



LOCAL LIVING REALTY GROUP

146 Julia St Suite 100, New Smyrna Beach, FL 32168



Buyer's Guide

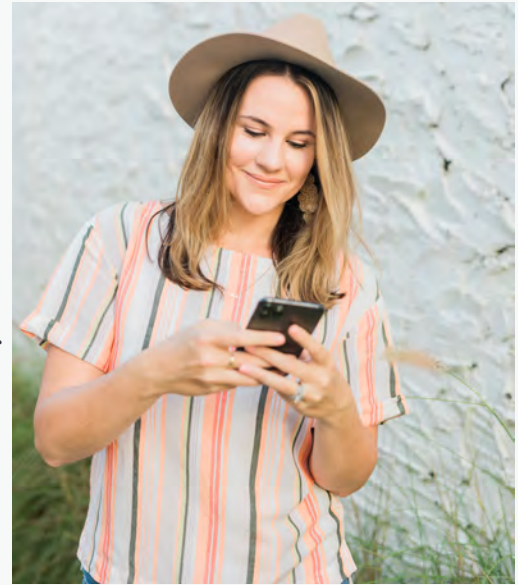
Kerriane Johnston
Broker/Owner

(386) 314-5458

Kerriane@LocalLivingRG.com

Meet The Broker

Kerriane Johnston is a full-time licensed Broker in the state of FL. She currently resides in her hometown of New Smyrna Beach, where she was born and raised, but specializes in areas all over Volusia County. She has dedicated much of her free time - when not actively working - to further her education for the benefit of her clients in all areas of their transaction process. Not only is she a licensed Broker, but also holds the Accredited Buyers' Representative (ABR) designation - a Graduate of Realtor Institute designation. She also has several college degrees including Associate's and Bachelor's in Business Administration, as well as two associate certificates - in Business Management and Business Operations. Beyond her knowledge she has years of experience; having personally represented hundreds of buyers and sellers throughout her career navigating some of the toughest sales in the county - ensuring all parties get to the closing table as smoothly as possible. She is the proud owner of Local Living Realty Group where she has assembled a team of incredibly talented men and women who offer all different strengths in their industry and combine forces to dominate our market. She has worked diligently to create a reputation in the community for carrying a strong work ethic and going above and beyond for all her clients. She prides herself on being a problem solver with great communication skills and always being able to quickly find resolutions. The home selling or buying process is a substantial decision in one's life that could potentially cause stress, frustration, or poor financial decisions. She always puts her clients first - when you hire her as your Realtor, she will always have your best interest at heart.



Local Realtors.

Local Knowledge.

47%

Negotiated
better sale
contract terms

55%

Pointed out
un-noticed faults
with the property

\$0.00

No Cost! The
seller pays our
commissions

How does a Realtor provide value



Educating: I believe that a customized, consultation style approach to real estate results in the most satisfied clients. I love to give my buyers the tools they need to make informed real estate decisions while always being available for any questions or needs. I also keep myself educated and want to consistently find ways to better my business. I believe that you can never stop learning in this ever-changing career.



Negotiating: I will do everything in my power to negotiate your most desired outcome. Using my years of experience and knowledge to help you better understand the negotiation process and develop a specific plan on how we will communicate our wants and needs to the other party. I will always have your best interest in mind when negotiating your purchase. I believe in ethical negotiations and being as transparent as possible to build your trust. I take my negotiations very serious as I know this can be one of the largest financial decisions one can make.



Connecting: This means many things to me-connecting buyers to their perfect homes, connecting with my clients and building relationships, connecting with my fellow Realtors and service providers to ensure you receive the best outcome. I believe that respect and kindness get you the furthest in this business.

The listing agent's contractual obligation is to the seller!

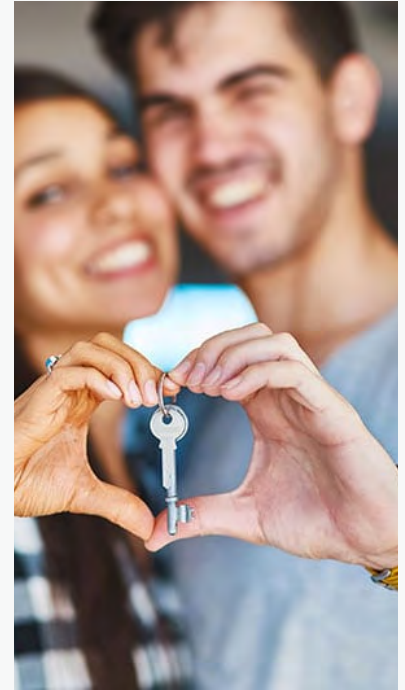


The listing agent is hired and contracted by the seller. Their commission is negotiated upfront, and written into the listing agreement, usually a percentage of the sale price. The listing agreement is a contract between the seller and the listing agent. Then, the listing agent agrees to share that commission with any "cooperating" agents when the property is marketed on the local MLS (Multiple Listing System).

As a listing agent, the agent has a fiduciary responsibility to their seller. These responsibilities are enumerated by law. A listing agent must present all offers objectively. The decision on which offer to accept is the seller's; the agent is there for advice. The fiduciary responsibility of an agent means that they must work in the best interest of their client. If a listing agent divulges their client's motivations, emphases, price points, or anything that is most important to the seller this is breaking their fiduciary responsibility to the seller. Yes, there are agents who violate their fiduciary responsibility. It happens in any industry, however if they do that to their client why would you want to do business with them?

What will you MISS by working directly with a listing agent?
If you don't have a buyer's agent, you don't have representation. Sometimes things get complicated in a real estate transaction. The home inspection reveals issues. The termite inspection brings bad news. The survey comes back with a hiccup. In the case that any surprises come along and require further negotiations, the listing agent works for the best interest of the seller, not for you, the buyer. Legally, they must negotiate on the seller's behalf.

You could very well end up in a situation that nets you a greater loss than the percentage (or whatever the amount) you might think you are saving without a buyer's agent. Buying a home isn't like any other purchase. There are many moving parts. There are legal issues with the addition of multiple personalities and motivations... not to mention emotions that can sometimes come to bear in the process. It is well worth it to have two fiduciary agents helping to shepherd the real estate transaction to success.



So I'm ready to buy a home.
Where do I start?

STEP

1

Determine where you want to live. It is important to do your research to familiarize yourself with the areas and find out what you like and dislike about certain areas.

You can find out information on locations by:

- Talking to relatives, friends, and coworkers who have knowledge about the area.
- Using resources on the internet to gather information about towns, schools, neighborhoods, etc.
- Drive through different neighborhoods to get a feel for what they are like at different times of the day.
- Take your commute to work and traffic into consideration; possibly try the drive from your desired area to work when you have free time.

You can ALWAYS Ask me! I am more than happy to help and give information. I grew up in this area and can not only provide you with more information but a little history lesson as well!

Helpful Information:

Volusia County Website: <https://www.volusia.org/>

Crime Watch: <https://volusia.crimewatchfl.com/>

School Digger: <https://www.schooldigger.com/go/FL/search.aspx>

Finding a Great School: <https://www.greatschools.org/>

Fema Flood Website: <https://www.fema.gov/>

Tax Assessor: <http://vcpa.vcgov.org/exemptions.html>

Determine how much home you can afford by getting pre-qualified for a mortgage.

STEP

2

Just like finding the perfect home, it is important to find the right lender first and foremost prior to home shopping. A good lender will educate you and answer your questions while finding the best financing solution for your specific needs and situation. There is nothing worse than falling in love with a home and then finding out it is out of your budget. Getting pre-qualified before looking at homes makes the process much easier and less stressful, not to forget it helps you make the best financial decision.

See below my list of preferred lenders that are experienced in Volusia County.

Sally Vance

Certified Mortgage Planners

(407) 670-99277

TeamSally@CMPFL.com

John Fosgate

FBC Mortgage

(386) 492-8700

JFosgate@fbchomeloans.com

Judy Lewis

Guaranteed Rate

(407) 399-3003

Judy.Lewis@rate.com

STEP

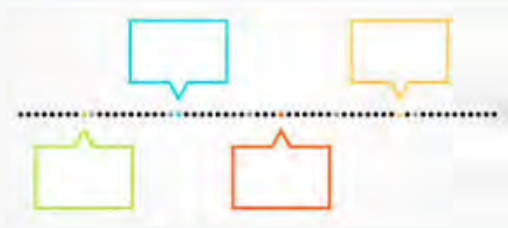
3

Find an agent to represent you

Choosing the right agent can be difficult, because there are so many agents in the area. I offer complementary consultations to all new clients to ensure that they are comfortable with the process. As a home buyer, you should feel comfortable with your agent--ask the agent questions to make sure they are the right fit.

You will want to look for an agent who:

- Is willing to educate you & themselves: Agents with some experience under their belt can help you navigate a real estate transaction with minimal stress. They will take the time to answer your questions and help you. I believe that information and communication is key to any successful real estate transaction. I have lots of experience successfully representing buyers specifically. Not only am I the top buyer's agent in New Smyrna Beach, but I belong to the top brokerage as well. I also commit myself to learn something new each day and to stay on top of trends to better serve my clients.
- Has your best interest in mind. Realtors abide by the Code of Ethics and will know how to explain agency relationships to you. There are several ways agents can represent clients, and I would be happy to go over that with you. I will also negotiate on your behalf and be honest with you throughout the home buying process. My fiduciary duty and additional credentials require me to hold myself a higher standard than most brokers.
- Sells Real Estate Full-Time: This is an absolutely crucial requirement. This is likely the largest purchase of your life, leave it to a full time professional to guide you through this complicated process. I am a full time, dedicated agent who always puts my client first.



Decide on your timeline.

STEP

4

Are you in a lease? Do you have a home to sell first? Are you being transferred to the area for work? Talk to your agent about your wants and needs in a home and determine inventory levels to determine when to start looking. It could take 2 weeks or 2 months to find your perfect home, depending on inventory in your price range and criteria. Once you find the right home, closing in Volusia County takes approximately 45-60 days, depending on buyer and seller needs, but this can be negotiated. Plan accordingly so you can start shopping at the appropriate time.

STEP

5

Start shopping!

Talk to your agent about your wants and needs in a home and go through the listings in the area. Keep in mind no home is perfect, but there will be homes that meet your needs and some of your "wants". Work with your agent to see homes and compare pros and cons of the homes you see. I will work tirelessly to find you the perfect home! I am dedicated to viewing as much local inventory as possible to keep on top of what is out there for my buyers. If you are an out of town buyer, I also preview inventory for you and can do video tours and photos so you are able to get a better understanding of the property.

Make an offer

STEP

6

Talk to your agent to get help with making an offer on a home. The offer will be presented in writing to the seller's agent who will then present it to the seller. There are several components to an offer besides price that I will be happy to go over with you to ensure you stand out from the rest.

STEP

7

Negotiations,
Acceptance,
Contract >

Many times the seller will counter an offer, the buyer's agent and seller's agent will negotiate back and forth verbally or in writing on behalf of buyer and seller, but we will always communicate with each party on every counter or change. Once both parties come to an agreement, the contract will be signed and we will be considered bilateral. The date that the contract is initialed and returned to all parties is considered your Effective Date.

STEP

8

Under Contract

There are many things happening at once at this point, you will be working with your lender to get the mortgage process started, delivering your initial deposit, the appraisal will be ordered, and the inspection period begins. The buyer has a specified period of time to complete all inspections using licensed inspector and furnish reports. Most times, one inspector will inspect the home for structural, electrical, plumbing, HVAC and other defects as well as arrange for a termite inspection as needed. Please remember that a home inspection is not required but is strongly suggested. The inspection is often confused with an appraisal. An inspection determines the quality of the home, and does not go to your lender. An appraisal determines the value of your home and is ordered by your lender. Once the inspection is completed, we determine whether or not you would like to proceed, negotiate repairs/credits (please know that repairs are not obligatory, but can always be requested), or cancel the contract and retrieve your escrow deposit within the specified time.

It is important to be sure you follow along with the timeline I provide all my clients to be sure we remain inside our "safe" periods for your escrow deposit.

Final Touches

STEP

9

Your lender will issue a mortgage commitment by the date specified in the contract, and you will be working with your lender to satisfy any last-minute conditions needed in order to get final approval for your mortgage. Any agreed upon repairs will be made by the seller prior to closing, and any credits will be given at settlement. Your lender will also guide you to ensure you have homeowner's (hazard) insurance in place in time for settlement. I will provide you with a list of utility providers to call prior to settlement and get the utilities placed into your name before closing.

STEP

10

Final Walkthrough

I will accompany you on your final walk through to ensure repairs are done (if any) and the condition of the house has been maintained as stated in the contract. This typically happens right before closing, but it can be done the day prior.

And now, the moment you've been waiting for.....

STEP

11

CLOSING DAY!

You made it! Your lender, myself, and the title company have been working in coordination for closing day. Typically, the closing is held at the title company of the seller's choice. Your lender will tell you the exact amount of money needed for settlement in certified funds, I will never know your financial details - any financial or mortgage questions needs to be directed to your lender for the most accurate answer.

Get ready to sign quite a bit of paperwork and celebrate your new home!

Last, but not least, please don't hesitate to reach out to me with any questions, concerns, or needs after closing.

I am always here for you.

Some documents to prepare

The collection of your documents is called your "green file". This file, and its contents are everything needed by the lender (but this is a start, your lender may require more documents than what is below). Knowing which documents are needed ahead of time will help you gather them to save time down the road.

- 30 days of recent pay stubs with year-to-date information for all jobs and for each borrower
- Federal tax returns for the 2 most recent years (1040's)
- W-2 forms for the 2 most recent years
- Written explanation if employed less than 2 years or gap in employment in last 2 years
- Most recent 2 months' asset statements listed on the application - all pages to each statement even if blank (Example: checking account, savings account, CDs, money market accounts, IRA, 401k, etc.).
- If applicable, landlord name, phone number, and address.
- If you have any obligations due to legal action, for example child support, lawsuit judgment, bring in any judicial decree.
- If applicable, complete Bankruptcy papers including discharge papers - also provide documentation supporting circumstances leading up to the bankruptcy, if able.
- If applicable, credit explanation letter for any late payments, collections, judgments or other derogatory credit items.
- Documentation for any large deposits outside payroll or gift fund deposits shown on asset statements.

"Because you can never have too much paper stacked on your desk"

Glossary of Terms


Acceptance: Can also be referred to as "meeting of the minds". Both buyer and seller agree to all terms of the contract, and the contract is signed by buyer first, then seller and returned to all parties.

Annual Percentage Rate (APR): An annual percentage rate (APR) is the annual rate charged for borrowing (in the case of Mortgages), and is expressed as a percentage that represents the actual yearly cost of funds over the term of a loan.

Appraisal: An appraisal is an unbiased, professional opinion of a home's value. In FL, Appraisers go through many hours of training and apprentice work before becoming appraisers. Appraisals are almost always used in purchase and sale transactions if financing. If the purchase is cash, you can obtain an appraisal at your own discretion. In a purchase and sale transaction, an appraisal is used to determine whether the home's contract price is appropriate given the home's condition, location, and features.

Appreciation/Depreciation: Homes gain or lose value over time based on many factors that include: the economy, supply and demand for housing, improvements, wear and tear, natural disasters, additions, etc.

Closing Costs: Closing costs are expenses over and above the price of the property in a real estate transaction. These costs are paid at the time of closing, and depending on the type of loan, all or a portion of the closing costs can be negotiated to be paid by the seller. Costs incurred include loan origination fees, discount points, appraisal fees, title searches, title insurance, surveys, taxes, deed-recording fees and credit report charges. Prepaid costs are those that recur over time, such as property taxes and homeowners' insurance. Your lender will go over these with you.

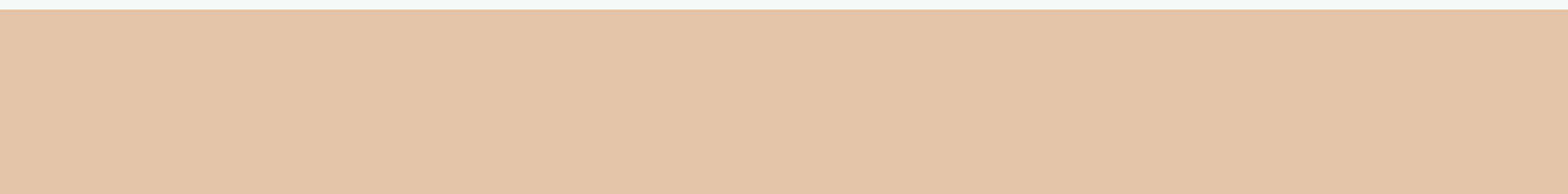



Contingency: A contingency is a condition or action that must be met for a real estate contract to be completed. A contingency becomes part of a binding sales contract when both agree to the terms and sign the contract. Common contingencies can be: contingent upon sale of another home, contingent upon buyer obtaining a mortgage, or contingent upon an appraisal for the sale price or higher, contingent on inspections.

Counter Offer: A counter offer can be made by either party (buyer or seller) until both parties agree to all terms and the final contract can be signed. An offer is made up of several components that buyer and seller will negotiate- price, amount of earnest money deposit (see below under Escrow), closing date, inclusions, and exclusions (see below).

Disclosure: For purposes of buying a home, the type of disclosure that is going to be outlined here is a property disclosure. This is a fairly standard document (but not required) in which sellers of a home fill out all known information about their homes regarding ages of systems, presence of termites or radon, etc. This document helps buyers make informed decisions about their offer price, and what they are getting into when buying a home. This will become part of the contract of sale if the property does have a disclosure. Some instances where a home will have no disclosure are a foreclosure or an estate sale. We trust but verify all items in a disclosure.

Escrow: Escrow is when funds are held by a third party on behalf of two parties completing a transaction. In a real estate transaction, if both parties agree to the terms of the offer and sign the contract, the buyer makes an earnest money deposit - a sum paid as evidence of good faith, typically amounting to 1-2% of the sale price. The funds are held by an escrow company until closing. Other names/abbreviations for the earnest money deposit could be: "escrow check", "EMO", "good faith deposit" etc.






Hazard Insurance: Also known as Homeowner's Insurance. Insurance that protects a property owner against damage caused by fires, severe storms, earthquakes or other natural events. As long as the specific event is covered within the policy, the property owner will receive compensation to cover the cost of damage incurred. Typically, the property owner will be required to pay for a year's worth of premiums at the time of closing.

HOA (Home Owner's Association): A homeowner's association (HOA) is an organization in a subdivision, planned community or condominium that makes and enforces rules for the properties within its jurisdiction. The purchase of the property automatically makes the homeowner a member of the HOA and dues are required. Some associations can be very restrictive about what members can do with their properties.

Home Inspection: A licensed home inspector is often hired by a potential home buyer to provide a written report regarding a property's condition, including an assessment of necessary or recommended repairs, maintenance concerns or other issues. A home inspection is an examination of the property's condition, and should not be confused with a home appraisal, which determines the value of the property.

Inclusions/ Exclusions: Certain things can be included or excluded in the sale of a property and they will be outlined in the contract of sale. Oftentimes, the washer, dryer, and refrigerator are things that can be negotiated to be included or excluded from the sale of the property. Home warranties, light fixtures, curtain rods, blinds/ window treatments are other things that can be included or excluded. Personal property and furniture are typically excluded from the sale.

Lien: A lien is a legal right granted by the owner of property, by a law, or otherwise acquired by a creditor. A lien serves to guarantee an underlying obligation, such as the repayment of a loan. If the underlying obligation is not satisfied, the creditor may be able to seize the asset that is the subject of the lien. In this case, the asset is your home- your mortgage is a loan on the property secured by a lien.



LTV (Loan to Value): The LTV ratio is calculated as the amount of the mortgage lien divided by the appraised value of the property, expressed as a percentage.

Generally, the higher the loan to value ratio, the higher the risk is for the mortgage company. You may see LTV on your lender's preapproval letter but will not likely encounter or need to know much about it otherwise.

Mortgage: A mortgage is a loan for the purchase of a property that is secured by a lien on the property. The site below details types of mortgages, but it is always best to have a conversation with your lender to determine the best type of mortgage that you can qualify for. <http://www.homebuyinginstitute.com/mortgagetypes.php>

MIP(Mortgage Insurance Premium): Mortgage insurance for FHA loans, This is paid monthly. Mortgage insurance gives the lender extra security because they are at a higher risk when the purchaser is putting less than 20% down. FHA loans require a 3.5% down payment.

Offer to Purchase: Offers are presented in writing to the seller. The offer will include the purchase price, the amount of earnest money the buyer wants to give, the closing date, inclusions and exclusions. This can be in the form of a contract or a separate offer form. The offer is not binding on either party until there is a fully executed contract. There are typically several negotiations between buyer and seller from the time of the initial offer until the time the contract is finalized and ready to be signed.

Open House: Open houses are a great way to check out local real estate for sale, because agents will open up their listings to be seen by the public without an appointment for several hours. Agents typically have open houses on Saturday or Sunday. If you are working with an agent, you still may see an open house, just sign in with your agent's name or they may accompany you.

PMI (Private Mortgage Insurance): Paid monthly as well for conventional loans with less than 20% down. This PM! will drop off once the Loan-To-Value (LTV) has reached 80% or lower.

Real Estate: Real estate is land, buildings on the land, and features of the land. Although residential real estate is most commonly talked about, the "real estate market" can be grouped into three broad categories based on its use: residential, commercial and industrial. Examples of residential real estate include undeveloped land, houses, condominiums, and townhomes; examples of commercial real estate are office buildings, warehouses, and retail store buildings; and examples of industrial real estate are factories, mines, and farms.

REO (Real Estate Owned): Real estate owned, or REO, is the name given to foreclosed real estate that the bank has taken ownership of. Such properties end up in bank portfolios after unsuccessful sales at foreclosure auctions. A bank takes ownership of a foreclosed property when no bidder offers the amount they are looking for to cover the loan. These homes are sold as-is and do not typically have any disclosures or information about their history.

Short Sale: A short sale is when a property is sold for less than the amount of the mortgage left on it. Short sales require approval from a third party and could take a long time to close (some up to 150 days). These are also typically sold as-is, with the seller making no repairs or credits. For more information, visit:

[http://www.investopedia.com/mortgage/short-sale-property/?](http://www.investopedia.com/mortgage/short-sale-property/?ad=dirN&qo=serpSearchTopBox&qsrc=1&o=40186&lgl=myfinance-layout-no-ads)

[ad=dirN&qo=serpSearchTopBox&qsrc=1&o=40186&lgl=myfinance-layout-no-ads](http://www.investopedia.com/mortgage/short-sale-property/?ad=dirN&qo=serpSearchTopBox&qsrc=1&o=40186&lgl=myfinance-layout-no-ads)

Title: Real estate is provided a title that conveys ownership. Whenever an asset is sold, the title is transferred to the buyer. Essentially, the title is a history of the property-ownership, liens, and debts. All personal property that is sold must be free of liens and other debts before the property can be transferred to another party.

Title Insurance: Title insurance protects both buyers and lenders against loss or damage that can occur due to liens, encumbrances or defects in the title to a property. This differs from normal insurance in that title insurance protects the insured against the potential event that someone else from the past has a legal claim on the property. Common insurance policies, such as car insurance or health insurance, only protect against future events.

Pre-Closing Vendor List

Home Inspectors

John Mock (mold certified)
All American Inspection Services
(386) 615-9794
<http://www.cfinspections.com/>

Dream Home Inspections
(386) 383-3270

Vince Cardone
Residential Inspections
(386) 532-4677

Title Companies

Kathryn Disbrow - First American-
(386) 847-2083
kdisbrow@firstam.com

Jodi Martin - Fidelity National Title
(386) 957-5414
jodi.martin@fnf.com

Chris Atwell - First International Title
(386) 314-5646
Chris.Atwell@firstintitle.com

Termite/WDO inspection

Lawrence Anthony
(386) 663-5061

Insurance Agents

Jillian Youngblood - Caton Hosey
(386) 767-3161 ext. 306

Jamie Hoover - Blanchard Insurance
(407) 788-8640

jamie@blanchardinsurance.com

Emily Wallschlaeger- Sherzer Insurance
(386) 788-3500

Todd Perry- State Farm
(386) 428-0785
todd@insurewithtodd.com

Christine Etts - Lane Insurance, Inc.
(386) 427-5201

Post-Closing Vendor List



Innovative Heat & Air- John Bullard
(386) 690-5362

Animal Wildlife Management
www.newsmyrnabeachwildliferemoval.com

Stewart's Appliance Repair
www.stewartsappliance.com

Carpet, Tile, and Upholstery cleaning
<https://www.broomhildyfl.com/>

Extreme Concrete
www.facebook.com/Extreme-Concrete-Services-115970291797754/

Decorative Concrete
Gordon Chippewa (386) 847-2478

Beach Electric (386) 427-7444

Garage Door Repairs/Sales
<http://jonmcgrewgaragedoors.com/>

Gutter Cleaning/Repair/Installation
<https://www.armourgutters.com/>

Remodeling Contractor
Trendsetters, LLC- (402)860-1758

Moving and Storage
<https://www.fs-moving.com/>

Nature Creek Landscaping
Frank Hunsberger - (386)871-9821

Mold Remediation
www.thedisasterteam.com/

Painting - Bryan - (386) 402-2063

Pest Control - Larry Anthony
(386) 663-5061

Tyler Plumbing
<https://www.tylerplumbing.net/>

Pool Enclosure/Screen Repair Construction
Brian Tumblin - (386) 847-2482

Flooring - J & J Tile - Joey Marco(386)
690-6205

AWS Roofing - www.awsroofing.com/

Suncoast Roofing
www.roofernewsmyrnabeach.com

Gulf Stream Glass - www.gulfstreamglass.com/

Indian River Glass - www.indianriverglass.com/

