

# Demystify the Home Buying Process

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# What you'll learn:

- 10 MYTHS OF BUYING A HOME & THEIR TRUTHS
- HOW TO DISTINGUISH BETWEEN A GOOD AGENT VS A BAD AGENT
- STEPS TO HOMEOWNERSHIP
- WHAT TO INCLUDE IN A PURCHASE AGREEMENT
- ...AND MUCH MORE!





# Myth #1

I DON'T NEED A REALTOR.



IN 2014, REALTORS WERE VIEWED AS A  
USEFUL INFORMATION SOURCE BY  
98% OF BUYERS.



# Truth



# bad agent

- LACK OF COMMUNICATION
- UNFAMILIAR WITH THE MARKET
- ONLY CARES ABOUT GETTING THE COMMISSION



- STRONG COMMUNICATION SKILLS -
- EXTENSIVE KNOWLEDGE OF THE MARKET -
- TAKES TIME TO MAKE SURE YOU'RE GETTING THE BEST DEAL -

# good agent



# Myth #2

I CAN BE A HOMEOWNER WITH  
A RENTER'S MENTALITY.



HOMEOWNERS HAVE A WHOLE NEW  
SET OF RESPONSIBILITIES.

Truth



# Myth #3

I MUST HAVE PERFECT CREDIT  
TO BUY A HOUSE.



CREDIT CAN BE CORRECTED TO PUT  
YOU IN THE FINANCIAL POSITION TO  
PURCHASE.

Truth





# 4 c's of credit

CAPITAL: THE  
AMOUNT OF \$ YOU  
HAVE

CAPACITY: INCOME  
STABILITY; EMPLOY-  
MENT HISTORY

CREDIT HISTORY:  
YOUR USE OF CREDIT  
& PAYMENT HISTORY

COLLATERAL: AN  
ITEM IN THE WORTH  
OF THE PROPERTY  
YOU WANT TO BUY

# Myth #4

HOMEOWNERSHIP WILL  
HAPPEN OVERNIGHT.



THE AVERAGE JOURNEY TO  
HOMEOWNERSHIP TAKES 4-5 MONTHS.

Truth





# Myth #5

HGTV'S "HOUSE HUNTERS" IS A  
REALITY SHOW.



THERE'S NO SUCH THING AS SEEING 3  
HOMES AND CHOOSING YOUR FAVORITE.

Truth

# Myth #6

I WILL GET MY "DREAM HOUSE" WITH  
EVERYTHING I WANT.



YOU CAN GET MANY FEATURES YOU  
WANT, BUT COMPROMISE IS KEY.



Truth



# Myth #7

IT'S NOT WORTH IT TO WASTE  
\$ ON AN INSPECTION.



YOUR INSPECTION IS ONE OF THE  
MOST IMPORTANT HOMEBUYING STEPS.

Truth

# Myth #8

I SHOULDN'T BUY IF I'M NOT  
PLANNING TO STAY HERE LONG-TERM.



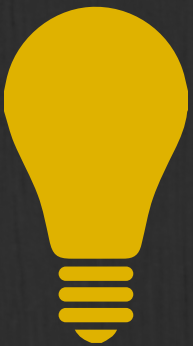
PURCHASING IS ALMOST ALWAYS A  
BETTER INVESTMENT THAN RENTING.

Truth



# Myth #9

I'LL ONLY BE WORKING WITH A REAL ESTATE PROFESSIONAL DURING THE PROCESS.



THERE ARE MANY PLAYERS THAT  
MAKE UP THE HOME BUYING TEAM.

Truth

# the home buying team

- REAL ESTATE PROFESSIONAL (AGENT OR BROKER)
- REAL ESTATE STAFF (SHOWING AGENT, CLIENT CARE COORDINATOR, ETC)
- LOAN OFFICER
- HOME INSPECTOR

HOMEOWNER'S INSURANCE REPRESENTATIVE -

APPRAISER -

LOAN PROCESSOR, UNDERWRITER -

TITLE/CLOSING REPRESENTATIVE -





# Myth #10

THE HOMEBUYING PROCESS IS TOO MUCH FOR ME TO HANDLE.



THE PROCESS WILL BE MUCH LESS  
STRESSFUL IF YOU KNOW  
WHAT TO EXPECT.

Truth



# the buying process

1. MEET WITH AGENT (BUYER'S CONSULTATION)
2. MEET WITH A FINANCIAL PROFESSIONAL
3. GET PRE-APPROVED
4. SPEND TIME SHOPPING WITH YOUR AGENT
5. SUBMIT AN OFFER (PURCHASE AGREEMENT) -->  
NEGOTIATION





what to include on a

# purchase agreement

LEGAL NAME(S)

EARNEST MONEY AMOUNT

OFFER PRICE

FINANCING TYPE

DOWN PAYMENT PERCENTAGE

CLOSING DATE

HOME WARRANTY

SELLER'S CONTRIBUTIONS



# the buying process

6. ONCE YOUR OFFER IS ACCEPTED, GET A HOME INSPECTION
7. OBTAIN HOMEOWNER'S INSURANCE
8. APPRAISAL
9. UNDERWRITING --> LOAN APPROVAL
10. CLOSING



any questions?

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