



Buyer's Guide



Jodi Woodard
heart for real estate



REALTOR® Senior Real Estate Specialist SRES®

— EXPECT BETTERSM —



Hello! I'm Jodi Woodard

My Experience

- I am a Senior Real Estate Specialist through the National Association of Realtors.
- I have been a leader in a sales/marketing role throughout most of my career and have a Master's Degree in Marketing.
- I have worked in the healthcare industry for over 20 years and have helped many families through life transitions, including hospice.

About Me

- I love to bake and decorate cakes.
- I am married with five kids and a proud wife of a military veteran
- I grew up in Northwest Iowa, close to Sioux Falls, SD
- My father passed away when I was 28 years old, and his memory drives me to do good in this world. He was an entrepreneur and dared to start his own business.







When you are represented by dedicated real estate professionals inspired to live up to the trusted reputation of the Better Homes and Gardens® Real Estate brand, you can enjoy peace of mind throughout the home buying and selling process. Whether it is periodic updates about market conditions in your neighborhood or tips on the latest design trends, BHGRE® affiliated real estate professionals are uniquely equipped to help you.

Why BHGRE®

Better Homes and Gardens® Real Estate is a dynamic real estate brand that offers a full range of services to brokers, sales associates and home buyers and sellers. With a national and global reach, innovative technology, sophisticated business systems and the broad appeal of a lifestyle brand, Better Homes and Gardens® Real Estate embodies the future of the real estate industry while remaining grounded in the tradition of home.



Passion: To stimulate energy to a higher level of inspiration and emotion.

Authenticity: Being exactly what we claim to be.

Inclusion: To embrace all people and ideas.

Growth: To have increasing influence.

Excellence: To consistently exceed expectations.

Stages of Home Buying:

Part 1: Finances

Part 2: Process

Finances involved in
buying a home

Finding your lender, things to consider



Start with Research

Compile your list of recommended lenders

- Google lenders in your area
- Ask for recommendations on social media groups
- Ask family and friends who they have successfully used
- Ask your agent for a list that past clients have used and are trusted



The Big One- What is it going to cost me

Not all lenders are created equal. As with every step in this process, your finances have to come first. All lenders charge for their services differently. Some lenders will call their fees origination fees. Be sure to ask what their origination charge is. If they say they don't have any, then ask, are your services free? Always ask for a cost sheet and send it to your agent for review. I will help you break it down and make sure you are not being taken for a ride.



Underwriters: they drive us crazy but they are important

Underwriters' fact check everything! Everything you turn in will be fact checked and checked twice. Having underwriting in the state of Nebraska, or even in the same office as your lender makes a world of difference. Always ask, "where are you underwriters located."



Determine Interest Rates

Competition Drives Success

A question that should be asked right away is: "What is the best interest rate you are giving for my loan type right now?" Be sure to ask your agent what the going rate is currently. Some lenders will ask to pull your credit. Be sure to ask what type of inquiry this will be and will it affect my credit score.



You may be looking

You may be looking at houses in the evenings and weekends. Your lender needs to be accessible. Let's face it, real estate hour does not fit into a perfect box. It can be long hours, lots of evenings, weekends and strange hours. When we find your home on a Saturday or Sunday, we need your lender to confirm costs, and we can't always wait until Monday at 9 am. Many lenders are available when you need them. Always ask them if they work on evenings and weekends.

Bottom Line

- Do your research
- Ask the right questions
- See the cost breakdown
- Have your agent review costs/breakdowns
- Make the choice that is right for you!

WHAT ARE SOME DIFFERENCES IN LOAN TYPES?

VA LOAN

MINIMUM DOWN PAYMENT: NONE

MAXIMUM LOAN AMOUNT (NON-JUMBO): \$484,350

PRIVATE MORTGAGE INSURANCE: NONE NEEDED

FUNDING FEE: PLEASE CONSULT WITH YOUR REALTOR OR LENDER FOR MORE INFO

FHA LOAN

MINIMUM DOWN PAYMENT: 3.50%

MAXIMUM LOAN AMOUNT (NON-JUMBO): \$314,827 (MAY VARY BY COUNTY)

MORTGAGE INSURANCE PREMIUM (MIP): 1.75% OF LOAN; CAN ROLL INTO LOAN.

YOU PAY A PORTION UPFRONT AND EACH MONTH IN YOUR MORTGAGE PAYMENTS

CONVENTIONAL

MINIMUM DOWN PAYMENT (MAY VARY BY LENDER): 5%

MAXIMUM LOAN AMOUNT (NON-JUMBO): \$453,100

PRIVATE MORTGAGE INSURANCE: 0.2% TO 1.5% WITHOUT 20% DOWN PAYMENT

USDA LOAN

MINIMUM DOWN PAYMENT: NONE

MAXIMUM LOAN AMOUNT (NON-JUMBO): DETERMINED BY DEBT-TO-INCOME RATIO

PRIVATE MORTGAGE INSURANCE: 1% OF THE LOAN; CAN ROLL INTO THE LOAN

ALWAYS CONSULT WITH YOUR LENDER FOR OPTIONS THAT BEST SUIT YOUR NEEDS

Finances involved in buying a home

Buying a house is a significant financial commitment, and it involves several costs beyond the listing price. Understanding these expenses will help you plan better. Here's an easy-to-read breakdown

Upfront Costs

Typically, due within a week of going under contract.

1. Earnest Deposit (Earnest Money)

- What it is: A deposit to show the seller your serious about buying.
- When its due: Upon making an offer, you will submit the money to the title company upon successfully executed offer acceptance.
- Average Costs: 1% of the homes purchase price, this can be a negotiation. We will write the amount you want to offer into your purchase agreement.

Example: \$300,000 house purchase price offered by you, the buyer.

- A seller may expect a \$3000.00 earnest deposit from the buyer.
- You as the buyer may be more comfortable offering \$2,000.00
- We can either offer \$2,000.00 as part of your offer OR offer \$1,000.00 and see if we can get that to stick or a negotiation.

2. Inspection Costs during your due diligence period phase

- What is it: Fee for having the property professionally inspected.
 - When is it due: Upon completion of the inspection.
 - Average Costs: \$500-\$600 for a home inspection, depending on the square footage of the house.
- Option Inspections you have performed if you choose:
 - Radon Test: \$100-\$200
 - HVAC Inspection: \$100-\$200
 - Roof Inspection: Typically, free but may have a charge
 - You can have as many inspections as you deem necessary, some may have additional costs.

Finances involved during the home buying process

Closing Costs

Money due at closing (closing is the same day you get your keys)

- What they are: Additional fees for the purchase of your home
- When are they due? At closing
- Average Costs: 3-4% of purchase price.
- Your down payment is not the same as closing costs. Closing costs are the price it cost to make the transaction possible.

Example of fees associated with closing costs

- Loan Origination fees: an upfront charge by a lender to process a new loan application. Compensation for executing the loan.
- Appraisal fees: the amount of money that a professional appraiser will charge in order to determine fair market value of a property
- Title Insurance: form of insurance that protects lenders and home buyers from financial loss sustained from defects in a title to a property.
- Pre-paid items like property taxes and homeowners' insurance.

There are several more costs that make up your closing costs. I will help you understand what all these are, your lender is another great resource for understanding our closing costs.

NOTE: Your closing costs are a negotiation. We can ask the sellers to pay some of all of your closing costs, depending on your loan type.

Finances involved during the home buying process

Scenario:

Purchase Price: \$300,000

Loan Type: 0 down Va loan

Closing Costs: \$9,000 (sellers will pay half)

Upfront costs—typically due within a week of going under contract

Closing day costs—typically 35-45 days after going under contract

Earnest Deposit: \$1,000

Inspection Costs: \$550

Closing Costs: \$9,000 Remember sellers will pay half

Down Payment: \$0

Amount Due at Closing: \$4500

But...this is where your earnest deposit comes back into play. The \$1000 that you turned in during the first week will be skimmed off the top of your total amount due at closing. Leaving your balance of: Total amount due: \$3500

First Time Home Buyer?

Nebraska offers a first-time home buyers' program to help with your down payments and closing costs? It costs \$1,000 to use this program

- Take the purchase price of the house times 5%. This is the amount of assistance the state will give you.
- Example: \$300,000 house can get up to \$15,000 in financial assistance. You can use some or all of this amount.
- The money you borrow will be paid back as a second mortgage at a 1% interest rate over 10 years.

Finances involved during the home buying process

Continued...

Down Payment:

What it is: Initial payment made when purchasing a home

When is it due: At closing

Average cost: Varies depending on the loan type:

- Conventional loans can be 5%-20% of purchase price
- FHA loans are often 3.5% of purchase price
- VA loans do not have a required down payment

Note: There are many creative financing programs available that will create variable downpayment scenarios, partner with a lender who can create the best scenario for your financial situation.

Scenario:

Purchase Price: **\$300,000**

Loan Type: 10% down conventional

Closing Costs: **\$9,000**

Upfront costs—typically due within a week of going under contract

Closing day costs—typically 35-45 days after going under contract

Earnest Deposit: **\$1,000**

Inspection Costs: **\$550**

Closing Costs: **\$9,000**

Down Payment: **\$30,000**

Amount Due at Closing: \$9,000

But...this is where your earnest deposit comes back into play. The \$3,000 that you turned in during the first week will be skimmed off the top of your total amount due at closing. Leaving your balance of: Total amount due: **\$36,000**

Process Checklist

- Meet with a Real Estate Agent.** Define what you are looking for in a home.
- Get Pre-approved.** Determine how much you can afford. Submit your application to a loan professional.
- Home Search.** Work with your agent to look at properties. Take note of what you like/don't like.
- Write an Offer.** Once you find a home that fits your needs, work with your agent to write out price & terms.
- Submit the Offer.** Your agent will submit the offer package, including the Purchase Agreement & the loan approval to the seller's agent.
- Negotiate.** A series of counter offers may happen. Consider the advice of your agent & be patient.
- Earnest Deposit.** Once a final agreement is signed, submit your earnest money for the agreed amount to your agent, or directly to the title company if a wire transfer is needed.
- Inspection.** If it was agreed upon in the final purchase agreement, an inspection will be ordered immediately by your agent. The inspection is conducted within the first 7-10 business days. Termite inspections are also done during this time.
- Inspection Negotiations.** Work with your agent about the property repairs you'd like completed. This will be a series of negotiations between you & the seller through the agents.
- Order Appraisal.** Your lender will order the appraisal to confirm the purchase price of the home is equal to the home's value.
- Loan Documents.** The lender will finalize all loan documents & send them to title & escrow.
- Final Walk Through.** This is an opportunity to walk through the property & ensure all negotiated repairs have been completed.
- Schedule Closing.** Work with your agent to schedule a closing time with the title company. Make sure, if a payment is required, to confirm total amount & bring a form of payment on closing day.
- Utilities.** Have all utilities transferred to your name or set your utilities up for the date of closing or possession.
- Schedule Service Hook-ups.** Schedule hook-ups for cable, Internet & TV for the date of closing or possession.
- Closing Day.** Meet with the title company to sign all documents & submit payment, if required. Title will send signed documents to the lender. Once received, the lender wires funds to the title company.
- Congratulations!** When the recording is final, the home is all yours.

Buyer Agency Form

What you should know before you sign

1

Is This a Mandatory Form?

Signing a buyer agency form is **mandatory for all REALTORS® nationwide**. In some states, like Iowa, it's a legal requirement, while in others, like Nebraska, it's driven by MLS rules. Regardless of the state, **this form must be signed before showing any houses**. REALTORS® face steep fines for non-compliance.

2

How long is this form good for?

The length or “term” of your buyer agency form **depends on your comfort level**. You are not required to sign for any set amount of time. You can sign for as little as 24 hours, up to 12 months. **While a 6-month term is often recommended, it is not mandatory**.

3

What am I agreeing to by signing?

Primarily, if the seller does not pay my commission or “fee for services,” you, the buyer, are agreeing to pay me at closing. **I will always verify the seller's payment agreement before showing a house and will prioritize ensuring the seller pays my full fee to the best of my ability**. There are, of course, other terms. Please ensure your agent explains them to you and **you feel comfortable with terms prior to signing anything**.

4

What if the seller will not pay your whole fee?

If the seller does not pay my full commission as agreed in the buyer agency agreement but is willing to pay a partial amount, you will be responsible for covering the difference at closing. **I will always prioritize getting the seller to pay my full fee whenever possible**.

5

What if I am not ready to sign the form?

I understand. My goal is to ensure you are comfortable with our partnership during your home search. I encourage you to interview a few agents to ensure we are a good match. Let's consider signing a shorter-term contract initially to ensure our partnership is strong before committing to a longer term. **I am here to keep your priorities top of mind and make your home search process as comfortable as possible**.

Stage 1: Making an Offer

First Financial Commitment

Typically, 1% of the purchase price

Earnest Deposit

I want to make sure you are comfortable with everything you are signing.

Writing an Offer

Determine your asking price

- How many days on the market
- Supporting comparable properties sold recently to help determine fair market price.
- Your comfort level/mortgage payment

Negotiate your closing costs

- Closing costs are what it costs the buyer to buy a house
- This number includes lender fees, title fees, brokerage fees, taxes, insurance and more
- Closing costs are negotiable

Pick your closing date

- Approximately 30-45 days from contract acceptance to close

YOUR CREDIT:

During escrow- any change to your credit can *drastically* affect your home purchase. Hold off until *AFTER* you close to go buy that car or shop at NFM.

Stage 2: Due Diligence

Second Financial Commitment

Price varies by inspection company based off of size and square footage.
Typically, \$500-\$600

Home Inspection Basics

- Whole home inspection typically takes 3-4 hours
- When finished we will meet the inspector
- We will complete a one-hour walkthrough to learn of condition of property
- We will order additional inspections requested by you
- We will put together a list of items for the sellers to replace/repair

This is your first walk away point
You can dissolve the contract over inspection
You will retain your earnest deposit

Stage 3 The Appraisal

The Appraisal Process

The appraisal stage is a critical part of the home buying process. This is when a licensed appraiser evaluates the property to determine its fair market value. This is essential for securing a mortgage among other things. Here is what you need to know!

1. Appraisal Fee

- What is it: The fee for the professional appraisal service.
- When is it due: Usually rolled into **closing costs** but some lenders require it at time of service.
- Average cost: \$475-\$600 price can vary based on location and property size.

Appraisal Results

- If the value comes in under the purchase price, we will negotiate the price difference with sellers
- In the event the low appraisal price cannot be negotiated between buyer and seller, I will build in the right for you to terminate the purchase agreement and retain earnest deposit.

Many people think the appraisal is a quick process. It actually takes 10 days to 2 weeks to complete

The appraiser will be checking on certain deferred maintenance aspects of the home and can flag repairs if they are needed.

What if your appraised value is higher than your purchase price offer? Great news...that is instant equity in your pocket!

Stage 4 Closing

Your Homework

Shop homeowners insurance and send proof of coverage to your lender prior to closing
Set up utility transfers into your name starting on the day of closing

Final Walkthrough

Property Walkthrough

- This is our time to make sure your almost new home is ready for closing day
- When it happens: Typically, within 3 days of closing
- What we check: The agreed upon inspection repairs, the overall condition of the home, make sure there was no damage on the move out, the cleanliness of the home.
- You will receive down to the penny amount due at closing.

Closing

This is where the process comes full circle. If you refer back to page 5 you will find how to calculate your anticipated cash to close. This is the day it is due.

- The title company will email you your amount due at closing roughly 1-3 days prior. This is your down payment and closing costs.
- You will receive options for getting this money to closing, typically wired funds or a cashier's check.
- Bring a form of government issued ID with you to closing
- Sign all closing documents with title, lender and myself
- Get the key to your new home

**YOU ARE
UNDER
CONTRACT!
CONGRATS!**

DUE DILIGENCE
UP TO 14 DAYS FROM
CONTRACT DATE
**My inspection
date/time is:**

TERMITE
WITHIN 10 DAYS OF
CONTRACT
**My inspection
date/time is:**

NEXT STEPS

Please remember
these steps can be
fluid.

I will be **in touch** with
any **updates** or
changes.

-  Buyers will schedule a morning or afternoon inspection. Inspector can access house via Ekey
-  Mornings typically 8:30-11:30
Afternoons typically 1:30-4:30
-  At 11:30 or 4:30 the buyers will meet the inspector for a 1 hour walkthrough.
-  You can be home for the inspection. You have to leave for the buyer walkthrough.
-  Buyers have 14 calendar days to get list of requested repairs to us in writing

-  Termite inspector will schedule through me, I will confirm time works for you
-  Inspection takes roughly 30 minutes
-  Inspector can access house via Ekey
-  Please ensure inspector has access to outbuildings/garages.
-  Results should be to us same day. I will turn the results into title

APPRAISAL

TYPICALLY HAPPENS
AFTER THE INSPECTION

**My appraisal
date/time is:**

DEED SET

WITHIN TWO WEEKS OF
CLOSING

**My deed set signing
date/time is:**

WALKTHROUGH

WITHIN 2-3 DAYS OF
CLOSING

**My walkthrough
date/time is:**

-  Appraiser will schedule a time/date to come to your house
-  You can be home for this appointment if you want
-  They can enter the house via the eKey
-  Appraiser will be at the house approximately 30 minutes
-  Once complete we can expect the results in roughly 10 days

-  Title company will schedule this appointment with you
-  Typically happens at the title company
-  Typically takes 30-60 minutes
-  Ask the title company what you need to bring if they do not specify. Common items are a form of ID for each seller and a blank check IF you want to have proceeds wired.

-  The buyers will schedule this through me
-  I will confirm the time/date works for you
-  Please vacate the property for the appointment
-  Buyers/buyers agent will be walking the house, please plan for one hour
-  I will ensure buyers have any needed invoices for the walkthrough

What Next

Thank you for reading the booklet/and or meeting with me in person. I want to make sure I answer any questions you may have and want you to feel comfortable with the process. It is important for you to determine a timeline that is comfortable to you.

- It is important to seek pre-approval with a lender. Determine how much you can afford and submit your application to your loan professional.
- Work on a “my home must have” list.
 - Determine what is a non-negotiable about your future home versus what can be flexible.
 - Having all buyers on the same page can help your buying process drastically.
 - Not sure what important, I can help you sort through all the moving parts with you.

Ready to take the next step?

I would love to be your partner in your real estate journey!

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Notes