



THE HOMEBUYER HANDBOOK: 7 STEPS OF HOUSE HUNTING



**THE HARTSINK
TEAM**



Introduction

Entering the Real Estate market can be equally as challenging as it is exciting. Whether you're a first-time buyer or you've been here before, the process can be intimidating. The market is constantly evolving, which makes it difficult to stay in the loop when you don't spend every day immersed in it.

This book was designed to help guide you through the process of buying your home, starting with deciding what you're looking for and ending with the closing process so that you can move forward with clarity and confidence.

Our goal is to provide you with the knowledge you need to feel empowered throughout your home-buying journey. Buying a home is an exciting experience that shouldn't be overshadowed by stress and uncertainty.

~ The Lisa Hartsink Team



1 KNOW WHAT YOU'RE LOOKING FOR

This is when we encourage you to get excited about thinking of your new home! Especially if this is your first homebuying experience, now is the time to dream and explore what your future home might offer.

Take this time to decide what exactly you're looking for in the most detail you can.

Make a list of everything you want in your home; there is nothing too big or too small for this list. The point of this exercise is to explore what exactly you want in a home. At this point, don't worry about your budget, as this is only to envision what your dream home would look like.

Have you always dreamed of a home with a porch swing or a backyard with a pool, or maybe a soaker tub in the master ensuite? Write it down.

SOME IDEAS TO GET YOU STARTED

- Number of bedrooms & bathrooms
- Storage space
- Finished basement
- Neighbourhood & proximity to amenities
- Design style
- Home age
- Flooring type
- Kitchen style
- Outdoor spaces
- School district

Then, make a list of all the things you don't want your new home to have.

THINGS YOU MAY WANT TO AVOID

- High-traffic areas
- School zones
- Multi-story homes
- High maintenance yards
- Fixer-uppers

This may seem counterintuitive, but once you begin going for showings, you may find yourself walking through properties you could have disqualified from your search.

Once you've written out your lists, start to rank what's most important to you. This can be hard to do, but it's crucial to understand what you truly want.



2 EXPLORE YOUR MORTGAGE OPTIONS



This step can be one of the most stressful parts of the entire process, but the reality is that it's one of the most valuable things you can do to prepare for buying a home.

The key to keeping the excitement alive during this phase is to work with a mortgage broker that you trust, and who takes the time to walk you through each step of the process.

A good mortgage broker should:

- Answer any and all of your questions clearly and without hesitation
- Provide you with accurate estimates based on the information you provide
- Offer advice without being pushy and with respect for your personal comfort levels
- Be available to you before, during and after closing on your property

Do not work with a mortgage broker who:

- Does not perform a proper credit check or require you to provide proof of income documentation
- Offers significantly lower interest rates from other lenders that are too good to be true (they probably are)
- Asks you to falsify or leave out information on your application



GET PRE-APPROVED

Regardless of the market conditions, having a mortgage pre-approval will allow you more freedom once we get to the house-hunting stage, as well as give you an upper hand in the offer stage.

A mortgage pre-approval is important for many reasons, namely because it provides proof to sellers that a lender has stated you are qualified for a loan amount. This signals to them that you are a serious buyer who has financing in place to get the deal done.

Your pre-approval will also give you a clear idea of your actual budget. However, you should keep in mind that your approval amount typically reflects the top of your budget, so it's important to do your own calculations to determine what's comfortable for you within the pre-approved amount.

Pre-approvals should always be written; never make an offer on a property without a financing condition if you only have a verbal pre-approval from your lender.

Pre-approvals can last anywhere from 90 to 120 days.

MORTGAGE TERMS

Hard Credit Check

Credit inquiry made by your lender that is recorded on your credit report and impacts your credit score.

Mortgage Stress Test

Determines if you'll still be able to pay your mortgage should interest rates rise. Typically 2% higher than your offered rate.

High-Ratio Mortgage

A mortgage loan higher than 80% of the lending value of the property (less than 20% down payment made).

Mortgage Term

The length of time that the mortgage contract conditions, including interest rate, is fixed.

THE MORTGAGE APPROVAL PROCESS



3 WORK WITH A REALTOR WHO FITS YOUR NEEDS

Finding a realtor is easy. But finding the **right** realtor is what will make or break your experience.

Not all realtors are the same. That's not to say that one is objectively better than the next; it just means that you have more to consider than just a license and their service area. You and your needs are unique, and your realtor should be too.

Who you are and what you're looking for should be just as important to your Realtor as your budget. If you're a first-time buyer, working with someone who will patiently and expertly guide you through the entire process is essential. At every step, your Realtor should check in and ensure you feel confident and comfortable.

A Realtor may ask you to sign a Buyer Representation Agreement to formalize your commitment to work with them. This is an important step and one that shouldn't be taken lightly.





BUYER REPRESENTATION AGREEMENTS

Years ago, the government stepped in and determined that Buyers need formal representation in transactions, not just Sellers. As a Buyer under contract, it is your Realtor's job to provide the following:

- 1 Exercise care and skill using their requisite knowledge, provide complete and accurate information and recommend relevant experts where applicable.**
- 2 Negotiate favourable terms in the client's best interests.**
- 3 Maintain confidentiality regarding all matters.**
- 4 Disclose information pertinent to the client and relating to the transaction.**
- 5 Demonstrate honesty of intent.**
- 6 Perform duties personally unless otherwise instructed.**



- 7 Follow the client's instructions unless it is not lawful.**
- 8 Perform the mandate as set out in the representation agreement.**
- 9 Maintain utmost loyalty to the client's interests first, best achieved in single representation (working with ONLY the Buyer OR the Seller).**
- 10 Avoid conflicts of interest such as multiple representation (working with BOTH the Buyer AND the Seller).**
- 11 Disclose any personal or third-party interests that do or might conflict with the client's interests.**
- 12 Not make a secret profit at the clients' expense.**
- 13 Not misuse confidential information for the Agent's own interests, to harm the client, or to interfere with the client's endeavours.**

PRO TIP:

Ask the Realtor to review their services and service guarantee with you. What are they going to do for you exactly? What will it be like to work with them?

Equally important is their cancellation policy. Any good Realtor will offer a no-hassle cancellation policy, allowing you a way out of the contract if you are dissatisfied with their services. If there is no clear exit route from the relationship —run, don't walk, in the other direction!

Not all Realtors are created equal, do your homework and find those that are highly recommended and who have an honest business built on integrity and client-focus first.



THE HARTSINK TEAM



For our team, compassion is our driving factor. It's what connects us to our clients and sets us apart from the rest.

Along with compassion, we also pride ourselves on working with integrity and delivering on performance.

From the very start of your search to beyond the day of closing—whether it's a house, townhome, condo, cottage, or farm that you are looking to buy or sell—we are the local experts that can guide you through this process and assist you with all of your Real Estate needs.

Our goal is to ensure you feel confident throughout the entire transaction and know that you have someone to turn to even after you are settled in your new home. Our clients are often with us for life. From your first home and every home after, we're here for you.

When you work with us, you get access to our team's breadth of Real Estate experience and expertise. There is no problem or question that we cannot support you through or answer.

You are always our priority, and we will personalize our services to meet your needs.

PRIMARY SERVICE AREAS

Georgetown · Acton · Glen Williams · Erin · Hillsburgh · Rockwood · Caledon
· Guelph · & everywhere in between!

SPECIALTIES

First-Time Buyers · Downsizing · Estate Sales · Rural Properties
· Unique & Century Homes.



4 REALITY CHECK

This step is arguably the least exciting. It's time to set realistic expectations.

Until now, you've only thought about what you want and whom you want to work with. Now, you have to combine all of the above and listen to the experts.

Your Realtor will sit down with you to get to know what you're looking for, but you may want to brace yourself. This is the point where you may have to cross some things off your list based on market conditions and comparisons. They will review listings in your area within your budget and let you know what's reasonable.

Don't lose hope, though—even if the reality appears a little less exciting than that initial picture, your Realtor may have some creative solutions that you may not have thought about before. This is why it's important to choose to work with someone who you trust and to be open to their suggestions through the home search process. You may be surprised!



5 LEARN THE OFFER PROCESS

You may have thought the next step was to finally see some homes, but to set you up for success your Realtor should walk you through the offer process before you find a home you want to put an offer on.

When you finally find that property that checks all the boxes, excitement can cloud your judgment. By walking you through the process before you find your dream home, you avoid any confusion when the time comes.

Processes may vary based on your Realtor & their systems.



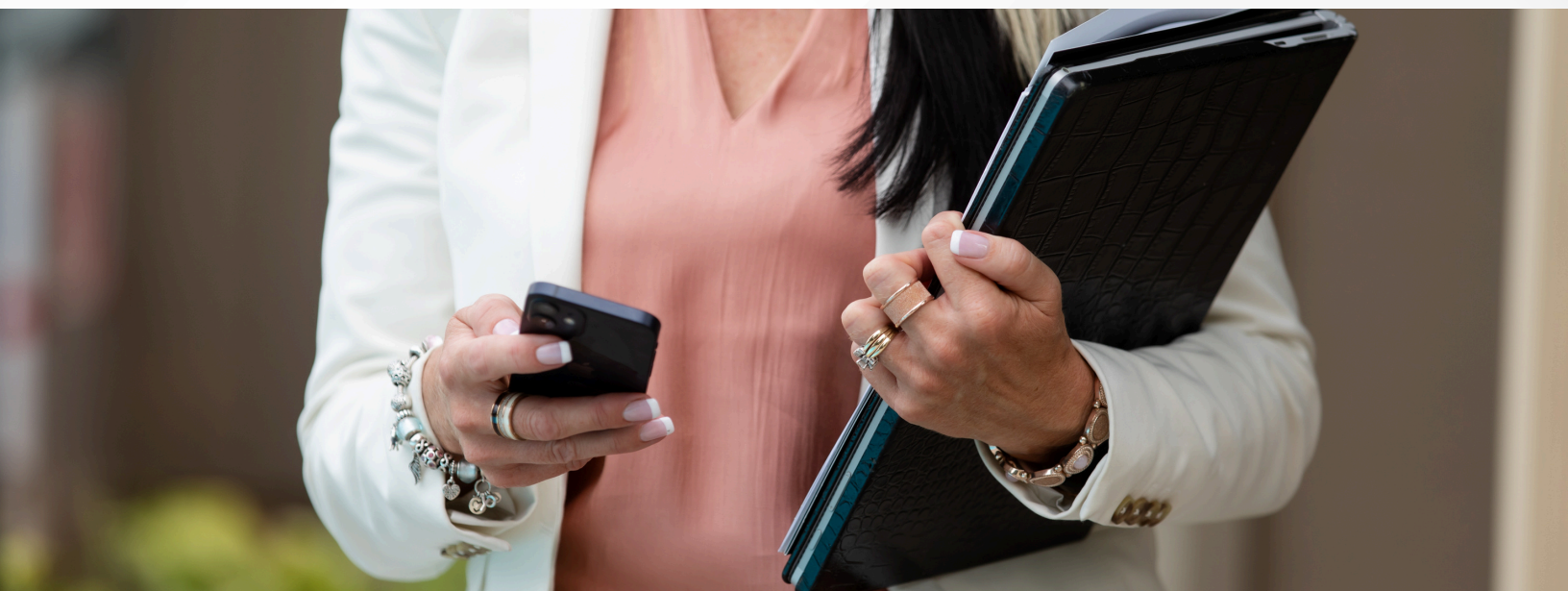
6 START THE HUNT!

It's finally time to see some properties!

The best part about this step is that your Realtor will do all the heavy lifting for you. Based on the criteria you've discussed with your Realtor, they will filter listings through to you. From there, you simply choose which properties you'd like to see, and they will book viewings for you.

With most listings now being made available online for anyone to view, we can't blame you for taking a peek and potentially saving some properties that catch your eye.

However, we encourage clients to send listings they're interested in to their Realtor, so they can inform you why they would or would not recommend viewing them. Sometimes listings can be deceiving, and asking prices can be much lower than expected sale prices. This is a very common marketing tactic, and can often have you falling in love with a property you can't afford. Market shifts can also make things difficult to navigate; you should be able to rely on your Realtor to help you through these changes and become an educated buyer through the process.



7

CLOSING ON YOUR HOME



You found the one, made an offer, and firmed up the deal! You're one step closer to living in your dream home. Congratulations!

The only thing left to do is close on your property, which is when money exchanges hands and you get the keys. Depending on the details of your offer, you have a set amount of time before closing occurs. It's common to see 30, 60 or 90-day closing time frames.

It can feel overwhelming, especially for first-time buyers, but with the right Realtor, Mortgage Broker and Lawyer on your side, you should feel safe and secure.

Throughout the firm-to-close period, your Realtor should continue providing information and guidance for you. Realtors often drop off during this period because their perceived "job" is done; they found you your home! However, an excellent Real Estate Agent will prepare you for this part of the process, remind you of essential steps and dates, and check in on you often.



During this time, refrain from making any large purchases, applying for other loans, or maxing out your credit cards, as this can impact your loan approval. Other things that can impact your approval include a change in employment or income, large untraceable deposits in your bank account, and outstanding debts.

There are many moving parts during the closing process, and it's normal to feel overwhelmed at some points.

The good news is your Realtor, Lender, and Lawyer have all been through this before and will be able to walk you through it.

If you do not already have a preferred lawyer for this transaction, you can reach out to your Realtor or Lender for suggestions. While it can be helpful to get a few good recommendations, always take time to do your own research and only hire people that you feel comfortable working with.



STEPS TO CLOSING

1

Make Your Deposit

As an offer of good faith, you will submit the agreed-upon deposit to the Selling Agent's Brokerage in trust.

2

Finalize Your Mortgage

Contact your lender to inform them that your offer has been accepted and provide them with the necessary documentation to turn your pre-approval into a mortgage loan. They will coordinate with your lawyer to ensure all monies are in place on closing day.

3

Contact Your Lawyer

If you don't already have someone in mind, your Realtor should be able to refer you to reputable lawyers in the area. They will prepare all the necessary paperwork for you to sign to transfer ownership of the property and submit the required land transfer tax monies due on closing.

4

Organize Your Finances

You will need to be prepared to pay the remaining down payment and any closing costs. Your lawyer will advise you on the balance owed and funds required to close. They will review the figures with you on the statement of adjustments when you meet with them to sign.

5

Get Your Keys

Once the lawyers have confirmed the transfer of funds to the Seller, your lawyer will contact you by the end of the day to pick up your keys or provide you with access to a lockbox at the property.



Conclusion

We hope this guide has helped to give you a sense of confidence to start your home-buying journey. This is just a glimpse into what our team provides our clients as they take the path toward homeownership.

For our clients, a Real Estate transaction is one of the most important and personal experiences of their lives, and it is for us too. Nothing makes us happier than helping clients make these enormous decisions and guiding them through the process.

We wish you the best of luck and hope that you find the home that you deserve!

If you are interested in working with our team, please do not hesitate to reach out. We genuinely look forward to working with you.

Contact us today at 905-873-9944 or info@lisahartsink.com.

