

Preview Edition

Amy & Kyle Bergquist's

2009 Home Buyer's Guide



An Overview of the Home Buying Process in
Greater Hartford



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Introduction

Welcome to the 2009 edition of our Home Buyer's Guide!

One of our goals is to be a resource for people interested in real estate. This guide is designed specifically for buyers, and is one way that we uniquely serve our clients.

The first half of the guide focuses on buying property in the Hartford area and walks through the entire process in an orderly manner. The second half touches on topics that regularly come up during the purchase process. The section is organized alphabetically by keyword, so scan through the topics to find those that are of interest to you. Most act to elaborate on items mentioned earlier in the guide.

Throughout the guide, topics are covered in less than a page and focus on key points. We've intentionally kept the discussions brief in an effort to cover as much ground as possible. One result of this philosophy is that the guide is not as detailed as it could be. Since each buyer's situation is unique, we believe that information related to a specific scenario is best explained in a direct conversation. The information in the guide should help trigger questions you'd like to ask us about your search and purchase.

We hope that the guide will help you feel more comfortable navigating the complex, and sometimes frustrating, home buying process. Please feel free to reach out to us at any time during your search — it's one of the important services we provide as your Buyer's Agent.

Thanks again for choosing us for your home search — we're excited to get started!

Amy & Kyle

PS — Also check out our website for additional information, www.GreaterHartfordRealEstateBlog.com



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Deciding to Buy

So you're thinking about buying a home. You may have a vision for what you want and be tempted to leap right into a search. Don't — it's important to properly prepare. Ask your friends and family about their experiences. Educate yourself about the purchase process. Review your finances to make sure you can comfortably afford one. Owning a home will change your life in three main ways — new opportunities, new responsibilities, and periodic surprises.



Moving to your own place opens up a number of opportunities and freedoms that are not available when renting or living in someone else's home. Sometimes it's simple things like being able to paint and decorate in a way that truly reflects your style. Other times it's about outdoor space for gardens or simply relaxing on a private patio.

Everyone has their own mental image of their new home, and the opportunities it will bring. Unfortunately,



they often overlook the additional responsibilities that come along with those imagined features. For example, after you find your acre of private paradise, you need to be prepared to spend some time mowing and maintaining, or at least budgeting for a lawn service.

Finally, homes have a way of surprising us, especially with emotional stresses that come with the inevitable repairs. Tenants are able to call their landlord when the toilet won't stop running, but owners have to figure those issues out for themselves. You'll be surprised at how handy you become when dealing with the little annoyances that come with a home.

If, after weighing the risks and rewards, you decide to buy a home of your own, then we'll be ready to guide you through each step of the process.

Our Recommendation

We meet buyers at all stages of the home buying process. Some are very organized and contact us at the beginning to set up an interview and planning session. Others avoid dealing with agents for as long as possible, seeming to believe that none of us can be trusted (We, of course, disagree). But most take an in-between approach, searching the internet and visiting open houses for months as they try to figure out their goals, and then reach out for help.

In our experience, home buyers that have the best purchase experience are those that educate themselves about the process and get key relationships in place once they decide to buy.

These buyers know what to expect at each step of the way. They focus on homes that they can afford, because they've sat down with a mortgage lender to get pre-approved. They focus on homes with the features they want, in towns where they would like to live, because they sat down with us to discuss their search criteria. Most importantly, they are confident in the process, and in their team, and can act quickly when they find a property they like.

Once you decide that you are ready to buy, start by giving us a call. We can sit down with you to:

- Answer any and all questions you have about the process.
- Help you evaluate your search criteria to determine if it is realistic.
- Provide recommendations for high quality mortgage and legal professionals to help fill out your team.
- Set up an MLS search to get the most up-to-date information sent to you nightly.
- Plan to launch your search and arrange times to go look at properties.

Finding Your Team

Once you feel comfortable with the commitments involved, the first step in the home buying process is finding a team to help you. Home purchases are complex financial transactions that involve a number of professionals. Each specializes in a portion of the process, so you need to be comfortable interacting with both them and their helpers. Like most service professionals, the best way to find them is through referrals, and it never hurts to check references.

Buyer's Agent

Buyer's Agents are involved in nearly every transaction. They are hired by the buyer to help with all aspects of the search and purchase, protecting the buyer's best interests as a fiduciary. You will spend most of your time interacting with your Buyer's Agent, so it is very important to find one that you feel comfortable with.

They should be an expert on the markets in which you are searching and be comfortable facilitating the transaction.

They will coordinate the entire search, helping you find a home that meets your needs, negotiate a deal, and work through the closing process. Even after the purchase, you should feel comfortable contacting your agent regarding repairs and renovations, contractor recommendations, etc.

A good buyer's agent will:

- Educate the buyer about the overall purchase process.
- Help structure and guide a home search.
- Understand the markets and housing stock in the areas of interest.
- Analyze market data to form pricing opinions.
- Provide contacts for service providers and information sources.
- Keep the purchase on track once an offer has been accepted.

Tips for selecting a Buyer's Agent

- Interview multiple agents.
- Find someone you feel comfortable with.
- Make sure they work in the towns you're considering.
- Make sure they are active agents (do at least 10 deals per year).
- Consider an agent that also works with sellers (so they know how sellers think).
- Find someone with the analytical ability to support your offers.

In the Hartford area, Buyer's Agents are typically compensated by the Listing Agency. Sellers agree to pay a commission to the Listing Agency upon the sale of their home. The Listing Agency then offers a portion of the commission to any agent that brings a buyer for the property. Therefore, buyers do not need to write a second check to their agent when they buy a home listed through a Broker (in the Multiple Listings Service).

Buyers that are also interested in looking at For Sale By Owner and Foreclosure properties should work out an agreement with their agents at the beginning of the search.

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Mortgage Lender

Mortgage Lenders help buyers secure the funding they need to purchase a home. They act as the intermediary between the bank that writes the loan and the borrower. Mortgage Lenders should be involved in the purchase process from the beginning since they work with you to evaluate your financial situation and determine a comfortable price range for your search. Once a specific property is under consideration, they help you secure a mortgage.

Lenders can be either Mortgage Bankers (work directly for a bank) or Mortgage Brokers (have relationships with multiple banks). Brokers have an opportunity to shop around amongst their banks, though in some cases a Banker will be able to offer better rates because of the needs of their institution. Each will offer a menu of different mortgage structures (30 year fixed versus interest only) and programs (conventional versus FHA).

The ideal mortgage lender is someone that you feel comfortable working with and sharing your financial condition. They should be experienced, have a good reputation, and perhaps most importantly they should be responsive to your questions and concerns.

A good mortgage lender will:

- Evaluate your credit and recommend ways to improve it.
- Suggest strategies for improving your debt and cash levels.
- Find the best mortgage program and terms for your situation.

Mortgage Lenders will provide an estimate of all the costs involved in securing the loan through the Good Faith Estimate. Although it is interesting to look at the line items individually, the best way to compare estimates is to look at the APR of the loan.

Tips for finding a Mortgage Lender

- Interview different mortgage brokers because they will have relationships with different lenders, who are offering different rates and products.
- Lenders are usually only willing to lock in rates for 60 days while still offering their best rate.
- Online lenders (like LendingTree) cause your credit report to be pulled by each institution they have bid for your loan, hurting your score.

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Attorney

Attorneys oversee the entire purchase process to be sure that your interests are protected, and are specifically responsible for the title search and title insurance. If there is ever a problem during the deal, you are encouraged to consult your attorney for advice.

The attorney's most visible role is master of ceremonies at the closing. They are selected by the buyer, and usually also represent the mortgage company in the transaction. Sellers hire their own attorney, who also participates in the closing.

A good attorney will:

- Explain all contracts and documents, answering all questions.
- Provide advice and perspective throughout the transaction.
- Perform the title search and secure title insurance.
- Negotiate last-minute issues.

Attorneys are paid in a variety of ways during a home sale. They charge a flat fee to the buyer for representation (typically between \$500 and \$800). They also charge the mortgage bank for representation and earn a commission for selling title insurance.

Tips for finding an Attorney

- Fees charged to buyers can vary greatly from attorney to attorney.
- Make sure your attorney is experienced in real estate.
- Choose an attorney with a strong paralegal since they do most of the work behind the scenes.
- Choose an attorney with a partner or other backup so that your deal will stay on track if they have an emergency.

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Amy Bergquist

Amy is a full-time residential real estate professional serving the Greater Hartford region. Her expertise includes first time home buyers, residential resale, corporate relocations, and investment properties. Additionally, Amy holds her Broker's license, as well as the Accredited Buyer Representative (ABR) and Graduate REALTOR Institute designations (GRI). She earned President's Club recognition within William Raveis in 2008 as one of the firm's top agents.

Amy studied Operations Management at the University of Massachusetts, receiving recognition as the top student in her major. She continued her education at the University of Virginia, earning an MBA and gaining graduate-level training and expertise in marketing, sales, finance, and negotiating.

Prior to her real estate career, Amy worked in project-based and management positions at various Fortune 500 companies for 7 years. Looking for a more entrepreneurial career track, Amy left the corporate world to further pursue her fascination with real estate full time.

Amy is involved with a number of community organizations. She is on the Board of Directors for the Knox Parks Foundation, and active in multiple groups within both the West End Civic Association (WECA) and Hartford Young Professionals and Entrepreneurs (HYPE).

Her leisure time interests include spending time with her husband, daughter, and Labrador retriever. She jogs regularly and competes in an occasional half-marathon. Other hobbies include improvement projects on her historic home, frequenting local antique auctions, and perfecting her poker game with local friends. Amy lives in the West End of Hartford.

Kyle Bergquist

Kyle Bergquist is a full-time real estate professional and a member of Amy's real estate team. Although he works primarily with buyers and investors, he is also active in supporting the team's listing clients and marketing efforts.

Before joining Amy's real estate practice, Kyle worked as a financial advisor and hedge fund analyst with Conifer Investments, a boutique specializing in the needs of multi-generational families. He is also a partner in his family's quilt design company, Vermont Quilt Design, which creates and markets original patterns for quilted projects.

Kyle studied Physics at Wake Forest University, graduating Summa cum Laude and Phi Beta Kappa. He extended his stay at Wake Forest to earn an MS in Physics, and holds an MBA from the University of Virginia. Kyle is also a CFA charterholder (Chartered Financial Analyst).

Outside of his various business endeavors, Kyle enjoys spending time with his wife, daughter, and Labrador retriever. He is an active member of the Hartford Young Professionals & Entrepreneurs (HYPE) and the West End Civic Association (WECA) groups. Kyle enjoys recreational bike riding, poker, and grilling.

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Testimonials

“As first time buyers, Amy was invaluable to us with her wealth of knowledge and patience. We always felt she was looking out for our best interests and truly on our side, and she helped us through many “bumps in the road” during the process - without ever making us feel pressured to move forward.”

Mat & Val Jasinski

“Your patience and desire to help me find not just a house, but the right house - no matter how many visits it took - made my first home buying experience a good one.”

Meredith Durham

“Thank you very much for helping us to buy our first home in the U.S. The process of finding a right house, getting a good mortgage, finding an attorney are so complicated, but your attitude and helpfulness have helped us to go through a long and complex process without stress. Many people told us a buyer representative only works for his or her interest, but from your advice, we know that you have put our interest before yours. You are also a good listener. We will never forget you...”

Bao Le & Kim Ngan Nguyen

“We first met Amy when we started to visit Open Homes on Sunday afternoons. We had recently moved to Connecticut from Ireland and had just started to our search for a new home. We would recommend anyone looking for an agent to consider working with Amy. It's hard to imagine anyone in the industry is as honest, competent and hard working, with a sense of humor!”

Lindsay & Michael Gaul

“I recently bought my first home, and would definitely recommend Amy Bergquist. What distinguishes Amy from other realtors is 1) her laid-back, hardworking attitude and 2) her industry knowledge (as evidenced by her blog). Amy is also extremely organized, and was on top of the entire process. She was like my real estate Blackberry! Thanks for all your help Amy!”

Jessica Lee

“Thank you again for everything! We are very impressed with how smooth the process was and very much appreciate your attention to detail. We couldn't be happier with the whole transaction.”

Rachelle & Jim Harper