

The Mason Group Buyer's Guide

Buying a home can be a very exciting time, but it can also be very stressful. This guide is designed to help you with the purchase process and ease the stress. **The Mason Group** is here to help you find a home, survive escrow, and reduce your stress. We are here to answer all your questions and get you all the information you need and require to make the best decisions.

Buying a home has many steps. They are:

1. Loan Pre-Approval.
2. Finding the RIGHT home.
3. Writing the offer and responding to the Seller's Counter Offers CORRECTLY.
4. The Escrow Process.
5. Getting your loan APPROVED and FUNDED.
6. Closing escrow.
7. Receiving your keys!!!

Each one of these steps can take some time. **The Mason Group** is here to make sure you get through them with the least amount of stress and the BEST RESULTS.

From our vast experience in representing buyers in successful purchases, we have developed the following break down of each step above, inform you of what is required, and what you can expect.

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Loan Pre-Approval

1. Prepare the following documents for your lender:
 - ◇ Your last two year's complete tax returns.
 - ◇ Latest statements for all you bank accounts, 401K accounts, other investment accounts.
 - ◇ Latest paycheck stubs (no older than 30 days)
 - ◇ Divorce papers (if applicable)
 - ◇ Lease contracts (you as Landlord for any existing owned properties).
 - ◇ Letter of Good Standing from your current Landlord (if you are a tenant).
 - ◇ VA Eligibility Statement (if doing a VA loan). Also the Disability statement if applicable.
 - ◇ Gift Letters if you are receiving any funds for the purchase as a gift (FHA loan).
 - ◇ Current loan statements (vehicle / boat/ etc) or payoff receipts.
2. Schedule a meeting with your Lender.
 - ◇ When purchasing a bank owned (REO) property, the best success is if you use what is called a "Direct" lender. A direct lender is a company that lends their own money, not a Mortgage Broker. Examples: Golden Empire Mortgage, Countrywide, Wells Fargo, Bank of America, Chase.
 - ◇ When you call your lender tell them that you want to get "Pre-Approved" not pre-qualified.
 - Being Pre-Approved will make your offer on a property stronger and it will make the escrow process easier.
 - Explain the documents from section 1 above that you have to bring and see if there are any other documents your lender may require.
 - ◇ When you meet with your lender do not discuss the total loan amount that you are Pre-Approved for, but also discuss the monthly payment (including taxes and insurance) that you are comfortable with.
 - The payment is the key amount.
 - It is sometimes a good idea to have a \$200 buffer in your payment in case the home you want to purchase has a Mello-Roos additional property tax.
 - Or decide that you do not want to look at homes with the higher tax rate, which could eliminate many newer homes.
 - ◇ Tell your lender to make sure that the Pre-Approved certificate states your FICO scores. This will be required for your offer.
 - ◇ Ask your lender to explain the condition that the property must be in. FHA and VA loans require or have minimum property condition requirements.
 - ◇ After your meeting it could take an additional 2-3 days to receive your Pre-Approved certificate.
3. Once you receive your Pre-Approved Certificate you are now ready to start searching for homes. Call team res and give them the loan amount and what type of loan. Fax the loan certificate to **The Mason Group**, this will be needed when submitting offers on properties.

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Finding the Right Home

1. Fax your Pre-approval to **(800) 979-2311** or email it **INFO@MASONGRP**.
2. Contact **The Mason Group** at **(888) 989-3636**.
3. Provide the following property criteria:
 - ◇ Maximum purchase price, Minimum year built, Minimum size in square footage, Minimum number of bedrooms, Minimum number of bathrooms, Minimum lot size (if required), Choice of cities or locations, Garage type: 2-car or 3-car garage, Single or two story or does not matter.
 - ◇ Remember the more you specify the few homes that will meet the criteria.
4. Provide **The Mason Group** with your email address.
5. **The Mason Group** will then setup your own custom MLS (Multiple Listing Service) portal.
 - ◇ This will add properties to your portal that meet your criteria that you can view from your computer at your own leisure.
 - ◇ Every time a new property comes on the market that meets your criteria it will be added to your portal and an email will be sent you notifying you.
 - ◇ YOU GET TO SEE THE PROPERTIES IN THE FASTEST POSSIBLE TIME.
6. When you look at properties, pay attention to the \$/sf or Dollar Per Square Foot. This will give you an easy way to compare properties from a cost standpoint.
7. When you see a property you are interested in, contact **The Mason Group** with the address or listing number. Or if you see a property of interest when you are out driving around, call us with the address.
 - ◇ **The Mason Group** will then gather information:
 - Still available?
 - Any offers?
 - Does it meet your loan requirements (condition)?
 - What are the property taxes?
 - Any other information that can be obtained.
 - ◇ **The Mason Group** will then contact you back with this information. Please understand that availability can change immediately and in this very active market, may not be available very long if it is a good property.
 - ◇ **The Mason Group** will arrange a showing of the property with all the fact for your review.
8. When viewing homes:
 - ◇ Bring your check book and bank statement for verification of funds for total down payment and closing costs. This will need to be sent with any offer submitted to a seller.
 - ◇ Bring a pad of paper, pen, tape measure, camera, and any dimensions of unique furniture that you may need a special or oversized location for in the home.
 - ◇ Write down Pros and Cons as you go through the home. Note any items of concern.
 - ◇ Do this for each home we view in a day.
 - ◇ At the end of the day, we will review all the homes again, rank each home, and discuss if you would to make an offer on any home.

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Writing the CORRECT offer

1. Now that you have selected a home that you want to buy the writing of the offer begins.
2. **The Mason Group** will review with you the list price, the price of recent sold properties in the area, the list price of other properties in the area.
3. **The Mason Group** will contact the listing agent to verify the current status and any offers that may already be submitted on the property.
4. Then the strategy of the offer price and terms can be finalized. We will always suggest based upon facts and your best interest as our number one priority. Through our successful experiences we will inform you the best strategy to use.
5. **The Mason Group** will prepare all the necessary documents for the offer, review and explain them, and prepare for your signature.
6. These documents will be prepared with your best interest in mind and at the same time writing the strongest possible offer for a successful acceptance.
7. Together with your Pre-Approved certificate, a copy of your bank statement, and a copy of your EMD check, all the documents will be submitted to the listing agent.
 - ◇ The EMD check will **not** be held by **The Mason Group**, when escrow is opened you will have to obtain a Cashier's Check from your bank and deliver it to escrow in 3 days. It will be cashed immediately.
8. Depending upon the seller, it may take up to 7 days to receive the Seller's reply. The reply could be acceptance, "Highest and Best", or specific counter offer in price and/or terms.
 - ◇ Some Seller's may also require that you get "Cross-qualified" with the Seller's lender of choice. This is not always known at the time offer is submitted.
 - ◇ For a Bank owned property, the bank will provide a "Seller Addendum" document to be signed by you and accepted. This is basically their form of the purchase contract.
 - ◇ Acceptance – Sign the Seller Addendum and move to escrow.
 - ◇ "Highest and Best" – means that they have multiple offers or the Seller does not want to go through a long "Counter negotiation process". You have one chance at this point to submit an offer that would be accepted by the Seller.
 - ◇ Specific Counter offer – **The Mason Group** will instruct you the best way to respond to the Seller's counter. This will start a multiple counter offer process and can take weeks to negotiate back and forth. Good point is that the bank is willing to talk further.
9. Once acceptance from both sides is reached, escrow will be opened. If no common ground can be reached, then time to look for another property or accept the Seller's last offer. The choice is always yours.

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The Escrow Process

Once the terms of the sale have been successfully negotiated and all parties agree, the Seller will open escrow. This is when the “Clock starts ticking” and all the date terms of the purchase contract start.

1. Once purchase terms are agreed upon by both parties, **The Mason Group** will send a copy of the purchase agreement to your lender along with information regarding the property taxes for that property. **The Mason Group** will also provide the escrow information to your lender.
2. **The Mason Group** will inform escrow of your contact information and you of the escrow company information. On your behalf **The Mason Group** can be your method of communication with escrow, receiving your documents and returning your documents to the escrow company.
3. Within 3 days of escrow being opened, you must deposit your Earnest Money Deposit at the escrow company. This is usually done with a cashiers check or bank wire. If with a cashiers check it must be sent via an overnight service like UPS or hand delivered.
4. At this time you must work very closely with your Lender on getting your loan fully approved.
 - a. This may take time away from your work schedule, but it is a MUST that you focus on this with your highest level of attention.
 - b. If you are purchasing a bank owned property, you will be charged late fees if you do not close the transaction on time.
5. Your Home Inspection will be scheduled and completed within the first 10 days of escrow. It is not required but highly recommended that you are there when the home inspection process is completed. This way you can ask questions at that time. Payment is due at that time.
6. You will receive the following from the escrow company or seller and must be returned immediately:
 - a. Escrow Instructions – the escrow company’s interpretation of the Purchase Contract.
 - b. Sales Information – information about you
 - c. Vesting sheet
 - d. Property Disclosure and Hazard Report about the property
 - e. Preliminary Title Report
 - f. Pest/Termite Inspection Report
 - g. Seller Disclosures
 - h. Agent Disclosures
 - i. You will need to provide Home Owner Insurance policy informationAll of the above must be completed and signed by you.
7. Once Full loan approval is achieved, an appointment will be scheduled for you to sign your “Loan Documents”. These have to be notarized. You will be notified as to the balance of money you must bring to escrow at that time.
8. Once these are signed and reviewed by escrow and Lender and the balance of your funds are deposited with the escrow company, the Lender will fund or transfer the money to the transaction.
9. Once all funds are deposited, the title company will have the new grant deed and promissory note recorded at the county’s recorder office.

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NOW YOU GET YOUR KEYS!!!!!!

Through this entire process, *The Mason Group* will communicate with you, seller's agent, escrow company, and lender to insure all tasks are being completed in a timely manner. Our goal is to insure this occurs with as little stress put on to you and a closing occurs on time. Reducing the risk of late fees or other stressful actions from occurring.