



**BUYING A HOME**  
WITH CONFIDENCE





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# Meet Domenica

## FOUNDER & MANAGING BROKER

After 13 years growing a successful real estate practice in Seattle serving professionals and their families, Domenica and co-founders identified a gap in the stale real estate brokerage industry. Driven to develop a lifestyle-forward real estate firm dedicated to providing clients and brokers alike an environment of continuous learning and improvement, they seized the competitive edge in a tradition bound industry and created Metropolist Real Estate in 2014.

Metropolist Real Estate is in the top 20 brokerages in Washington, the only majority woman owned real estate brokerage at it's level in the marketplace and is continuously honored for it's exceptional level of philanthropic contribution.

Domenica has a firm grasp of market trends, strategies for client success and a never ending drive to improve processes for her clients. Are you looking to be led through the process of buying in an organized and systematic way?

WELCOME TO THE WORLD OF SEATTLE DIGS.

**Domenica**  
**LOVAGLIA**  
Founder & Managing Broker



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# The Buyer Process

## STAGE I

### FINDING YOUR HOME



## GETTING PRE-APPROVED

By getting pre-approved, you know exactly how much home you can afford. There is nothing worse than finding your dream home, only to find out that you cannot qualify for a loan to buy it. A pre-approval also strengthens your bargaining power when negotiating with a seller.



## DETERMINING YOUR WANTS & NEEDS

I have several methods to help you determine your wants and needs. I have found the most effective method is for everyone who will be living in your home to sit down and fill out my wants and needs worksheet. This will encourage you, as a group, to really analyze everyone's expectations in your new home and begin to formulate a group wants and needs list



## THE SEARCH BEGINS

At this stage, I will compile a packet of information and pictures of all of the properties available that match your wants and needs. Most people wind up selecting a handful of properties you would like to look at on our first tour of homes.

Oftentimes after our first day of looking at homes, you will gain a clearer insight on what it is you want and need in your new home. If this is the case, I will get you a new packet of homes and we will begin the process again.

After touring homes with you, I usually have a pretty good idea of what you are looking for. At this point, I will preview all of the remaining homes that match your wants and needs profile. Together we will tour the homes I feel best fit your criteria. If you wish you can also drive by of all the available homes and give me a list of the ones you want to get inside of.



## NEW PROPERTIES ON THE MARKET

In addition to checking the MLS database at least once a day, I input your information into the MLS database, which notifies me via e-mail when new properties are added that match your search criteria. Once a new property is available I will tour the property with or without you (your choice).



## PROACTIVE SEARCH

If your search criteria is narrow enough, I will send postcards to all of the homeowners who have properties that match your wants and needs letting them know that I have a qualified prospective buyer interested in homes like theirs. This method has proven to be very effective for buyers with limited options.

# The Buyer Process

## STAGE 2

### MAKING AN OFFER



## DETERMINING YOUR OFFER PRICE

Once you have found the right house, I will prepare a Comparative Market Analysis (CMA) on the property to help you determine the fair market value of the property.



## WRITING THE OFFER

Our goal is to get your preferred home on your terms which includes things like closing dates, items or parameters to be included in the sale, and of course price and earnest money. I will explain your contractual rights and responsibilities, talk about different negotiating strategies and give as much advice as I can. The offer will spell out how much you are willing to pay for the home, what type of financing you will obtain and a myriad of other important details and dates relevant to the purchase of the property.



## NEGOTIATING WITH SELLERS

After we complete the paperwork, I will deliver your offer to the Sellers or the Sellers agent. This is an important step because it gives me an opportunity to explain the offer, overcome objections, build rapport and answer any questions the sellers may have. The Sellers will do one of three things: Accept, reject or counter the offer. Often times negotiations will go back and forth several times before the offer is accepted or rejected.

# The Buyer Process

## STAGE 3

### TAKING CARE OF CONTINGENCIES



#### HOME OWNERS ASSOCIATION

If the property is a part of a Home Owners Association, you will have an opportunity to read and accept the Documents pertaining to the association. Basically, these documents describe the rules, regulations and finances pertaining to the association.



#### TITLE COMMITMENT

The sellers of the property will provide you with a Title Insurance Policy. This policy protects you, the buyer, against loss arising from disputes over ownership of a property. You will have an opportunity to review the policy and determine if there are any exceptions to the policy that you find objectionable.



#### INSPECTION

You have the right to have an inspection of the property prior to closing. I recommend you hire a professional inspector to help you with this task. If you find any problems with the property, you may be able to ask the seller to repair them or compensate you for future repairs.



#### APPRAISAL

I will work with the appraiser to make sure he or she has all the information about the property to make an informed and fair appraisal.

# The Buyer Process

## STAGE 4

### CLOSING & POSSESSION



### **CLOSING**

The “closing” is actually comprised of two separate closings, however they happen at the same time - the securing of the loan and the transfer of the property. At the real estate closing you and the seller will sign closing documents relating to the transfer of the property.



### **POSSESSION**

The loan closing takes place after you sign the loan documents. After all documents are signed, the transaction is submitted to the county for final recording of title, and is finally closed. The home is yours!



# Your Home Buying Team

## BUYER'S AGENT

When you are getting ready to buy a home, it is important to make sure you have the right people who can get the job done ready, willing, and able to work seamlessly on your behalf. It isn't enough to just have me by your side and I look forward to helping you create your dream team.

## LENDER

Getting pre-approved with a lender is one of the most important steps you can take to make yourself buyer-ready. The lender you choose should have a reputation for being a problem-solver and for getting the transaction to close.

## APPRAISER

Although the appraiser will be assigned by the lender, doing a great job of choosing your lender is a good indicator of the strength of the appraiser in terms of getting the job done in a timely manner and utilizing great local data to make sure your investment is a sound one.

## INSPECTOR

The inspector will thoroughly review the home for flaws, defects, and deferred maintenance. He or she will provide you with a report outlining these so you can either negotiate with the seller to determine who pays for the repairs or completes the work, you can choose to not move forward, or tackle all the issues yourself.

## ESCROW

Escrow makes sure that all the documentation is correct, timelines are met, and all the details are adhered to in the transaction. They will also make sure all parties sign the correct forms and that all monies are distributed correctly. When it comes to the signing, your escrow officer will coordinate this.

## TITLE

Title will review the property history, verify legal description matches what is being sold, make sure the seller has the right to sell the property, identify other possible lienholders, identify easements, codes, covenants and restrictions, and more. You want to make sure the title company has a reputation for identifying all potential problems.

# Mortgage 101

It is important to know your future plans when determining the type of loan which is ideal for you. For example, if you are planning on staying in your home for only seven years, it might save you money to use an adjustable rate mortgage with the expectation that you will be moving and taking out a new loan before the interest rate is adjusted. However, what happens if there is a health issue or something else which prohibits you from moving in seven years? What if you cannot move into a fixed-rate mortgage? These things must be taken into consideration when determining whether you can afford your monthly payment – now and later.

Buyers can easily get overwhelmed by the options they are confronted with when it is time to apply for a loan. Conventional? Government-backed? Fixed rate? Adjustable rate? Even within these categories there can be several options. Let's start with the basics:

## FIXED RATE MORTGAGE

In this type of mortgage, the mortgage interest rate remains fixed for the life of the loan. Monthly payments are fixed (for the principal and interest). If property taxes and homeowner's insurance are paid as part of your payment, these are paid through an "escrow" account which can fluctuate from year to year.

## ADJUSTABLE RATE MORTGAGE

These are also called ARMs. ARMs generally start out with a lower interest rate than a fixed rate loan.

This type of loan has the potential to have monthly payments that change since the interest rate can change.

There is usually an initial period of time where the interest rate does not adjust. This might be a 3-year, 5-year, or 7-year ARM.

How often the interest rate adjusts will also depend on the loan. Since interest rates do change over time, the payment can either be higher or lower depending on the difference in the interest rate. For example, if someone took out a loan when interest rates were at record-low levels, it is unlikely that interest rates will continue to be this low when the interest rate adjusts.



# Escrow 101

If you are buying a home, you may have heard the term “escrow”. Simply put, you can think of escrow as a central station for making sure all the terms of the transaction are met. The escrow officer makes sure all paperwork is collected and distributed to all parties who have an interest in the transaction as well as making sure all funds and activities are taken care of in a timely fashion.

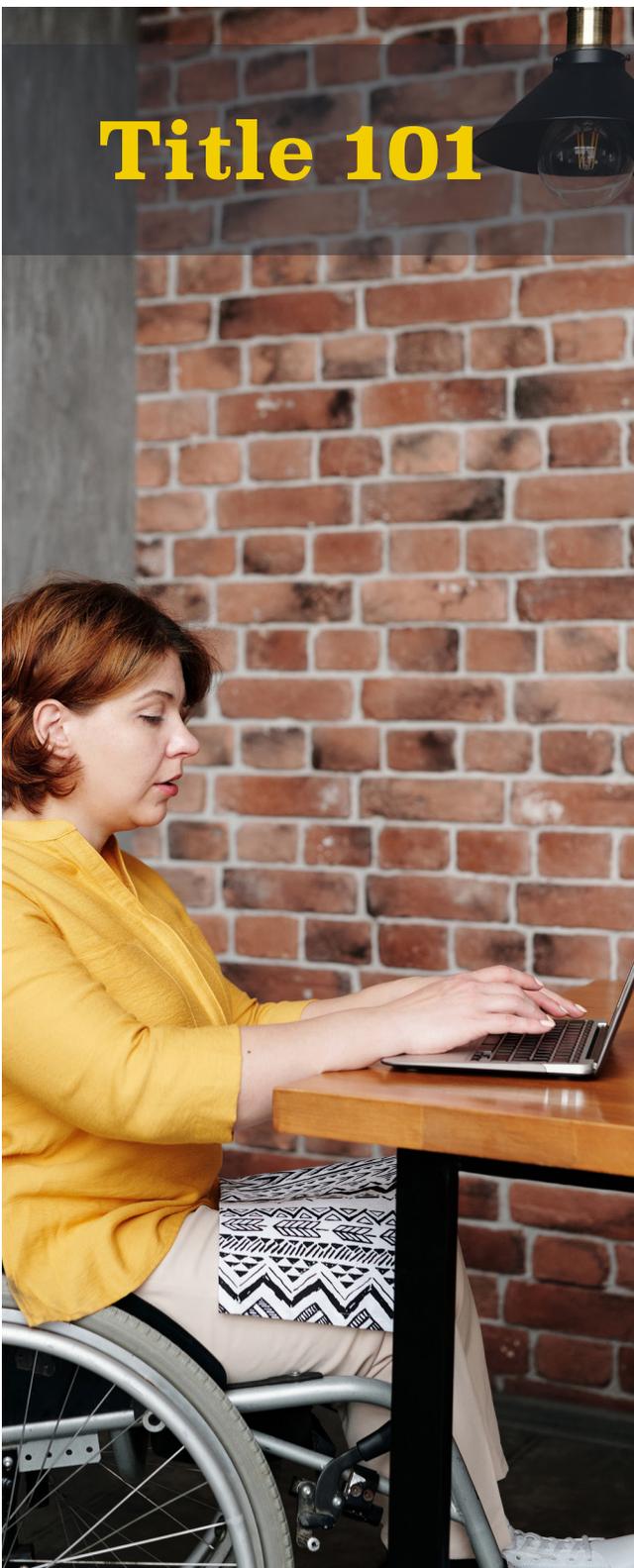
Buyers and sellers will both receive communication from the escrow officer during the transaction, so be prepared to communicate with this party as well as with me and your other transaction team members.

Once an offer is accepted by both parties, the purchase and sale paperwork is submitted to escrow along with your earnest money. Escrow will begin their lengthy list of “to dos” which will likely include:

- Making sure contingencies are satisfied such as inspection, financing, or sale of another home.
- Making sure buyer and seller signs off on forms such as seller disclosure.
- Working with “Title Officers” to make sure that the seller has a legal right to sell the property and there are no others who may have an interest in the property. Occasionally there are liens taken on the property by parties such as local municipalities, contractors, and the IRS. Debts to these parties must be satisfied on or before the sale.
- Making sure the buyers receive a copy of the “Title Report” which will indicate any easements and identify any parties who may be granted ongoing access to the property.
- Making sure that other benchmarks are reached such as the septic and well inspection.
- Making sure all the necessary paperwork is signed by the buyer including loan documents as applicable.

It is important to respond to any requests from your escrow officer in a timely manner else the transaction may be delayed. There are many other steps as every transaction is unique! I will guide you through and your escrow officer will prep you on what to expect.

# Title 101

A woman with short brown hair, wearing a yellow long-sleeved shirt and a patterned skirt, is seated in a wheelchair. She is looking down at a laptop computer on a wooden table. The background is a red brick wall with a black pendant light hanging from the ceiling.

When we refer to “title” in a real estate transaction, it refers to the process in which the legalities around a property are examined. Here are just a few things that are examined during the “title review” process:

## **VERIFY SELLER HAS THE RIGHT TO SELL THE PROPERTY**

In this type of mortgage, the mortgage interest rate remains fixed for the life of the loan. Monthly payments are fixed (for the principal and interest). If property taxes and homeowner’s insurance are paid as part of your payment, these are paid through an “escrow” account which can fluctuate from year to year.

## **IDENTIFY LIENHOLDERS**

Sometimes creditors put “liens” on properties to make sure debts are paid before the property can change hands. These can include creditors for property tax, some utilities, contractors, and even the IRS. In some cases, these debts can be paid out of closing dollars, but often they need to be taken care of by the seller before closing.

## **IDENTIFY EASEMENTS WHICH PROVIDE ONGOING ACCESS**

The buyer needs to be informed of any existing easements and ongoing access that goes along with the property. For example, some utilities such as power companies, gas companies, pipelines, driveways, and shared spaces must be identified so the buyer knows exactly what they are purchasing and which areas must remain clear of fences and outbuildings so those who need ongoing access can obtain it.

## **LEGAL DESCRIPTION**

As a buyer you want to make sure that you are purchasing the right property!

Title insurance is also provided by the title company and protect the buyer and the lender (if applicable) against any defects in the title. For example, if the buyer was not made aware of the power company’s need to a keep a 500 square foot section of their property clear for utility access which rendered that percentage useless for development, depending on the circumstances, title insurance would provide relief to the buyer for that loss of use if that was not identified in the title report.

You will be provided a copy of your title report after the contract has been accepted by both parties and before the property changes hands. Buyers are usually presented with the “clean” report which already has as many items cleaned up as possible. Sellers may be called upon to clean up any of the discrepancies such as ownership and lien issues.

Title is just another important component of the real estate transaction. Rest assured I review the title report with my clients so they understand exactly what they are purchasing and any potential issues.



# Guide to Closing Costs

Below are the typical closing costs that are paid by buyers, however, sometimes these are paid by the other party (as defined by the contract):

**HALF OF ESCROW**

**HOMEOWNERS INSURANCE**

**DOCUMENT PREPARATION FEES PER  
THE LENDER**

**MORTGAGE INTEREST FROM LOAN DATE  
TO FIRST PAYMENT**

**INSPECTION FEE**

**APPRAISAL FEE**

**PRO-RATED PROPERTY TAXES FROM  
CLOSING DATE**

**ANY POINTS OR PREPAID INTEREST TO  
“BUY DOWN” THE INTEREST RATE**



# Commission Distribution

Imagine a scenario in which a home sells for \$500,000 and the seller has deemed that 6% will be paid in commission. 6% in commission would equal \$30,000 total commission. Here is how this usually is broken up:

**\$15,000 PAID TO THE AGENT WHO  
LISTS THE HOME FOR SELLERS**

**\$500,000  
SALE PRICE**

**\$15,000 PAID TO THE AGENT WHO  
FINDS THE HOME FOR BUYERS**

Even though each broker receives a total commission of \$15,000, they are still responsible to pay a portion of that to their brokerage. This amount could be as high as 50% or \$7,500. In addition, there are marketing fees, transaction fees, and other business-related expenses that brokers budget for.

Generally-speaking, the seller pays the buyer agent commission. There are exceptions to this rule, however, and we will address this scenario so we can be prepared if it comes up.

# From My Clients



Thank you so very much for all of your help with our first home purchase! We especially appreciate your flexibility, meeting with us after hours, and your consistent communication to help put our nerves at ease. You certainly made everything streamlined and easy for us, and we greatly appreciate your expertise and guidance through the process. Thank you also for the thoughtful celebratory prosecco! Now that the dust has settled a bit, we are so looking forward to celebrating and starting a new chapter here. We will have fond memories of our first home purchase, made all the better thanks to you!

**- Annie S & Matt B**

We have nothing but good things to say about this lady. She takes the time to get to know you , and what you are looking for, (even if you are not sure yourself), she somehow figures it out. I was up on a pretty tight time line, but did not want to rush into the wrong house. Domenica, was fantastic to work with, great sense a humor and professionalism. She was always willing to move things around to be able to help us, and that was much appreciated. She also know the local areas really well, which was such a bonus, with being from out of state. If you are looking for a great realtor, I encourage you to check Domenica out.

**Marie H.**

Domenica is the awesomest! She helped us buy our first house two years ago and then threw us a housewarming party. To this day she continues to help us find contractors to help us with house-related issues which is fantastic because she knows practically everyone in Seattle! She is one of the coolest people I've met, super easy to get along with, and willing to do anything to help. I love her!!!

**Ann L**

I met Domenica through a good friend at the perfect time, almost 9 years ago when I was looking to purchase my first house. I (and my family) have dealt with Domenica on several occasions involving real estate both looking and buying. Domenica is the complete package as far as a real estate agent. She is very knowledgeable, courteous, and professional and I consider her a friend. Domenica aided me in finding and purchasing my first home. I would not consider dealing with any other agent in all of Seattle. I look forward to dealing with Domenica in the future. She is a credit to her profession and anyone working with Domenica should consider themselves very fortunate.

**Ian D**



# THANK YOU!

Thank you for taking the time to read through this package. It is full of information that will assist you in the first steps towards purchasing your home.

Take your time to review the materials, and don't hesitate to give me a call or send me an email if you have any questions. I look forward to hearing from you.

