

# BUYER'S GUIDE



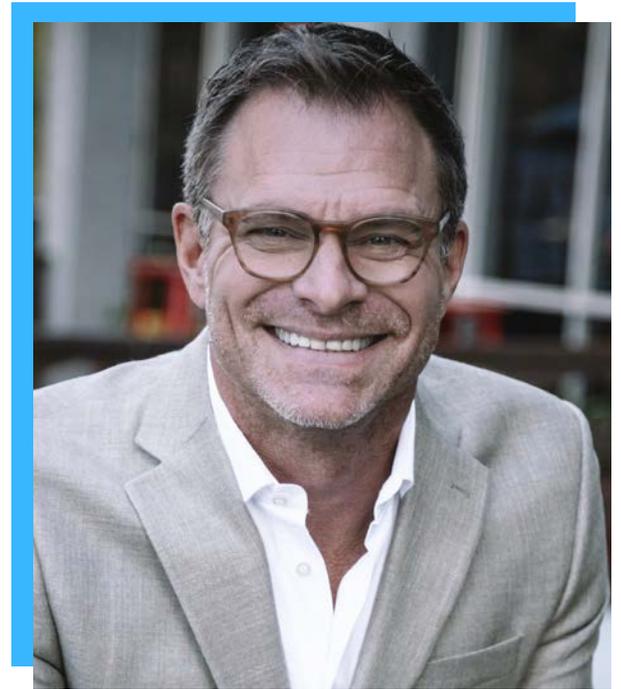
DISTINCTIVE HOMES IN METRO PHOENIX

## MEET YOUR AGENT

### About Joe

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"Being a real estate professional is somewhat akin to being a therapist sometimes. It takes the right mix of knowledge, empathy, compassion, understanding, guidance, collaboration, and connection. I've been in the real estate business since 2005 and my first priority is to make you happy. I listen and hear your wants and needs to achieve the best outcome in every transaction, and strive to ensure that the home buying or selling process is fun, easy, and stress-free. It's my job to handle all the details, making sure the hundreds of steps in the real estate process are handled properly for you. Clients can count on me any time of day when they have a question or concern. Your dreams are unique to you, and it will be a privilege to help you."



## WHY BUY WITH

### Joe Janus Real Estate?

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With the abundance of home search portals, we have every confidence that you can find any home in probably any area on your own, and we encourage you to look, to explore and see what's out there in any way that's convenient for you, whether by searching on this site or Zillow or any place you like. What we bring to the table is years and years of local knowledge and an appreciation for the variety of homes in all their details and styles. You may not need us to help you find that charming tudor in Willo, but we'd be thrilled to help you navigate through every view, every finish, the smells and sounds of each block. We want to find a place that fits who you are, not just your budget, and of course, we make the whole process easy on you.



## WHAT IS THE **Joe Janus Difference?**

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Just about anybody with a real estate license can help you complete the forms to buy or sell property. And there is a very good chance that in large part, the steps you'll have to go through to get it done will be more or less the same. With us, the difference is the experience you'll have throughout the process and after it's over. With us, you'll never have to wonder if you missed a detail during a negotiation, if your home is presented and marketed to the best of its ability, or if your offer is the strongest it could be. We've always got your back. We're down to earth and inherently optimistic, which means driving around with us for days on end or reviewing offers at your kitchen table won't drive you insane. And should any emergency arise, we'll deal with it swiftly, calmly, and professionally.

In short - we are very good at this whole real estate thing, but we are also pretty fun and darn easy to get along with. Your dreams are unique to you, and it will be a privilege to help you get there.

## HOW DO **We Do It?**

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- We take the time to get to know you and what you're looking for so we can find that as-close-to-perfect home for you as possible.
- We are quick to respond to your questions and inquiries, the way you want us to, so you are never unsure of what's going on.
- We will preview homes for you if you'd like. Even if you're out of town we'll do a video walk through and send it to you right away.
- We communicate with you when and how you'd like to be communicated with.
- We work WITH you, your loan officer, the other agent, the title company, home inspectors, contractors and anyone else to make your home purchase go smoothly.
- We have a network of real estate agents where we find out about homes before they are advertised on the MLS, giving our buyers an advantage over other buyers
- We'll help you find the right schools for your children, the right neighborhood that meets your lifestyle, short term housing if you need it, a kennel for your dog, storage for your possessions and anything else that's important to you. Joe was a concierge for a boutique hotel in Michigan in his younger years and he knows how to get things done.
- We strive to be as paperless as possible and send documents via email for electronic signature. Sending documents this way can be the difference between having an offer accepted or not accepted.

# OUR Commitment

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Our commitment doesn't end at the time the deal closes. We'll provide resources, recommendations and stay in touch with you on a regular basis as part of our Client Appreciation Program.

# CLIENT Testimonials

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*"Over the course of 18 months, Joe assisted me in finding just the right home. From start to finish, Joe was available and followed through to ensure a complete and hassle free sale. Although Joe was out of town when the unit I was interested in went on the market, he arranged to have a colleague show me the unit. Joe proceeded to prepare all the necessary paperwork while he was still out of town, which I was very impressed with. I would gladly work with Joe again in the future."*

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*"Joe helped me buy my first house. Not only did Joe know just how to keep me calm, he knew exactly how to negotiate the best deal. Joe's easy to work with, dependable and a Phoenix Real Estate Expert!"*



**Michael Sinkula**  
Sr. Account Executive, AlphaGraphics  
on University - Custom Manufacturing



*"Joe Janus is a great professional to work with. We just closed on a new house and he was very knowledgeable, professional, and honest. He found out what we wanted in a home, and didn't push us into anything at all, which was appreciated. I would recommend Joe for sure!"*



**Richard VanderZyden**  
Retired Chairman at Wolverine  
Building Group



# BUYING YOUR HOME

## The Process Checklist

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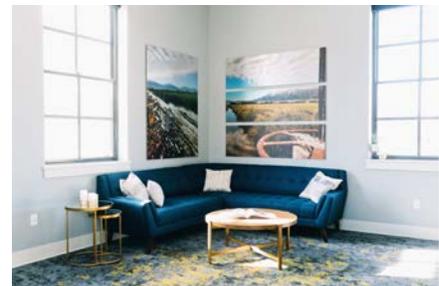
- Contact licensed Real Estate Agent
- Obtain pre-approval from Lender
- Market education
- View properties
- Write offer with Real Estate Agent
- Purchase offer presented to Seller
- Agents negotiate purchase contract
- Offer accepted
- Open Escrow
- Deposit earnest money
- Inspections and Disclosures
- Title Commitment
- Signing of documents
- Additional funds deposited if applicable
- Loan funding
- Documents recorded at County Recorder's Office
- Close of Escrow
- Moving Day!



## REASONS TO GET **Pre-approved**

Most Real Estate Professionals and lenders recommend that home buyers get pre-approved before selecting a home to purchase. The choice of lender is a very personal decision. Your real estate professional has access to many lenders, offering a variety of loan programs to suit your particular needs.

1. With pre-approval you can determine which loan program best fits your needs and for which program you qualify.
2. You will learn how much you are approved to borrow. It eliminates finding your "ideal home" and then discovering you can't afford it.
3. Your monthly payment can be determined. This will allow you to budget your money before making this large investment.
4. It determines what the appropriate down payment and closing costs will be.
5. If you feel you would like and can afford a higher mortgage payment, but are not able to meet qualifications, co-mortgagor financing may be available to you.
6. It saves time once you select a home. The loan process is already underway.
7. It improves your negotiations with the seller.



# Property Search

SEARCH FOR

## The Right Price

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Price will ultimately dictate what you can or cannot buy. While looking at homes above your price range can be fun, it's not a good use of time — and it can lead to heartbreak when you realize it's not financially feasible.

PRIORITIZE

## The Location

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Price will ultimately dictate what you can or cannot buy. While looking at homes above your Next to budget, location is one of the most important things to consider when buying a house. The 2019 report uncovered that 24% of buyers found it difficult or extremely difficult to find a home in their desired location. If you can't find or afford a home in your ideal neighborhood, you'll want to ask yourself a few questions (and enlist the help of your agent) to find a location that fits your lifestyle, needs and budget. Remember — your home's location can't be changed, so take the time to really identify a neighborhood where you'll be happy live.

COMMUNITY

## Attributes

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If you like being able to walk to restaurants and shops, try walking the distance to town to see if it's doable. Spend some time exploring the area, checking out nearby parks and figuring out what kinds of attractions are nearby. Alternatively, if you're someone who likes a more solitary life and doesn't mind driving, you might prioritize a home that offers more privacy, perhaps in a location that's off the beaten path.

## SCHOOL DISTRICT **Quality**

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If you have kids (or are planning on having kids in the future), you want them to get the best education possible. Checking out the school district ratings is a starting point, but you should visit the local schools to gather your assessment of the education and programs. Even if you don't have children, the school district that your home is in can impact your future resale value.

## FLOOD ZONE **Status**

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Homes located in flood zones require additional insurance, and buying a home in a flood-prone area means you need to be prepared if a flood actually happens.

## THINK **Long Term**

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The typical homeowner stays in their home for 14 years before selling. When shopping for a home, don't just think of your immediate needs. Make sure the home you select will meet your long-term goals, so you won't have to move again in the near future.

## BEDROOMS AND **Bathrooms**

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If you plan to expand your family in the near future, make sure the new home can accommodate your plans, whether it's an extra room for a new baby, an in-law suite for parents, or a guest bedroom if you're moving out of state and anticipate lots of visitors. The same goes if you are planning to downsize or you have grown children who will be moving out soon.



## OUTDOOR **Space**

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As mentioned above, most buyers rank outdoor space as important. If you have a dog (or plan to get one), have kids who need a safe place to play or are an avid gardener, you'll want to make sure the home's outdoor space meets your needs.

## POTENTIAL TO **Personalize**

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Many buyers look for a home that's move-in ready, so they can avoid costly repairs and updates (especially right after moving in). But at the same time, it's nice to be able to add some personal flair to make a house feel like home. If you'd like to add some of your own style, be sure to steer clear of homes that you won't be able to change enough to fit your preferences.

## LIFESTYLE **Amenities**

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Ideally, your new home should enhance your current lifestyle — and you've probably already envisioned what your life in a new home will look like. As you evaluate houses, consider your hobbies and what makes you happy. For example, if you love spending time outdoors, you probably want a home with a nice yard. If you love to cook, maybe a nice, big kitchen is on your wish list. And, think about your current living situation: What things do you wish were different?

## ASSESS **Property Condition**

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TV makes home renovations look easy, but in reality, they're anything but. If you're a first-time buyer who has never undergone a renovation, you may want to steer clear of a home in serious disrepair. The costs can add up quickly, and if the home needs structural work, it could delay your move-in, causing unnecessary stress. Here are the three major categories of property condition.

## MOVE-IN **Ready**

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A move-in ready home is new, close to new, or has been recently renovated.

## MINOR **Updates**

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A home that needs minor updates might have cosmetic issues you'd like to change, or have some dated mechanical systems that could be updated for energy savings. Learn more about minor cosmetic details below.

## MAJOR **Renovation**

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A home that needs major repairs is usually priced lower due to the work that needs to be done. One upside to a major renovation is the opportunity to personalize the home to your tastes. Keep in mind that the return on investment for a major renovation isn't 100%, and you risk a delayed move-in if the repairs are more extensive than anticipated.

## CHECK CONDITION OF **Costly Systems**

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No matter the condition of the home you're buying, make sure your inspector checks to make sure major systems and mechanicals in the home are functioning properly. If issues are uncovered, you'll want to ask the seller to either repair them before closing or offer a credit so you can fix them yourself. Look out for the following costly issues:

- Damaged roof
- Older furnace or HVAC system
- Flooding, water damage or mold
- Old insulation
- Plumbing issues
- Exterior cracks
- Uneven floors

## DON'T FOCUS ON MINOR **Cosmetic Details**

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No house is perfect, so try not to get hung up on little imperfections. For example, don't eliminate a home from your list just because you don't like the interior paint color. Cosmetic changes are fairly easy and affordable to make. Don't let the following minor issues keep you from buying a house you would otherwise love:

- Paint
- Hardware
- Furnishings
- Landscaping

When you attend showings and open houses, or even when you're just browsing through pictures online, it's easy to get distracted by clutter. Try not to pay too much attention to the seller's stuff — it'll all be removed by the time you move in. Put in the effort to picture the house as a blank canvas for all of your belongings.

## STICK WITH YOUR **Must-Haves**

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There's a big difference between wants and needs, so create two different lists when searching for a home. For instance, a shorter commute may be a must-have, but smart home features are a nice-to-have. Practicality and functionality should always take priority over the bells and whistles.



# Make An Offer

## ELEMENTS OF The Offer

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When you make an offer you are telling the seller not just what you're willing to pay, but how you're going to do it. You're also going to put an expiration date on your offer and either give yourself an escape route if you find out something about the house that the seller won't fix, or you are going to handcuff yourself to the house no matter what.

## SET YOUR Price

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The seller set their price when they listed the home. But that's just a starting point. Your agent should do a comparative market analysis, looking at what similar homes have sold for and helping you reach a price. If the market's hot, and the house just came up, you may actually offer more than what the seller was asking. If it's been languishing on the market, maybe you offer less than asking. You won't know what to offer until you do your homework and talk with your agent.

## EXPLAIN Yourself

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If your offer is much different from the asking price, you should consider "loading" it. Essentially, that means including a letter that recaps your offer in simple terms as well as the information you got from doing a comparative market analysis. If you offer less than what the seller listed the property for, it could be a shock to them. Or they could be offended. You can't rely on their agent to present them the comps you found, but they are legally bound to provide anything you present in writing to the seller. So let them know how you reached your offer price and that it isn't because you didn't like their taste in window coverings. Your letter will both help them understand your offer and the market conditions that led you to make it.

## THE CLOCK Is Ticking

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Just like milk, an offer to buy a house has a shelf life, and you get to set it. How long your offer is good depends on what's customary in your area and how hot the market is. It can range from hours to days. There are different strategies for setting this sell-by date, depending on how competitive the housing market is and your real estate agent will help you decide that. In a hot market, you want a short window for the seller to consider your offer to prevent someone else from sneaking in another offer and getting the house. (In a really hot market, you may want to consider an escalation clause.) And in some cases where the seller is already gathering multiple offers, they may set a specific time that they will open and consider all offers. Your offer will also include a closing date for when you want the deal to be finished and the house to be yours.

## SHOW THEM The Money

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In addition to how much you're willing to pay for the home, the offer will also include details about how you're going to do that. The seller is going to want to know that you have financing in order and that it's solid. A pre-approval letter, which is often required by sellers, can help give the seller confidence to accept your offer. It will demonstrate that you are working with a lender and that the lender is willing to loan you the money needed to finance the home. The seller doesn't want to accept your offer, take the house off the market and then discover in three weeks that you can't get a home loan.

## NO, REALLY, Show Them The Money

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You'll likely be asked to write a good faith "earnest money" check or money order. If the seller accepts your offer, the check will be placed into an escrow account and used as part of your down payment. Earnest money is essentially a deposit and shows the seller that you are serious. Without it, you could be making offers on several houses at the same time, costing sellers precious days on the market. How much should you put down? Your agent should help advise you what's customary for the market. It can range from 1 percent of the purchase price to 10 percent or more in a particularly hot market. It's the money you are putting at risk if you back out for reasons not outlined in the offer.

## AN **Escape Route**

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Depending on your jurisdiction, you may have a specified amount of time to just back out without giving a reason. But those “cool-down” laws are actually quite rare. So you may want to create your own escape route so you don’t lose your earnest money if you find something wrong with the house or your financing falls through. The way to do that is with contingencies. The most common are inspection and financing contingencies. With an inspection contingency, your offer will specify that the seller has to make the home available within a certain number of days for you to bring in a professional inspector. The offer will also outline what happens if the inspection unearths any problems you’d like to have addressed.

Another common contingency is based on financing. If you can’t secure a loan, a financing contingency will let you get out of the sale without losing your earnest money. This is rarely a problem if you’re truly pre-approved and it won’t help you if you simply decide you don’t like the interest rate you’re getting.

Beware! In a seller’s market, each one of these escape routes is going to count against you and you’ll be tempted to avoid them, especially if you’ve lost out on houses before. But think very hard about making an offer with no contingencies. Sometimes it can’t be avoided but it’s usually a bad idea. Instead of eliminating an inspection contingency altogether, consider shortening the amount of time you give yourself to complete it.

## KEEPING A **Poker Face**

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Once you’ve completed the offer, your agent will meet with the seller’s agent to “present the offer.” Neither you nor the seller has to worry about any emotional “tells” destroying your negotiating leverage. This may be the house you’ve dreamed of all your life, but the seller won’t see that on your face because the seller won’t see your face. It’s all business for the agents.



## WAITING FOR THE **Phone To Ring**

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Now you wait to hear back. Once again, you'll hear from your agent, not directly from the seller. The seller will have either accepted your offer as-is, rejected it outright or made a counter-offer. If they accept within the time frame you allotted, you are now legally bound by its terms. If they reject it, they either accepted another offer or yours was so far from what they want that there's not much point in continuing the discussion.

The last scenario is a counteroffer. Maybe they want a little more money. Or you asked to include appliances in the purchase and the washer and dryer have sentimental value so they can't part with them. (This has happened. Actually, pretty much everything you can imagine has happened in the world of real estate.) Or they need a couple more weeks to get into their new place so they want a later closing date. Essentially, unless you nailed everything exactly as they wanted it in your offer, you'll get a counter. And then the clock starts ticking for you. The counter is technically a rejection of your offer accompanied by their new offer to you. Just as you gave them a time limit, they will outline how long you have to respond. This back-and-forth can go on for a few hours or a few days until you've reached an agreement you can both live with. And, with an inspection contingency you'll likely have a miniature version of it once you complete your inspection and have a list of repairs you'd like the seller to address. If you can't come to an agreement, the contract is cancelled and you get your earnest money back.

## FULL **Disclosure**

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There is one last possible escape route. Once you have a contract signed by all parties, the seller has a certain number of days within which to make a full disclosure of anything he knows to be defective on the property. Once you get it, you have a certain amount of time review it and to modify or rescind your offer if you wish. The rescission must be in writing and presented to the seller or the seller's agent. If this happens in a timely manner, you will get your earnest money deposit back.

# ORDER

## Inspection

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### THE HOME INSPECTION

In most cases the real estate contract allows for a physical inspection period for the buyer. This is the time to identify existing and potential problems in the property. For many home buyers, this is a nerve-racking process because of all the unknown factors. This is the time to turn to a professional home inspector.

Home inspectors identify problems and assist in promoting and facilitating communication with the seller. Buying a home can be the single largest investment in a person's life. Investing a small amount of money on the home inspection can save a substantial amount of money in the future.

Here are several details covered in a home inspection:

#### **Structural:**

Inspectors look at specific areas of the house to determine the integrity of the essential internal and external structural components. Inspectors are not structural engineers, but can identify visual defects and areas requiring immediate repairs.

#### **Electrical:**

Do all the outlets work? Does the house use fuses or is there a breaker box? Are there any signs of fraying wires?

#### **Plumbing:**

Are there any leaks or annoying drips? Are all the mechanical systems and fixtures working properly?

#### **Built-in Appliances:**

Are they functioning properly?

#### **Safety Hazards:**

Inspectors are not environmental specialists, but they can identify a number of safety hazards and dangerous conditions.

#### **Miscellaneous:**

Some areas that may or may not be included in the standard home inspection are septic systems, roofs, drainage, wood decks, patios, or other exterior structures.

#### **Normally Not Included:**

Termite, radon, geological or land subsidence surveys, and environmental or pollution inspections should be completed separately for your own protection.

# ORDER

## Appraisal

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### APPRAISALS

Lenders use appraisals to determine the buyer's loan amount. The appraisal will be completed after the buyer requests the mortgage. An appraisal is a written estimate of a property's market value completed by an appraiser. The value is based upon a market analysis of the prices of recent sales of similar properties in the area and the property's physical condition. Usually, this requires an interior and exterior property inspection.

## Final Walk Through

Your next step is a final walkthrough, arranged through your real estate agent, at least a week before closing. A final walkthrough isn't a home inspection. You've already done that by now (or should have).

The goal: Ensure the property's condition hasn't changed since your last visit, that any agreed-upon repairs have been made and that the terms of your contract will be met. Depending on your contract or local customs, a walkthrough may be informal or more formal. In a formal arrangement, you will actually sign a contract addendum confirming that you've done your walkthrough and everything is as it should be.

Taking an hour for one last inspection is a good investment in your time. After all, you don't want to spend the first weeks in your new home cleaning up or making unexpected repairs.



## FINAL WALK THROUGH

# Checklist

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1. Take your contract with you. You might need to refer to it while on site.
2. In many markets, the buyers and sellers never actually meet in person. But if everyone is agreeable to the idea, perform the final walk-through in the seller's presence. He or she knows the home better than anyone else and should be able to answer your questions and provide some color on the history of the home.
3. If the home is vacant, it's even more important to do a final walk-through. Since your last visit, for instance, someone might have left a faucet dripping, inadvertently causing water damage.
4. Check the exterior of the home, especially if there have been strong wind or rain storms since your last visit.
5. Turn all light fixtures on and off.
6. Make sure the seller hasn't removed any fixtures, such as chandeliers, that he or she agreed to leave behind.
7. Check all major appliances.
8. Turn heat and/or air conditioning on and off.
9. Turn on water faucets; check for leaks under sinks.
10. Test the garage door openers.
11. Flush all toilets.
12. Open and close all windows and doors.
13. Do a visual spot-check of ceilings, walls and floors.
14. Turn on the garbage disposal and exhaust fans.
15. Check the status of any agreed-upon repairs.
16. Check screens and storm windows. If they've been stored, make sure you know where they are and that they're in good shape.
17. Look in storage areas to make sure no trash or unwanted items remain. Old paint cans or hazardous materials are often left behind by the seller.
18. Do a quick check of the grounds. Some sellers have dug up and taken plants (even small trees or bushes) with them.

# CLOSING Day

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Closing costs are often confusing. Below is a list of costs, along with explanations for each. When you apply for your loan, you will receive a Good Faith Estimate of these charges.

**Appraisal Fee:** A fee to pay an independent appraiser.

**Credit Report Fee:** A one time fee covering the cost of the credit report.

**Document Preparation Fee:** There may be a separate fee covering the preparation of the final legal papers.

**Homeowner's Fee:** Some associations may require an upfront deposit or dues, as well as a fee to transfer their records from seller to buyer (Transfer Fee). These amounts vary for each association.

**Loan Discount:** A one time fee to adjust the yield on the loan to what market conditions demand (often called POINTS).

**Loan Origination Fee:** A one time fee charged by the lender for their administrative costs.

**Miscellaneous Title Charges:** The title company may charge fees for items such as a title search, title examination, document preparation, recording fees, notary fees, and closing or settlement fee.

**PMI Premium:** Depending on your down payment, you may have to pay an upfront fee for mortgage insurance. Lenders also may require monies to be held by them in a reserve account.

**Prepaid Interest:** A per diem charge that may vary depending on the day of the month your loan closes.

**Taxes and Hazard Insurance:** Depending on the month your property closes, you may be required to reimburse the seller for property taxes. You will have to pay a hazard insurance premium upfront and may be required by the lender to put a certain amount of taxes and insurance in a reserve account. This account is held by the lender.



# YOUR DREAMS ARE UNIQUE TO YOU, IT WILL BE A PRIVILEGE TO HELP YOU

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*"Joe made the home buying process easy. Viewing homes on the market with him was a breeze and his energy is contagious. Communication with Joe was efficient and consistent; any questions or concerns I had were quickly addressed. Highly recommended!"*

**Matt Highfill**

*"Joe did a great job helping us purchase our new home. He's professional and able to help one navigate the arduous and long process of home buying making it much easier for the home buyer. Highly recommend Joe Janus when u purchase your new home."*

**Rocco P. Menaguale**

*"Joe helped us find our perfect first home. He made the process easy for first time buyers and would answer my millions of questions without hesitation. I would recommend him to anyone looking for a home!"*

**Brittany Rex**

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**Joe Janus**

HomeSmart  
602-620-6267

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