KBRE GROUP

BROKERED BY eXp REALTY

HOME
BUYER'S GUIDE

Let Us Show You The Way Home!

Kimberly Beckwith

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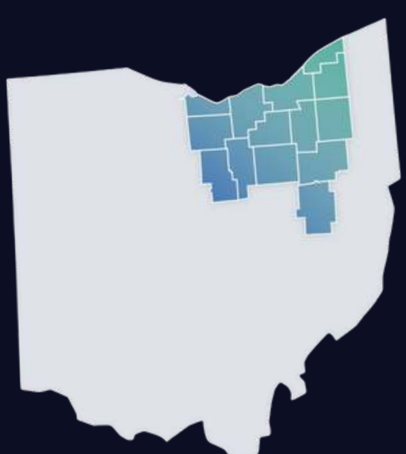
Hello!

At **KBRE Group, of eXp Realty**, we are more than just real estate professionals —we are a team united by a mission: ***Delivering Real Strategies. Real Results. Real Estate.***

Led by Founder and Team Lead Kim Beckwith, KBRE Group brings together experienced agents and trusted support staff who share a passion for service, expertise, and community. Together, we specialize in residential, commercial, and investment real estate, helping clients navigate every step of their journey with confidence and clarity.

What sets us apart is our commitment to people. Every client, colleague, and partner matters to us, and we believe in creating experiences that go beyond the transaction. Our team is dedicated to empowering individuals, families, investors, and agents with the knowledge, resources, and strategies they need to succeed—not just in real estate, but in building lasting wealth and opportunity.

With deep roots in Northeast Ohio and a global reach through eXp Realty, KBRE Group is proud to be a small but mighty team that leads with integrity, collaboration, and heart.



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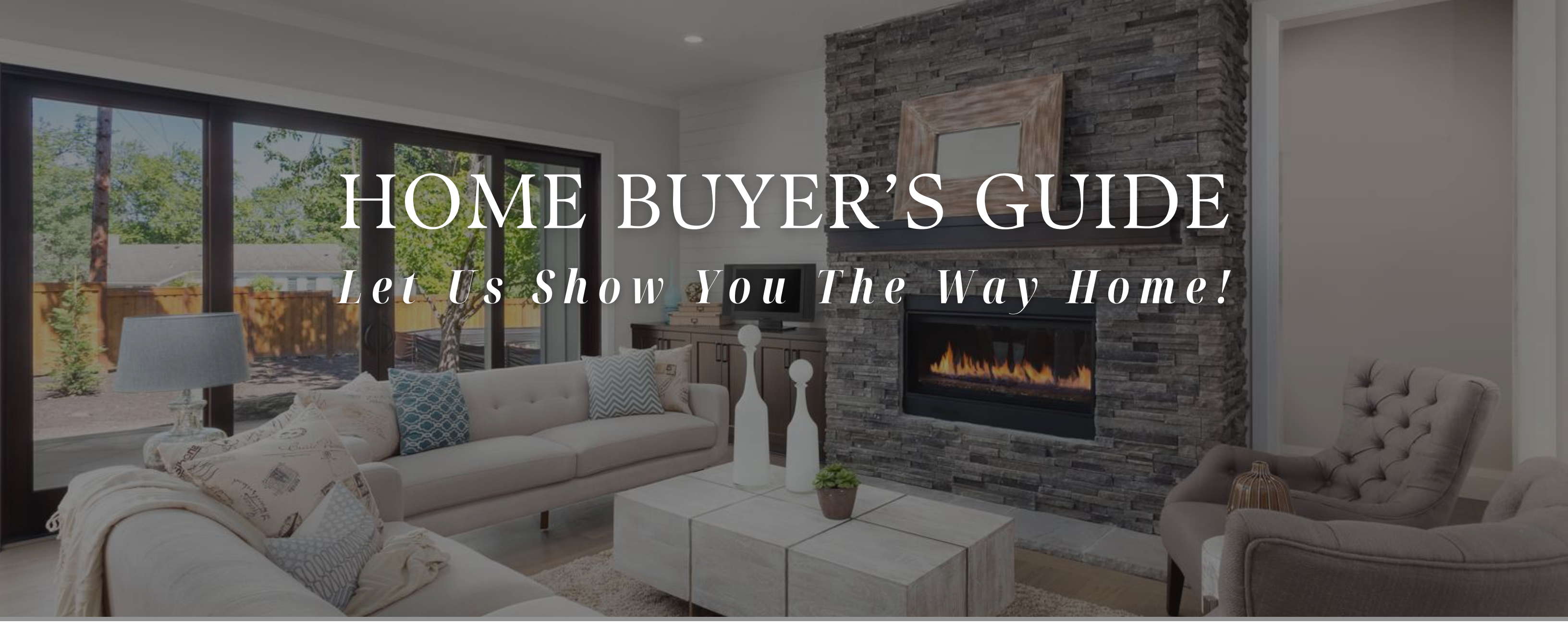


STARTING YOUR HOMEBUYING JOURNEY

Think of this guide as your roadmap, simplifying each turn and crossroad in the journey to buying your dream home. Our goal is not simply to inform but to inspire confidence as we work together to navigate *one of the most exciting milestones of your life*!

Embarking on the path to owning a home is more than just a series of steps it's about bringing your personal aspirations to life in a space that's truly your own. The real estate world can be complex, with market fluctuations, legal details, and crucial decision-making moments.

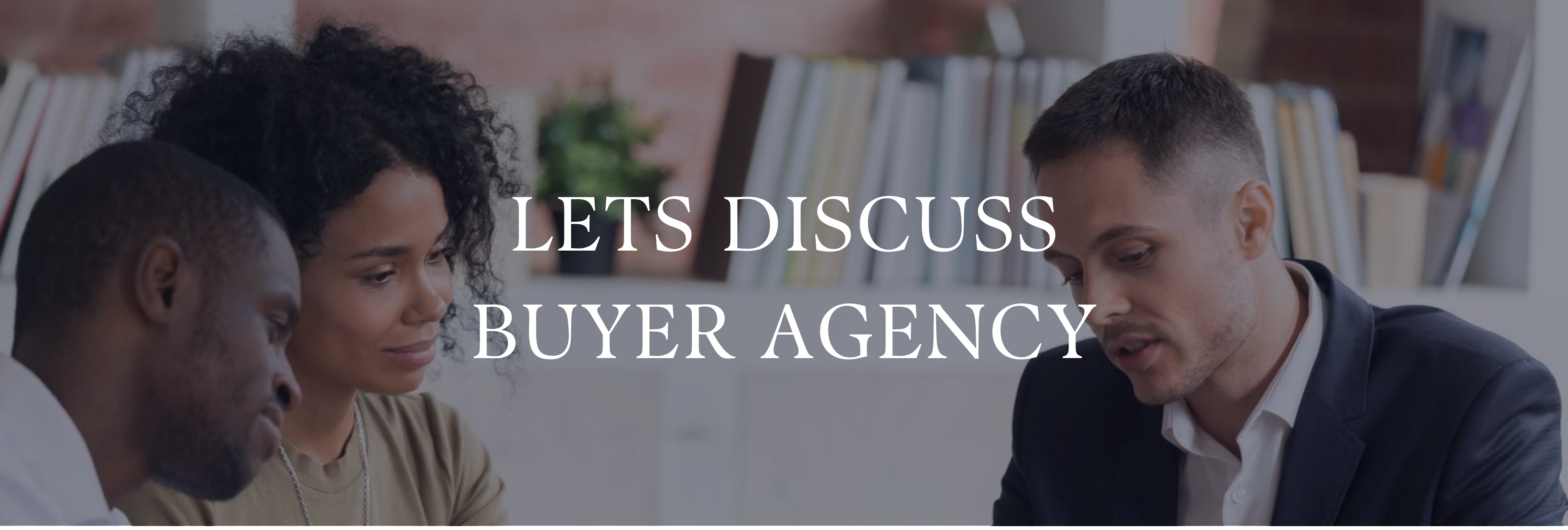
That's exactly why this guide, combined with our expertise, becomes invaluable. We're here to clear the fog, providing clarity and ensuring you are fully equipped to make informed, confident decisions.

While the KBRE Group serves in the role of your trusted home advisor this journey is a partnership requiring us both to be consistently communitive and transparent. Its important that we work together in getting you to the closing table.

Our commitment is to offer you a comprehensive service that goes beyond the standard, making sure that when you're ready to write an offer on a home, it's with a sense of excitement and assurance in the value of our partnership.

Ready?

let's get started...



LETS DISCUSS BUYER AGENCY

AGENCY AGREEMENT

Buyer Agency refers to a legal relationship between a potential homebuyer (that's you) and a real estate agent or broker.

Much like Listing Agreements are entered into with sellers, the relationship between a buyer and the buyer's agent is formalized through a Buyer Agency Agreement, showing your commitment to homebuying and ensure you have an expert representing your specific interests in the homebuying process.

This legal document outlines the commitment and obligations of both the agent and the buyer. It includes details like the duration of the agreement, the geographic area of your home search, the type of property you're interested in, and the details regarding buyer agent compensation.

AGENCY AGREEMENT TYPES

Single Property Agreement

Our *Single Property Buyer-Broker Agreement* is designed to assist pre-approved buyers who may not be sure they are fully committed to homebuying but want to tour a home or two and decide from there. This form is specific to one property showing only.

Buyer-Broker Representation

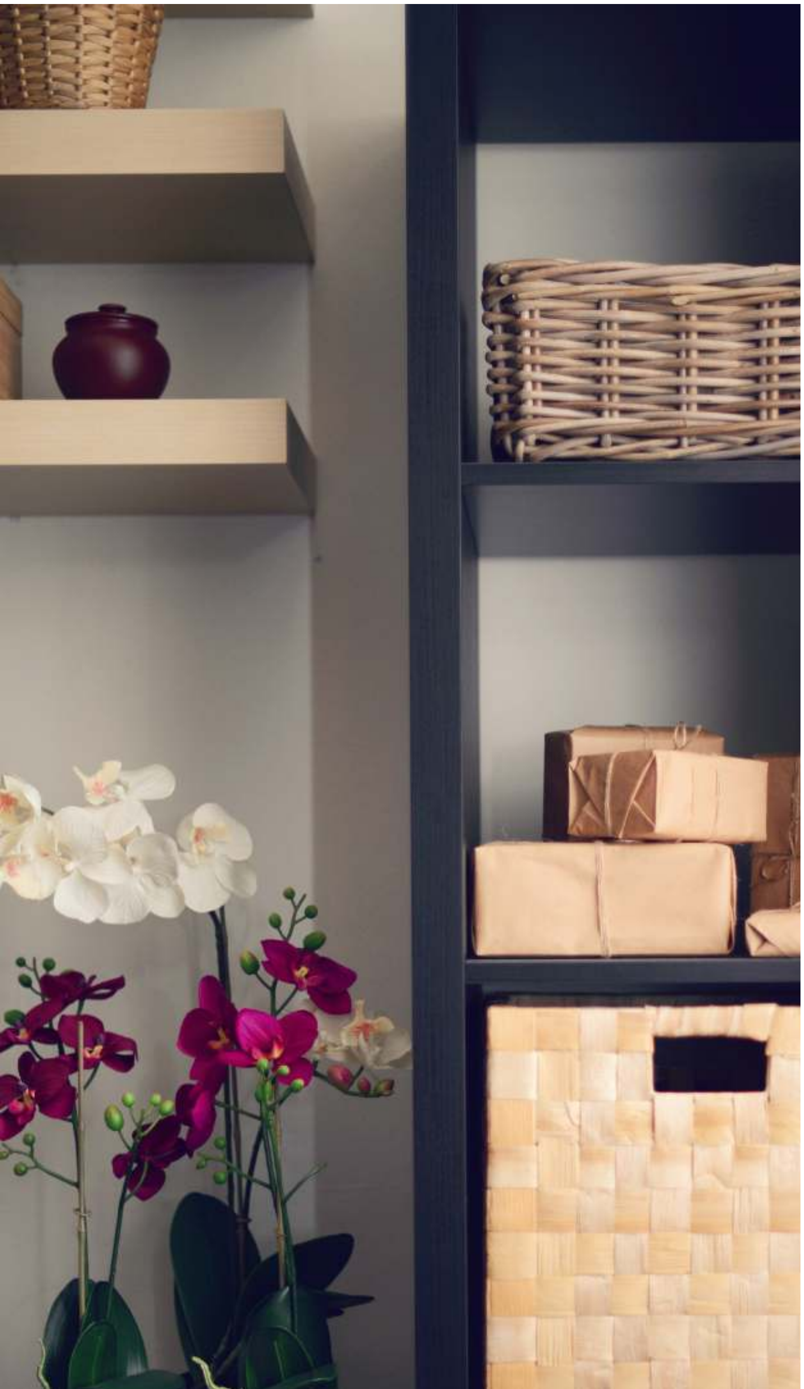
Our *Buyer-Broker Representation Agreement* is the standard or "default" form used when a pre-approved buyer has committed to the homebuying process and intends to hire an agent to represent their best interests. This form covers all showings - *not just a single property*.

*See **Understanding How Buyer Agents Are Paid** for additional information.*

KEY RESPONSIBILITIES

OF A BUYER'S AGENT

The mission of a buyers agent is to guide you through every step of the home-buying process with care, transparency, and relentless advocacy. Our services are designed not only to meet your needs but to exceed your expectations, ensuring an exciting and seamless experience.



BUYER'S CONSULTATION & BEYOND

- **Understanding Your Vision:** We take the time to truly understand your goals, needs, and aspirations, ensuring that the entire process is centered around what matters most to you.
- **Market Orientation:** We educate you on the current market conditions and help set realistic expectations based on your desired outcomes.
- **Trusted Lender Referrals:** You're connect you with reputable mortgage lenders who align with your homebuying goals and walk you through the financing process.
- **Pre-Showing Assessments:** We'll take time to review each home of interest to ensure we uncover any Seller needs/requirements and to ensure the home meets the requirements of your loan type and buying power.

- **Expert Advice:** We'll offer expertise in various areas such as market trends, neighborhood information, property values, and pricing strategies. We'll also help to navigate the complexities of real state contract documents to ensure the proper protections and safeguards are in place specific to your circumstances.
- **Tailored Property Listings:** You'll receive custom selected properties based on your unique criteria, giving you access to the best options available in the market - on time!
- **Exclusive Listings:** Leveraging our network to find off-market opportunities and upcoming listings, giving you an edge in a competitive market.
- **Flexible Showings Schedules:** We will arrange and coordinate property tours that fit your schedule, offering both in-person and virtual options as needed.
- **In-Depth Property Analysis:** Providing detailed evaluations of each property, highlighting both the strengths and potential challenges, so you can make confident, informed decisions.
- **Market Reports & Comparable Market Analysis:** To ensure you pay a fair price you'll receive data on comparable sales in the area as well as an overall view of the market specific to the neighborhood.
- **Strategic Insights:** You'll also receive insights into neighborhood trends, future development, and the current expectations for the potential of property appreciation.
- **Crafting Competitive Offers:** We'll guide you through your strategy options and write a compelling offer that aligns with your best interests, while knowing that a win/win for all parties is what gets us successfully to an executed purchase contract.
- **Expert Negotiation:** We are tenacious in advocating for you, negotiating effectively to secure the best possible price and terms.
- **Proactive Problem-Solving:** Challenges can arise during the homebuying process but we'll be proactive and resourceful, quickly addressing issues to keep the process on track and as stress-free as possible.

- **Document Preparation:** We ensure all contract documents are meticulously prepared, reviewed, and in compliance with local, state, and national regulatory guidelines.
- **Timeline Management:** We'll manage your purchase timeline, ensuring all deadlines are met and contingencies are proven to be satisfied**.**
- **Inspection Coordination:** We recommend trusted inspectors, attend inspections, and review reports with you to identify any potential items of concern.
- **Appraisal Oversight:** Manage the appraisal process and review your appraisal report, working to resolve any discrepancies that could impact the sale.
- **Thorough Due Diligence:** Our team will thoroughly review all disclosures and reports, ensuring there are no foreseeable surprises that could affect your investment.
- **Final Walk-Through**: Along side you, we'll conduct a thorough final walk-through to ensure the property meets all agreed-upon conditions and is in equal or better condition than it was when you originally toured the home.
- **Seamless Closing Preparation:** Our team in collaboration with the Title Company will coordinate the closing process, ensuring a smooth and stress-free experience.
- **Utility and City Resources:** We'll provide you with a list of utility options, notify you of your trash pick-up day, as well as provide links to your official city website.
- **Move-In Resources:** We'll offer reliable resources for moving, city coordination services (as needed), and any other needs you may have as you settle into your new home.

Our connection doesn't end with your purchase. We're here for you at all stages, offering introductions to local service providers or professional services, as needed. Communication will be based on your preferences. At KBRE Group our goal is a lasting relationship where you see us as your go-to for any real estate needs and feel confident referring us to friends, family & colleagues alike.

UNDERSTANDING HOW BUYER AGENTS ARE PAID

The changes brought by the ***National Association of Realtors (NAR)****,* ***effective August 17, 2024****, bring important updates to the homebuying process. These changes are primarily driven by a legal settlement aimed at increasing transparency and fairness in real estate transactions.*

A BREAKDOWN OF KEY CHANGES

Mandatory Written Agreements: If you're working with a buyer's agent, you must sign a written agreement before they can show you any property, whether in person or virtually. This agreement will clarify the agent's role, services, and compensation details, ensuring that both you and your agent are on the same page from the start.

Compensation Transparency: Previously, the compensation offered to buyer's agents was displayed on the Multiple Listing Service (MLS). Now, this information will no longer be visible on the MLS. Instead, you'll need to discuss compensation directly with your agent, which can still be negotiated. This change is intended to make the process more transparent and give you more control over how much you pay your agent.

Seller Contributions: Buyers can negotiate for the sellers to contribute towards buyer expenses, such as closing costs, pre-paid repairs, and even your agent's compensation. Impact on VA Loans - For those using VA loans, the Department of Veterans Affairs has introduced a policy allowing buyers to compensate their buyer broker directly. These changes aim to make the homebuying process more transparent, giving you, as a buyer, more control and clarity over the costs involved in working with a real estate agent.

KEY TAKEAWAYS

In short, payment of buyer agent compensation can generally be made in one of three ways

Seller Offers Buyer Credit at Close
Buyer may request a credit to satisfy their contractual obligation with buyer agent at closing. Negotiated as part of your purchase offer.

Seller Direct Payment
Buyer Agent will first inquiry if Seller will offer buyer agent compensation. Whether Seller is or is not, Buyer Agent will attempt to negotiate that all or part of the compensation be paid by the Seller. Done successfully, Seller will pay buyer agent directly at closing.

Buyer Pays Directly
Buyer may choose to compensate their Agent directly at closing.

THE HOME BUYING PROCESS

THE THOUSAND FOOT VIEW

MEET YOUR AGENT
- Discuss budget
- Research area neighborhoods
- Discuss your wants & needs

GET PRE-APPROVED
- Prepare your credit
- Meet with a lender
- Set a budget

MAKE AN OFFER
- Research area comps
- Determine offer strategy
- Negotiate offer terms

FIND YOUR HOME
- Agent customizes your search options
- Start Touring homes
- Adjust criteria as needed

OFFER NEGOTIATED & EXECUTED
- Offer terms further negotiated & agreed to.
- All parties sign the purchase contract

INSPECTIONS
- Schedule Home Inspection
- Identify possible areas of concern
- Negotiate repairs

APPRAISAL
- Lender requests payment for and schedules home appraisal

TITLE COMMITMENT
- Title company provides a title commitment & insurance policy

ESCROW
- All required documentation, contracts, lender funds, & buyer funds are deposited with Title for closing & distribution

CLOSING
- Final walk-through
- Sign closing documents
- Receive your keys

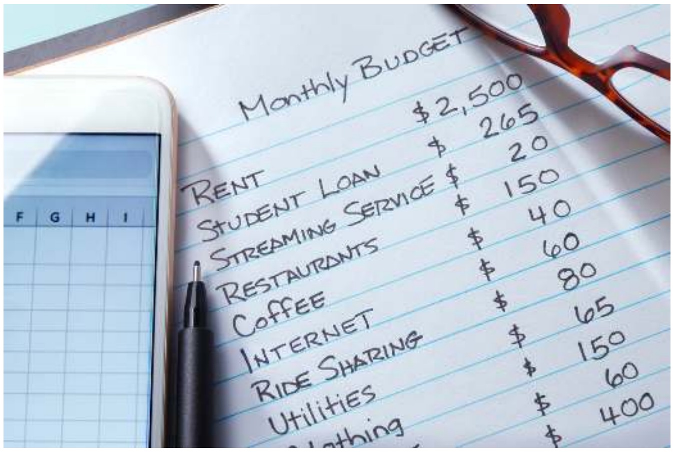
LET'S TALK FINANCING

AFFORDABILITY ASSESSMENT FOR YOUR HOME PURCHASE

It's vital to assess your financial capacity for a home purchase before starting your search.

An assessment helps in setting achievable goals by focusing on homes within your budget, thus streamlining the search and avoiding potential disappointments. It also plays a significant role in financial planning, taking into account the total cost of homeownership including mortgage, taxes, insurance, utilities and maintenance. This ensures a sustainable investment over time.

Additionally, being aware of your budget can enhance your credibility with sellers, potentially giving you leverage in a competitive market. It also helps in avoiding financial overreach, ensuring a more comfortable and rewarding home buying experience.



MAINTAINING A STRONG CREDIT SCORE

Follow these strategies to bolster your credit score:

On-Time Payment: Its crucial to Avoid late or missed payments to ensure a strong score is maintained.

Balance Credit Utilization: Credit experts advise that credit card balances be kept below 30% of the limit.

Manage New Credit Accounts: Frequent applications for new credit can quickly lower your score. Avoid applying for multiple loans or lines of credit.

Diversify Credit Portfolio: A mix of different credit types can positively influence your score.

Monitor Credit Reports: Regular checks and correcting any errors can help maintain a healthy score.

AFFORDABILITY STANDARDS

The ***28/36 Rule*** is a widely used guideline, suggesting housing costs shouldn't exceed **28%** of your gross monthly income, and total debt (including mortgage or rent) shouldn't exceed **36%.** To get a personalized estimate, use a home affordability calculator. You'll find one on our site kbregroup.com, which considers your income, monthly debts, and down payment.

Key Affordability Factors Include:

- **Gross Monthly Income:** Your total income before taxes and deductions.
- **Monthly Debt Payments:** Minimum payments on student loans, car loans, credit cards, and other obligations.
- **Down Payment:** The cash you pay upfront; a larger down payment reduces your loan amount and monthly payments.
- **Property Taxes & Homeowner's Insurance:** These are added to your mortgage payment (PITI) and vary by location.
- **Other Monthly Expenses:** Groceries, transportation, utilities, and entertainment costs.
- **Emergency Savings:** Having cash reserves for unforeseen costs and repairs is crucial.
- **Credit Score:** Your creditworthiness affects the interest rate you'll receive.

HOMEBUYING EXPENSES

Key costs to consider include:

Down Payment: Typically ranging from 0% to 20%, depending on the loan type. There may be down payment assistance programs available to further reduce your obligation.

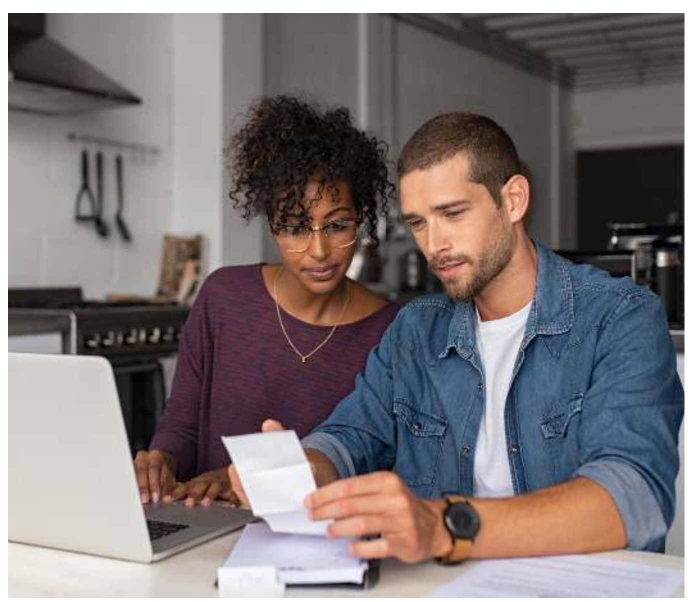
Closing Costs: These usually range from 2% to 5% of the loan amount. In most cases, down payment assistance can also be used to reduce this obligation.

Home Inspection: Essential for identifying potential issues, costs vary per company but can range from $350-800 depending on the specific inspections requested.

Appraisal: The lender requires an appraisal to ensure they are not lending more than a home is worth. Costs vary but range from $600-$900. Check with the lender to see if any credits are available to cover or reduce this cost.

Moving Costs: Costs depend on the distance and the quantity of items being moved. Check with local companies to obtain the latest pricing.

Initial Home Maintenance: Budget for potential immediate needs like painting, window treatments, minor repairs, or other changes you'd like to make to personalize your new home.



THE IMPORTANCE OF A PRE-APPROVAL

Securing pre-approval is a crucial early step in the home-buying process. This can be done before or after selecting an agent to represent you in the home buying process.

It involves a lender evaluating your financial situation to determine a feasible loan amount. This not only indicates your seriousness as a buyer but also clarifies your loan type and buying power.

Essential Required Documents

Proof of Income: Recent pay slips and tax documents. How many varies per lender.

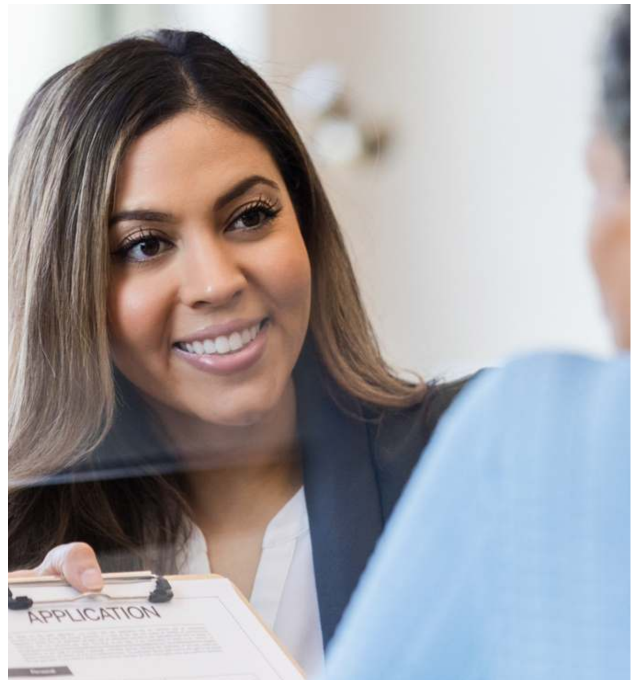
Proof of Savings & Assets: Statements from banks and investment accounts. How many varies per lender.

Credit Analysis: The Lender will review your credit file and score with the top three consumer credit bureaus and possibly more, this varies per lender.

Employment Confirmation: Verification of your current employment. This will be done as part of the pre-approval process and again just before closing to ensure there have been no changes.

Identification: Government-issued ID like a driver's license or passport.

This process not only sets a realistic purchasing limit but also shows potential sellers that you are serious about making a purchase and a qualified & reputable lending professional has reviewed and confirms your ability to purchase.



LOAN PROCESS: THE THOUSAND FOOT VIEW

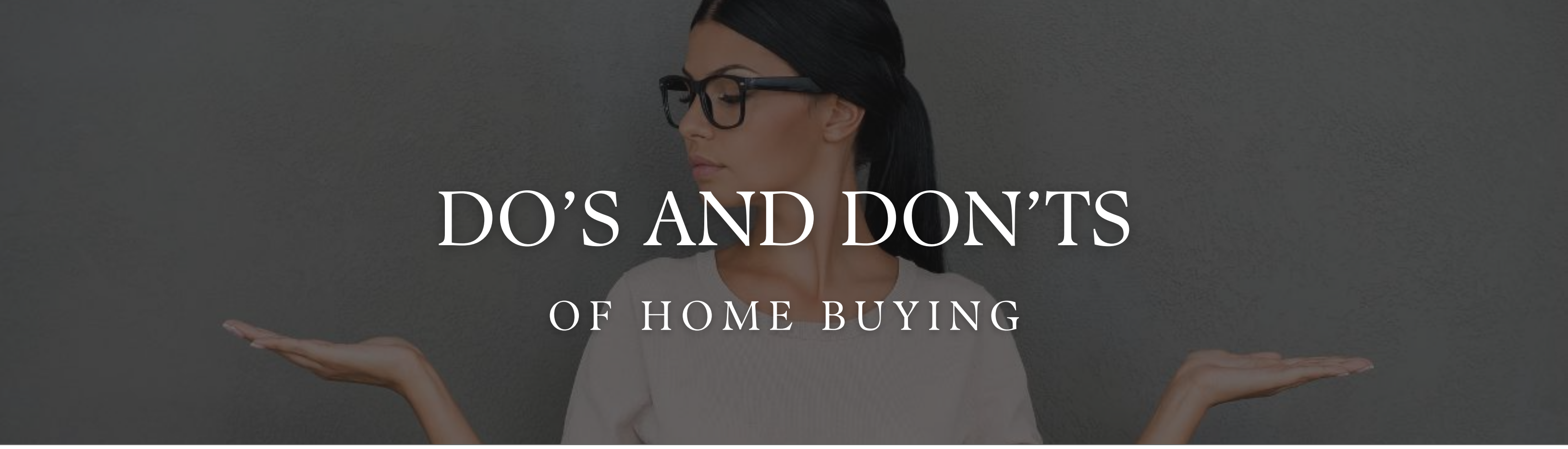
01 Preliminary Application & Pre-Approval

02 Full Loan Application (With accepted purchase contract)

03 Appraisal & Loan Underwriting

04 Loan Commitment & Clear To Close

05 Loan Funded & Closed



DO'S AND DON'TS

OF HOME BUYING

DO...

- Work only with reputable professionals. Obtain referrals and read reviews.
- Maintain your credit file in the same state it was in at the time of pre-approval *(unless otherwise instructed by the lender)*.
- Follow lender directions to <u>*the letter*</u>.
- Remember that you, your agent, and lender are a team. Work with them to reach your homebuying goal.
- Remember that your agent is a licensed professional & your trusted advisor *(your co-workers neighbor, is not)*.
- Shopping below your pre-approval amount is a smart move. Work within a comfortable budget.
- Research multiple neighborhoods - *this is a long-term commitment.*

DON'T...

- Apply for new credit, such as for a car loan or other large ticket items.
- Max out your credit cards. Maintain balances at 30% or lower *(unless otherwise instructed by the lender)*.
- Assume you need 20% down.
- Quit or change jobs without discussing it with your lender first.
- Make large cash transactions or any large financial decisions prior to closing.
- Co-Sign a loan for friends or family members.
- Waive inspections or appraisals when buying a home.
- Buyer more home than you can realistically afford.
- Become too emotionally attached to a home before you close.

Speak with a member of the KBRE Group team for questions and additional information on any of the do's and don'ts of homebuying. We're ready and honored to support you on this journey!

Welcome Home!

If you've made the decision to work with us, *Thank You!* We are both humbled and grateful for the opportunity to walk this journey with you. We look forward to scheduling your Buyer's Consultation and kicking off the homebuying process. You're now a part of the KBRE Group family. Here's to a life-long relationship that starts today!

If you are still considering your options, we also thank you for connecting with us and taking the time to review our homebuyers guide! We hope to gain your trust and to have the opportunity to work with you. In the meantime, feel free to reach out with any questions we can answer to help make this decision a simple one.

HOMEBUYER RESOURCES

KBRE Buyer Services

Mortgage Affordability &
Monthly Payment Calculators

Search The Latest Listings

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& the KBRE Group Team

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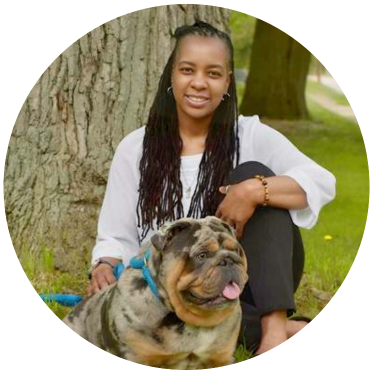
THE KBRE GROUP TEAM

Kimberly Beckwith
KBRE Group Founder | Realtor® | Investor | Coach

Real Estate Isn't Just My Profession - It's My Passion & My Platform For Change.

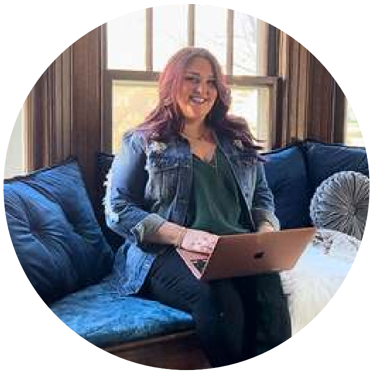
As the Founder of KBRE Group, I lead with intention, integrity, and heart. My clients, colleagues, and mentees matter deeply to me, and I care about the experiences I create for each of them. With decades of industry experience, I'm committed to raising the knowledge, skills, resources, and professional image of those I work with. I truly love what I do; it's not *"work"* for me, it's my way of life. God. Family. Real estate - In that order.



Brenda M. Pettway
Realtor® | PMP | MBA

A Compassionate Analytical Approach

Brenda is a licensed Ohio real estate professional and longtime Cleveland Heights resident who brings over 15 years of project management expertise to every transaction. With advanced degrees in Business and Computer Information Systems, she blends analytical precision with a client-first approach to make buying or selling a home a seamless experience. Passionate about serving her community, Brenda is committed to helping clients achieve their real estate goals with confidence and clarity.



Courtney Bownes
Realtor® | Founder, FastForward Transaction Management

A Proud Northeast, OH Native!

Courtney Bownes is a proud Northeast, OH native who has lived in communities from Hartville to Portage Lakes, and even the scenic Hocking Hills. Her lover for Northeast, OH, combined with her years in customer service, shaped her client-first philosophy, and drive to work diligently to make every transaction as smooth and stress-free as possible. In addition to being a trusted Realtor®, Courtney is also the Founder of ***FastForward Transaction Management***, providing professional transaction coordination and other support services, not only to the KBRE Group, but to many other agents within eXp Realty, across the state of Ohio.

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