent you consider, and ask them how they will let you know when homes come on the market, which areas of town they specialize in, and if they have experience in your price range.

Insurance Agent

Like a car, you will need to have insurance on your property to cover property risk and liability risk. Insurance agents may work for individual companies, or may be 'independent' and have access to many companies' policies.

Mortgage Lender

This is an individual that either works for a bank or has access to many banks that lend money on properties. You will certainly run across both mortgage brokers and mortgage bankers...what is the difference? A Banker offers their own (banks) money and a broker offers other banks money. So which is better for you, depends. A mortgage banker may be limited to just the programs that they have, while a mortgage broker will have access to numerous programs. Reality is...both a banker and broker will be competitive, both charge fees and both will tell you why they are better.

TIP

Where to find your team? We are often asked where can I find team members to help me in my process of purchasing a home.

1. Start with who you know (Family, Friends, Co-Workers) and get referrals
2. Find networks of Real Estate Professionals like www.teacheraplus.com
3. Ask other team members for who they recommend



Title/Escrow Officer

Your title/escrow officer is the individual that collects and distributes all monies in a transaction and is responsible to make sure all parties sign the required documents. Title companies also make sure that the seller has the right to sell the property, meaning they verify that the seller(s) is the rightful owner of the property that all debts on the property are paid in full.

Appraiser

An appraiser is certified to offer an opinion on the value of your property or the property you are looking to purchase. It is important to understand that certain lenders may require you to use an appraiser that has been approved by them.

Home Inspector

A home inspector is the member of your team that you will have check the home prior to you purchasing it. A home inspector ensures that all aspects of the home are in working order and may make suggestions on items that may need to be addressed or fixed prior to move in. Some of the key elements include electrical, plumbing, foundation and AC/Heat.

There are 2 items to consider, one is that there tends to be a timeline for the inspector that is set in the purchase contract...this may give you an out if the property is not in the condition that you expect but only with that timeline that is set in the contract. The standard tends to be 14 days. Second, some of the repairs that the home inspector identifies you may be able to have the current home owner fix, and pay for, prior to you closing on the home.





Real Estate Agent

1) How many years of experience do you have? _____

2) What area of town do you specialize in? _____

3) Who do you recommend that I talk to about my financing options?

4) Can I have some references from people you have worked with?

5) How much time can you dedicate towards finding me a home? _____

6) When can I call you and expect to reach you? _____

7) What time of day do you prefer to show me houses? _____

8) Do you have other team members that can help me if you are not available?





9) Do you prefer to help clients who are buying or selling homes? _____

10) Do you offer any programs or discounts for teachers? Yes No

11) Do you understand how to negotiate to have the seller pay my closing fees?

12) What special services do you offer me that other Realtors cannot?

If you currently own a home...

13) Can you list my existing home and find me a new home? Yes No

14) How do you feel about having open houses for my listing?

15) Do you have your own website? _____

16) How do you market your homes that you have listed?





Insurance Agent

1) How are your services different than other insurance companies?

2) What types of insurance do I need to carry on my new home?

3) Do I need to consider flood insurance? Yes No

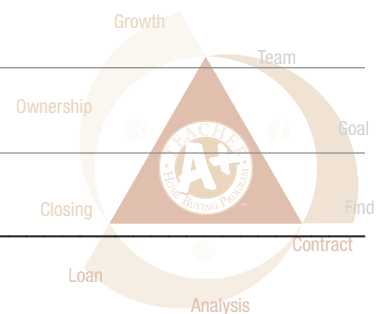
4) If I want to have a swimming pool, do I need to purchase additional insurance?

5) Should I expect any insurance premium increases with a new home? Why?

6) Do you represent a major insurance company or represent multiple companies?

7) What types of insurance do you offer (Auto, Home, Health, Life, Securities, etc..)?

8) How long have you been licensed? _____





Lesson Plans For Home Ownership

The Worksheet – Lesson One

9) Can I get multiple policy discounts? Yes No

10) What other benefits can you offer me?





Mortgage Lender

1) Can you walk me through your loan approval process?

Step 1: _____

Step 2: _____

Step 3: _____

Step 4: _____

Step 5: _____

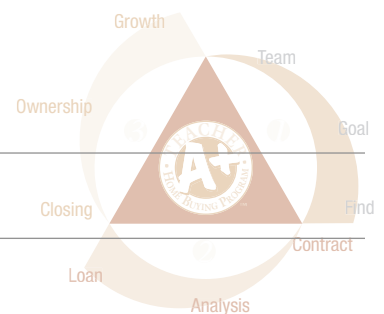
2) What is the best way to compare your offer to other loan offers?

3) What is the best loan program that fits my goals?

4) Does the amount of down payment affect rates and costs? Yes No

5) Do you offer low down payment solutions? _____

6) Can you recommend other resources for home buying?





7) How do I know that I am getting a good deal?

8) Are you a broker or banker and what does that mean for me?

9) Is my rate going to increase in time? Yes No

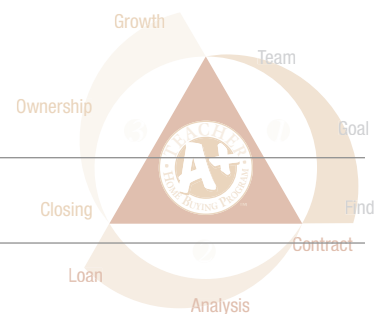
10) How long have you been in the industry? _____

11) Can I have some references from people you have worked with?

12) Are you licensed in my state? Yes No

13) How can I reduce the costs of my mortgage?

14) How do you guarantee your Good Faith Estimate (GFE)?





Home Inspector

1) What do you look for when you inspect a home?

2) If repairs are needed, how do I go about getting the repairs done?

3) What determines a good home from a bad one?

4) When do I need to pay for the home inspection? _____

5) Are you licensed? Yes No

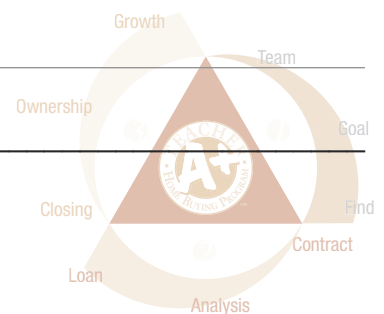
6) How long have you been an inspector? _____

7) How long have you been inspecting in my area? _____

8) Can I attend the inspection? Yes No

9) Can I have some references from people you have worked with?

10) How soon after your inspection will I receive the report? _____





Appraiser

1) How do you determine how much a home is worth?

2) If the home is a foreclosure or a short sale, is the property value affected? Yes No

3) Does a large backyard and a swimming pool achieve a higher value in a home?

4) Are you using comparable sales (COMPS) identical to my property? Yes No

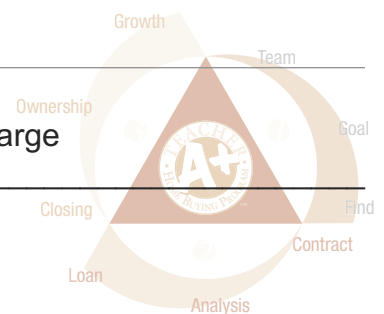
5) How long have you been an appraiser? _____

6) How long have you been appraising in the Area? _____

7) Can I have some references from people you have worked with?

8) Do you do preliminary assessments on property prior to the complete appraisal?

9) What forms of payment are accepted? Cash Check Charge
 Other _____





Title/Escrow Agent

1) What role do title/escrow companies play in a purchase transaction?

2) What is an escrow account? How is it opened?

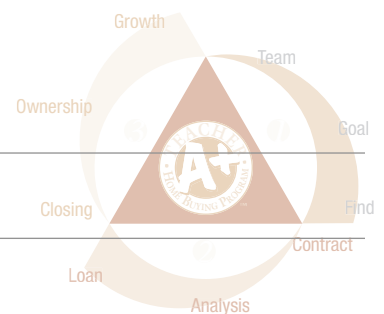
3) What is title insurance and why is it required?

4) Do I need certified funds to complete my transaction? Can funds be wired?

5) Can I review the closing statement before I meet with you for the signing? Yes No

6) What is your fee structure?

7) How do I know when the house is mine and I can move in?





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The Worksheet – Lesson One

8) If I am not able to sign documents at your office, can someone come to my home?

Yes No

9) Can I sign on the Weekend? Yes No

10) Can I sign in the evening (after 5pm)? Yes No

11) How do I make sure my property taxes are paid?

12) Will I be signing with an Officer or an assistant? _____

13) How long do you keep records of my transaction? _____

