



NORC  
Real Estate  
Finding Idaho  me



**BUYERS**  
**GUIDE**



# Let's talk about Buying

I am thrilled to be working with you on the purchase of your home. There are so many emotions involved when buying a home. I promise to be sensitive to that while we search for a home that fits you, your needs, and desires.

My goal is to provide exceptional service to you through every step of this process. If at any point you feel that I am not living up to that, please let me know! I am here to answer all of your questions and provide you with information to assist in making decisions that are right for YOU.

As your Realtor®, I believe in building lasting relationships with my clients based on trust, honesty, and mutual respect. I am passionate about helping you find a home that you will love and feel pride in. I will work tirelessly to make sure that we find success together.

This welcome packet is to help explain some things that will happen during the transaction. Should you have any questions or concerns, please let me know. I am here to help!

*Nicole Cherry*  
REALTOR®

☎ (208) 991-8208

🌐 [findingidahome.com](http://findingidahome.com)

📷 [@nicolecherryrealtor](https://www.instagram.com/nicolecherryrealtor)

✉ [youridahomeagent@gmail.com](mailto:youridahomeagent@gmail.com)

# WHY EVERY BUYER SHOULD HAVE AN AGENT

With so much information readily available online, it makes sense for clients to sometimes wonder, "Why should we hire a real estate agent?" While a few may manage on their own, here's why you might want to hire a professional:



## Save time.

No need to take the time to figure out what to do... allow a local and educated real estate agent do what they're trained to do. A professional will not only navigate a situation but handle all of the paperwork as well.



## Protection.

Your agent will keep other agents from trying to undercut you. Their knowledge of contracts is invaluable.



## Negotiation.

A professional knows how to decipher and negotiate contracts and situations. By law, your agent must share every offer with you.



## Market knowledge.

Your agent has intimate access to current market analyses. Additionally, they can complete a Comparative Market Analysis on your home to help determine the best listing price



## Relationship.

The best agents want referrals and to work with you again. They will treat you the very best they can even after closing.



## Immediate access to information.

"Time is of the essence" is in every contract and taken very seriously. Your agent will lead you quickly, ethically and with utmost care and knowledge.



## Resources.

A professional will have a network of other trusted professionals, such as mortgage officers, title and escrow agents, and also have relationships with other agents in the area which can help get you closer to a winning situation.



## WHY CHOOSE A HOMES OF IDAHO REALTOR?

Our Brokerage has been ingrained in the Treasure Valley since 1978, and we guarantee that we will accommodate your every real estate need with the highest level of skill and care. We are not bound by the industry we are in and go to extraordinary lengths to inspire and make a difference, not only in our market, but in our communities. We are here to help you find your dream home, or advise you on any real estate transaction. We are the place where all of your real estate dreams come true!

# 5 TIPS FOR HOME BUYERS

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01

## **Get Pre-Approved for a Home Loan**

Before you get serious about finding your next home, make sure your finances are in order. Do not make any large purchases or move money around. As soon as possible, find a reputable mortgage lender who can guide you to make smart money decisions. They will not only help you find the most suitable financing program, but they will assist you in building your credit (if needed). Plus, once you are pre-approved, you'll know exactly how much you can afford and will be able to act on it immediately.

02

## **Know the Property**

What's the neighborhood like? Does it back up to a road that will someday be a highway? Or how about a cow pasture that might become a subdivision? Are there any easements? Is it the biggest house on the block? How are the schools? Is there nearby shopping? How long is your commute? Prepare for the future. Even if you think this is your forever home, things can happen that could affect the resale someday. Home buying is an emotional decision but you need to keep your head in the game.

03

## **Inspect Anything You Plan on Buying**

Have professional contractors inspect your future home and have these inspections written in the offer as a contingency of the contract. While they are at your own cost, they'll save you money in the long run. Plus, if you come across something during the inspection process that the seller will not fix, you still have time to walk away.

04

## **Be Aware of Additional Costs**

Do your homework. What are all of the lender, title and escrow fees? Consult your tax professional regarding any risk of capital gains. What are the property taxes? HOA fees? Ask your real estate agent to provide a Net Sheet so you can have an estimate of what you will owe at closing.

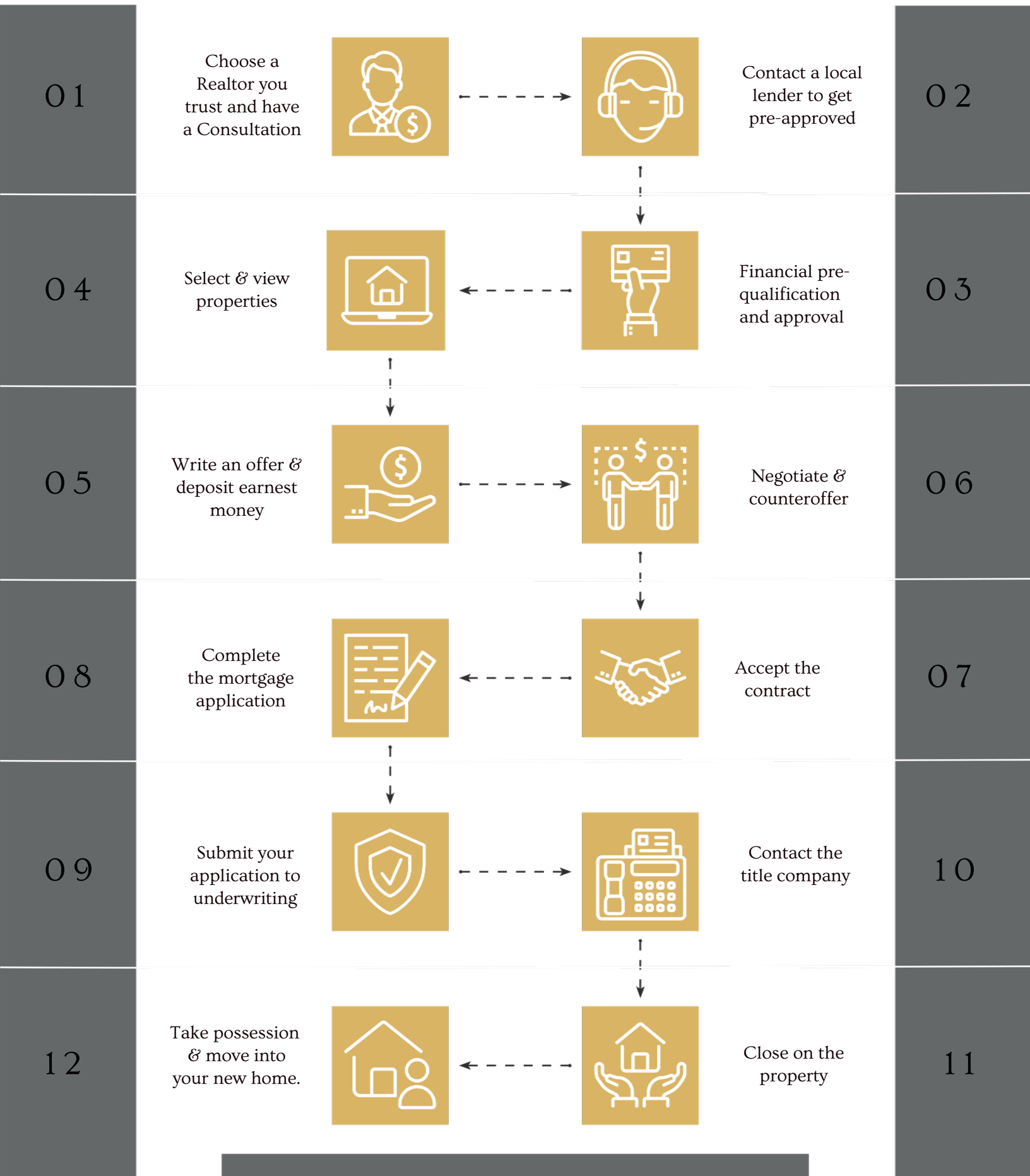
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## **Don't "Time" the Market**

Trying to anticipate the housing market is impossible. The best time to buy is when you find the perfect house and you can afford it. Real estate goes up and down and by trying to forecast the market, you just might miss out.



# THE HOME BUYING PROCESS



# 12 STEPS TO BUYING A HOME

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## 1. WHAT ARE YOUR GOALS

Your goals may evolve as you start looking at homes, but be sure to have a checklist of a few things that are important to you:

- -Why are you buying? (Building equity, downsizing, etc.)
- -Location to work, schools, shopping, activities, family, etc.
- -Style of home: single level, two-story, townhome, etc.
- -Size: how many bedrooms, yard, etc.
- -Home characteristics: office, gourmet kitchen, dual vanity, walk-in closet, 3-car garage, etc.
- -Do you prefer a fixer-upper? Move-in ready? Are you open to building?

## 2. SELECT A REALTOR

Hire a professional to represent you. This person will go to bat for you and only you. They will help set up a plan of action through an analysis of your needs, the current housing market, homes currently available (or coming up) in your price range and have many resources to help you get exactly what you need financially.

## 3. GET PRE-APPROVED

There are many loan programs available so be sure to work with an experienced lender who can personalize a plan for you. Many factors will influence your decision, such as:

- - Do you have money for a down payment?
- - Will a first-time home buyer program work for you?
- - How long are you planning on living in your new home?
- - Is your income or family size going to change significantly in the near future?
- - Is conventional or government-backed financing best for you?

## 4. THE HOME SEARCH

Beyond your personal goals, be aware of what you're looking at as you see homes. Ask yourself the following questions (and be sure to communicate your thoughts to your agent):

- - Is there enough growing room, if necessary?
- - Is the house structurally sound?
- - Will your furniture fit?
- - What needs repaired or replaced? Will the seller repair or replace those items?
- - Will the neighborhood or area of the home work for you?

## **5. SUBMITTING AN OFFER**

Once you have found the perfect home, work with your agent to submit an offer to the sellers. All real estate offers must be in writing.

Idaho State Law requires you to sign an Agency Disclosure Brochure and Buyer Representation Form, if you haven't already done so. Your offer will be submitted via a Purchase and Sale Agreement which will protect you throughout the entire process of the sale.

The first step is determining the price and terms you want to offer for the home. At this time, earnest money is also required (typically 1% of the sale price). The earnest money will be placed in a trust account with a title company and then credited to you at closing.

Your offer will be contingent upon several factors, such as securing acceptable financing, a satisfactory home inspection should you choose to have one, clear title to the property and an appraisal (if you're financing) that is at least equal to the purchase price.



## **6. SELLER RESPONSE TO YOUR OFFER**

There are three seller responses:

- - Accepted
- - Rejected
- - Responding with a counter offer

You will have the same three options. Keep in mind price is only one of the many terms that may be negotiated. Closing date, repairs, change of possession date, or items included in the sale are typically contested by buyers and sellers.



## **7. ONCE YOUR OFFER IS ACCEPTED**

Now is the time to open escrow with the title company. Your real estate agent will take care of this for you. The escrow officer is in charge of the closing and is a neutral third party. This person will be responsible for the recording of the deed and deed of trust, carefully following all closing instructions agreed upon in the signed Purchase and Sale Agreement, and disbursement of funds. Escrow takes approximately 45 days but can be as short as a few days if it is a cash transaction.



## **8. CONDUCT A PROFESSIONAL HOME INSPECTION**

The purchase of your home can be made contingent on your approval of the home's condition. It is HIGHLY recommended that all buyers have a professional inspector (and/or contractors if so desired) look over the home and write a report that judges the home's quality and condition. Based on this report, you can ask the seller to make repairs. If the seller refuses, you may withdraw your offer and get your earnest money back.

## **9. REMOVAL OF ALL CONTINGENCIES**

Within the timeframes indicated on the contract, all contingencies, including the inspection, financing and title report shall be removed by the buyer. Additionally, the lender will order the appraisal (if financing is involved). Assuming the appraised value is agreed upon by both parties and there are no conditions of the appraisal, you are ready to head to the closing table.

## **10. FINAL WALK-THROUGH**

The final walk-through typically takes place within 48 hours of closing to verify that the home is in the same condition as it was when you made the offer. This is also a good time to confirm that all required repairs have been made and all conditions of the sale have been met by the seller.

## **11. CLOSING**

Prior to signing, you will be able to review your closing statement. This will designate all costs paid by the buyer to include escrow, closing fees, property taxes, interest (from the day of closing to the end of the month), loan origination fees, recording fees, title insurance, prepaid escrow fees, one year homeowner's insurance, and any document preparation fees. Your lender will give you a "good faith" estimate of all closing and prepaid costs required when you fill out a loan application. You will sign a mortgage note, promising to repay the loan.

The seller will give you the title to the house in the form of a signed deed. The deed and mortgage will then be recorded in the State Registry of Deeds and you will be a homeowner!

## **12. CONGRATS – YOU ARE A HOMEOWNER!**

Once all required documents are funded and recorded, you will receive the keys to your new home!

# COMMONLY ASKED QUESTIONS AND ANSWERS

## **Q: Why is credit rating important?**

A: Your credit score or rating is the process a lender uses to see how much of a risk you are when borrowing money. Several factors are used to determine your score:

- Promptness or lateness of payments
- Amount of credit/debt you carry
- How many times your credit reports have been requested (avoid purchasing any big ticket items prior to home buying)
- Various other factors

## **Q: What kind of information do I need to provide to get pre-approved for a mortgage loan?**

A: Lending institutions may request any of the following:

- Social security numbers
- Two months of back checking and savings account statements
- Investment statements, including 401(k) and pension Gift letter(s) for any money received from relatives to purchase a home
- Copy of a current retirement benefit program
- Credit card account numbers and balances
- List of debts and creditors owed
- List of assets, including cars, furniture and estimated values
- Employer names and addresses from the past two years and earnings statements
- W-2 forms for the last two years (if overtime or commission is substantial)
- If self-employed, tax returns for the last two years, plus profit and loss statement
- If a VA loan, a certificate of eligibility or statement of service or discharge paper
- If previously owned in the past three years, name and address of mortgage company or lending institution, the mortgage loan number and balance
- If obtaining equity from the sale of a previously owned residence, a copy of the closing statement
- Divorce papers and property settlements, if applicable

## Q: How can I cover my down payment and closing costs if I don't have cash onhand?

A: Funds can come from several resources. Most of the time, it's from your own savings or equity from the sale of your current home. For some buyers, though (and especially first-time home buyers), this is a difficult task. This is why many lenders and government agencies allow purchasers to receive money from sources other than their own pockets

Here are some ideas worth investigating:

- A mortgage co-signer
- Loans
- Personal Assets

## Q: What is Earnest Money?

A: When purchasing a home, you will need to deposit a percentage of the sale (typically 1%) to show your intent of purchase. It is deposited at the time a contract is accepted, to show you're "earnest" about buying the seller's home. Your earnest money will be credited to you at closing.

## Q: What are my closing costs?

A: Your lender is required by law to provide a loan estimate of all costs involved in closing your loan. Closing costs do differ depending on the financing program being used, however, the typical costs include the following:

- Escrow closing fees
- Loan Origination Fees (approx. 1% of loan amount)
- Recording fees
- First year of homeowner's insurance
- Interest (paid from the date of closing to the end of the month)
- First premium mortgage insurance (if applicable)
- Prepayment of reserve accounts (usually 3 months) for property taxes and homeowner's insurance
- Title insurance
- Lender loan fees (document preparation, tax service, etc.)
- Appraisal fees if applicable



## Q: What is Title Insurance?

A: Title Insurance is issued by the title company when they are certain the property is free from all liens, encumbrances, and interests -- and the title company guarantees this. This is done so the title can be legally transferred to the buyer and to be used as security for the lender's funds. This is why your lender requires title insurance. They have an interest in knowing you and the lender are the only parties with claims on the property.

The title insurance company thoroughly researches the public records to uncover any unpaid taxes, mortgages, judgments against previous owners, easements and other court actions or recorded documents which can affect title to the property. The title insurance company accepts the responsibility for any and all claims on the property prior to your purchase if they do not find the claim or call it to your attention prior to your purchase of the property.

Owner's policies usually do not cover one or more of the following items unless an additional premium is paid:

- Boundary dispute lines
- Easements or claims of easements not shown by public records
- Unrecorded mechanic's liens (claims against the property by unpaid contractors)
- Zoning issues
- Environmental protection laws
- Anything that occurs after the date of policy
- Matters created or assumed by the insured
- Claims of the people who turn out to be living in the house if their presence is not a matter of public record, such as a prior owner's tenants or someone living in the property without your knowledge

## THIS IS GENERAL INFORMATION ONLY

If you have any specific title question or concerns, you should consult a title officer to understand your title policy clearly.



# HELPFUL CONTACTS

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## UNITED STATES POST OFFICE

usps.com  
800.275.8777



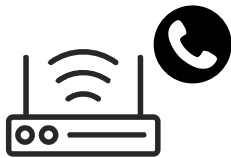
## INTERMOUNTAIN GAS

intgas.com  
208.377.6840



## IDAHO PRESS

www.idahopress.com  
208.377.6200



## CENTURY LINK

Centurylink.com  
866.963.6665



## IDAHO POWER

Idahopower.com  
208.467.9251



## REPUBLIC TRASH

Republicservices.com  
208.345.1265



## SUEZ WATER

Mysuezwater.com  
208.362.7304



## OTHER WATER COMPANIES

Eagle: 208.939.0242  
Garden City: 208.472.2930  
Meridian: 208.888.5242



## SPARKLIGHT

sparklight.com  
208.375.8288





## **SEWER**

Sewer is typically on a 3-month advance billing process. This will be handled at closing. Any pro-rated adjustments will be done by the title company on the settlement sheet. No action should be necessary.

## **PUBLIC UTILITIES**

Be sure to contact Idaho Power, Intermountain Gas, trash service, and your water company to transfer these services in your name as of the day of closing. This will avoid unnecessary shut-offs and reconnection fees.

## **OTHER SERVICES (IF APPLICABLE)**

Be sure to contact the telephone company, irrigation or lawn care services, newspaper, cable company, TV satellite company, post office, schools, dentists, doctors or anyone else where a contract was made. This information will be helpful for final billing and/or to start these services at your new home.

## **INSURANCE**

Your homeowner's insurance will be handled through your lender unless you are paying cash. Ensure both the insurance company and the lender have all necessary information prior to closing. Be sure to cancel and/or transfer any existing insurance if required.

## **AT THE CLOSING TABLE**

Your Homes of Idaho real estate agent will ensure the entire buying process is as smooth as possible. You will be contacted as to what time and day you will sign papers at the Title Company. This will happen after your final walkthrough and sometimes a day before your new home is funded and recorded. Please bring the following:

- driver's license or appropriate identification
- funds to close; via wiring or cashier's check

If you have any questions, please do not hesitate to call

# AND WHEN YOU ARE READY TO SELL...



My mission is to provide my clients with the highest level of service, value, and expertise imaginable. I value transparency, communication, and integrity. Working with Home of Idaho, I am able to empower home buyers and sellers through daily support beyond the norm. No other brokerage can compare to the innovative efforts and market exposure we offer. Our combined experience is vast, and we can assist with any transaction type. Residential, Commercial, Bare Land, Investment, New Construction, Luxury, Manufactured, Fore-closure, Estate, 1031 Exchange, Probate, Divorce, First Time Home, Veteran, Relocation, Etc.



- Professional grade DSLR cameras and digital enhancement techniques to present your home in the best light
- Most up-to-date equipment to bring you the very best in 3D tour technology
- The latest in drone technology to showcase your home and its surroundings
- Accurate and up-to-date website access
- An extensive network of Realtors who are notified daily of Agency Exclusives and upcoming pocket listings
- Marketing and industry specialists always on-hand
- Up-to-date industry market reports to further help determine the most accurate listing price
- Access to resourceful industry professionals (from lenders to contractors)
- A wide spectrum of marketing support through postcards, flyers, and duraboards
- Open houses on multiple days (as needed)

I am extremely proud of my relationships with my clients. My goal is to provide unparalleled Real Estate service in the Treasure Valley, while working closely with a brokerage that is known for its relational and collaborative culture, cutting-edge marketing, and tools that allow me to equip my clients for success. I look forward to being an integral part of your real estate journey.