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in
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Lofts & Condos



Neighborhoods



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Real Estate Blog

Exclusive Buyer's Program

real estate representation that works!

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Well, Let's Get Right To It!

Whether you are interested in an urban condo or an turn-of-the-century Victorian, there are many different and varied communities within Nashville. It's important to determine upfront the locales that interest you—that way you're not upset when I don't show you the "perfect" place 20 miles over the county line. Nashville is one of those cities that doesn't really have defined neighborhood boundaries. I recommend becoming familiar with area zip codes as that will be the best way to define your online search criteria. If I haven't already sent you one, ask me for a **Zip Code Map** (available at <http://media.StephanieCrawford.net>). School zones are also a great way to target specific neighborhoods when searching on the web.

I will immediately set you up on a BINS (Buyers Instant Notification System) Program. You will begin receiving new listings that fit your criteria the day they hit the market via email. Let me know the ones that pique your interest, and we will be off and running! Did you know that nearly 90% of home buyers use the internet in their searches now-a-days? The internet, with online photos and virtual tours has changed the way real estate is bought and sold in America. You may be interested to know that most people only view about 10 properties in person before choosing one to purchase.

It's important to know that I can show you all kinds of listings: resale properties, For Sale By Owners, and new-construction neighborhoods. Soon the *Multiple Listing Service (MLS)* will become one of your best friends. My website has a direct link to the MLS. When you search there you are seeing ALL area listings (not just mine or my companies). We have outstanding MLS cooperation among agents here. We can load up to twenty photographs into our system. Although there are exceptions, if there is only one or no photos in the system, that typically means the property is in need of substantial renovation. Nearly all of the listed homes in Nashville have lockboxes and sellers are usually very accommodating. **Builders here are also cooperative with agents (we sell 70% of their inventory)**. In the event you tour an open house alone make sure you let the agent or builder know that you are working with a Buyer's Agent right off the bat. I do recommend driving by an area prior to scheduling multiple appointments. This way you can get a better feel for the neighborhood and local businesses and be armed with questions when we do check out the inside. Showing appointments must be scheduled through most companies appointment desks during normal business hours. It is not uncommon for a seller to request a minimum of 2 hours notice and sometimes even 24 hours notice before allowing an appointment.

It is important that you set realistic goals for your home search. Nashville still has a very strong market. Holding out for the "ONE" can often result in losing out on another great option. This is especially true in some of the hot markets we focus on here at the InTown office (Downtown, Hillsboro Village, Sylvan Park, 12 South, and East Nashville). Because of this, it is absolutely critical that you obtain a lender **pre-approval** prior making any offers.



THE PROCESS

It is not uncommon to find the perfect property on the first day out. If that happens, think of it as a blessing. When we are ready to make an offer on a property, a **pre-qualification** letter from the lender is necessary to accompany the offer. Therefore, it is important to start that process **first**. This will also help you understand exactly how much of a mortgage you qualify for, what your estimated payment will be with current interest rates, what issues might need to be addressed in your credit history, how much cash would be required at closing and items that you might need to gather before formally applying for a loan.

On my website, you can find calculators to assist you in coming up with a general idea of what is affordable to you. I can also put you in touch with several recommended local loan officers with access to multiple loan programs. They can counsel and guide you to the most advantageous and appropriate loan for your needs. I can't emphasize enough that you feel comfortable with your house payment. It is far too common for new homeowners to overextend themselves when purchasing (see current economy).

When you have decided on a property I will provide a **Right Price Analysis** of the home to help you determine what the appropriate offering price should be. We will do this by examining similar recent home sales in the area or **comps**. This is also when we will discuss the **terms** of your offer. You will need to determine when you would like to **close** on the property, whether you would like to have a professional **home inspection**, and whether you would like to purchase a **home warranty**.

The terms of our **TAR** (*Tennessee Association of Realtor®*) Purchase and Sale Contracts provide for a **Conditional Loan Approval** from the lender based on a loan application within 5 days of a seller's acceptance. This means formal loan application would need to be made immediately after the offer is accepted.

Always ask your loan officer for written a **Good Faith Estimate** of the closing costs involved with the financing. The GFE should outline recurring payments—such as PITI (principal, interest, taxes and insurance) as well as lender closing costs, appraisal fees, attorney fees, pre-paid requirements such as insurance reserves, HOA dues, tax stamps, and title costs, etc.

Remember to bring your checkbook with you when we write the offer. You must provide an **earnest money** check, typically 1% of the offering price is sufficient. This money will be credited to you at closing and shows that you are serious about your offer.

Remember, there are a number of **tax advantages** to being an American homeowner, but to benefit, you have to understand them, and report them properly to the IRS. Please visit www.IRS.gov for more info.



NEGOTIATIONS

It is vitally important that you choose an agent with contract negotiation skills for the market you are entering. For example, the statistics for my personal business show that I tend to work with Buyers more often than with Sellers (about 70% to 30%). My sales also tend to overwhelmingly be in the urban real estate markets with 77% in condos/lofts, East Nashville, Germantown, Hillsboro Village, and the like; I do also sell in outer-lying suburbs like Mt. Juliet, Hendersonville and Smyrna as well. The “bread and butter” of my business is generated from my website. The rest comes from referrals from past clients and corporate relocation placements through Zeitlin Relocation Department. I literally do no other marketing of my services.

I bring this up, because it is important for me to know what terms are important to you in negotiations. As an agent who historically works with Buyers, I understand creative negotiating techniques like seller-paid closing costs, and lender-paid mortgage insurance. If you are relocating, I can help you negotiate terms that can allow you to take safe occupancy prior to or after the agreed upon closing date. If you are a First-Time-Buyer I can help you find low down-payment solutions through FHA and THDA that are not “shady” now that true down payment assistance programs (like Ameri-Dream) are no-longer allowed. And if you are handy I can help you knock a few dollars off the sales price by agreeing to make repairs yourself.

That last example is a biggie . Here is one of my favorite negotiating techniques:

Say your home-inspection reveals the need for a few repairs. In lieu of having the seller make those repairs and running the risk of not being satisfied with the result. I often recommend withdrawing your Inspection Contingency and asking for the seller to contribute the value of the repair as a credit toward your closing costs. You might ask, can't the seller just give me cash for the repairs? Well, that answer is technically **“NO!”** It's a little complicated, but lenders are only supposed to lend money towards “real property.” If you were to submit an executed contract with a clause that said something like “seller to pay buyer \$540 in lieu of replacing bathroom window and servicing HVAC,” there is a very real possibility that the under-writer of the loan would disallow it (usually at the very last minute). After all, it would appear to the under-writer that:

1. the house was faulty, and
2. the buyer is paying at least \$540 too much for the house. (Cash on the side is considered mortgage fraud in many states, plus it's hard to litigate in the case of a bounced check, AND it is also difficult to prove for IRS deductions).

A simple work-around is to drop the Inspection Contingency and accept the property AS-IS while asking the seller to pay **\$540 towards your closing costs**. You come out the same because you have money left in your pocket to make the repair yourself or hire a vendor who meets with your approval. The seller is happy because he doesn't have to worry about taking care of last minute repairs. The lender is happy to see a “clean” contract. **Everyone wins!**



ESCROW???

An **Escrow** is an arrangement in which a neutral party holds legal documents and funds on the behalf of the buyer, the seller, the lender, and any additional parties (i.e., Attorney, Repair Person, Appraiser, Warranty Provider, etc.). The Escrow/Title company then distributes funds according to the executed purchase contract instructions.

People buying and selling real estate open an escrow arrangements for their protection. The buyer entrusts the title company to disburse the purchase price only upon the satisfaction of certain prerequisites and conditions. The seller instructs the title company to retain possession of the deed from the buyer until the seller's requirements, including receipt of the purchase price are met.

An escrow is important in that both can move forward separately but simultaneously in proving inspections, reports, loan commitments, and fund, deeds and many other items, using the title company as the depositing entity.

If the instructions from all parties to an escrow are clearly drafted, fully detailed, and mutually consistent, the title company can take many actions on their behalf without further consultation. This saves time and facilitates the closing transaction.

There are other processes known as escrow. The time period between contract and closing is also sometimes referred to as Escrow—typically 30-45 days. To confuse matters more, the lender may also ask you to open an escrow account with your loan to which you contribute 1/12 of your taxes and insurance every month.

In Tennessee buyers and sellers have the option to choose their own closing companies—they are not required to use the same closing/attorney/title companies.

Duties of the closing company include:

- Orders Title Policy and Title Insurance
- Receives/Distributes Funds
- Prorates items (insurance, HOA, taxes)
- Records deed and loan documents
- Prepares final settlement statement aka HUD-1



BEFORE CLOSING

After your offer is negotiated and becomes a **contract** there are usually a number of **contingencies** that must be cleared before the parties can close. These include but are not limited to:

- Final loan financing approval
- An acceptable ASHI home inspection
- Other negotiated inspections (Radon, Lead-Based Paint, Mold, Air Quality, Chimney, Pool, Structural Engineer, Survey/Boundary)
- Delivery/Review of HOA docs (ByLaws, Rules & Regulations, Minutes, Budget, etc)
- An appraisal
- A clear wood destroying insect letter
- FHA required repairs
- The sale of your current home
- Any other special terms of the sale

NOTE: Contingencies, unless written otherwise, typically include exceptions to earnest money ownership. For example, if Buyer and Seller are not able to come to terms over needed repairs that become evident from a home inspection, the Inspection Contingency Clause is then enacted. The contract can be canceled with all earnest monies refunded to the buyer without prejudice. The same happens if the home does not appraise for the negotiated sales. If, on the other hand, all contingencies are lifted and the buyer backs out of the deal, he/she may be considered in default and lose their earnest money to the seller.

After all the terms have been met, the home will go **pending** in the MLS. Now is the time to be in touch with the lender to provide whatever documents are necessary for the final loan approval, for the seller to take care of any negotiated repairs, and for the lender to go through the **underwriting** process.

As a buyer, you will want to arrange for the utilities to be turned on as of the date of closing. Make sure all magazines, bills, and family and friends have your new address. Anything related to school registration should also be done well in advance. Moving preparations should be made as soon as you know the offer is approved.

At the Closing!

The closing is almost always done at the **title company**. Buyer and seller usually close separately in middle TN. The keys are not given to the buyer until the recording of the deed is complete. If closing in the late afternoon or evening, you may not receive your keys until the following day. About 24 hours prior to closing Buyers (and sellers) and their agents will be given settlement (HUD-1) statements so there are no surprises and the buyer will know exactly how much his/her **cashier's check** should total. Personal checks are not longer allowed in Tennessee! You should already have a good idea of the anticipated amount from your lender's Good Faith Estimate.



AFTER CLOSING

Imagine this scenario: You've just finished a strenuous day of unpacking. You're hot, tired and still have a million things to do. You crank on the AC and nothing happens. You turn on the shower and water spays all over the bathroom. And then...the toilet overflows.....WHAT NOW???

To avoid this nightmare there are several things that should be done in the time PRIOR to closing:

1. Carefully review the Seller Disclosure Statement to understand any known defects of the property.
2. Have the property inspected by a professional ASHI Inspector and negotiate repairs and/or credits with seller.
3. Be sure to collect all receipts and/or warranties for any repairs made prior to closing.
4. Do a walk-thru right before closing to ensure that the house is in the same condition as agreed upon per the contract.
5. Read your new homeowner's insurance policy to understand covered items.
6. Consider purchasing or negotiating a one year home warranty.
7. Condo Buyers: Be sure you understand all association bylaws and covenants.
8. New Construction Buyers: Make sure you have read and understand any builder warranties.
9. Realize that as a homeowner, all responsibilities are YOURS from the time of closing
10. Problems that arise that appear to be issues which the seller had knowledge of but did not disclose may be addressed through litigation. The mandatory Property Disclosure is a document required by law and aims to protect buyers from BEWARE situations. Keep in mind that seller negligence and non-disclosure can be tricky to prove in court.
11. Remember that ALL homes require regular maintenance. It is now your turn to monitor the roof, air filters, septic systems, insect activity and all the other things that go along with being a homeowner.

After closing we welcome your calls and will help anyway we can, but please keep in mind that we are not experts in HVAC, electrical engineers or attorneys. The moving process can sometimes be bumpy, but we are determined to prepare and protect our clients interests to the highest degree possible. You will not be forgotten after the sale. We want your satisfaction and, of course, referrals.

One thing I suggest is that ALL the papers involved with your move be kept in one place. All receipts, important papers, and the settlement papers, etc. may be needed for your income tax preparation, or for reference.

What I want to emphasize here is that "closing" is not the end of our relationship. I'm here at this point to be your trusted advisor as well as your friend, and ask that you consider me one.



CLOSING COSTS

Buyer closing costs typically run between 2-4% of the amount financed but can vary widely depending on which loan product you choose. The following fees can be typical and should be checked against your Good Faith Estimate:

- Lender Origination fee - Typically 1% of the loan amount
- Credit report - approximately \$35-\$50
- Appraisal fee - \$375 or more
- Attorney fee- \$175-\$275
- Attorney Document Preparation- \$50-\$100
- Recording fees - \$50-\$100
- Mortgage Registration/Stamp Tax - (TN) \$3.76 per \$1000 sales price
- Discount Points - each discount point equals 1% of the loan amount and will reduce your interest rate by +/- .025%.
- Pre-paid Interest—the daily interest on new mortgages from the day of closing through the end of the month will be collected at closing.
- Up to one full year of homeowner's insurance is typically collected in escrow.
- Two to six months of homeowner insurance is collected at closing to start an escrow account. This account is maintained in addition to payment in advance for a one-year policy.
- Private mortgage insurance (PMI or MIP) is usually required on loans if the buyer makes less than 20% down payment. Monthly payments average .55%/12, A one-time, upfront premium may also be charged at 2.25% of loan amount and rolled on top of the loan.
- If private mortgage insurance is used with a conventional loan, two months of the renewal premium is collected to open the escrow account.
- Flood insurance is required if the property is located in a specific flood zone. A full year's premium is required, usually with two additional months for the escrow account.
- Title Search is traditionally paid by the Seller in Davidson County except in the case of new construction. 100k home=\$600, 500k home=\$2300
- Miscellaneous fees (courier fees, etc)– +/- \$100
- HOA Transfer fees– Typically under \$200
- HOA reserve cushion—typically about 2 months.

Something you will NEVER see when you work with Zeitlin & CO.
is a brokerage transaction or document processing fee.
Many other companies can't promise the same!

Agent Responsibilities:

1. Arrange for a free, no-obligation Buyer Consultation in person or via telephone to discuss your needs and preferences where we will put together a game plan.
2. Explain the practice of Agency and my fiduciary responsibilities to you which include: Complete Disclosure, Loyalty, Confidentiality, Obedience and Accountability.
3. Provide you with lender recommendations if needed. Explore financing options. Process application.
4. Regularly provide you with information on homes that are new to the market that meet your criteria.
5. Make myself (or a team member) available to show and preview properties that are of interest to you.
6. Accurately and cautiously prepare offers on selected home.
7. Present offer and negotiate terms to YOUR best interest.
8. Recommend the best service providers available with respect to your purchase. (i.e. inspectors, repair persons, attorneys, movers, title companies etc.)
9. Be there with you all the way through closing ready with any answers or concerns you may have.
10. Disclose to you that I am representing you & your interests, NOT those of the sellers or myself.

Expect there to be bumps on the road to closing—that's why people hire professional representation. Remember, thousands of people just like you purchase homes across America everyday!

Buyer Responsibilities:

1. Show your dedication to the process by agreeing to work with a single agent. Remember, that we don't earn a dime until the deal is sealed and you are happy.
2. Get pre-qualified FIRST. Sellers rarely accept offers without an accompanying pre-qualification letter. Doing this chore up-front will save you a lot of wheel-spinning down the road. It may be fun to look at pretty houses you can't afford, but trust me when I say that everything else will pale in comparison when you realize you've been wasting time outside your budget.
3. Notify me of any homes you wish to preview.
4. Understand your current lease and the ramifications of breaking it.
5. If you must sell a home prior to purchasing another, understand the time limitations and constraints that come along with that process.
6. Maintain communication throughout the transaction with all parties.
7. If wanted, Buyer agrees to pay for a home inspection within 10 days of binding contract date . This fee is non-refundable.
8. Buyer will select homeowner's insurance policy if required in a timely manner as not to delay closing.
9. Buyer will convert all utilities to his/her name as of the date of closing.
10. Buyer will make time to inspect property prior to closing.
11. Buyer will bring closing funds in the form of cashier's check made payable to appropriate title company.
12. **Inform all Agents/Realtors you might meet at Open Houses that you are already working with an agent. The same goes to New Home Builder developments and For Sale By Owner properties.**



MORTGAGES

1. Conventional Mortgage (28% to 36% debt/credit ratios allowed)

- Typically amortized over fifteen to thirty years
- Available for home purchase or refinance
- Can be fixed rate, adjustable rate, interest only, or balloon
- If less than a 20% down-payment, PMI Mortgage Insurance, Second mortgage, or Home Equity Line Of Credit (HELOC) may be required
- Recommended if you plan on keeping your home for more than 5 years

2. FHA Mortgage (28% to 41% allowed ratios)

- Loans insured against default by the United States government
- Down-payment requirement of 3.5%
- Typically fixed-rate, but adjustable rates are available
- All FHA mortgages require private mortgage insurance for at least 5 years.
- THDA options for those with limited down-payment funds at slightly higher interest rates

3. VA Mortgage (maximum 41% ratio allowed)

- Buyer can finance up to 100% of sale price
- Buyer must have VA eligibility certificate
- Veteran can use VA program more than once
- Funding fee to guarantee the loan can be financed into the loan or paid in cash by buyer or seller

4. Contract for Deed/Owner Financing (not common in Tennessee)

- Seller may hold the mortgage for the buyer
- Deed does not convey until all terms are met
- Typically requires a balloon payment to the seller in five to seven years
- Seller determines amount of down payment
- High risk

5. Lease Purchase/Option

- Viable option for those with challenging credit
- Owner determines terms
- Often requires large, non-refundable down payment with partial rents accruing in a "kitty" for later use at closing.
- High risk



YOUR LENDER MAY REQUIRE

- Previous two years W-2 forms.
- Most recent paycheck stubs covering a 30 day period.
- Copies of bank statements for the last 3 months on each account. Account numbers must be printed on statements.
- Cancelled rent checks for the last 12 months (copy front and back) -or- year-end mortgage account statements along with cancelled checks covering the payments YTD.
- Executed sales contract on home to be purchased.
- Current landlord's name, address and telephone number plus 7 year address history.
- Self-employed borrowers may need 2 years tax returns and YTD Profit & Loss balance sheets prepared by a third party accountant.
- Name, address & account number on all installment debts.
- Credit card name, account numbers and balances along with minimum monthly payments due.
- College transcript if student within the last two years.
- Copy of the divorce decree if applicable.
- Copies of most recent statements: IRAs, 401(k), CDs, stocks, bonds, profit sharing, etc.
- Child Support/Alimony info if applicable.
- Proof of funds for down-payment
- At application, the buyer should be prepared to provide a personal check for the property appraisal and credit report (amount credited to buyer at closing).



ABOUT STEPH

Member:

- ❑ National Association of Realtors®
- ❑ Tennessee Association of Realtors®
- ❑ Greater Nashville Association of Realtors®
- ❑ Alumni, Pi Beta Phi, Philanthropic Fraternity
- ❑ RealTalk Local Expert

Training and Certifications:

- ❑ Affiliate Broker Status, full-time, full-service since 2003
- ❑ e-PRO Professional Designation
- ❑ TREC Core Certified
- ❑ Code of Ethics Certified
- ❑ Graduate Realtor Institute Financing, Marketing & Negotiations Graduate
- ❑ TN Trees Real Estate Educational Systems graduate
- ❑ Graduate of Middle Tennessee State University, cum laude honors
- ❑ Zeitlin RELO Certified

Awards:

- ❑ Multi-Million Dollar Club—2004, 2005, 2006, 2007, 2008
- ❑ Realtor Ratings® Top Twenty-Five Nashville Agents—2005, 2006, 2007, 2008
- ❑ Best Village Website honors, 2005

Other:

- ❑ GNAR Convention Committee
- ❑ Habitat for Humanity participant
- ❑ Angie's List participant
- ❑ Active on Trulia, Zillow, RealTalk, Active Rain, Facebook, Twitter, and Wordpress blogging



TESTIMONIALS

"Our growing family needed room to expand. Steph listed our town home and quickly sold it for a great price. She then helped us locate and purchase exactly the home we needed. From finding the right schools to figuring out which floor plan fit our family, Steph's expertise made to move painless. Whether buying or selling I would happily refer anyone in need of a great real estate professional to Stephanie Lawrence"

- **Christina and Joshua Williams**

"Steph, you rock!!! I love, love, love my new condo!"

- **Carla Wiseman**

"My house needed a lot of work and I didn't think that we could turn a profit, but [Stephanie] got us out from under it AND left us with a little cash—Thanks Steph!"

- **Angela Hurt**

"Stephanie, ...thank you so much for working with the relocation company. You made the process a breeze!"

- **Jackie Torosian**

"I can't believe the deal we got! Thanks for swaying us, Row 8.9 gave us the instant equity we needed."

- **Lucas and Linsdey Allmon**

"Thanks for all your help in making the process of buying my first home seamless. I appreciate all of your hard work—job well done!"

- **Judith Foppiano**

"Just dropping a note to tell you how great we think your customer service is!! You do a lot of 'hand-holding,' which means the world to us...you go out of your way to answer some questions more than once, yet we never sense any frustration or impatience as you carefully try once again to offer answers so that we feel secure and might better understand.

Thanks for the ambience you seem to exemplify in the 'Nesting In Nashville' concept. We wish you much success in your profession, and sincerely admire how you combine professionalism with graciousness and 'southern hospitality' to paint a memorable portrait of Nashville and vicinity for us!!"

- **Jim & Ann Romer**