



# HOMEBUYING CHECKLIST

PROPERTY ADDRESS: \_\_\_\_\_

## 1. DETERMINE NEIGHBORHOOD

- Identify 1-3 areas of interest: (Drive around area, School district, Expressways)

1. \_\_\_\_\_ 2. \_\_\_\_\_ 3. \_\_\_\_\_

## 2. DETERMINE TYPE OF HOME OF INTEREST & DESIRED SIZE

- Single Family #bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_
- Multi-Family #bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_
- Townhome #bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_
- Mixed Use

## 3. GO TO MARKET. WHAT'S OUT THERE?

- Use real estate apps Trulia, Zillow, RedFin, Foreclosure sites, Auction.com
- Enter in desired home parameters (property type, #bedrooms, #bathrooms, etc)
- Have on hand: Pre-Qualification Letter, Amount \$ \_\_\_\_\_ OR Pre-Approval Letter, Amount \$ \_\_\_\_\_
- Ensure broker has hard-copy and email copy. Have hard-copy on hand for self.

## 4. PROPERTY FINANCIALS

- Asking price \$ \_\_\_\_\_ Appraisal value \$ \_\_\_\_\_
- Principal & Interest \$ \_\_\_\_\_ Taxes \$ \_\_\_\_\_ Insurance \$ \_\_\_\_\_
- Sq Ft \_\_\_\_\_
- How long property on market \_\_\_\_\_

## 5. COMPARABLE MARKET ANALYSIS

- Determine range of lowest to highest sales prices of similar properties within the last 6-12 months. Property types must be the same. If there is no middle comp, use lowest comp and/or asking price.
- Comp #1: Sell Price \$ \_\_\_\_\_ Sale Date \_\_\_\_\_  
#bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_ Sq Ft \_\_\_\_\_
- Comp #2: Sell Price \$ \_\_\_\_\_ Sale Date \_\_\_\_\_  
#bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_ Sq Ft \_\_\_\_\_
- Comp #3: Sell Price \$ \_\_\_\_\_ Sale Date \_\_\_\_\_  
#bedrooms \_\_\_\_\_ #bathrooms \_\_\_\_\_ Sq Ft \_\_\_\_\_

## 6. DETERMINE OFFER

---

---

- The offer is a personal decision based on comps and an evaluation of the financials: principal, interest, taxes, and insurance (PITI). Evaluate if you can afford the property.
- Asking price \$ \_\_\_\_\_
- Principal & Interest (6%) \$ \_\_\_\_\_ Taxes \$ \_\_\_\_\_ Insurance \$ \_\_\_\_\_ = PITI \$ \_\_\_\_\_  
Interest Rate 6% is most conservative, use actual if known.
- Resident Purchase: 5-20% equity below value of property \_\_\_\_\_  
Investor Purchase: 20-40% equity below value of property \_\_\_\_\_
- Ask for seller to pay closing cost: 1%    2%    3%    4%    5%    or \_\_\_\_\_%

## 7. DETERMINE CASHFLOW

---

---

- Currently paying \$ \_\_\_\_\_ New payment \$ \_\_\_\_\_ Total Cashflow \$ \_\_\_\_\_
- Multi-unit, determine comparable rents in area for similar sized homes/apts.  
Rents - PITI - expenses = Total Cashflow (equation)  
Rents: \$ \_\_\_\_\_ - PITI \_\_\_\_\_ - Expenses \_\_\_\_\_ = Total Cashflow \$ \_\_\_\_\_  
Expenses: Basic maintenance, shoveling, landscape (ex: \$1200/yr)
- Ask realtor: What is the income on the property? \_\_\_\_\_
- Does property have current tenants? \_\_\_\_\_ If all units occupied, should I purchase? \_\_\_\_\_
- When are leases expiring? \_\_\_\_\_
- 30 - 90 days date for closing \_\_\_\_\_ (purpose is for owner occupied determination)  
\*\*\*If property has no equity, evaluate cashflow. If property has neither equity or cashflow, don't buy as investor.

## 8. SEE THE PROPERTY

---

---

- Know your numbers 1st! Offer Min: \$ \_\_\_\_\_ Offer Max: \$ \_\_\_\_\_
- Know intent of property: Rent it \_\_\_\_\_ Live in it \_\_\_\_\_, How long? \_\_\_\_\_ Flip & Sell it \_\_\_\_\_
- Questions?: Does sale include Refrigerator, Stove, Washer or Dryer? \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- Identify property needs based on visual inspection: Paint, Carpet, Bathroom, Kitchen, etc: \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_
- Making an offer? Yes / No Offer Price: \$ \_\_\_\_\_

## 9. AFTER THE OFFER

---

---

- Earnest \$ \_\_\_\_\_ Seller determines. Plan 10% asking price. 24-72 hours certified funds.
- Down Payment Requirements: \$ \_\_\_\_\_ Owner occupied ~3-5%; Investor ~20%
- Know deal breakers: No full remodel project, structural problems, \_\_\_\_\_
- Ask for seller to pay closing cost: 1%    2%    3%    4%    5%    or \_\_\_\_\_%
- Contract is contingent on attorney review, loan approval, successful home inspection, and appraisal review.