

buying a HOME

THE 10 STEP GUIDEBOOK

CORCORAN ML ICON PROPERTIES



Dear future homeowner,

You're taking the first step towards a huge life milestone: purchasing a home - Congratulations! This guide is your resource for each phase of home buying, including questions to ask yourself, worksheets, and checklists that will help you learn the ins and outs of this process so you feel confident and informed when making big decisions. Let's get started, shall we?!

STEP ONE

Considerations for Buyers



JOB & INCOME

Do you have a stable job and income? Are you staying in this line of work? What are your expenses, savings, and debts? 2+ years of continuous employment is ideal.

CREDIT SCORE

A credit score of 620 is typically required for conventional loans, while FHA loans have more flexibility depending on down payment.

DOWN PAYMENT

Depending on loan type, your down payment can range from 0%-20% of the purchase price.

CLOSING COSTS

Closing costs range from 2-6% of the loan amount. Other fees include inspection and appraisal costs.

LONG TERM PLANNING

Do you plan to stay in this location? Do you foresee major life changes? Consider how your career, family, and lifestyle might evolve over time. Do you see yourself here 5-10 years from now?

ONGOING COSTS

As a homeowner, your budget should factor in your monthly mortgage payments, property taxes, homeowner's insurance, & maintenance costs (roughly 1%-2% of purchase price per year).

STEP TWO

Debt to Income Ratio

WHAT IS DTI?

Your debt-to-income (DTI) ratio helps you assess your financial health and your ability to take on new debts, like a mortgage.

WHY IS DTI IMPORTANT?

Your DTI ratio helps determine your eligibility for loans and your ability to manage debt.

WHAT RATIO DO I NEED?

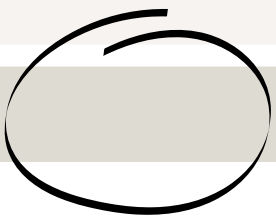
Mortgage lenders normally have specific DTI requirements when approving loans and often prefer borrowers to have a DTI ratio below 43% (including the new mortgage payment).

TIP

- DTI under 36% is great, keep it up!
- DTI between 37%-43% has room for improvement.
- DTI above 45% may pose some challenges.

Speak to a lender for advice on qualifying.

RENT	
CREDIT CARD	
CAR + INSURANCE	
PHONE + INTERNET	
UTILITIES	
STUDENT LOANS	
SUBSCRIPTIONS	
FITNESS	
OTHER	
TOTAL EXPENSES	
÷ GROSS INCOME	
DEBT-TO-INCOME %	



STEP THREE

The Mortgage Process



Time to meet with a local lender and getting a **pre-approval letter!** It's important to speak with a few lenders to find the right fit, so I put some lender interview questions on the next page.

A pre-approval is only valid for 30-90 days, so if you aren't ready to buy, or we don't find something right away, your lender can let you know how and when we should update it as needed.

MY TRUSTED LENDER PARTNERS

Jeannine Sheppard
NMLS #779906
Clear2Close Brokers
(707) 843-0156

Sonia McClellin
NMLS #234066
Homeowners Financial Group
(707) 761-6900

CJ Kerls
NMLS #243438
Rate Mortgage
(415) 531-2714

Don Hegardt
NMLS #583526
Chase Bank
(707) 758-6916

Greg Brausen
NMLS #297632
Guild Mortgage
(707) 326-4709

Michel Madsen
NMLS #247516
Redwood Credit Union
(707) 481-2844

These lenders match their clients with the best-fit loan product, don't slow down contract timelines with shoddy pre-approvals, and they close on time.

Lender Questionnaire

NAME: _____ COMPANY: _____

PHONE: _____ EMAIL: _____

WHAT TYPE OF LOAN DO YOU RECOMMEND FOR ME AND WHY?

DO I QUALIFY FOR DOWN PAYMENT ASSISTANCE OR SPECIAL INTEREST RATE PROGRAMS?

WHAT IS THE INTEREST RATE? WHAT IS THE APR?

WILL I PAY MORTGAGE INSURANCE?

WHAT WILL MY MONTHLY PAYMENT BE?

WHEN CAN I LOCK IN AN INTEREST RATE? FOR HOW LONG? ARE THERE LOCK FEES?

WHAT WILL MY CLOSING COSTS BE?

IS THERE ANYTHING ELSE I SHOULD KNOW?

STEP FOUR

Wants vs. Needs







Before we hop into the home search, I advise my clients to create a "Needs" list and a "Wants" list. This will help us to focus on the things that are most important in your future home.

"Needs" are the non-negotiable features. "Wants" are the nice-to-haves, but you can live without or add down the road. Remember you can't change the lot, the location, or the price you paid.

NEEDS MIGHT LOOK LIKE

✓ Enough bedrooms for your lifestyle
✓ First floor primary bedroom
✓ Close proximity to work / school / medical / groceries
✓ Attached two-car garage
✓ Fenced outdoor space

WANTS MIGHT LOOK LIKE

✓ Specific paint or exterior color
✓ Garden beds in backyard
✓ Specific flooring
✓ Kitchen amenities or appliances
✓ Walk-in shower or double vanity

NEEDS

_____

_____

_____

_____

_____

WANTS

_____

_____

_____

_____

_____

STEP FIVE

The Home Search Process



FIRST THINGS FIRST

Now that you've got your pre-approval, and your "Wants vs. Needs" list in hand, the fun really begins! I will set you up on an MLS search so you'll receive emails when new property that fits your criteria hit the market.

WANT TO DO SOME ONLINE SEARCHING YOURSELF?

- **Use the search filters,** but expand your geographic search, and add $25k - $50k to your max price. List price is an "offer" from the seller, it's not set in stone.

- **Check Google Street View** if you find something that catches your eye. And if you're local, do a gentle drive by of the property.

- **If a home you like is "under contract" don't give up!** Pending contracts can fall through occasionally so keep it on your list, especially if it checks all your boxes. Let your agent know, and they can make some calls.

- **Call or text your agent with the address.** They will call the listing agent(s) to gather more details, and let them know if there is the possiblity of an offer coming in.

Home Search Worksheet

WHAT AREA(S) ARE YOU INTERESTED IN? (ASK ME FOR MY NEIGHBORHOOD GUIDE IF YOU WANT SOME GUIDANCE HERE)

WHAT DO YOU LIKE ABOUT THIS/THOSE AREA(S)?

HOW MANY BEDROOMS, BATHS, SQUARE FOOTAGE?

DO YOU HAVE CHILDREN? PETS? DO YOU WORK FROM HOME?

WHAT'S YOUR FAVORITE HOME STYLE?

WHAT ARE THE TOP 5 MOST IMPORTANT THINGS IN YOUR FUTURE HOME?

WHAT IS A NON-NEGOTIABLE FEATURE OR ASPECT OF YOUR FUTURE HOME?

DO YOU PREFER A HOME THAT’S MOVE-IN READY OR ONE YOU CAN RENOVATE?

ANYTHING ELSE I SHOULD KEEP IN MIND DURING OUR SEARCH?

STEP SIX

Showings

MY BEST SHOWING TIPS

✓ **Read over your Wants vs. Needs list**. Having this fresh on your mind will help you stay objective and focused.

✓ **Utilize Google Street View.** This is a great way to take a virtual walk around the neighborhood.

✓ **Take pictures and videos.** This will help you to jog your memory later.

✓ **Consider the lot, lot size, and location.** All of these things can't be changed.

✓ **Review the disclosure package.** These often have inspections, natural hazards reports, and more.

✓ **Do an after-dark drive by.** Does the vibe of the neighborhood change at night?

KEEP AN EYE OUT FOR

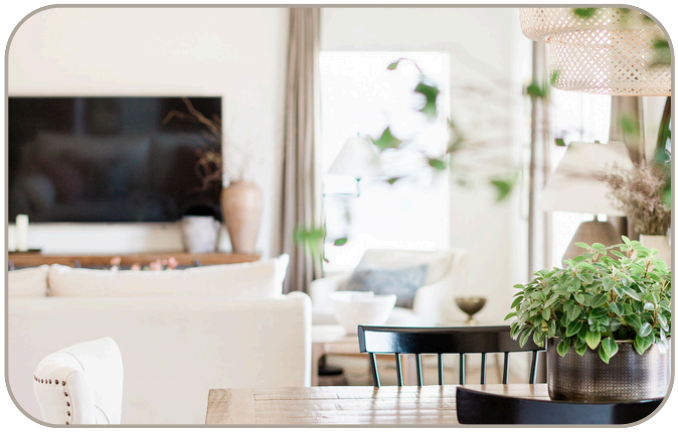
✓ **Structural integrity**
Look for signs of structural integrity. Water damage, cracks in walls or ceilings, sloping floors.

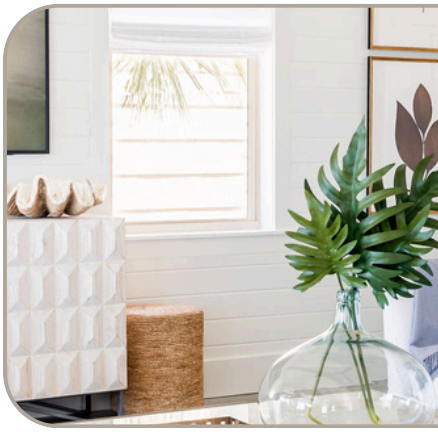
✓ **Noise levels**
From nearby roads, businesses, airports and railways.

✓ **Roof & water damage**
Check for leaks near plumbing sources, water stains on the ceiling, or damage to siding, windows, and doors.

✓ **Layout and flow**
Does the property's layout suit your lifestyle? Would it require renovations? Check room sizes, storage, and flow between rooms.







Showing Checklist

ADDRESS

PROS

CONS

INITIAL REACTION

YES! MAYBE NO

INTERIOR RATING

EXTERIOR RATING

TOOK PHOTOS & VIDEOS

ADDRESS

PROS

CONS

INITIAL REACTION

YES! MAYBE NO

INTERIOR RATING

EXTERIOR RATING

TOOK PHOTOS & VIDEOS

STEP SEVEN

Writing your Offer







So you've found "THE ONE" and you're ready to put in an offer. Woohoo! Let's talk about writing an offer that truly stands out. Below are my tried and tested recommendations.

WRITING A COMPELLING OFFER

I'll write a clean cover letter. This letter outlines the terms of the offer, and shows that you're serious, qualified, and ready to purchase.

I'll gather information about what the seller is looking for. Agent to agent communication can often win the deal. Understanding the seller's needs and motivations will be a big part of writing a great offer.

We'll put your best foot—and price—forward. In a competitive market, you may only get one shot, so we will make it count! We'll use data as a guide, but you make the final call.

We'll look at ALL the terms and adjust where we can.
Writing a clean offer makes it easy for the seller to choose! Tighter timelines and appropriate contingencies will signal to the seller we have well thought out, and serious offer.

Purchase price

This is the amount you're offering to pay for the home. It's negotiable in both directions, especially if there are multiple offers, the home needs repairs, or if the home has been on the market for a while.

Earnest money deposit

This is a good faith deposit showing your serious intent to buy. It's typically 1-3% of the purchase price and is held in escrow. If the sale goes through, the deposit is applied to your down payment or closing costs. If you back out without a valid contingency, you could lose this deposit.

Contingencies

A contingency is a condition that must be met before a buyer and seller can finalize the purchase of a home.

- A financing contingency protects you in the case that you are not able to secure a mortgage. If your loan falls through, you can back out without penalty.
- An appraisal contingency ensures the home appraises for at least the amount of your offer. If it doesn't, you can renegotiate or walk away.
- An investigation / inspection contingency allows you to renegotiate or cancel the offer if the home inspection reveals significant issues.

Investigation contingency

Most buyers include a home investigation contingency, allowing time (usually 7-14 days) to hire inspectors and verify the home's condition. If major issues are found, it is common to negotiate repairs, or if an agreeable resolution can not be reached, cancel the contract.

Closing costs

These include lender fees, title insurance, taxes, and other costs associated with finalizing the sale. This is separate from your down payment, and is part of your "Cash To Close" It's important to plan for closing costs to range from 2-5% of the overall purchase price.

Closing date

This is the date you and the seller agree to finalize the transaction and transfer ownership. This is often about 30 days from when the offer is accepted but can vary based on the various factors of the transaction.

STEP EIGHT

Inspections & Insurance



WHAT'S A HOME INSPECTION?

The inspection will uncover any issues in the home that would have otherwise been unknown. You will receive a written report of the inspection. I recommend that you are present for the inspection, so that you may ask any questions.

WHAT IS THE INVESTIGATION CONTINGENCY?

The investigation contingency can last anywhere from 0 to 30 days (with 7-14 being common). During this time, the buyer has the right to hire a professional to inspect the condition of the home.

WHAT IF THE INSPECTION REVEALED ISSUES?

If any new information is discovered, the buyer may ask the seller to cover the costs of repairs or ask for a seller credit. The buyer still has the right to cancel, and get their earnest money deposit back.

DO I REALLY NEED AN INSPECTION?

The home may appear to be in perfect shape, but some of the costliest problems are difficult to spot: leaks, termite damage, foundation issues, poor ventilation, faulty wiring, and leaking appliances.

WHEN SHOULD I SCHEDULE IT?

I schedule all inspections immediately, so if we need to negotiate any repairs we can do so before the inspection period ends.

WHAT ABOUT HOME INSURANCE?

Once you have a signed contract, start looking for insurance providers immediately. Your lender will typically require evidence of insurance coverage before they approve your mortgage. Gather multiple quotes!

Inspections Cheat Sheet

Since sellers often don't want big surprises either, many do pre-listing inspections that you can find in the listing disclosure package from your agent. Even if there are inspections on file, if time allows, it is ideal to do your own inspections. There are inspections for just about everything under the sun, but here are a few common ones.

TYPE	ABOUT	AVERAGE COST
HOME INSPECTION	The standard home inspection will cover the condition of the home's HVAC, interior plumbing and electrical systems, roof, attic and visible insulation, walls, ceilings, floors, windows and doors, foundation, basement and structural components.	**$500-$700**
PEST INSPECTION	The pest Inspection is the Wood-Destroying Organism Inspection, this includes water leaks or damage (since water destroys wood). Ask your lender if your loan requires any certain inspections such as a pest inspection.	**$350-$500**
SEWER LATERAL	If the home is older, or in certain areas of Sonoma County, a sewer lateral inspection is recommended.	**$300-$400**

Trusted Inspection Companies

BRAND NAME HOME INSPECTIONS

Paul Brand
707-953-5366
paul@brandnamehomeinspections.com

PAT'S AFFORDABLE FUMIGATIONS AND INSPECTIONS

Pat & Taylor
707-577-8100
patsfume@comcast.net

ROCK SOLID DRAINS

Coltan Varpness
707-889-8191
coltan@rocksoliddrains.com

These are just a few of my trusted inspectors, and I usually arrange inspections for you, but if you have any questions, or want to use someone else, don't hesitate to let me know.

Insurance Cheat Sheet

TYPE	ABOUT
HOMEOWNERS HO-3	Standard homeowners insurance covers financial protection against damage to the home, loss of personal property, liability coverage if someone is hurt on your property, and loss of use if your home is uninhabitable.
WALLS-IN HO-6	Available to people that are in an HOA that provides exterior “walls out” coverage, but you still need to insure “walls in” and your belongings.
FAIR PLAN	For homeowners in wildfire-prone areas who struggle to get standard coverage. Provides basic protection up to $3M, but does not include liability insurance, often combined with a DIC policy to get more comprehensive protection.
FLOOD	Flood insurance is not included in standard home insurance policies. Talk to your insurance provider if your home is in a high risk flood zone.
EARTHQUAKE	Most standard policies do not include earthquake coverage, homeowners can get coverage as an additional layer, talk to your insurance provider to learn what works best with the plan you have in place.

Trusted Insurance Companies

NATALIE SAVAGE

Agency Service Bureau
(707)773-3601 ext. 107

natalie@asbagent.com

Lic.# 0F02070

ELIJA YU

Farmers Insurance
707-508-9861

eyu@farmersagent.com

Lic. #0F01149

www.farmersagent.com/eyu

CRYSTAL JAVIER

Goosehead Insurance
(707) 316-8514

crystal.javier@goosehead.com

Lic. # 0D64156

STEP NINE

We're Under Contract!

Woohoo!!! Your offer has been accepted!! It will be a few more days until you can move in, but you're over a major hurdle to closing the deal on your new home. My transaction coordinator will send a timeline based on the accepted offer with key dates, so you can follow along, every step of the way.

Here's a quick rundown on what happens once you are "under contract."

01

Provide Escrow Deposit

This deposit shows your commitment to buying the property. It is due within 3 business days, and held in an escrow account and goes toward your cash to close. It can be paid by check or wire.

02

Inspections

These will be scheduled immediately! If there are any new discoveries as a result of the inspection, your agent may negotiate with the seller for health and safety related repairs or credits.

03

Finalize Loan Application

Your lender will be notified as soon as you are under contract, and they will submit your formal mortgage application.

04

Secure Insurance

You'll need homeowners insurance in place before closing. Your lender may require proof to finalize the loan.

05

Order Appraisal

Your lender will initiate this to ensure the property's value matches the sale price. If it comes in lower, we'll go back to negotiations!

06

Title Search

A title company will conduct a title search to ensure there are no liens against the property. You'll also purchase title insurance to protect against unforeseen title problems.

07

Final Walkthrough

Before the closing date, you'll do a final walk-through of the property to ensure it's in the agreed-upon condition.

08

Closing Day!

Sign documents, pay remaining cash to close (including down payment). The title is transferred to you and once the County has it on record, the keys are YOURS!!

Under Contract Checklist

Send Escrow Deposit

Escrow deposit: _____

Escrow recipient: _____

Schedule Inspections (Agent)

Inspection contingency date to renegotiate or cancel contract due to issues revealed by inspections:

_____

Finalize Loan Application

I will notify your lender know as soon as we have a "ratified" (signed by all parties) contract, and they will be in touch with you.

During this time it is VERY IMPORTANT to not change jobs, make purchases beyond basic needs, or open new lines of credit, as it could trigger loan denial.

Obtain Home Insurance

Contact insurance companies for quotes and secure a policy before the end of the inspection period.

Important Details

_____

RATIFIED CONTRACT DATE

_____

PURCHASE PRICE

_____

ESCROW DEPOSIT

_____

ESCROW DEPOSIT DUE

_____

LOAN APPLICATION DUE

_____

INSPECTION PERIOD ENDS

_____

ESTIMATED CLOSING DAY



Down Payment

This is the amount you are contributing toward the purchase price. The exact amount depends on your preference and loan type (often between 3% and 20%).

Closing Costs

THESE ARE FEES ASSOCIATED WITH PURCHASING A HOME, AND ARE DUE IN CASH BEFORE CLOSING

- **Loan Origination Fees:** Charged by the lender for processing your mortgage application - typically 0.5%-1% of the loan amount.
- **Discount Points:** These are optional fees paid to lower your interest rate.
- **Appraisal Fee:** This typically costs around $500-$900.
- **Credit Report Fee:** The lender charges this for checking your credit, typically $25-$50.
- **Underwriting Fee:** Lender charges for evaluating your loan, typically $400-$1,000.
- **Title Search Fee:** The cost of a title company researching the property's history to ensure there are no liens or claims - usually $150-$400.
- **Title Insurance:** You will be responsible for two policies, these protect you and your lender against future claims on the property's title - usually 0.5%-1% of the purchase price.
- **Escrow/Settlement Fee:** Paid to the title company or attorney handling the closing - usually $500-$1,000.

Prepaids

THESE ARE UPFRONT PAYMENTS FOR FUTURE EXPENSES RELATED TO YOUR PROPERTY

- **Homeowner's Insurance Premium:** You typically pay the first year's premium upfront
- **Property Taxes:** Lenders may require 2-3 months of property taxes to be pre-paid into an escrow account. This ensures funds are available when the tax bill is due.
- **Prepaid Interest:** Interest that accrues on your loan from the closing date until the first mortgage payment, based on the closing date and loan terms.
- **Private Mortgage Insurance (PMI):** If your down payment is less than 20%, you may need to pay upfront mortgage insurance premiums.

Total Expected Cash to Bring

- On average, closing costs range from **2%-5% of the purchase price of the home.** This includes loan costs, pre-paids, and title fees.
- You will receive a **closing disclosure** from your lender at least three days before closing, detailing the exact amount of cash you need to bring.
- Use a certified check or wire transfer for the funds, as personal checks are typically not accepted at closing.

STEP TEN

Closing Time!

We've completed all the pre-closing steps. High five! Here's a quick rundown on what you can expect from the closing process and closing day.

Loan Approval

After the appraisal and inspection, your lender will finalize your loan. You'll hear the magic words "**Clear to close**!"

Review Closing Disclosure

You will receive a closing disclosure from your lender at least three days before closing. It outlines the final terms of your loan, including the interest rate, loan amount, and closing costs. Review it carefully - this will tell you the funds to bring on closing day.

Arrange Utilities Transfer

Contact utility providers to set up services like electricity, gas, water, trash collection, and internet for the day of closing or move-in day. I will provide a list of contact information.

Obtain Certified Funds

You'll need to bring certified funds (cashier's check or wire transfer) for your down payment and closing costs. Your escrow agent will provide you with the exact amount a few days before closing.









I'm Mariko

Moving to Santa Rosa in 2005, I've seen this area evolve and embrace new faces while maintaining that laidback charm.

I look forward to sharing what makes Sonoma County such a special place to call home.

Fun facts:

- Santa Rosa transplant from Hawai'i (moved here in 2004)
- Mom to 2 boys
- Fluent in Japanese
- Love to read, ride bikes, & sew
- beginning cellist

A few things I love about it here...

DOG-FRIENDLY REGIONAL PARKS

THE LOCAL FOOD, ART, & MUSIC SCENES

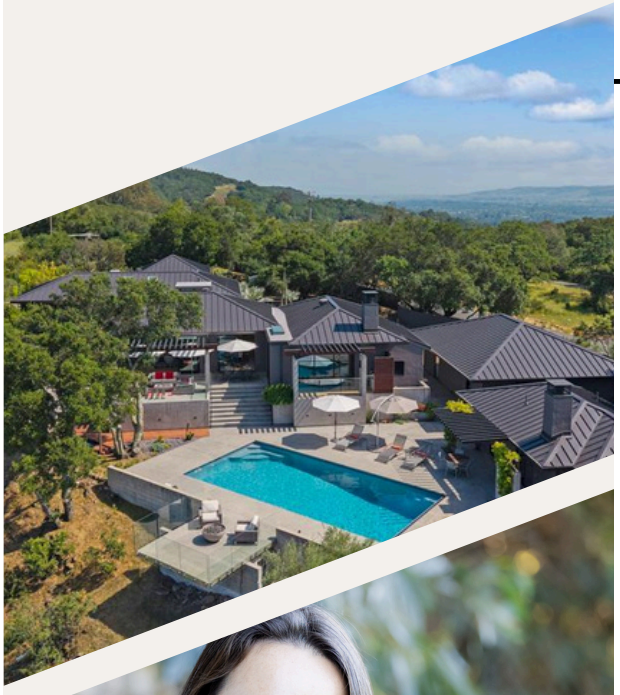
YEAR-ROUND COMFORTABLE CLIMATE

SMALL TOWN FEEL

PROXIMITY TO GREAT BEACHES



World Class Cycling







Mariko Leilani Buchholz

Sonoma County Realtor

Local expert and 21 years resident of Sonoma County, with extensive community involvement, and strong ties to local, value driven vendors.

Compassionate listener that converts wants and needs into results, getting people to the next right step in their lives.

By The Numbers:

- Listings close at an average of 103% of list price, with only 34 days on market.
- Buyers I represent close at an average of 95% of list price.
- 24 closed transactions (and counting!)
- over 3 years of full-time experience

References:

- Colleague: Mike Lagoyda, Corcoran Icon Properties (707) 888-9921
- Past seller: Stephanie Walker (206) 251-1048
- Past buyer: Jon Jordan (707) 321-2915
- Vendor: Cristian Solis, Supreme Painting (707) 755-4767

Follow along on Instagram!

Mariko Buchholz

Licensed Realtor®
CA Lic # 02212430

corcoran
ICON PROPERTIES

Contact me:

707-536-7934
mariko.leilani@corcoranicon.com
@marikoleilani
hello707.com
201 3rd St., Upper Floor
Santa Rosa, CA 95401