

# Home Buyers' Guide



Presented to you by



What to Know About the Buying Process  
&  
Using Our Services to Find the Property of your Dreams

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Buy your Next Home or Property with Patrick Murray Realty

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# PART ONE

## DESCRIPTION OF THE BUYING PROCESS

In order to help you understand the scope of buying a new home, here is a quick overview of the home buying process:

### 1) Hire an Real Estate Associate

Find a buyer's agent that is willing to represent only you. This will help you guarantee that your real estate professional will do everything in his or her power to help you close the deal on your new home. As we will discuss in more detail later, a buyer's agent will have fiduciary responsibility to look after your best interests. If you have settled on a specific area, you should conduct interviews with agents working in that region to find a Real Estate Associate that you can trust to keep you comfortable throughout the home buying process. As a side note, it is important that you and your real estate professional like one another. You will be spending a lot of time together. Yes, you want a person with skill, but it is a much more pleasant experience if there is also synergy.

### 2) Be Prequalified or Preapproved

Determining your eligibility can start with ordering a free credit report online. This will give you a chance to evaluate your credit status and fix any mistakes, if necessary. You should ask your real estate professional to refer you to a mortgage broker. You can speak with your bank or credit union as well. Sometimes mortgage brokers can find you better rates and they are free for you to use. Be careful when settling on a mortgage type. You should start by determining your maximum loan amount, making sure you understand the conditions of the lender agreement, and examining the payment level to make sure you feel comfortable with that commitment. Your lending institution or mortgage broker can assist you with assessing this information.

### 3) Conduct Initial Search of Homes for Sale

Sit down with your real estate professional to discuss what you're ultimately looking for in your new home. Ask your agent to put together a list of homes that might be of interest to you. Work with your agent to narrow your search based on your exact specifications, but be careful to consider all options in your preferred area. Sometimes certain features of one home may stand out or trump other criteria on your wish list, making the home worthwhile after all. Don't be afraid to ask your agent for additional input on any homes you're seriously interested in. Real Estate Associates see a lot of homes and their opinion can add value to your home buying experience.

### 4) Draft a Purchase Offer for Homes You're Interested In

Once you're getting serious about purchasing one of the homes you've been looking at, you should discuss with your real estate professional a fair purchase price for the home. Some homes are worth exactly what they are listed for while others may be overpriced or even underpriced, presenting a golden opportunity for you. Your agent can assist you in adding language to the offer to purchase to ensure you are fully protected. You want to ensure that you allow enough time to do your due diligence on the home should your conditional offer be accepted by the seller.

## **5) Negotiate and Write Counter Offers**

The seller can accept your offer, counter it, or do nothing and let your offer and the time line for your offer expire. At the very least you want to stimulate a counter offer. Be prepared that a very low offer may offend the seller and, depending on the seller, they may decide not to entertain any offer you make from that point forward. Your real estate professional can assist you with various negotiation strategies before making the initial offer. When representing buyers we always want to get you the best price possible.

## **6) Putting Down a Deposit**

Whenever you write an offer to purchase, you must include a deposit cheque. Your real estate professional can assist you with the right amount to put down. Understand that, should your contract be accepted, your deposit is a kind of insurance to the seller that you are serious about the home. Once your offer is accepted, and after you have completed your due diligence, your deposit forms part of your down payment. Should you not close on the deal once the contract is final, then the seller keeps your deposit. If, however, you do not satisfy your conditions and notify the seller before condition day (meaning you will not be buying the home), then your deposit is returned to you in full. Your agent can further explain the importance of a deposit and how it is used.

## **7) Satisfying a Contractual Financing Condition**

You may be pre-approved to purchase a home, but your lender must approve the purchase and the conditions of the purchase. Make sure to comply with all lender requirements as quickly as possible to satisfy the financing condition by the due date. Do not make any large purchases that could jeopardize your application. When the filing is complete, your lender will submit the application for final underwriter approval.

## **8) Satisfying a Home Inspection Condition**

Once you make an offer to purchase a home, real estate transactions tend to move quickly. It helps to be prepared prior to writing a contract. Select a potential home inspector prior to writing an offer. You want somebody with a good reputation and somebody that is properly qualified to perform home inspections. If you need assistance, your real estate professional can give you the names of a few reputable individuals and their companies. If you are able, be present during your home inspection. Your inspector can explain the workings of the property and can let you know what deficiencies you can easily remedy and those things that you truly need to be concerned about. The inspector will present you with a detailed report, but if you were present for the inspection you will immediately know if you want to waive or not waive the home inspection condition from the contract or if there are serious issues to further negotiate with the seller.

## **9) Settle on a Homeowner's Insurance Policy**

Once you waive all conditions and the Purchase Contract is firm and no longer conditional, you will want to set up insurance for your new home. You will want to do this prior to signing all documentation at your lawyer's office as they will require that your purchase is insured. Sometimes you can package your home

insurance with your vehicles and receive a discount for giving the insurer all of your business. In any event, the insurer will want information regarding your purchase. Your real estate professional can assist by forwarding the MLS Highlight Sheet to your insurance broker. Usually the information contained within the sheet is enough to move forward, however, they may ask for further information. You may find answers in your home inspection report. If in question, ask your real estate professional.

## **10) You Need a Lawyer**

The Province of Alberta stipulates that all real estate transactions utilize the services of a lawyer. Use a real estate lawyer. This person specializes in real estate law and knows all of the ins and outs of real estate contracts. They know what needs to be done and will ensure all of the final paperwork is signed and the Title for your home is free and clear of any issues from the seller and is transferred over to you. If you need assistance in finding a good real estate lawyer, ask your agent. They can provide you with the names of a few reputable individuals.

## **CONSUMER RELATIONSHIPS GUIDE**

Whether a buyer or a seller, when you enter into a relationship with a real estate associate in the Province of Alberta, the Real Estate Associate must go through with you and explain the Consumer Relationships Guide. This is not a legal document, but it is an acknowledgement that the various types of representation were explained to you by your agent and the document does require your signature. There are three basic relationships you can have with your real estate associate as explained below. The document also discusses conflicts of interest, should one arise, and how it will be handled.

1. A real estate brokerage can act as your agent. This is known as a common law agency relationship and all brokerage real estate professionals and staff are included.
2. An individual real estate associate can act as your agent. This is called a designated agency relationship.
3. You can be a direct customer to a real estate associate. The Real Estate Associate will owe you no fiduciary duties.

## **BUYER BROKERAGE AGREEMENT**

The buyer brokerage agreement is a contract between you and your Real Estate Associate that outlines precisely who represents you, the buyer. It is a legal document and, as of July 2014, all real estate associates are to have a Buyer Brokerage Agreement with their buyer clients. This agreement will help you define your agent's duties and obligations and is designed to protect you the consumer by offering complete transparency. Of special note is the real estate associate's fiduciary duties owed to you. These are explained in Part Two of this document. The contract also discusses how much the Real Estate Associate is paid and how they are paid. Like any legal contract, there is a timeline to the agreement. The contract also discusses the various ways in which the agreement may end early. It is your real estate professional's job to explain the contract to you.

## **PART TWO**

### **FULFILLMENT OF FIDUCIARY DUTIES**

These are the duties and responsibilities I will uphold for you, the client, if you so choose to enter into an agreement that makes me your agent:

#### **Undivided Loyalty**

I will remain loyal to your search for your new home throughout the home buying process.

#### **Confidentiality**

I will keep all of your information confidential, even after our relationship terminates.

#### **Full Disclosure**

I will disclose the full spectrum of services I will provide and vow to immediately disclose any conflicts of interest.

#### **Obedience**

I will remain obedient to your lawful instructions.

#### **Reasonable Care and Skill –**

I vow to conduct myself as a competent professional in the performance of my duties.

#### **Full Accounting**

I will keep full account and record of all money and/or personal property.

### **SIGNATURE CONCIERGE SERVICE**

I offer what I call my Signature Concierge Service to help make the process of buying a new home as seamless and as enjoyable as possible. By the way, every client receives this type of service from me! Here are a few important features of this service:

- I will provide you with contact information for the various professionals and make the introductions you'll need throughout the transaction. This includes access to mortgage brokers, lawyers, home inspectors, condominium document review specialists, movers, cleaners, and more.
- I will be present for, and write into our contract, a walk-thru of the property you want to purchase prior to possession.
- I will reply to your questions or concerns as quickly as possible. I can usually respond to you in minutes.
- If you are from out of town, I will pick you up from the airport and drop you at your hotel. I will also pick you up and drive you to all showings.
- I will stay in touch with you after the transaction and remain a source of information and contacts for you, continuing to add value.

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## **COLDWELL BANKER ULTIMATE SERVICE GUARANTEE**

If I don't perform as disclosed in the Ultimate Service Guarantee, you can fire me. Be familiar with the three essential elements of the Ultimate Service system:

1. **We Listen:** We are genuinely interested in the things that are most important to you when buying a home. Don't be afraid to tell us what you're looking for. We'll listen!
2. **We Set Written Service Standards Together:** We will work closely with you to customize a service plan that reflects your specific needs and preferences. We promise to live up to these written commitments, and you reserve the right to cancel your buyer's agreement at any time if you feel that we haven't done so!
3. **You Evaluate Us:** We're committed to surveying each and every one of our clients about their experience. Listening to our clients' needs, wishes, and expectations has helped us establish our high standards of performance. When our job is done, we will request that you complete a Customer Satisfaction Survey to let us know how we did and how we can improve our service in the future.

## **PART THREE**

### **INITIAL PROPERTY SEARCH**

Once we've come to an acceptable buyer's agreement, I will quickly move to initiate a search of all properties that meet your criteria. I strive to understand exactly what you're looking for so that I can tailor the search to your needs and preferences. Once an initial list of properties is compiled, I'll sit down with you to preview the very best homes that fit your criteria.

### **IMPORTANCE OF COMMUNICATION**

In a highly service-oriented industry, I place a very high level of importance on open and honest communication. The biggest complaint that people make about real estate professionals is that they do not communicate.

I vow to stay in touch with you and keep you up-to-date with any and all developments in your search for the perfect new home. I will also conduct thorough communications with your bank or mortgage broker, as well as your lawyer, throughout the entire transaction. This is a part of my Signature Concierge Service.

### **COMMITMENT TO ACCESSIBILITY**

When you choose to work with me to close a deal on your new home, it's important that you know you'll be able to reach me when you need advice or guidance. I vow to answer all phone calls, texts, e-mails, and questions in a timely manner. No question is considered irrelevant, so please don't hesitate to ask what's on your mind! Again, this is a part of my Signature Concierge Service.

I vow to be present for all meetings between you and the builder if you ultimately decide to purchase your home directly from a builder. I will also survey the builder to make sure you will be getting the best product possible for your money, and to ensure you are properly protected from any ugly, unwanted surprises. I will make myself available for your property's home inspection to assist with your process of due diligence.

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# **PART FOUR**

## **REFINING YOUR SEARCH**

Once you've narrowed down your selections to a few ideal properties, we will work together to start refining your search and moving toward the ultimate goal of closing a deal. I will work closely to assist you in the process of becoming pre-qualified with a lender and I will help you become a more attractive buyer by narrowing your search down to homes that you know you're capable of purchasing. Not only will this make you more attractive to sellers, but it will give you peace of mind knowing you're not overextending yourself to buy a new home.

I vow to maintain open discussions with you regarding the pros and cons of the properties that we view together. At the end of the day, I want you to end up in the very best home for you and your family. Once we've settled on a few properties you're willing to write an offer for, I will execute a Title search of these properties. This process includes a search of all of the instruments on Title to ensure you are properly protected before writing a purchase contract.

## **CONTRACTUAL OBLIGATIONS**

1. I guarantee timely execution of all contractual documentation, including purchase contracts.
2. I will consistently seek your collaborative input in the execution of this documentation to ensure you are fully protected and that the proper due diligence activities take place.
3. I will give you collaborative input in the negotiation of all purchase contracts, while working to insulate you from the other party in the performance of my duties as your agent.
4. I will tirelessly perform all legwork required to obtain signatures and ensure that proper due diligence is performed on any property for which you write a purchase contract.

## **FOLLOW UP RESPONSIBILITIES**

Once your purchase is finalized and you have moved into your home, I will reach out to follow up with you and make sure you are satisfied with the services I have provided. If you wish, I will remain in contact with you after the transaction to remain a source of help and guidance in any of your future home buying endeavors. This is a part of my Signature Concierge Service.

## **CONCLUSION**

If you're thinking of purchasing a new home this year, you should certainly seek the assistance of an experienced, professional buyer's agent. I want to work with you to help you find the home of your dreams and minimize the stress and hassle that often accompanies the home buying process. By working with me, your home buying process will run as smooth as possible, and we will work together to get you into your new home without any significant hiccups.

When starting your search for a new home, make sure to give me a call to discuss how my services can help you! Please don't hesitate to find good help! Give me a call at 1-403-660-5319! You can also check out my website to learn more about me and start perusing properties in your area today!

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