



# Adolfo Street

REAL ESTATE

**BUYER'S GUIDE**

# The Steps to Buying Property Made Simple

First...

What is an agent's role?

An agent's role is often thought of as the person who will find that perfect place for you. But, in reality, this is only a fraction of what an agent's role encompasses and you might end up being the finder. Truly, an agent's duty is to guide a buyer through the process of purchasing a property because there are many moving parts to manage.

In the following pages, this process is broken down into chronological steps along with basic descriptions of each part.



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# Meet

Clarify process  
and criteria

# Show

See the  
places that fit your  
criteria

# Offer

Collaborate to  
establish terms of  
the offer



If the offer is accepted,  
continue.

If not, start back at Show

*[10+ days]*

# Inspections

Includes full home  
inspection, appraisal and  
any other type of  
inspection that might be  
required.



*[15 to 45 days]*

# Underwriting

Lender reviews all provided  
paperwork in extreme detail.  
Then the paperwork is sent to  
title for closing.

*[1-2 hours]*

# Signing

Review and sign.  
After signing, title records the  
sale. After this, the process is  
complete and the house is  
officially yours!



# The Documents

*These documents do much more than what is mentioned here but this is a brief overview of what you should know before reading the entire document.*

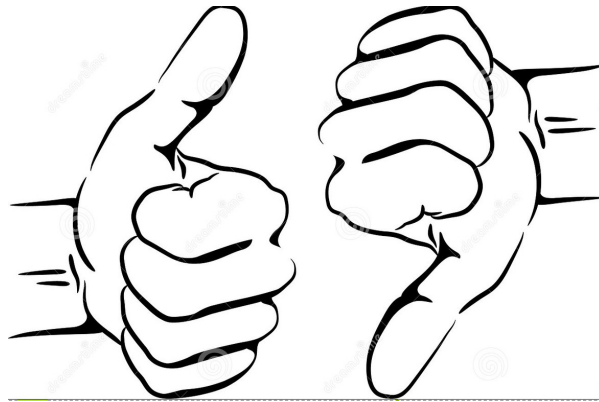
1. **Sale Agreement:** describes the aspects of your offer, including purchase price, type of loan, down payment amount, inspection period, etc...
2. **Promissory Note:** promises that you'll pay the earnest money if your offer is accepted
3. **Oregon Real Estate Initial Agency Disclosure Pamphlet:** describes the nature of the business relationship between Agent and buyer/seller.
4. **Disclosed Limited Agency Agreement:** an agreement that you will work with me instead of walking away after all the time, info, and showings we've been through!
5. **Addendum:** used when something needs to be modified or added to the current documentation.
6. **Lead Based Paint Disclosure:** discloses that a home may have lead paint if the home was built prior to 1978.
7. **Seller Disclosures:** over 100 standard questions that the seller answers, to the best of their knowledge, regarding condition, past repair, sewer, etc...

# Meet



- The first step is to clarify what we're looking for, such as # of bedrooms, # of bathrooms, yard, etc..
- I'll run a search based on your criteria and send you listings that you can choose from.
- At this link, I have some basic questions that get us to the point where we can set up some showings:
- If you happen to run into a beautiful house on Redfin or Zillow that you really want, feel free to send that over to me as well! I'm happy to do some research on the house and schedule a showing.

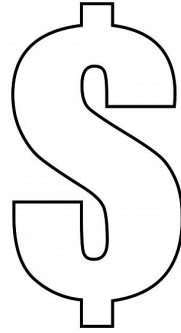
# Show



- A showing is when I open the door to a listing that you'd like to see and we walk through it together
- Some listings will be **Vacant**, we can see those anytime between 10am - 8pm.
- If the property is **occupied**, I'll have to set up an appointment for a viewing.
- When we're ready to make an offer, I'll call the listing agent and gather info such as-
  - Why did the owner decide to sell?
  - Are there currently any offers in?
  - What's most important to your seller?

I take pride in being present during showings so that I can discuss your experience and answer any questions you may have. If I can't make it during your most convenient times, I'll have a qualified professional open the door for you.

# Offer



- An **offer** is a group of documents that describe what you're willing to give in return for the property. These forms include a **Sale Agreement, Promissory Note, Addenda**, etc...
- Only one offer on one house can be made at a time (in 'good faith') unless you're actually planning on buying more than one house.
- An offer always includes **earnest money** which goes towards the purchase price at closing. Since you could lose this money by failing to complete the contract- more earnest translates into a more serious offer.
- Offers have expiration dates/times. Usually, an offer expires in 24 hours.

**FMV** = Fair Market Value

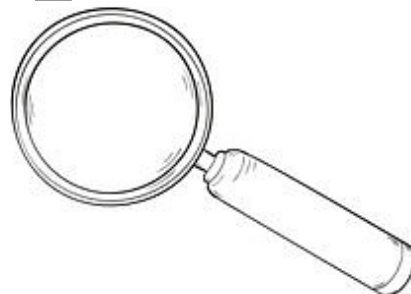
**Comps** = Comparable Properties

**RMLS** = Regional Multiple Listing Service.

Budget from **\$4,000 - \$8,000** for earnest money.



# Inspections



- A 'General Home Inspection' reviews the entire house. Structural, Electrical, Roof, etc...
- The Sale Agreement mentions the length of the 'Inspection Period.' Standard is **10 days** but I often write offers with Inspection periods as short as 5 days. After the inspection period ends, you risk losing the earnest money if you decide to terminate the contract.

More specific inspections could include:

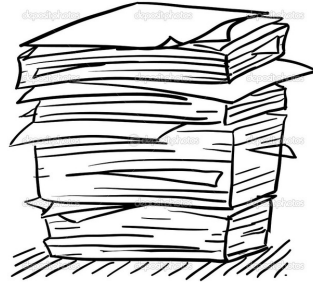
- **Radon**: measures the presence of a naturally occurring gas deep in the ground that is believed to be poisonous when encountered in large quantity.
- **Sewer Scope**: confirms that the plumbing is smoothly moving from the house to the sewer.
- **Oil Tank/Soil Test**: examines the presence of an oil tank once used for heating the home and may also measure the amount of leakage from the tank.

Budget about **\$1,000** to cover the basics.





# Appraisal/Underwriting



- An **appraisal** is when a certified individual visits the home and formulates an opinion of the current value of the home. The bank will only lend as much as the appraised value.
- **Underwriting** is when the bank goes through every doc of the transaction with a fine-toothed comb.
- Providing the information requested by your lender as quickly as possible is the best way to shorten the length of this process. Usually, the last required document to arrive for this process is the appraisal.
- Suppose the appraiser decides the home's value is \$800,000 and you offered \$815,000, the bank will only lend you \$800,000. The remaining \$15,000 will have to be covered by the buyer, the seller or a combination.

$$\begin{array}{r} \text{Offered purchase price} = \$815,000 \\ \text{Appraised value} = \$800,000 \\ \hline \text{Remaining} = \$15,000 \end{array}$$

- The current waiting period for an appraiser can be as long as 30 days.
- The fee for the appraiser is charged by the bank and can be anywhere between \$500 - \$1,200.

# Closing



- After the bank has released the docs, we will sit down with escrow/title to review all the docs and sign.
- Be sure to schedule 1-2 hours for the signing

Generally in this order,

- 1. Signing-** meet at escrow/title or with a notary and sign the paperwork with wet ink
- 2. Funding-** The bank(s) will transfer the money
- 3. Recording/Closing-** escrow/title record the new ownership

If you have any questions about anything you read here, feel free to reach me at [Adolfostreet@gmail.com](mailto:Adolfostreet@gmail.com)





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