



# FINDING HOME

A guide for Buyers

BY KELLY KEMP HOMES



# Dear Buyer,

Thank you so much for hiring me to find your home! I'm thankful for the opportunity and will make every effort to not only demonstrate my appreciation to you throughout our time together, but to also get the job done as quickly and flawlessly as possible. My clients are the heart of what I do, and I always remember that without them, I wouldn't have a business.

This Buying Guide is the culmination of experience, knowledge and expertise gathered after years of real estate practice, and has been designed to share everything I've learned so that we can both enjoy a fantastic buying experience.

In no way is this guide intended to replace me. Instead, I hope that you will use it as a resource if/when I'm unavailable or can't immediately provide assistance.

Each section is named for the general theme of the process at that given time. There is no way to accurately predict or describe every aspect, but having a good idea of what you can expect is always helpful.

Again, thank you so much for the opportunity to represent you on your home buying journey. As you peruse these resources, please let me know what questions you have and I'd be glad to help.

All the best,

*Kelly Kemp*

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STEP Nº1

*Let's figure out the money, honey!*



# GOT CASH? FANTASTIC! NEED FINANCING? READ ON!

If you're able to purchase your next property with cash, then you can skip this part. But in the event you'll be seeking financing in the form of a home loan, this section will be helpful to know.

In order to know how much home you can afford, you'll need to complete the pre-approval process with a reliable lender. This is usually a quick, painless process, and will provide an estimate of what you can expect your budget to be in only a few minutes. Even though this is normally a quick, hassle-free experience, here are a few key takeaways to keep in mind

## The lender at your bank is probably not your best bet..

No, there's nothing wrong with them, per se, it's just that big-box banks don't tend to incentivize their loan officers with any sort of compensation that will ensure they're working as hard as possible to get your home loan over the finish line.

In other words, independent mortgage officers typically don't earn any income unless the house officially closes (same with real estate agents and their commission). This, of course, isn't always the case, but it's something to consider.

## Feel free to shop around for the best rate - your credit will NOT be hurt. Promise!

A common misconception amongst home buyers is that their credit will be "dinged" in a negative way if they submit multiple applications for home financing with different entities. This, however, is just not true. Credit reporting companies are easily able to identify when multiple applications have been made within the same vein of financing, and do not consider these as individual inquiries to your credit score.

Don't, however, confuse this with submitting loan applications for home-related financing in general. For example: if you submit an application for a loan, and then an application for home renovation financing, as well as an application for some type of possible improvement to the home, you've now submitted three different applications in three different categories. Not a great idea.

But if you make one application for a home loan to Bank of America, one to Wells Fargo, and one to an independent at Cross Country Mortgage (all just examples), major credit reporting bureaus will recognize that each of these is within the same category, and, again, your credit score will not be negatively impacted.

## You do NOT need 20% down in order to qualify for a loan.

That's right! Here is a quick explanation of the required money you'll need for the downpayment of your home.

If you're going to seek conventional financing (essentially meaning not a Government-backed home loan), the minimum amount down you will need is 5%.

In the event you are seeking a Government-backed home loan (often in the form of a FHA loan), the minimum amount down you'll need is 3.5%.

And, of course, if you are a Veteran of the United States Armed Forces, and have a Certificate of Eligibility, you won't need any money down. You have earned that privilege, and it can be used as many times as you want - it's not just a one and done thing. Oh, and thank you so much for serving!

Remember, the best resource for questions regarding your downpayment will be your loan officer. But this advice serves as a great starting point.

## Monthly Payment vs. Purchase Price

Once you have your approved amount, you can start shopping! However, another thing to keep in mind is that you don't always have to consider the overall amount/purchase price you can spend. It's helpful, but something much more powerful is considering the actual monthly payment you'd like to take on for your new purchase.

For example: you might be pre-approved for up to \$600,000 - congratulations! But if you're looking to keep your total monthly house payment (including mortgage, property taxes, and home insurance) around \$2,500 total, you'll be looking at a much different financed amount - roughly +/- \$420,000 (considering a 30-year, fixed rate mortgage rate 4.0%; does not include the addition of your downpayment).

Again, your loan officer will be the best person to consult regarding these numbers. However, the main takeaway is that considering the monthly payment you want for your new home is equally as important (if not more) as the overall purchase price.



STEP N°2

*What are you looking for in your new home?*





# WHAT SOUNDS GOOD?

Now that you've got the money part figured out (which absolutely needs to happen first), it's time to begin exploring the options you can expect to find given your budget and the area you're looking to purchase in. There are, of course, the traditional attributes like number of bedrooms and bathrooms, as well as the overall square footage and even type of property, but there are other components to consider as well. For example:

## How long do you plan on staying?

How long do you plan on living there? If it's not long, consider the property's future resale value. Life throws many curveballs at us, no question, but overall, we typically know how long we'd like to stay in certain properties at specific points in life.

If the home you're looking to purchase is one that will serve as more of a transitional place, keeping future resale value in mind is essential. If the house will be used as a more permanent residence, this consideration isn't as important.

Traditionally, a property's resale value is mostly determined by the area in which it happens to be located. In addition to this, the school district associated with the home tends to be rather influential as well. Of course, these attributes will be different for every house, so when in doubt, ask Kelly and she'll provide the best guidance.

## Is there a certain lifestyle you're looking to gain or achieve?

This may seem like a no-brainer, but many homebuyers forget to consider the sort of lifestyle they want in their new home. For example: if your pets are super important to you and your daily activities, a high-rise condo may not be the best choice. Conversely, if you detest yard work then a home with a large lot is probably a poor decision.

Additionally, activities such as working from home, going about certain hobbies, and considerations such as walkability, commute time, and proximity to conveniences like grocery stores and local cafés are extremely important to keep in mind as you go about your search.

## But I want it all!

There's no doubt that finding a home which checks every single box on your wish list is the most ideal outcome. However, there will almost always be certain concessions that have to be made - no matter the budget or timeline.

That's why it's helpful to equate your home buying experience to nothing more or less than one, big process of elimination. Throughout your journey, you'll recognize which boxes from your ideal-home-wish-list are absolute must have's, and those you can live without - even if you don't want to.

Going about the task of finding your next home with this mindset will greatly alleviate your overall stress and even possible angst that could occur otherwise.

STEP N°3

*It's a perfect match!*



# SO YOU'VE FOUND THE ONE!

Now that you've found the right home, it's time to begin the process of legally securing it as your own. This is where things like real estate law and contract negotiations come into play. Don't worry though - working with Kelly will undoubtedly clear up any possible confusion and streamline the transaction overall. But before a transaction can occur, your offer must be accepted.

## Structuring your offer - your winning offer, that is.

Without question, the biggest bang for your buck as you prepare your home for the market is to What creates a "winning" offer, you ask? The truth is, it's the gajillion dollar question everyone would like to know the answer to.

*Do you need as much money as possible in order to get the house? Maybe.*

*Does the seller need all the time in the world to occupy the house even after closing has occurred? Perhaps.*

*Will the inclusion of your first born child guarantee that they choose you as the next owners of the house? For sure! (Actually, we don't know...)*

Unfortunately, there is no sure-way to promise that any one component of the offer you make will end up ensuring the contract is mutually signed and accepted. You never really know what it will take to entice the Sellers - it could literally be one of a million possibilities.

What is essential, however, is working with an Agent who knows - that the best way to find out what will help your offer rise to the top - is to ASK.

Whenever Kelly lists homes for sale and represents the Seller, she is utterly shocked at the number of Buyer's Agents who don't even ask her what's important to her clients, and just blindly submit offers on behalf of their Buyers. What an odd thing to do, right?

That's why Kelly takes the time to be as professional, respectful, and tenacious with the listing agent of your potential new home as humanly possible. She'll make sure to ask whether or not the Seller is looking for massive amounts of time to close in the winning offer; if they want the most money more than anything; or an ideal Buyer who will love and cherish the property as much as they have. You never know (unless you ask). And Kelly always asks, guaranteed.

## How much time does it take? When will we know if our offer was chosen?

For many reasons, time is of the essence for all parties involved, and everyone wants to know what's going on as soon as it's going on. Finally learning whether your offer was chosen or not, and if the terms have been agreed to or countered, all depends on the actual contract itself.

No matter, as soon as Kelly knows, you'll know. Until then, cross those fingers!

## What if we have to waive contingencies like financing or the home inspection?

We are for sure experiencing challenging market conditions - for Buyers especially, and unfortunately that has meant the need to waive contingencies from their offer throughout the last few years.

What are contingencies? The easiest way to think about them is to equate them as "if" additions to your offer. For example: the actual Purchase and Sale Agreement is what constitutes the offer to purchase the property, and any additional addenda are what tend to be considered contingencies. This means, using the "if" example, that the offer states how much you agree to pay for the house and when it will close, and the contingencies indicate that you'll make sure that offer stands IF... you get financing. IF... you inspect and approve the condition of the property. IF... it has a clean and clear title report. There are a lot of contingencies.

The problem with contingencies is that the more of them there are, the easier it is to get out of the contract and call off the sale. If you switch roles for a moment and consider the Seller's perspective, you'd want to guarantee that the offer you're accepting is as clear of possibilities that the Buyer could back out as possible.

So, due to the nature of today's competitive market, it is likely you could end up needing to waive certain contingencies when you draft and submit your offer. But do not worry - Kelly will always explain the benefits as well as the drawbacks of doing so, and will do her best to help you understand the nuances of each contingency should they end up not being included.

It sounds scary, but with a little grit and determination, it almost always works out in the end.



STEP N°4

*Signed, Sealed, Delivered - It's Yours!*



# CONGRATULATIONS!

You did it - you're almost homeowners!

But before you can collect the keys and make it officially yours, the escrow process will need to happen.

## What is escrow?

Put simply, escrow means to hold money. That's it. A little deeper explanation reveals that not only does the escrow process in real estate refer to the activity of holding money, it also encompasses the act of receiving that money in the first place, and disbursing it to the correct parties at the end of the transaction, and in the correct amounts.

For example: the escrow officer (commonly referred to as the Closer or LPO [Licensed Practical Officer]) will review the contract, order payoffs for the home, and begin following the procedures necessary to close the transaction. This includes receiving the downpayment from the Buyer as well as their purchase funds from their lender or financial institution, prorating all necessary taxes and utilities, and cutting checks in the accurate, final amounts for all parties involved - Buyer, Seller, Title company, Real Estate Firms, and any other associated entities.

Because of the scope of responsibility this process demands, a neutral, third party is almost always the entity that oversees Escrow. Sometimes escrow companies are standalone entities, but more often than not, they are part of and/or associated with a Title company.

## How long does escrow take?

The escrow timeline is always determined by the dates agreed upon in the contract by Buyer and Seller.

## When do we get the keys?

On the official day of closing, three distinct things will occur:

- 1. All documents associated with the transaction will be (or have been) signed in their entirety by all parties.***
- 2. All funds required for the purchase will have been received as well as disbursed.***
- 3. The new deed to the property will be recorded at the County courthouse in conjunction with the location of the property.***

After these three activities have occurred, you are the official owner, and can receive the keys at 9pm on the day of closing per the contract.

STEP N05

*We're closed!*





## NOW WHAT?

Just because your home buying process is officially over, your experience with Kelly is not and will continue to last for years to come! After you've closed, Kelly will make sure your possession of the house and transition to move in are both as seamless as can be.

### What if something Buyer and Seller agreed upon hasn't happened?

In the event a specific agreement has not been met or fulfilled per the mutually agreed upon contract, Kelly will get to work immediately to ensure that it happens as quickly and efficiently as possible.

### What if we need residential specialists for assistance with things related to our new home?

You're in luck! Kelly is well connected to dozens of local professionals that you can hire to transform your home in whichever way best suits your needs and wants.

### How can we keep track of how much our home is worth after we move in?

Every year, Kelly sends each of her clients a complimentary Property Review to help them gain a realistic understanding of how their local market is performing.

And, of course, she can always be reached to create a Comparative Market Analysis whenever is most convenient and necessary, and is always happy to help prepare the property for sale if and when the time comes to relocate.

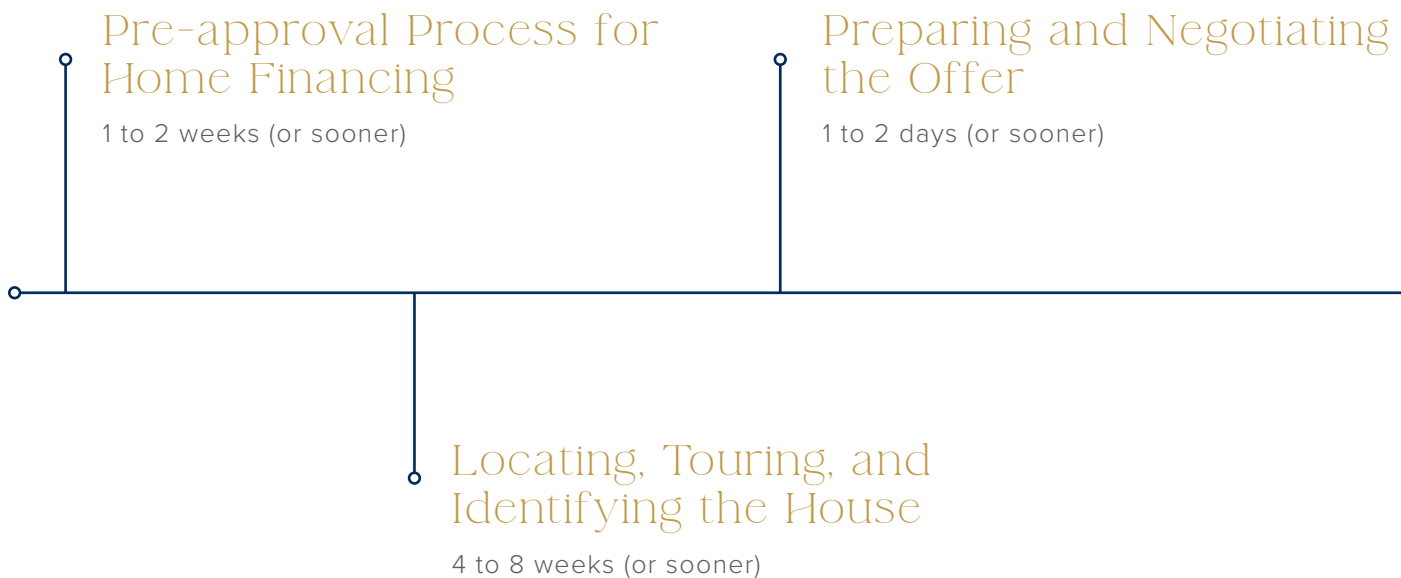
### That about does it!

In conclusion, the Home Buying Process is different for everyone, and the outline listed here is by no means a static method for every transaction. However, each of these points hopefully serves as useful information that will assist you in your next purchase.

# Typical Home Purchase Timeline

## How long does it take?

While every transaction is different, as well as the overall Buying Process, there are a few timelines that are more or less fairly accurate in defining the anticipated length of each step throughout the experience. (Event → Typical Timeframe). For example:



Getting the Offer Accepted

1 to 2 days (or sooner)

Completing the Closing/  
Escrow Process

4 to 6 weeks (or sooner)

Navigating Offer Contingencies

3 to 10 days (or sooner)

## Almost always...

Again, every transaction is different, and throughout your buying process, Kelly will ensure each timeline is clearly presented and explained as soon as they've been identified and defined.

# Case Studies

## Not just reviews.

Instead of only providing client testimonials for review, Kelly believes in offering a variety of “what if” scenarios to help her Buyers better understand the Home Buying Process overall, compiled both from past experiences (case studies) and culminated expertise.

Following are a series of case studies to help gain deeper understanding of buying your next home.

### Case Study #1

In a recent transaction, Kelly represented Buyers who really wanted to buy in a specific area - as did so many others. Whenever a home came up for sale there, it was common for multiple offers to stream in, resulting in several parties losing out to the competition. For these specific Buyers, the exact right home finally came on the market, and after quickly showing it to them, Kelly knew there was only one way to ensure she had done everything possible to help them get it: communicate with the Listing Agent. Endless calls, texts, and email were exchanged, relentlessly asking where her client's offer stood amongst the others, and how they could improve and/or resubmit it. In the end, because of her determination and grit, Kelly's Buyers won the house - not specifically because of putting up more money, but because Kelly had steadily asked what mattered to the Sellers, and how her client's offer could accommodate everything they were looking for.

### Case Study #2

In one case, Kelly gained a new Buyer that needed to purchase as quickly as possible. They had received a job transfer to the area, and did not feel comfortable wasting their money on a rental situation. With swift determination, Kelly took their budget and overall wish list, and helped them distinguish which local area would provide them everything they were looking for. Knowing that time constraints would not really allow for bidding wars and other lengthy, multiple offer situations, Kelly encouraged her buyers to tour homes that were slightly under their budget so that they could offer competitive amounts that would immediately stand out to the Sellers. Her strategy paid off, and because the Buyers were already pre-approved with their financial institution, Kelly was able to find them their new home, and close the transaction in a total timespan of only 5 weeks.

## Case Study #3

There's no denying that sometimes, Buyers are simply unable to compete with the sort of attributes that can often arise in competitive offer situations. Perhaps they don't have the same budget, or don't feel comfortable waiving the same contingencies. Additionally, typically because of escalating prices, their overall dollar does not go as far when it's mostly used to continue bidding up the offer. It was this exact scenario that led Kelly to encourage her recent Buyers to consider looking in a different geographic area. Even though it was not the specific neighborhood they wanted to be in, Kelly knew (because of her extensive knowledge of the local area) that her other recommendation possessed all of the same components they desired. At first they were reluctant, but decided to give in and take her advice. After only one neighborhood tour and a few showings of nearby homes, they were more than convinced, and ended up purchasing a home that was nearly twice the size of houses they had been looking at previously, and for less money. The takeaway: looking elsewhere is never a bad idea.

## Case Study #4

Conversely, it sometimes takes a little longer for certain Buyers to locate and secure the home of their dreams. Take, for example, clients of Kelly's who had such strict requirements for their new home, that it took nearly 2 years to find! Both patient and persistent, Kelly did not give up whenever a home came close but did not seem to match exactly what they needed, and continued to search for properties that would work. At times, it was a challenge to convince her Buyers to go take a look at potential candidates due to so many which had previously not been a match. Nevertheless, they trusted her expertise, and because each home she found checked nearly every box - but not all of them, they were genuinely convinced that Kelly knew exactly what they were looking for, and would therefore show them nothing that was not a match. Finally, after touring over 100 homes, the exact right property surfaced, and - because of her diligence and continuous efforts, Kelly was able to place her Buyers in the home of their dreams.

# Frequently Asked Questions

## **When is the best time to buy?**

There are many ways of answering this question, and the most direct one is by saying: the best time to buy is whenever you end up buying.

Yes, it's a cliché answer, but it's completely true. If you're selling a home first, the best time to buy is as soon as your current home sells. If you're looking for the very best deal, the best time to buy is when there is more inventory available, making the market overall more favorable to Buyers than to Sellers. And, the list of possible scenarios goes on and on.

For more information regarding your specific situation, reach out to Kelly and she'll be glad to guide you.

## **How do we know if the house we purchase is worth what we paid for it?**

The best way of answering this is to offer the benefits of a home appraisal (in the event one is not available during the transaction).

Another way of answering this question is by recognizing that a financial institution would not ever lend money on a home that was worth more than the amount they were providing in the form of a loan (hence the need for an appraisal).

Finally, there is no official way of truly knowing until it comes time to resell the property, at which point the market will determine the current, approximate market value..

## **Do we have to pay Kelly a Buyer's Agent commission?**

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Another way of answering this question is by recognizing that a financial institution would not ever lend money on a home that was worth more than the amount they were providing in the form of a loan (hence the need for an appraisal).

Finally, there is no official way of truly knowing until it comes time to resell the property, at which point the market will determine the current, approximate market value.

## **How can we make our offer as attractive and competitive as possible in order to win?**

Understandably, structuring the best offer possible is the goal of every home buyer, with the hopes of winning over the competition and securing the house as theirs. But, due to the unique nature of real estate and its ever-changing landscape, there is no for-sure way to know whether the offer you submit will eventually win.

Each scenario is different, and intentional, consistent communication between Kelly and the listing agent of the home being offered on is possibly more important than anything else that can happen during the process - something that Kelly is both known and respected for.

At the same time, having as much for a downpayment as possible, submitting as few contingencies as you feel comfortable moving forward with, and shortening every possible timeline within the contract are the most likely attributes to consider for a winning offer.

### **If we're paying cash, does that mean our chances of getting the house go up?**

It's an amazing feat to be able to purchase without the assistance of financing, and should be highly commended. At the same time, because the Seller will end up receiving their proceeds from the sale no matter what, paying with cash doesn't always increase the likelihood that your offer will be viewed as better or more attractive.

However, paying with cash does allow for the opportunity to eliminate the need for certain contingencies, such as Financing and accompanying addenda, and can - in that regard - help an offer become more attractive to the Seller.



If you have any further questions or you are ready to start the selling process, please reach out to Kelly today!

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**[www.kellykemphomes.com](http://www.kellykemphomes.com)**

# Land Acquisition & Development







In addition to the assistance I provide throughout the Buying and Selling experience, I also specialize in both land acquisition as well as new construction development, achieved in collaboration with my family's construction company, Kemp Homes & Development.

**Learn more at:**

[www.kellykemphomes.com](http://www.kellykemphomes.com)

# Designations



## ACHIEVED FOR YOU

In addition to her expertise and skill, Kelly has worked hard to continuously remain relevant and up to date. Her honed experience has led her to achieve the following designations:



Luxury Marketing  
Specialist



New Construction  
Specialist



Premier Properties  
Associate



Master Certified  
Negotiation Expert



Senior Real Estate  
Specialist



At Home with Diversity  
Designation



Certified International  
Property Specialist



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