THE SPOTLIGHT HOME TEAM

your move takes center stage

Complete Guide to HOME BUYING



ABOUT US

Meet the Spotlight Home Team

Welcome to the Spotlight Home Team, your premier source for real estate excellence in Southeast MIchigan. We're a dedicated team of professionals committed to helping you achieve your real estate dreams with integrity, knowledge, and a personalized touch.

With a track record that speaks for itself, the Spotlight Home Team has consistently delivered top-notch service and results to our valued clients. Our commitment to excellence has earned us the prestigious title of the top-rated real estate team on Zillow, where we've garnered over 500 glowing reviews from satisfied clients.

Here's what a few of them had to say:

"The Spotlight Home Team made our home buying experience a breeze. They were incredibly knowledgeable about the local market and helped us find our dream home." - ***John and Sarah, happy homeowners.***

"We can't thank the Spotlight Home Team enough for their dedication and expertise. They truly went above and beyond to ensure we got the best deal possible." - **Emily and David, delighted sellers.**

At the heart of our success is our unwavering commitment to our clients. We understand that buying or selling a home is a significant life event, and we're here to guide you every step of the way.

Our team's deep knowledge of the real estate market, combined with our strong negotiation skills, ensures you get the best possible outcome.

Whether you're a first-time homebuyer, a seasoned investor, or looking to sell your property, the Spotlight Home Team has the expertise and resources to meet your needs. We provide customized solutions tailored to your unique goals, and our priority is your satisfaction.

When you choose the Spotlight Home Team, you're not just getting a real estate agent; you're gaining a trusted partner dedicated to your success. Our commitment to open communication, market insights, and a client-first approach sets us apart. We don't just want to help you with this transaction; we want to be your "Realtors for life."

Join the many satisfied clients who have experienced the Spotlight Home Team difference. Contact us today, and let's embark on your real estate journey together. Your dream home or successful sale is just a call away with the top-rated team on Zillow, the Spotlight Home Team.

We look forward to guiding you home!

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TABLE OF CONTENTS

About Us 2

Why Work with a buyers agent 4

Fees to know before you buy 7

Loan Types 10

Viewing Homes 12

Home Buying 14

Inspections 15

ENIRONMENTAL ISSUES 17

INSPECTION ISSUES UNIQUE TO SE MICHIGAN 18

Closing 20

Your Support Beyond Closing 21

Is Condo Living Right for You? 23

Unlocking Opportunities 25

The Balancing Act 25

The Pros and Cons of New Construction 27

TAXES EXPLAINED 31

WHY WORK WITH A BUYERS AGENT

Your Trusted Partners in Home Buying



1. **Uncover Uncommon Loan Options:** The Spotlight Home Team will connect you with lenders and introduce you to loan programs you might not have discovered otherwise.

2. **Comprehensive Buyer Protection:** We safeguard all your interests as a buyer, from your financial well-being to your family's needs and future resale value.

3. **Expert Negotiations:** Our team negotiates diligently to secure the best price and terms for you, using neighborhood sales data to ensure a fair deal.

4. **Winning Multiple Offers:** Count on us to guide you through competitive multiple-offer situations, increasing your chances of success.

5. **In-Depth Research:** We access exclusive data, including tax records, permit applications, and non-public information, to empower your decision-making.

6. **Thorough Home Inspections:** We collaborate with top-notch inspectors and contractors who identify critical issues and local concerns like flooding and radon.

7. **Tailored Viewings:** We arrange private viewings and leverage our expertise to help you choose the perfect home in the right neighborhood.

8 **Early Access to Listings:** Gain an edge with our access to the local MLS, including homes not yet on the market or those about to be listed.

9 **Responsive Support:** Count on us to answer all your questions and guide you to the information you need.

10 **Your Trusted Guide:** From the initial search to offer submission, the Spotlight Home Team will be your trusted guide throughout the entire home-buying journey.

11 **Local Area Knowledge:** Leverage our deep understanding of the local real estate market, including neighborhoods, schools, transportation, and community amenities.

12 **Market Trends and Insights:** Stay informed about current market trends, pricing dynamics, and emerging opportunities with our guidance.

13 **Customized Property Alerts:** We can set up personalized property alerts, notifying you when homes meeting your criteria hit the market.

14 **Comparative Market Analysis (CMA):** Receive CMAs for properties you're interested in to make informed decisions about offering prices.

15 **Guidance on Offer Strategies:** Rely on us to advise you on effective negotiation strategies and terms when making an offer.

16 **Contract Expertise:** Ensure your contracts are thoroughly reviewed, understood, and compliant with local regulations and laws.

17 **Transaction Coordination:** We will manage the complex paperwork and timelines involved in the transaction, reducing your stress.

18 **Local Vendor Recommendations:** Tap into our network for referrals to trusted local service providers like inspectors, attorneys, and lenders.

19 **Insight into Property History:** Learn about a property's history, including past sales, renovations, and potential red flags.

20 **Professional Networking:** Benefit from our connections, including access to pocket listings and off-market opportunities.

21 **Negotiation Skills:** Count on our negotiation prowess to secure the best deal, whether it's price reductions, repairs, or seller concessions.

22 **Ongoing Support:** Enjoy ongoing support even after closing, including assistance with move-in logistics and settling into your new home.

23 **Resale Value Considerations:** Discuss our insights on how your chosen property might appreciate over time.

24 **Property Investment Advice:** If you're considering real estate as an investment, we can provide guidance on rental income potential and growth prospects.

25 **Communication Skills:** Expect clear, timely, and open communication from the Spotlight Home Team throughout the entire process.

26 **Emotional Support:** Buying a home can be emotional; we can provide valuable emotional support and reassurance.



Working with the Spotlight Home Team means having experienced and dedicated partners by your side throughout your home-buying journey. Communication and trust are paramount, and we're committed to helping you find the perfect home while safeguarding your interests and ensuring a smooth transaction.

FEES TO KNOW BEFORE YOU BUY

Navigating Home Buying Costs with Confidence

Congratulations on taking the exciting step toward homeownership! At the Spotlight Home Team, we're here to guide you through the entire home buying process. It's crucial to work with professionals who prioritize your education and preparedness, ensuring a smooth journey to your dream home. Don't let loyalty to a friend who just obtained their real estate license or a lender chosen solely for their friendly voice stand in the way of your homeownership goals.

Closing costs, the total amount you'll need to buy a home in addition to your down payment, are not precisely calculated until about a week before the closing date. Expect some fluctuations in these costs, which can typically be categorized into three main areas:



Upfront Costs

- This portion directly contributes to your home purchase, covering expenses such as taxes and insurance.

Down Payment

- While you're likely familiar with the down payment, it's essential to note that FHA loans require 3.5% down, but options exist for as low as zero or 1% down.
- **Earnest Money Deposit (EMD):** Though not a fee, EMD is an upfront sum to secure your home. This amount varies but 1% of the purchase price is standard. It's held in an escrow account and applied to your closing costs, including the down payment. If the sale doesn't proceed for various reasons, this amount is typically returned as specified in the sales contract.

Loan Costs

- **Appraisal Fee:** This fee is essential for the bank to determine the true value of the home and, in some cases, assess whether any safety-related repairs are required. Typically, the cost ranges from $375 to $450 and is non-refundable. If you choose not to purchase the home, this expense becomes an out-of-pocket cost. Note that some lenders may require payment upfront, while others roll it into your closing costs.
- **Origination Fee:** This fee covers the cost of generating your loan and is generally between $1,000 and $2,000.
- **Application Fee:** Some lenders charge this fee to process your loan application. Be sure to check with your lender for an estimate.
- **Credit Reporting Fee:**This is a nominal charge to generate your credit report.
- **PMI (Private Mortgage Insurance):** PMI is required if you're putting less than 20% down on your home purchase. It may also be referred to by different names, such as Mortgage Insurance or lender-paid mortgage insurance. PMI provides protection for the bank in the event of foreclosure. While this fee typically drops off once you have 20% equity in the home, some loans, like FHA loans, require a year's worth of upfront PMI, which could amount to several thousand dollars.

Additional Costs to Consider

- **Homeowner Insurance:** Most loans require upfront payment for a year's worth of homeowner insurance, typically ranging from $1,000 to $1,400.
- **Prorated Property Taxes:** As a homeowner, you'll either pay upfront property taxes to the municipality you're purchasing from or reimburse the seller who has already paid them.

- **Title Insurance:** Protecting you and the bank against title defects, title insurance involves a thorough search for any liens or outstanding loans on the property. The cost is fixed and depends on the policy type.
- **Homeowner Association Dues:** If your home is part of an association, there may be startup fees or upfront payment requirements.
- **Home Inspection:** While not a fee, it's highly recommended. Typically, home inspections cost between $400 and $600 and provide a visual inspection of the property. Consider additional specialized inspections, like those for pests, radon, or sewer lines, if recommended by your home inspector.

Additional Considerations

- **Local Closing Customs:** Understand local practices for closing costs, including who typically covers specific fees.
- **Home Warranty Costs:** Consider whether you want to purchase a home warranty, which can cover certain repairs or replacements. Costs vary from $450 - $1,000.
- **Escrow Accounts:** Some lenders may require escrow accounts for property taxes and homeowner's insurance. Understand how this affects your monthly mortgage payments.
- **Property Appraisal Contingency:** This allows you to renegotiate or withdraw from the deal if the property doesn't appraise at or above the purchase price.
- **Interest Rate Lock Fees:** If you choose to lock in your interest rate, some lenders may charge a fee for this service.
- **Property Surveys:** While not always required, property surveys may be necessary in specific circumstances. Costs vary.
- **Local Transfer Taxes:** Research whether your local jurisdiction imposes transfer taxes on real estate transactions. In Michigan it is customary for sellers to pay with the exception of new construction. Builders often pass a portion on to the buyer.
- **Property Insurance Deductibles:** If securing homeowners or flood insurance, be aware of deductible amounts and their impact on potential out-of-pocket expenses in the event of a claim.

LOAN TYPES

Unlocking Opportunities: *Loan Programs for Homebuyers*

In today's real estate landscape, home buying can sometimes feel like navigating a maze of options and challenges, especially for first-time buyers or those with credit concerns. The soaring costs of living, student loan obligations, and rising rents in places like SE Michigan make homeownership seem like an elusive dream. However, at the Spotlight Home Team, we're committed to turning those dreams into reality by connecting buyers with a wide range of loan programs and options.

Expertise Beyond the Obvious: Your Spotlight Realtor When you choose a Spotlight Realtor, you're not just getting a pretty face. You're gaining access to a network of lenders who offer an array of products to suit your unique needs. Our goal is to ensure that you're informed about every possible option available to you.

Exploring Loan Programs

1. **USDA Loan -** 0% Down The USDA Loan is a game-changer for those seeking a zero-percent down payment option. Sponsored by the United States Department of Agriculture, this program aims to assist low to moderate-income families in designated areas. Many locations around Ann Arbor and Ypsilanti qualify for Rural Development (RD) loans. To determine eligibility, your chosen home must be located in an RD-eligible area. In Washtenaw County, the maximum income limit for RD eligibility is $112,850 for a family of 1-4. Connect with us today, and we'll recommend a certified RD lender to assist you in your home search.

2. **MSHDA Down Payment -** Assistance Michigan offers several excellent loan programs, including the Michigan State Housing Development Authority (MSHDA) Down Payment Assistance. This program offers a one-percent down payment loan paired with a zero-interest loan of up to $7,500 to assist with down payment and closing costs. It's worth noting that many national lenders and traditional banks do not offer this loan, making it one of Ann Arbor's best-kept secrets. Different variations of this program, such as MI Next Home DPA and MI First Home DPA, are available. Specific credit requirements (typically above 640) and income limits apply, so don't hesitate to contact us for a trusted lender recommendation. Here's a bonus tip: You can often combine Rural Development and MSHDA programs for a zero-percent down loan with $7,500 in down payment assistance.

3. **VA Loan -** Zero Down Payment for Veterans For our veterans and active-duty military personnel, the VA Loan program is a fantastic option. It offers the possibility of purchasing a home with zero down payment. This program comes with competitive interest rates and flexible qualification requirements. Whether you're a veteran or currently serving in the military, the VA Loan program is designed to honor your service by providing accessible homeownership opportunities.

4 **FHA Loan -** Low Down Payment and Flexible Qualifications The Federal Housing Administration (FHA) Loan is tailored for buyers with lower credit scores and limited down payment funds. With an FHA Loan, you may qualify for a down payment as low as 3.5% of the home's purchase price. Additionally, FHA Loans typically have more lenient credit and income requirements compared to conventional loans. If you're looking to enter the housing market with less-than-perfect credit or limited savings, an FHA Loan could be your path to homeownership.

5 **Doctor Loan -** 0% Down For medical professionals, residents, or anyone coming to the University of Michigan or the Ann Arbor area, Doctor Loans offer a fantastic home buying option. These specialized loans cater to doctors, dentists, and residents, providing zero-percent down payment options, no private mortgage insurance (PMI), and solutions for those managing student loan debt. Reach out to us via call or email, and we'll connect you with experienced lenders who are eager to assist you.

6 **203K Loan -** Perfect for Foreclosures & Fixer-Uppers Have your eyes set on a foreclosure or a home in need of some tender loving care (TLC)? The 203K Loan might be your solution. This loan not only covers the purchase of the property but also includes funds for essential repairs and improvements. Some lenders even allow you to choose your contractors, giving you the flexibility to turn a fixer-upper into your dream home. Eligible repair and improvement items often include roofs, flooring, windows, lead paint removal, furnace, plumbing, structural enhancements, and more.

7 **Portfolio Loan -** Ideal for Seasonal Workers, Business Owners, or Those with Credit Blemishes If traditional lenders have turned you away due to non-traditional work, credit challenges, or unique financial situations, it's time to explore Portfolio Loans. These loans, offered by select banks, often come with competitive interest rates and underwriting requirements. However, they use private funds, allowing banks to consider your circumstances individually. So, if you've saved up some money but faced repeated "No" responses from banks, it's time to give us a call. We'll connect you with the right professionals who can assess your situation and guide you toward your homeownership goals.

8 **EMU Foundation Employee Program -** $7,500 Incentive For employees of Eastern Michigan University (EMU) and the Eastern Michigan University Foundation, there's a unique opportunity that keeps you rooted in Ypsilanti. This program offers a $7,500 loan with a 20% forgiveness rate for each year you reside in your new home and pay property taxes. Stay in the home for five years, and it's like receiving a FREE $7,500 toward your purchase. It's an excellent way to invest in your community while enjoying a substantial incentive.

STEP 1

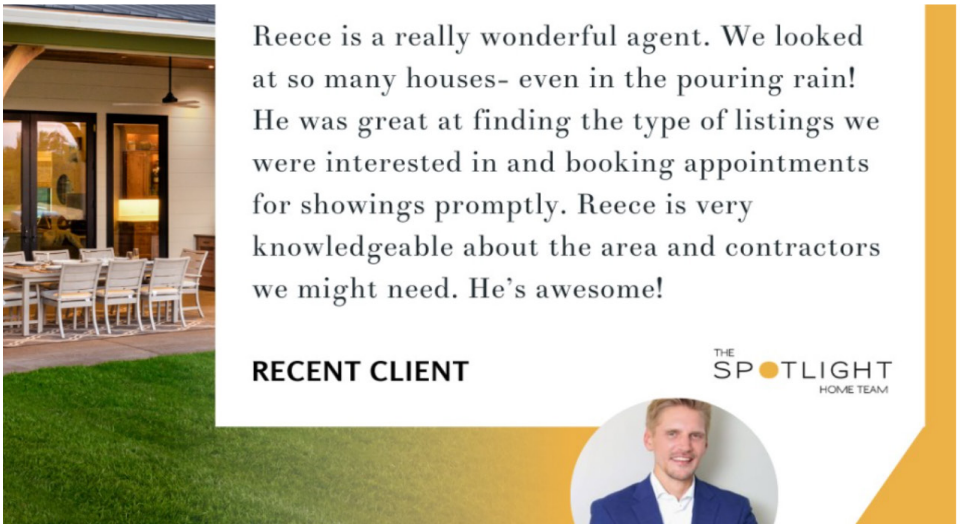
VIEWING HOMES

Your Partner on the Path to Homeownership











Welcome to the journey of becoming a homeowner with the trusted guidance of the Spotlight Home Team. We're here to walk you through every step of the process, starting with Step 1: Viewing Homes.

Defining Your Home Priorities: Before you start exploring properties, it's essential to have a clear understanding of what matters most to you in your new home.

Consider factors such as

- **Number of Bedrooms:** How many bedrooms do you need to accommodate your family comfortably or your future plans?
- **Bathrooms:** The number of bathrooms can significantly impact daily convenience.
- **School District:** If you have children or plan to, the quality of the school district may be a top priority.

- **Lot Size:** Do you prefer a cozy neighborhood home or an expansive piece of land?
- **Architectural Style:** From classic Colonials to modern Ranch homes, what architectural style speaks to you?
- **New Construction vs. Existing Homes:** Would you prefer a brand-new property or a charming, established one with character?

Move at Your Own Pace: Every home buyer's journey is unique. Some individuals find their dream home at the very first showing, while others need to explore multiple options to feel confident in their decision. The key is to move at your own pace, ensuring you're comfortable with each step.

The Internet as Your Ally: The internet offers a wealth of resources to assist you in your home search. There are numerous websites and platforms where you can browse listings. However, always rely on the Spotlight Home Team for the most accurate and up-to-date information. Online sources may occasionally contain errors related to taxes, schools, or property statuses. We're here to provide you with precise data and expert insights.

Unlock the Client Portal Advantage: As part of our commitment to your home search, we offer a personalized Client Portal experience. With this tool, we can set up a custom MLS search tailored to your specific preferences. You'll gain a competitive edge by receiving listings even before they appear on popular websites like Zillow or Trulia. Furthermore, you can save your favorite listings, allowing us to better understand your preferences.

Property Tours - The Fun Part: Property tours are undoubtedly the highlight of the process. Imagine exploring the homes you've saved with private viewings organized by the Spotlight Home Team. We'll handle all the logistics, ensuring you can conveniently visit all your selected properties in one trip.



Open Houses - A Welcoming Experience: Feel free to attend open houses in your desired neighborhoods. When you do, simply let the hosting agents know that you're working with a buyer's agent—the Spotlight Home Team. This way, they'll recognize that you have dedicated, professional support throughout your home buying journey.

STEP 2

HOME BUYING

Mastering the Art of Writing an Offer on Your Dream Home

Comparable Homes Analysis Before diving into offer details, it's essential to establish the property's value by analyzing comparable homes, often referred to as "comps." These recently sold homes in the neighborhood provide valuable insights. Our analysis takes into account not only the property's price but also factors like its condition, taxable value, and outstanding mortgage amount.

Offer Terms - Beyond Price While the price you propose is undoubtedly crucial, several other components in your purchase agreement, known as "terms," require careful consideration

- **Inspections (Usually 7 Days):** Typically, buyers have a limited window, usually around 7 days, to conduct inspections. This crucial step ensures the home meets your expectations and is free from significant issues.
- **Closing Date (Usually 30-45 Days):** The closing date marks the culmination of the process and typically falls within a 30-45 day timeframe from the offer's acceptance.
- **Concessions:** Sellers may contribute to your closing costs, but it's vital to strike a balance. While you can request up to 3% on many loans, FHA loans may allow up to 6%.
- **Loan Approval or Denial (Usually 35 Days):** Generally, you have approximately 35 days to secure loan approval or denial.

Navigating Multiple Offer Situations In competitive markets or for highly sought-after homes, you may find yourself in a multiple offer situation. To make your offer shine, consider these strategies:

- **Local Lender:** Opt for a local lender to enhance your credibility as a serious buyer.
- **Escalation Clause:** Demonstrate your commitment by including an escalation clause, indicating your willingness to pay above the highest competing offer.
- **Appraisal Deficiency:** Showcase your confidence by offering to cover the difference between the appraisal value and the purchase price in cash.

Expect a Counter Offer It's rare for an offer to be accepted without some negotiation. Be prepared for a counteroffer from the seller. Having a clear understanding of your maximum budget and any potential concessions is crucial during this phase.

STEP 3

INSPECTIONS

Navigating Inspection Contingencies with Confidence

As we journey through the home buying process with the Spotlight Home Team, we arrive at a crucial juncture: the inspection contingency. This step ensures your right to a private inspector who will meticulously evaluate your potential home.

Understanding the Inspection Process: Typically scheduled within the first 7 days after signing the purchase agreement, a home inspection is a comprehensive assessment of the property. The cost of this inspection can vary, generally ranging from S400 to S800, depending on the size of the home. During the inspection, experienced professionals meticulously assess every aspect of the home, providing you with a detailed report. This report will list everything from critical issues to minor concerns within the property. It's important to keep in mind that no home is flawless.



Your Post-Inspection Choices: After receiving the inspection report, you have several options to consider

- **Renegotiate the Price:** If the inspection uncovers significant concerns, you can renegotiate the purchase price based on the necessary repairs or adjustments.
- **Request Repairs:** Alternatively, you may ask the seller to address and rectify the identified issues before proceeding with the purchase.

- **Terminate the Contract:** In cases where the inspection reveals substantial problems that you're unwilling to accept, you have the option to terminate the contract, preserving your right to walk away from the deal.
- **Extend the Inspection Contingency:** If you require additional estimates or professional opinions to make an informed decision, you can extend the inspection contingency to gather the necessary information.

Beyond the Basics: Specialized Testing In addition to the standard inspection, you may wish to explore specialized testing, especially if you have concerns about specific aspects of the property. This could include:

- **Mold Testing:** If you suspect mold issues, specialized testing can provide clarity and guide necessary remediation.
- **Well & Septic System Testing:** For homes with well water and septic systems, it's advisable to conduct thorough testing to ensure functionality and water quality.
- **Sewer Line Inspection:** Checking the condition of sewer lines can help prevent costly surprises down the road.
- **Radon Testing:** Radon is a naturally occurring radioactive gas that can pose health risks. Radon testing can assess whether the home has elevated radon levels, and mitigation measures can be taken if necessary.

The Path Forward: Post-Inspection Negotiations It's essential to remember that nearly any issue identified during the inspection can be addressed and resolved. In most cases, deals do not unravel due to inspection findings unless there are significant, unresolvable issues.

At the Spotlight Home Team, we're here to guide you through the inspection contingency with confidence. Trust in our expertise to help you navigate the process and make informed decisions. With the Spotlight Home Team by your side, you're one step closer to turning your homeownership dreams into reality.

ENIRONMENTAL ISSUES

Any area you consider purchasing in will come with its own set of environmental issues. It's important to address these issues in your inspection prior to finalizing the purchase. Your knowledgeable real estate professional will assist you in finding the right inspectors.

RADON GAS - Radon is a naturally occurring radioactive gas and comes from the natural decay of uranium. It is usually found in soil, but in some cases, well water may also be a source. It makes its way into your home from cracks and holes in the foundation. An estimated 12% of homes in the entire state have higher than recommended radon readings with some counties reaching 40-45%.

Prolonged exposure can lead to significant health issues including lung cancer. Because Ann Arbor sits along what's known as a radon belt there is no way to tell if a home will have high levels of radon.

Good news. Radon gas can easily be remediated by putting a simple system in your home with a cost ranging from $800 - $1200. A radon test is highly recommended during your inspection period with a cost of around $150. You can also purchase an at home kit for as little as $10 but it's important to get your results prior to the end of your inspection period if you want the seller to address this issue.

MOLD – We truly enjoy all four seasons in Michigan. Unfortunately, the constant change in temperature and moisture leads to issues with mold especially in attics and crawl spaces. The root cause of much the attic mold can be traced back to Roof issues/leaks, Improper ventilation, and Improper venting from pipes and/or vents.

Many homeowners may not even realize they have a mold issue until the home inspection. Mold should always be professionally remediated typically at a cost of $1500 - $5000. It's important to identify the cause of the mold and have that issue addressed prior to closing.

CONTAMINATED GROUND WATER - Gelman Sciences, located in Scio Township, used dioxane in its manufacturing facility from 1966- 1986 and discharged the toxic waste on its site. This waste is spreading (known as the Gelman Plume) and has found its way into the ground water supply, slowly making its way toward the Huron River. Being highly soluble in water, dioxane posses a high risk to people that rely on wells for their drinking water. Exposure may cause damage to the central nervous system, liver and kidneys.

INSPECTION ISSUES UNIQUE TO SE MICHIGAN

DETERIORATING SEWER LINES – We love our charming, older homes but there is a cost to buying older homes. Modern day sewer lines are typically constructed from PVC. Older sewer lines can be constructed from anything from clay tiles to the highly problematic bituminous fiber also known as Orangeburg. Mature trees, improper installation from the 1940's to 1960s and age have taken quite a toll on the sewer lines. As you drive down many local streets you will see cutaways in the roads that lead to the main sewer line. You may see dozens of homes on each street with this repair. The sewer line is the homeowners responsibility and a cost to replace typically will run $7,000-$10,000. During your home inspection or prior to selling your home you should have a camera scope that runs around $200. This will save you a huge headache going forward.

GALVANIZED PLUMBING – If you're buying an old house, beware of galvanized steel pipes. They can build up with sediment on the interior, to the point where water flow is unusable. These pipes can also corrode at the joints which can lead to leaks and eventual failure. They were also installed directly at the water intake for the home so can be a costly repair.



WET BASEMENTS – We love the beautiful rolling hills and rivers the glaciers carved out centuries ago, but they can sometimes come at an expense to homeowners. The neighborhoods of the City are at different elevations and some are prone to flooding more than others. Newer homes are built with sump pumps that pump excess water away from your home, but many older homes do not have pumps. The good news is there are numerous systems and options available for wet basements that can arrange anywhere from a few hundred to thousands of dollars. Look for signs of moisture like staining on walls. Beware of fully finished basements where the walls are not visible. Your inspector can use a moisture meter and inspect the homes exterior for signs of water infiltration. Your inspector should also inspect the grading around the home and gutter systems as water should be directed away from the foundation. Sometimes the problem is as simple as adding gutter extensions.

FOUNDATION FAILURE – From the old mortar and stone Michigan basements to the more modern poured concrete and everything in between. As one inspector once said to me, "your basement is a giant hole in the ground and no matter how much you try water will find its way in." Knowledgeable inspectors will be able to educate you on the type of foundation, its maintenance, and if you need a further evaluation from a structural engineer. Poured foundations are solid concrete which may have settlement cracking that is considered typical. If wider gaps and separation appears there is probably a larger issue. Cinder block foundations are known to move over time as ground water penetrates the soil and push them inward causing horizontal cracking. It's not uncommon to see support beams and French drain type systems installed on these basements. Don't panic though until you have consulted the experts. I have seen people walk away from homes with minor foundation issues that could be easily repaired.

STEP 4

CLOSING

Navigating the Final Steps to Closing

As we approach the culmination of your home buying journey, it's time to focus on the critical steps leading to the closing table. At the Spotlight Home Team, we're dedicated to ensuring a smooth transition to homeownership. Closing Time! You're now just a few steps away from unlocking the doors to your new home. Here's what you need to know as we approach the closing day:

Review Your Final Numbers: Approximately three days before closing, you'll receive a breakdown of your final financial figures. If you have any questions or need clarification, don't hesitate to reach out to your lender or Title Company. While we're here to assist you to the best of our knowledge, it's essential to remember that these documents were prepared by your lender and Title Company.

The Final Walk-Through - Ensuring a Smooth Transition: Before the closing day, you'll have the opportunity to conduct a final walk-through of your new home. This is your chance to ensure that the property is in the agreed-upon condition and that any negotiated repairs have been completed. Be thorough during this inspection and take note of any discrepancies.

Switching Utilities - Preparing for Your New Home: With a firm closing date in sight, it's time to start the process of transferring utilities to your name. Additionally, you'll want to coordinate with any contractors or set up services with TV and internet providers.

Here are the essential utilities to address

- Gas
- Electricity
- Water

Securing Homeowners Insurance (Cash buyers especially don't forget!): Before closing, it's crucial to secure homeowners insurance. Lenders typically require proof of insurance to finalize the mortgage. Shop around for the best rates and coverage options to protect your investment.

Finalizing Your Moving Plans: As closing day approaches, solidify your moving plans. Arrange for movers, start packing, and ensure you have a plan in place for a smooth transition to your new home.

Addressing Outstanding Contingencies: If there are any outstanding contingencies, such as repairs or agreements with the seller, ensure they are resolved and documented before closing.

Preparing for Closing Costs: Review your closing costs and ensure you have the necessary funds available. Your lender or Title Company will provide you with a detailed breakdown.

By proactively managing these details, you'll ensure a seamless transition into your new home.

STEP 5

YOUR SUPPORT BEYOND CLOSING

We're Your Realtor for Life











The day of closing, often referred to as the "big day," marks the culmination of your home buying journey. It's the moment you receive the keys to your new home and officially become a homeowner. At the Spotlight Home Team, we believe that our commitment to you doesn't end at closing. We're here to guide you every step of the way and strive to be your "Realtor for Life."

The Day of Closing - An Exciting Milestone: Closing day is an exciting and pivotal moment in your home buying experience. It's the day when you become the proud owner of your new home.

The closing process typically takes about one hour, and during this time, you'll need to bring a few essential items

- **Valid ID:** Ensure you have a valid form of identification, such as a driver's license or passport, for the closing.
- **Certified Check:** Be prepared to provide a certified check for any remaining closing costs or fees, as discussed with your lender and Title Company.

The Key to Your New Home: One of the most symbolic moments of closing day is receiving the keys to your new home. It's a moment of celebration and anticipation, as you step into a new chapter of your life. In most cases, you'll receive the keys right at the closing table, marking the official transfer of ownership.

Continued Support Beyond Closing: At the Spotlight Home Team, we believe in providing unparalleled support to our clients beyond closing day. We're not just here to help you find your dream home; we're here to ensure your homeownership experience is as smooth and enjoyable as possible.

Here's how we continue to be your trusted partner after closing

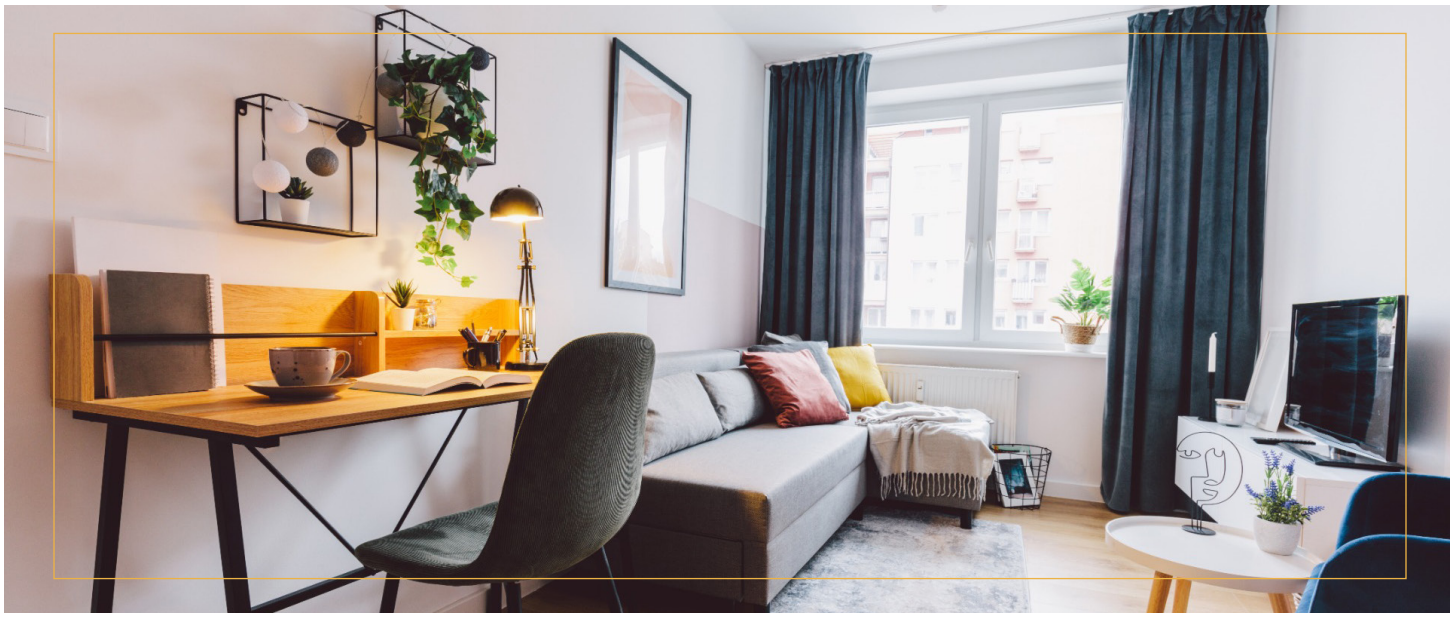
- **Assistance with Repairs:** If you ever need assistance with repairs or maintenance in your new home, don't hesitate to reach out to your Spotlight agent. We have an extensive network of reliable contractors and service providers to help you keep your home in top condition.
- **Client Parties and Giveaways:** We love celebrating milestones with our clients! Keep an eye out for invitations to client appreciation parties and giveaways. It's our way of saying thank you for choosing us as your real estate partner.
- **Your Realtor for Life:** Our commitment to you extends far beyond the closing table. We're dedicated to being your "Realtor for Life." Whether you have questions about the real estate market, need advice on home improvements, or want to explore future real estate opportunities, we're here to provide guidance and support.

The Spotlight Home Team Difference: Closing day is just the beginning of your homeownership journey. With the Spotlight Home Team by your side, you have a dedicated partner who will continue to support you long after the keys are handed over. We're here to make your homeownership experience exceptional, and we look forward to being your trusted Realtor for life.

If you have any questions or need assistance, please don't hesitate to reach out to us. Your satisfaction and success in your new home are our top priorities. Congratulations on this exciting milestone, and welcome home!

IS CONDO LIVING RIGHT FOR YOU?

7 Must-Know Factors Before You Buy



Before diving into condo ownership, there are crucial factors to consider. Condos offer a unique lifestyle, but it's essential to make an informed decision.

Here are seven things you should investigate

1 Financial Health and Governance of the Association

When you buy a condo, you become a co-owner in the complex. This means sharing financial responsibilities, governance, and maintenance with other owners. Ensure you review the association's yearly budget and financial statement. Verify that reserves are at least 20% of the total operating budget and that the association isn't operating at a loss. Operating at a loss can lead to assessments for owners, so clarity on financial stability is vital.

2 Understanding the Bylaws

While bylaws might seem boring, they hold essential information. Focus on these key aspects

- Know what the association covers and what you are responsible for in terms of maintenance.
- Understand which utilities are included in your association fees.
- Familiarize yourself with rules about renting and subletting, especially if you plan to rent out your unit.

3 FHA Approval

For FHA buyers, condo FHA approval is crucial but often misunderstood. You might need guidance from your Realtor to navigate this aspect successfully. Be aware that not all condos are FHA-approved. Explore alternative loan options, like a 3% or 5% down conventional loan, if your preferred condo isn't FHA-approved.

4 Rental Rules and Caps

Most condo complexes have strict rental rules to prevent the complex from becoming predominantly rental units. Common rules include minimum lease lengths, government approvals, adherence to bylaws for tenants, and rental caps (e.g., 25% or 50% of units). Pay attention to rental caps if you plan to buy as an investor; exceeding the cap might lead to waiting lists.

5 Noise Levels

Spend time in the condo complex and chat with residents and neighbors. Understanding potential noise issues, especially if you live in a lower unit, can be crucial for your peace of mind. Consider factors like noisy neighbors or loud garage doors.

6 Pending Assessments

Condos require maintenance and improvements like any other property. Part of your association dues goes toward these expenses. However, poor budgeting or unforeseen repairs might lead to assessments divided among owners. When making an offer, ensure you're aware of any pending assessments.

7 Warrantable vs. Non-Warrantable Condos

Warrantable condos can be financed by Fannie Mae or Freddie Mac, making them more accessible for buyers and future sellers. Non-warrantable condos have characteristics that make them less appealing to lenders, potentially impacting resale. Be aware of the warrantability of the condo you're interested in.

Spotlight Tips: Condo living can be enjoyable, but it's essential to stay informed about association rules, assessments, and the property's financial health. Remember that bylaws can change, so stay engaged in your community. Whether you're a first-time homebuyer or an experienced investor, understanding these factors is key to a successful condo purchase.

UNLOCKING OPPORTUNITIES

Making Your Move from One Home to Another



Selling your current home while buying a new one can be a complex puzzle to solve. It's like trying to take apart a Rubik's Cube, with each piece representing a unique challenge. But fear not! The Spotlight Home Team is here to guide you through the intricacies of making a seamless transition from one home to another, ensuring you get the best possible deal and minimizing stress along the way.

THE BALANCING ACT

Selling Before Buying

One common scenario we encounter is homeowners who want to sell their current property to finance their next purchase. The good news is that there are several strategies and financing options available to help you make this transition smoothly.



1 Bridge Loans: Bridging the Gap

A bridge loan, also known as a swing loan, is a short-term financing solution designed to bridge the gap between selling your current home and buying a new one. This type of loan provides you with the necessary funds to make a down payment on your new home while you're still in the process of selling your existing property. Once your old home is sold, you can use the proceeds to pay off the bridge loan.

Bridge loans are an excellent choice if you're confident that your current home will sell quickly, but you need the capital to secure your next property. They provide flexibility and peace of mind during the transition period, allowing you to act swiftly when the right opportunity arises.

2 Mortgage Recasting: Restructure Your Finances

Another option for homeowners looking to sell their current property is mortgage recasting. With this strategy, you continue making your regular mortgage payments on your existing home while you search for a new one. Once you've sold your old home and have a lump sum of cash in hand, you can request a mortgage recast.

Mortgage recasting involves reamortizing your loan based on the new principal balance. This can lead to lower monthly mortgage payments, making it easier to manage your finances as you transition to your new home. While not all lenders offer mortgage recasting, it's a viable option to explore with the help of your Spotlight Home Team Realtor.
Staying Put: Up to 60 Days Post-Closing

One unique advantage of working with the Spotlight Home Team is our ability to negotiate a "post-closing occupancy agreement" as part of your home sale. This agreement allows you to stay in your current home for a specific period after the closing date. This can be a game-changer, especially if you need more time to find your new dream home.

With this arrangement, you gain extra flexibility and avoid the stress of moving out of your current home immediately after closing. It provides you with the time needed to secure your next property with confidence, ensuring you don't rush into a decision you might later regret.

THE PROS AND CONS OF NEW CONSTRUCTION

Is It Right for You?

New construction homes have an undeniable allure. The prospect of owning a brand-new, never-lived-in property with modern amenities and the latest design trends can be enticing. However, like any major decision in life, it comes with its share of considerations and nuances. The Spotlight Home Team is here to shed light on the pros and cons of new construction to help you make an informed choice.

When to Build

First, let's address the timing. It's crucial to remember that building a new home is a substantial commitment, and you should plan to stay in the area for at least four years. New construction typically comes with a 15-20% premium compared to resale homes, but it offers added warranties from the builder and suppliers, ensuring you won't face costly repairs for the first five years.

Tailored to Perfection

Are you an ultra-specific, "picky" buyer with distinct needs that seem impossible to find in the current market? New construction could be the answer. Building your home allows you to invest your money where it truly matters to you, without the need for expensive renovations.

Energy Efficiency Matters

If energy efficiency is a top priority for you, new construction aligns perfectly with your goals. Recent changes in building codes have made newer homes significantly more energy-efficient than properties built just a few years ago.

Timeline Flexibility

Flexibility is key when it comes to new construction. If you need a home within the next month, it's not the best option, unless the builder has a spec home (built without a specific buyer) or a home where a previous transaction fell through. Most new builds typically take anywhere from four to twelve months to complete.

Space and Privacy

Do you dream of a newer home nestled on a spacious lot, away from the hustle and bustle of neighbors? While this is an appealing prospect, it often requires collaboration with a skilled mortgage lender, realtor, and builder to navigate the intricate process.

Hidden Costs

Now, let's talk about the financial aspects. When considering new construction, be aware of potential hidden costs that may not be immediately evident. These can include:

- **Lot Premiums:** Premium lots, like those backing up to woods, located on cul-de-sacs, or featuring walkout or garden basements, come at an extra cost.
- **Appliances:** Builders may provide only basic kitchen appliances, leaving you to invest in additional ones.
- **Window Treatments:** Unlike model homes with custom blinds, your new home may not come with window treatments.
- **Landscaping:** If your neighborhood has a homeowners association, there may be specific landscaping requirements, which can cost anywhere from $4,000 to $10,000.
- **Mailbox:** While not a substantial expense, it's still worth considering.
- **HOA Startup Costs:** Depending on when you purchase, the homeowner's association may have startup costs based on community size and amenities.
- **Fans and Light Fixtures:** Builders may only provide electrical hookups, not the fixtures themselves.
- **Utility Startup Fees:** Inquire if the builder covers gas and electric startup fees, as they may pass them on to you.
- **Transfer Fees:** Some builders may transfer county fees to you, which can add up.
- **Misc. Closing Costs:** Ask for an estimate of closing costs before finalizing the purchase agreement.
- **Change Fees:** Adding items after the agreement can be costly due to architectural and permit processes.
- **Air Conditioning:** Surprisingly, not all builders include air conditioning as standard.

The Importance of a Spotlight Realtor

Navigating the path of new construction requires expert guidance, and that's where a knowledgeable Spotlight Realtor comes in. We're here to protect your interests, provide professional insights, and ensure you get the best value for your investment. Plus, our services are entirely free to you.

Wrap-Up and Advice

Building a new home is a significant endeavor that can offer tremendous rewards when done right. To ensure a smooth process, consider these steps:

- **Hire a Spotlight Realtor:** Your advocate in the process, ensuring your interests are protected.
- **Understand Financing:** Learn about end loans, construction loans, and approved lenders.
- **Don't Go Alone:** Always have your Spotlight Realtor accompany you when visiting the builder's showroom to ensure proper representation.
- **Custom vs. Production Build:** Choose the right fit for your budget and architectural preferences.
- **Do Your Research:** Investigate builders' online reviews, tour past projects, and talk to neighbors to make an informed decision.
- **Stay Informed and Enjoy:** Keep an eye out for potential design changes, and enjoy the process of creating your dream home.

Building a new home can be a fulfilling journey when you're well-prepared and informed. Don't let common misconceptions deter you. With the right team by your side, your new construction experience can be smooth and successful. Trust the Spotlight Home Team to guide you through this exciting venture.

SPOTLIGHT TIPS

Learn from the Experiences of Others In the world of new construction, learning from the experiences of those who've walked the path before you can be incredibly valuable. Here's a collection of insights from buyers who, looking back, would have made different choices if they were to build their homes again:

Invest in the Lot: Many homeowners regret not spending a bit more on their lot. It's a small price to pay for added space and privacy.

Plumbing in the Basement: Some homeowners found themselves finishing their basement later on when their teenage kids wanted their own space. If only they had added plumbing during the initial construction, it would have saved them money and effort.

Sidewalks: Buying in a neighborhood without sidewalks can be inconvenient, especially when cars line the streets. It's worth considering neighborhood amenities like sidewalks.

Choose Your Lot Wisely: Opting for a larger lot backing up to woods or in a cul-de-sac, even if it costs a bit more, can provide more privacy and space for your family.

Maximize Natural Light: Some homeowners wished they had added more windows to their homes, particularly in areas like the kitchen, where natural light can make a significant difference.

First-Floor Primary Bedroom: Consider your future needs. While stairs may not be an issue when your kids are young, unforeseen circumstances can arise, like elderly parents moving in, making a first-floor primary a valuable addition.

Timing Matters: Keep an eye on base prices. Waiting even a few months can lead to significant price increases, potentially erasing the savings you hoped to gain.

Mailbox Location: Sometimes, the location of mailboxes can be a minor yet persistent inconvenience. Be mindful of their placement.

TAXES EXPLAINED

Don't be taken off-guard

5 THINGS YOU MUST UNDERSTAND ABOUT PROPERT Y TAXES

1. Don't rely on Zillow and all the other websites for accurate tax information. Property taxes can be very complex and fluctuate from owner to owner. Do not avoid a property because its taxes may appear out of whack compared to the neighbors.

2. What you see online may be much HIGHER than what you will pay. If the current owner is using the property as an investment, second home or it is bank owned the taxes may decrease when you purchase it.

3. What you see online may be much LOWER than what you will pay. Most properties will be reassessed after the property has closed, and if the seller has owned the property for a long time their rates have been capped. Your taxes will most likely increase to the current market value, and if the seller has lived there for 50 years this could be a shock.

4. Lower taxes don't necessarily mean lower cost of living. From garbage pickup to road maintenance and emergency services you need to always understand what you are getting for your tax dollar.

- **Assessed Value -** By State Statute, this is 50% of market value.
- **Principal residence exemption (PRE) -** Michigan statute allows owners of homes to exempt up to 18 mills of tax levied for school operating expenditures
- **Non-Homestead (non- Principal Residence) Status -** If your property does not qualify for the Principal Residence Exemption (it's a 2nd home or rental), you will be required to pay the full 18 mills of tax levied for school operating expenditures. Non- principal residence status applies to businesses, people owning vacant land that is not adjacent to their homestead, owners of second homes and other non- owner occupied properties.
- **Market Value -** The typical open market selling price of similar houses in a neighborhood.
- **Mill -** A mill is equal to S1 per S1,000 of taxable value

- **Millage Rate -** The millage rate is the total of all mills requested by various governmental entities, as well as any voter- approved special mileages.

- **State Equalized Value (SEV) -** The SEV is the Assessed Value that has been adjusted or "equalized" by the County and State through a process that assures that assessments, for every class of property, are uniformly assessed at 50% of true cash value.

- **Taxable Value (TV) -** The value used to calculate property taxes. By Michigan statute, the taxable value is to be calculated based on the prior year's taxable value. A property's taxable value for a given year is last year's taxable value times the Consumer Price Index, or 5%, whichever is less.



THE SPOTLIGHT HOME TEAM

your move takes center stage

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