

REAL ESTATE

BUYER'S GUIDE

A COMPREHENSIVE GUIDE TO
EXPERIENCING A SUCCESSFUL
REAL ESTATE TRANSACTION



LANGSTON GROUP

Life is good. Let's make it better.



BUYER'S GUIDE

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In addition to your dedicated agent is a team of experts ready to help.

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Here is a brief overview of each step in the home buying process.

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We've covered a lot, but here are a few frequently asked questions.

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For your convenience, we've included a general checklist to help prepare for your move!



OUR 7 COMMITMENTS

We commit to being honest with you—open and transparent.

We commit to maintaining integrity in all our transactions.

We commit to treating you with the utmost respect.

We commit to acting in your best interests.

We commit to communicating all information to you.

We commit to sharing all information promptly.

We commit to caring about you, not just as a client, but as a friend.

THE TEAM

DUSTIN LANGSTON



An ELP endorsed agent and host of the Real Estate Radio show, Dustin is one of Springfield's top-performing expert realtors.

KURT KILLINGSWORTH



Kurt comes from a deep-rooted family, rich in tradition and core beliefs. He was raised to see the value in hard work and to always treat people with integrity.

KATIE UNDERWOOD



Katie holds the personalized experience of each client with the utmost importance. She wants everyone she works with to feel supported and informed throughout the home-buying process.

DAVID JACQUEZ



David is passionate about helping future and current homeowners move across the Greater Springfield area. He finds joy in creating new memories for his clients and takes pride in making sure the experience is stress-free and fulfilling.

RYAN HENSLEE



For Ryan, Real Estate is the opportunity to help others see their dreams realized. It is important to him that his clients are able to enjoy the process while celebrating the magnitude of buying or selling a home!

ADMIN & MARKETING



In addition to the team of realtors, we have in-house experts who work behind the scenes to ensure a smooth transaction process and a positive experience throughout your home buying journey.

LANGSTON GROUP STATS

In 2021, we sold 150 homes.

Within our brokerage, Murney Associates, we are ranked in the top 2%.

Within Greene, Webster, and Christian counties, we are ranked in the top 1%.

In 2021, our listings sold for an average of 20% above asking.

TESTIMONIALS

Greatest real estate team!

We've been blessed to use them twice. When we sold our home in June of 2019, and then when we moved back and bought a home at the end of 2020. Both selling and buying with [Langston Group] could not have gone smoother.

Looking at buying or selling in Springfield? This is the team you want! We recommend them to everyone we know and they've helped so many friends of ours with the same level of excellent service.

Kate A.

Fantastic communication with [Langston Group] when inquiring not only about specific properties for sale, but also about different lending options for those of us who are disabled, retired, senior citizens, so on and so forth.

Very honest, very down-to-earth, very transparent. Could not ask for a better experience.

Handi D.

The team at LG are the hardest working professionals I've ever seen. They worked through my home purchase with attention and care, and answered every question I could think of as a first time home buyer. I've sent countless people to them since then, and I wouldn't trust anyone else with a sale or purchase in the future. They're the real deal!

Savannah S.

7 STEPS TO OWNERSHIP

There's a lot that goes into buying a house, but it doesn't have to feel overwhelming. Let us take on the stress so you can enjoy the journey of finding the right house that you get to call "home."



CHOOSE YOUR AGENT

A good agent knows what's going on in the market, is actively showing homes, is trained and experienced in effective negotiating practices, has expert knowledge of the local contract and buying process, and is committed to integrity while protecting your interests.

CHOOSE YOUR LENDER

If you're not in a position to pay for your home purchase in full out of your pocket, you'll need some sort of financing. The right lender can make a big difference.



CHOOSE YOUR HOME

We have a process, based on experience and the current market to help you find the right home, make a decision with a clear mind, and get the best deal possible.

WRITE YOUR OFFER

As your advisors, we'll do the research to let you know the fair market value for each home and work with you to develop a negotiating strategy. Our goal is to help you make an informed decision, one that is yours to make.



THE INSPECTION

This is a period of time, during which you may have the property inspected and, based on the results of the inspection, ask the seller to correct defects found.



THE APPRAISAL

This is to mitigate risk on your lender's end - they want to make sure that they're not loaning more than the property is worth. Also, it ensures that you are not paying too much for the house!

CLOSING!

It's time to close the deal and officially transfer ownership from the seller to you!



CONGRATULATIONS!

You did it! Welcome to your new home!

BUY OR SELL FIRST

Each situation is unique, and several factors should be considered to determine the right options for you. Here are some points to consider.



BUY FIRST

Works best when

There is a lot of competition in the market and property prices are rising.

You're confident there will be a high level of demand for your existing property.

You can negotiate or make it conditional on selling your own home.

You're prepared to accept an offer that lets you move on or pay bridging finance.

...



SELL FIRST

Works best when:

Property prices are flat or declining.

If you want greater certainty about how much you have to spend on your next home.

If you're moving locations and buying in a different and slower market.

If you can negotiate a long settlement or know that you'll be able to find something that suits your requirements.

...

CHOOSE YOUR AGENT

You're about to make one of the largest purchases in your lifetime. More than that, you're deciding where you're going to enjoy life with the ones you love. It's a big deal. It's your home. *Truly, this is a decision that should not be taken lightly.*

WHY PROPER REPRESENTATION MATTERS

All real estate agents are not the same. There are many, many agents to choose from. If you think hard enough, you probably know a handful. However, trust and qualification are very important in choosing the *right* person to represent you in the purchase of your largest investment.

Time invested matters. Part-time agents mean well but can lack experience and more importantly--availability. For a successful buying process, you need an agent who knows how to navigate the myriad of potential pitfalls along the way.

Seconds matter when making an offer on a house. A part-time agent may not be available when it counts, which can result in losing out on your dream home. At the end of the day, a full-time Real Estate agent is more likely to have solid experience and the availability necessary for a seamless home-buying process.

A **great agent knows the current market**, is actively previewing and showing homes, is trained and experienced in effective negotiating practices, has expert knowledge of the local contract and the buying process, and has a basic understanding of home construction and repairs including the costs associated with them, and most importantly, integrity while protecting your interests.



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CHOOSE YOUR LENDER

If you can't or don't prefer to pay for your home purchase in full out of your pocket, you will need financing.

In some cases, a home seller can offer financing. In most cases, you will need a lender at a traditional lending institution. Whether it is through a bank, credit union, or mortgage company, choosing a good lender is important.

WHAT'S THE DIFFERENCE?

Like your real estate agent, the lender you choose can have a profound impact on your real estate transaction. Shopping around for the best interest rate is just a small piece of the bigger picture. You will find most lending institutions are going to be fairly comparable when it comes to interest rates. Interest rate is only one factor in selecting your lender, and some would argue it is not the most important.

Good loan officers are problem solvers. A good loan officer is able to offer creative solutions to any issues that may and usually will. Whereas if your issues were in the hands of a lesser lender, you could completely lose out on your potential dream home.

A lot of factors have to be met to get you from prequalification to funding. This includes qualifying buyers, satisfying underwriters, meeting requirements by appraisers, and following the many government regulations! A good loan officer can manage all of these moving pieces and get you to closing. They will identify the best loan program for your needs *and* get you the best rates.

Loan officers that lack experience, creativity, organizational skills, and care cause delays in closing--sometimes even the loss of a deal. This especially applies to online lenders who do not offer one-on-one representation and are untimely in responding to extremely time-sensitive issues that can directly impact your transactions.

For these reasons, when a buyer selects a lender with whom their real estate agent is unfamiliar, it's not unusual for that agent to show concerns. An experienced real estate agent will have good working relationships with several lenders and will be happy to recommend proven lenders so that you can find the right fit for you and your needs.

PRE-QUALIFICATION VS. PRE-APPROVAL



PRE-QUALIFICATION

This term represents the **initial step** in the home loan process--the stage at which the lender gets a general overview of your financial situation.

Based on the information that you provide the lender, they will be able to give you an *idea* of how much you can borrow.

The information they need for this assessment will include income, debts, and assets.

Because this information has yet to be *verified at this stage*, the **total amount you can borrow is subject to change**.

Essentially a prequalification is a lender saying, "This is an estimate." and does not hold the same weight as a pre-approval.



PRE-APPROVAL

This term applies from a much **more involved** process for a mortgage than just being prequalified.

In a competitive market, it's very important to have a "pre-approval letter" from your lender that your REALTOR® can present with your offer to let sellers know that you are a serious buyer!

Pre-approval holds an advantage in that it means you have officially applied for a home loan and your lender has verified your financial standing to make a purchase.

At this stage, the lender will assess your income, debts, assets, and will check your credit score. They will tell you what amount you can afford. In some cases, you may be able to lock in an interest rate at this point.

CLOSING COSTS

There's more to purchasing a home than just the cost of the home itself. Once you receive pre-approval from your lender, you will want to take a look at your financing to make sure you can afford closing costs or if you need the seller to cover the closing costs. Your closing costs will vary based on the home you're purchasing, the title company you close with, the lender you choose, and the cost of your inspections and re-inspections.

BEFORE CLOSING

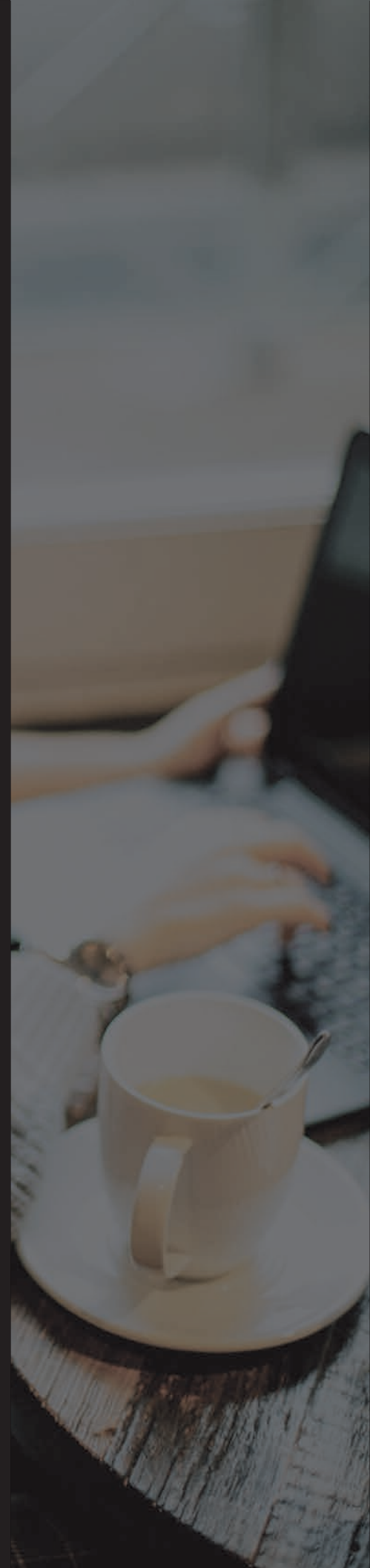
- HOME INSPECTION
- EARNEST MONEY (NOT REQUIRED)

ON CLOSING

- APPRAISAL
- LENDER FEES
- PROPERTY TAX
- MORTGAGE INSURANCE
- TITLE FEES
- HOMEOWNER'S INSURANCE

AFTER CLOSING

- MOVING EXPENSES
- UTILITY CONNECTIONS
- REPAIRS + MAINTENANCE



SCHEDULE SHOWINGS

This is where things get exciting! Shopping for a home is like any other kind of shopping experience in that it can be incredibly fun or a little frustrating. You've most likely already started looking for ideal homes long before this point and have an idea of where you want to be!

Langston Group has a solid process based on experience and science that helps buyers find the right home, make a decision with a clear mind, and get the best deal possible. This all starts with what you want and don't want.

When homebuyers jump into home shopping without a process, it can quickly become overwhelming and stressful. When buyers become stressed, one of two things happens, depending on the individual's personality: 1.) a decision is made in haste, or 2.) they avoid making a decision altogether. Both scenarios are not ideal if your goal is to find the right house and get the best deal possible. So let's narrow down or expand your search.

There's no place like ...

H O M E



WHAT KIND OF HOME DO YOU WANT?

Are you interested in single-family, condo or townhome? Do some research on what each type of home offers and how they fit your lifestyle in order to help narrow down your search area.



CONSIDER YOUR COMMUTE

Do you need a car to get to work? Are you going to be making stops along the way for your kid's school, for carpooling, or do you need a coffee stop on your way to work? Do a test run before committing to an area.



ESTABLISHED HOME VS NEW CONSTRUCTION

Older neighborhoods are great for their charm and character, but often older homes require more repairs while new developments have modern finishes and less repairs needed.

CHOOSING YOUR HOME



AMENITIES & CONVENIENCE

Springfield has an incredible array of amenities ranging from hiking trails, mountain bike parks, lakes and rivers, to the more urban lifestyle with lofts near top notch restaurants, walkable coffee shops, and lively nightlife. You can also be within minutes of the city while living secluded on acreage with stunning views!



SCHOOL DISTRICTS & LIFESTYLE

Think about what kind of lifestyle you'd like to live. Do you want land separating you from your neighbor, or a townhouse with little upkeep. If you have or plan to have kids, consider the distance from the school or the district size. Do you prefer the safety of a gated community or a place where you have the freedom to do what you want with your land.



THINGS TO AVOID & DEAL BREAKERS

Everyone has wants, but have you considered the things you *don't* want? If you hate noise, you might want to steer clear of the college area for example. Do you want city utilities, a solid internet option for a home office, or more than one bathroom? Is a home without a basement a deal breaker?

It is important to set realistic goals and understand that you're not trying to find the "perfect" home, but the "right" home. We've worked with many buyers, and they always find a home that they love but is never "perfect".

Make a list of priorities—what features and amenities are most important to you in your next home—and understand that you may have to compromise on some things, especially if your "wants" exceed your budget.



THE *PERFECT* HOME DOESN'T EXIST BUT THE BEST HOME FOR YOU DOES



One of the most important aspects of our job is to help our clients achieve clarity. The best way to do this is to use the process of elimination to narrow the options to the top 3 homes. Once we've found the 3 best homes, we then dive in a little deeper and start to analyze the information on the homes, determine market values, look at utility costs, etc.

Home buying is an exciting experience! Being overly enthused about a house can lead to buyers paying too much. Also, frustration during the negotiating process can cause buyers to walk away from a home that is a good value and the best fit for them. Our job is to help diffuse those emotions and encourage our clients to think rationally, and make the best decision for themselves and their families!

CONTRACTS & NEGOTIATIONS

You've found the house that you love and it's time to make an offer! If it's a seller's market, homes will go under contract with multiple competing buyers within hours. There may not be much time to sleep on a decision. However, it is never wise to rush into a purchase! Our intent is to make sure you're prepared for these scenarios. As your advisors, we provide the research on the fair market value for the home and establish a negotiating strategy prior to negotiations so that you're fully prepared to make informed decisions without missing out on a great property in the case that time is limited.

OFFER PRESENTED



SUBMIT CONTRACT

We prepare the offer via a Contract and send it to the listing agent. We prefer to discuss the Contract in detail with you, including the terms you are agreeing to hold including terms of the sale, what is included in the purchase, the sales price, contingencies, etc.

NEGOTIATE TERMS

To make the offer, we send a contract to the listing agent, and notify them by phone that the offer is in their email. The other agent will have then have three options:
(1) they accept our offer,
(2) counter with a different price or terms,
(3) they reject it entirely.

UNDER CONTRACT

Once we've come to an agreement on price and terms, and all parties have signed the Contract and addenda, we are officially Under Contract! We then send the contract to your lender and the title company so they can begin preparing the loan and the closing documents.

You want to get the best deal possible, and we want that for you! In doing so, we evaluate several factors—*comparable home values, days on market, motivation of the seller, market conditions, buyer competition*—to come up with a reasonable offer price to ensure the best deal possible. In most instances, we don't recommend "lowball" offers that will cause you to lose out on the home entirely by offending the selling party.

Just as purchasing a house is an emotional experience for you as a buyer, it is a very emotional experience for a seller as well. This is their home that they've made memories in and often put a lot of work into. When you come in too low, sellers can feel insulted and will not respond favorably, often rejecting your offer rather than countering. This immediately sets a bad tone for negotiations and can cause you to miss out on the house entirely. A good agent understands the psychological aspects of negotiations and will guide you accordingly.

DO THE DUE (DILIGENCE)

You've found the house you want to buy, you've made an offer, maybe negotiated back and forth with the seller, and you're finally under contract! Go ahead and celebrate a little, you deserve it.

Now, take a deep breath, and let's get back to work! Once you're under contract, your inspection/due diligence period begins.

PROPERTY INSPECTION

This is a period of time, during which you may have the property inspected and, based on the results of the inspection, ask the seller to correct defects found.

REQUEST CORRECTIONS

Your inspection period is dictated by the terms of the contract you signed. As soon as we receive a thorough report from your selected inspector, we will review the inspection together and determine what repairs you would like to be made to the home. We will help you to determine which repairs need to be placed into a contract that we will submit within the inspection period to the seller so that they can agree to make some or all of the repairs requested.

RESPONSE FROM SELLER

Typically, the inspection period begins immediately upon execution of the contract. The initial inspection period is usually 7-15 days (consult your contract). Once the seller has received your list of defects that need to be corrected, they have a period of time (usually 7-10 days, dictated by the contract) to deliver a response.

FINANCING & APPRAISAL

If you are obtaining financing for the property, it's likely your lender will require that the property be appraised. This is to mitigate risk on their end--they want to make sure that they're not loaning more than the property is worth. Also, it ensures that you are not paying too much for the house! If you are paying cash for the property, you are not required to have it appraised, but it is advisable to make the contract contingent upon an appraisal to ensure you're not paying too much.

GOVERNMENT FINANCING AND APPRAISALS

If you are obtaining an FHA, USDA, or VA loan, there may be some repairs that are required by the government as a condition of the loan. The appraiser will point out any issues they find that are out of compliance with these government stipulations.

The appraisal is a completely separate step from the home inspections/due diligence. The appraiser is not a home inspector, but they are trained to look for specific items the government deems necessary to address before issuing a loan on the property. If you're obtaining some type of government financing, there is an addendum that is submitted with your initial offer which makes the sale contingent upon your ability to obtain that particular type of loan, and it will also enumerate the highest dollar amount the seller will pay towards making repairs required by the government.

If the cost of repairs required by this loan exceeds what the sellers agree to, the contract can either be terminated or you can negotiate further with the seller on these repairs. In most cases, to avoid going through the hassle of putting the house back on the market and starting the process over again, the seller will make necessary repairs to ensure the buyer can obtain financing and complete the purchase. In some cases, this particular type of contract can lose to other offers with terms under a conventional loans.

WHAT IF MY OFFER EXCEEDS THE APPRAISED VALUE?

If the appraisal comes back too low (the appraised value is lower than the agreed-upon sales price) and you are obtaining financing, it's likely that your lender will not approve the loan, and since you have a contingency for financing, the contract will be terminated--but you still have options.

WHAT ARE YOUR OPTIONS?

In most cases, the seller will feel it is in their best interest to reduce the sales price to the appraised value so that the sale can proceed. If the seller decides to allow this sale to terminate and put the house back on the market, they'll have to go through the same processes of showings, negotiations, inspections, and repairs, and they may end up in the same situation again with the appraisal coming in low if they don't adjust the price.

If you're not obtaining financing, and the house appraises below the sales price, and you've made the appraisal a contingency of the contract, you have the option of proceeding with the sale at the agreed-upon sales price or asking the seller to reduce the price. If they refuse to do so, you may opt to terminate the contract.



CLOSING TIME

FINALLY! We've cleared all the hurdle. Made it through inspections, repairs, appraisals, loan conditions, and it's time to close the deal and officially transfer ownership from the seller to you!

BEFORE WE CLOSE

The lender began working on your file as soon as they received an executed contract. **Because the lender is primarily concerned with making a loan that is not too risky, they begin vetting the property (through appraisal) and vetting you, the borrower.**

Risks as a borrower includes how likely you are to make your payments on time, can you afford this specific property, whether you are at risk of defaulting on the loan. **Because they are providing a loan, they will pull your credit report, look into your taxes, ask you for explanations of late payments, verification of employment, explanation of income, etc. It is important that you provide all of the information they need in a timely manner so that we can close on time!**

Prior to the closing date, the lender will issue a "clear to close." This is what we have all been waiting for! Once we have a "clear to close," the lender will send you a **Closing Disclosure (CD)**, which discloses all charges to you as a buyer and any credits on your behalf. This is essentially a tally of all debits and credits involved in the transaction that will tell you how much money you will need to bring to closing (if any). You will also receive a **Settlement Statement** from the closing company which is essentially the same as the CD you receive from the lender.

It is very important to review both the CD and the Settlement Statement to ensure their accuracy.



AT CLOSING

On the day of closing, you must bring 2 things:

- The funds needed to close (usually the closing company requires these to be certified funds--a cashier's check is usually appropriate).
- A photo ID for each individual who will be signing the documents.

The closing agent will explain what you are signing as you are signing a mountain of documents. Rest your writing hand the day before!

Once all documents have been signed by all parties, and all necessary funds have been transferred, the sellers will give you any keys they have, and you will have officially closed and may take possession of your new home!

Congratulations!

FAQ'S

HOW MUCH DO I NEED TO PAY YOU?

There are some rare exceptions, but generally the buyer's agent (your agent) charges a fee paid by the seller.

As a buyer, you will almost never pay any commission fee.

WHY DO I NEED A BUYER AGENT?

It is in your best interest to be protected by proper representation throughout the buying process or any process that in. The Seller Agent is working in the best interest of the seller, which means you need someone on your side to make sure you get the home that you want within the means of the investment you are willing to make.

HOW LONG DOES THE PROCESS TAKE?

Finding the right home can take weeks to months depending on your timeline and needs. Once we find the home you want, the offer can be accepted within days while the closing date is typically 1-3 months after your offer was accepted. Depending on the transaction process, you can plan to move into your new home in a few short months.

MOVING CHECKLIST

TWO MONTHS BEFORE

- Start downsizing and donating old and unwanted items
- Start researching moving costs and companies
- Collect school records and transfer
- Order packing supplies

ONE MONTH BEFORE

- Change your address and send moving notifications to friends and family
- Find local healthcare providers and shopping necessities
- Buy any new appliances or make plans for what to buy

TWO WEEKS BEFORE


- Contact utilities
- Finalize moving arrangements

2-3 DAYS BEFORE

- Plan payments and expenses for moving
- Defrost your fridge
- Clean as you continue to pack
- Pack things you will need right away separately

MOVING DAY

- Do a final walkthrough
- Keep all receipts
- Pre-clean, seal any windows or doorways
- Check for damages in your new home that will need to be fixed
- Unpack room by room



Langston Group is a great team. Our experience buying our first home was excellent from start to finish! They are knowledgeable, patient, and always easy to reach. I wouldn't choose anyone else.

- Jess C.





LANGSTON GROUP

Life is good. Let's make it better.



TOP-PERFORMING AGENTS WHO PUT YOU FIRST

We deeply believe in providing professional, personal, and personable service at the highest level to our clients. We serve the community where we live and work and seek to make a positive change in the world starting with ourselves, our families, our community, and our clients.

BetterLifeSpringfield.com