

No matter the task at hand, things go better when you have a plan. The same is true with buying a home — whether you're looking to acquire your first house, or an investment property. Here we'll go through the process in a little more detail, defining things a little more clearly.

## Step one: Define your dreams and goals



The process of buying the right house for you begins with understanding your dreams and goals for home ownership. Have fun with this! Asking yourself the following “what, when, where, why and how” questions, is a great place to start:

- **What do you need in a home?** In addition to the number of bedrooms and bathrooms required, be sure to consider features that will support or enhance your lifestyle (i.e., space for a garden, playscape or workshop).
- **When do you want to be in your new home?** Do you prefer tile, carpet, or wooden floors? Will you need an office space or guest rooms for frequent visitors? Will stairs be an issue or will they make your house more fun?
- **Where is the most desirable and convenient place to live?** Consider proximity to work and school as well as important social and leisure activities.

- **Why buy? Why buy now?** Knowing what's driving your home buying decision will help to ensure that your needs get met.
- **How much can you afford to spend?** How are you planning on paying for your home? Do you currently own a home you will need to sell first and use the equity from that to buy your next home? If not, you'll likely want to consider [prequalifying](#) for a home mortgage. Based on your income, credit score, assets and debt, loan prequalification provides you with a quick **estimate** of your buying power by determining how large of a loan you are likely to qualify for.

## Step two: Get pre-approved for a home loan

Securing a pre-approved loan enables you to start shopping for a home with confidence, because you know in advance just how large a loan you can expect to qualify for. Best of all, pre-approval gives you an edge when buying a home because it tells Realtors® and sellers alike that you are a serious homebuyer.

Getting a pre-approved loan means that you have proved to a lender that you are qualified to receive a certain amount of money and interest rate which are based on your income level and credit score. When going to a lender to see if you can be pre-approved some good things to bring are a pay stub, W-2 from the past two years, tax return, valid ID, and Social Security number, and any asset information you might have from investments or financial gifts from family members or friends. You can learn more about the process [here](#).

Once you get pre-approved, your loan officer will be a vital member of your home buying team. Therefore, it is important to work with a loan office you can trust. *The Smart Living Team* works closely with a number of impressive loan officers. We are happy to help you find the right person and mortgage product for your home buying goals.

Need a few names and numbers of trustworthy, reputable mortgage lenders in Las Cruces to get started? Check out [Find the Right Lender](#).

## Step three: Shop for your home

Now that you know the type of house and location that best suits your needs, as well how much home you can afford, it's time to start shopping! Here's where all of the work you've done to define your goals, dreams and preferences will come in handy.

Check out our versatile Smart Living [search tools](#) for a quick and easy way to get started. In addition, we will use our resources to scout the marketplace on your behalf and arrange for you to tour the homes that interest you at your convenience. We help you prioritize your choices to the top 1 to 3 homes that best fit your wants and needs.



## Step four: Prepare and negotiate an offer

Once you have found the right home, we will help you determine an appropriate offer most likely to result in you being able to buy the home at the

best price possible. In the offer document you will specify the price you are willing pay, as well as list additional details relating to the purchase, including:

- Specific financing information
- Down payment and Earnest Money amounts
- Closing costs, and who will pay them
- Inspections needed
- Personal property to be included in the purchase
- Terms of cancellation
- Date that you will take possession of the property
- How disputes will be settled
- Contingencies – potential situations that allow you to cancel the contract without penalty



You'll want to carefully review this document and clarify any questions that you may have prior to making the offer, because once the seller accepts your offer it becomes a binding contract. If necessary, we will negotiate on your behalf to define terms that both you and the seller can agree on.

Once agreement is reached, all documents will be sent to the title company where a file will be opened, and title commitment and property tax information ordered. These documents will be available to you online through your complimentary Dotloop membership for a total of seven years.

## Step five: Apply for your loan

To apply for your loan, give your loan officer a copy of the fully signed Purchase Agreement and finalize the loan terms.

## Step six: Inspect the property

Once the offer and loan terms have been finalized, you will choose a home inspector from our list of qualified and experienced home inspectors, and we will help you arrange inspections to ensure your safety and the value of your investment. A thorough inspection will include but is not limited to:

- Roof and parapets
- Stucco or other exterior wall finishes
- Windows and doors
- Heating and cooling systems
- Plumbing and Electrical systems
- Kitchen appliances and hot water heater

- Safety code issues
- Termites/wood destroying insects

Some homes may also require inspections of septic tanks, wells, swimming pool, etc. Optional inspections include detection of [radon levels](#) or the existence of mold.

## Step seven: appraisal and survey of property

If you are getting a mortgage, your lender will make arrangements for the property appraisal, which estimates the market value of the home and helps assure that you (and your lender) are getting good value. A survey is often the last hurdle in the buying process, it is usually ordered after the inspections and appraisal are completed and accepted. There may be a previous survey document for the home, and if no additional improvements have been made on the property since the last survey was done, using this survey is usually acceptable.

## Step eight: Bring it all together at the closing

In advance of the closing, we'll accompany you at a final 'walk through' of the home to ensure that the house has been left in the condition set forth in the contract. This is the time to make sure that items such as kitchen appliances, light fixtures, and other items you are expecting to be left in the home are there.

