

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

8 STEPS TO GETTING YOUR FINANCES IN ORDER

1. **Develop a family budget.** Instead of budgeting what you'd like to spend, use receipts to create a budget for what you actually spent over the last six months. One advantage of this approach is that it factors in unexpected expenses, such as car repairs, illnesses, etc., as well as predictable costs such as rent.
2. **Reduce your debt.** Generally speaking, lenders look for a total debt load of no more than 36 percent of income. Since this figure includes your mortgage, which typically ranges between 25 percent and 28 percent of income, you need to get the rest of installment debt—car loans, student loans, revolving balances on credit cards—down to between 8 percent and 10 percent of your total income.
3. **Get a handle on expenses.** You probably know how much you spend on rent and utilities, but little expenses add up. Try writing down everything you spend for one month. You'll probably see some great ways to save.
4. **Increase your income.** It may be necessary to take on a second, part-time job to get your income at a high-enough level to qualify for the home you want.
5. **Save for a down-payment.** Although it's possible to get a mortgage with only 5 percent down—or even less in some cases—you can usually get a better rate and a lower overall cost if you put down more. Shoot for saving a 20 percent down-payment.
6. **Create a house fund.** Don't just plan on saving whatever's left toward a down-payment. Instead decide on a certain amount a month you want to save, then put it away as you pay your monthly bills.
7. **Keep your job.** While you don't need to be in the same job forever to qualify, having a job for less than two years may mean you have to pay a higher interest rate.
8. **Establish a good credit history.** Get a credit card and make payments by the due date. Do the same for all your other bills. Pay off the entire balance promptly.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

8 WAYS TO IMPROVE YOUR CREDIT

Credit scores, along with your overall income and debt, are a big factor in determining if you'll qualify for a loan and what loan terms you'll be able to qualify for.

1. Check for and correct errors in your credit report. Mistakes happen, and you could be paying for someone else's poor financial management.
2. Pay down credit card bills. If possible, pay off the entire balance every month. However, transferring credit card debt from one card to another could lower your score.
3. Don't charge your credit cards to the maximum limit.
4. Wait 12 months after credit difficulties to apply for a mortgage. You're penalized less for problems after a year.
5. Don't purchase big-ticket items for your new home on credit cards until after the loan is approved. The amounts will add to your debt.
6. Don't open new credit card accounts before applying for a mortgage. Having too much available credit can lower your score.
7. Shop for mortgage rates all at once. Too many credit applications can lower your score, but multiple inquiries from the same type of lender are counted as one inquiry if submitted over a short period of time.
8. Avoid finance companies. Even if you pay the loan on time, the interest is high and it will probably be considered a sign of poor credit management.

This information is copyrighted by the Fannie Mae Foundation and is used with permission of the Fannie Mae Foundation. To obtain a complete copy of the publication, "Knowing and Understanding Your Credit," visit <http://www.homebuyingguide.org>.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

5 FACTORS THAT DECIDE YOUR CREDIT SCORE

Credit scores can range between 200 and 800 and above. Scores above 620 are considered desirable for obtaining a mortgage. These factors will affect your score.

1. Your payment history. Whether you paid credit card obligations on time.
2. How much you owe. Owing a great deal of money on numerous accounts can indicate that you are overextended.
3. The length of your credit history. In general, the longer the better.
4. How much new credit you have. New credit, either installment payments or new credit cards, are considered more risky, even if you pay promptly.
5. The types of credit you use. Generally, it's desirable to have more than one type of credit—installment loans, credit cards, and a mortgage, for example.

For more on evaluating and understanding your credit score, go to <http://www.myfico.com>.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive
 Valencia, CA 91355
 Direct: 661.964.8140
 Office: 661.702.4552
 Fax: 661.702.4551
 Email: JerodMayer@Remax.net
 Web: www.jerodmayer.com

YOUR PROPERTY WISH LIST

While your opinions on the type of home you want to own may change during the homebuying process, use this easy checklist to help you prioritize and make the shopping process less time consuming.

- How close do you need to be to:
 - (a) Public transportation _____
 - (b) Schools _____
 - (c) Airport _____
 - (d) Neighborhood shopping _____
 - (f) Entertainment _____
- What neighborhoods would you prefer?
- What schools do you want to be near?
- What style(s) of homes do you prefer?
- Do you prefer a one-story or two-story house?
- How old a home would you consider?
- How much repair or renovation would you be willing to do?
- Do you have special facilities or needs that your home must meet?
- Do you require a fenced yard or other amenities for your pets?

Prioritize each of these options into	Must have	Would prefer
Yard (at least _____ square feet)		
Garage (size/# of cars _____)		
Patio/Deck/Balcony		
Pool/Spa		
Bedrooms (number _____ - _____)		
Bathrooms (number _____ - _____)		
Family room		
Formal living room		
Formal dining room		
Eat-in kitchen		
Laundry room (Garage/Downstairs/Upstairs)		
Fireplace		
Flooring type (Carpet / Tile / Hardwood)		
View		
Home Owners Association		

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

TIPS FOR FINDING THE PERFECT NEIGHBORHOOD

The neighborhood you choose can have a big impact on your lifestyle—safety, available amenities, and convenience all play their part.

1. Make a list of the activities—movies, health club, church—you engage in regularly and stores you visit frequently. See how far you would have to travel from each neighborhood you're considering to engaging in your most common activities.
2. Check out the school district. The Department of Education in your town can probably provide information on test scores, class size, percentage of students who attend college, and special enrichment programs. If you have school-age children, also consider paying a visit to schools in the neighborhoods you're considering. Even if you don't have children, a house in a good school district will be easier to sell in the future.
3. Find out if the neighborhood is safe. Ask the police department for neighborhood crime statistics. Consider not only the number of crimes but also the type—burglaries, armed robberies—and the trend of increasing or decreasing crime. Also, is crime centered in only one part of the neighborhood, such as near a retail area?
4. Determine if the neighborhood is economically stable. Check with your local city economic development office to see if income and property values in the neighborhood are stable or rising. What is the percentage of homes to apartments? Apartments don't necessarily diminish value, but they do mean a more transient population. Do you see vacant businesses or homes that have been for sale for months?
5. See if you'll make money. Ask a local REALTOR® or call the local REALTOR® association to get information about price appreciation trends in the neighborhood. Although past performance is no guarantee of future results, this information may give you a sense of how good an investment your home will be. A REALTOR® or the government planning agency also may be able to tell you about planned developments or other changes in the neighborhood—like a new school or highway—that might affect value.
6. See for yourself. Once you've narrowed your focus to two or three neighborhoods, go there, and walk around. Are homes tidy and well maintained? Are streets quiet? Pick a warm day if you can and chat with people working or playing outside. Are they friendly? Are their children to play with your family?

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

TIPS FOR BUYING IN A TIGHT MARKET

Increase your chances of getting your dream house instead of losing it to another buyer, with these easy steps.

1. Get prequalified for a mortgage. You'll be able to make a firm commitment to buy and make your offer more desirable to the seller.
2. Stay in close touch with your real estate sales associate to find out first about new listings that come on the market. And be ready to go see a house as soon as it goes on the market.
3. Scout out new listings yourself. Look at Internet sites, newspaper ads, and drive by the neighborhood frequently. Maybe you'll see a brand-new "for sale" sign before anyone else.
4. Be ready to make a decision. Spend lots of time in advance deciding what you must have so you won't be unsure when you have the chance to make an offer.
5. Bid competitively. You may not want to start out offering the absolute highest price you can afford, but don't try to go too low to get a deal. In a tight market, you'll lose out.
6. Keep contingencies to a minimum. Restrictions such as needing to sell your home before you move or wanting to delay the closing until a certain date can make your offer unappealing. In a tight market, you'll probably be able to sell your house rapidly. Or talk to your lender about getting a bridge loan to cover both mortgages for a short period.
7. Don't get caught in a buying frenzy. Just because there's competition doesn't mean you should just buy anything. And even though you want to make your offer attractive, don't neglect inspections that help ensure that your house is sound.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

REASONS YOU NEED A REALTOR®

1. A real estate transaction is complicated. In most cases, buying or selling a home requires disclosure forms, inspection reports, mortgage documents, insurance policies, deeds, and multi-page government-mandated settlement statements. A knowledgeable guide through this complexity can help you avoid delays or costly mistakes.
2. Selling or buying a home is time consuming. Even in a strong market, homes in our area stay on the market for an average of ____ days. And it usually takes another 60 days or so for the transaction to close after an offer is accepted.
3. Real estate has its own language. If you don't know a SFR from a PUD, you can understand why it's important to work with someone who speaks that language.
4. REALTORS® have done it before. Most people buy and sell only a few homes in a lifetime, usually with quite a few years in between each purchase. And even if you've done it before, laws and regulations change. That's why having an expert on your side is critical.
5. REALTORS® provide objectivity. Since a home often symbolizes family, rest, and security, not just four walls and roof, homeselling or buying is often a very emotional undertaking. And for most people, a home is the biggest purchase they'll ever make. Having a concerned, but objective, third party helps you keep focused on both the business and emotional issues most important to you.
6. REALTORS® are members of the NATIONAL ASSOCIATION OF REALTORS®, a trade organization of more than 1 million members nationwide. REALTORS® subscribe to a stringent code of ethics that helps guarantee the highest level of service and integrity.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

10 STEPS TO PREPARE FOR HOMEOWNERSHIP

1. Decide how much home you can afford. Generally, you can afford a home equal in value to between two and three times your gross income.
2. Develop a wish list of what you'd like your home to have. Then prioritize the features on your list.
3. Select three or four neighborhoods you'd like to live in. Consider items such as schools, recreational facilities, area expansion plans, and safety.
4. Determine if you have enough saved to cover your down-payment and closing costs. Closing costs, including taxes, attorney's fee, and transfer fees average between 2 percent and 7 percent of the home price.
5. Get your credit in order. Obtain a copy of your credit report.
6. Determine how large a mortgage you can qualify for. Also explore different loans options and decide what's best for you.
7. Organize all the documentation a lender will need to pre-approve you for a loan.
8. Do research to determine if you qualify for any special mortgage or down-payment-assistance programs.
9. Calculate the costs of homeownership, including property taxes, insurance, maintenance, and association fees, if applicable.
10. Find an experienced REALTOR® who can help you through the process.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive
Valencia, CA 91355
Direct: 661.964.8140
Office: 661.702.4552
Fax: 661.702.4551
Email: JerodMayer@Remax.net
Web: www.jerodmayer.com

HOW MUCH MORTGAGE CAN I AFFORD?

Not only does owning a home give you a haven for yourself and your family, it makes great financial sense, too.

This calculation assumes a 28 percent income tax bracket. If your bracket is higher, your savings will be, too.

Rent: _____

Multiplier: X 1.32

Mortgage payment: _____

Because of tax deductions, you can make a mortgage payment—including taxes and insurance—that is approximately one-third larger than your current rent payment and end up with the same amount of income.

For more help, use Fannie Mae's [online mortgage calculators](http://www.fanniemae.com/homebuyers/calculators/index.jhtml?p=Resources&s=Calculators) at <http://www.fanniemae.com/homebuyers/calculators/index.jhtml?p=Resources&s=Calculators>

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

7 REASONS TO OWN YOUR OWN HOME

1. **Tax breaks.** The U.S. Tax Code lets you deduct the interest you pay on your mortgage, property taxes you pay, and some of the costs involved in buying your home.
2. **Gains.** Between 1998 and 2002, national home prices increased at an average of 5.4 percent annually. And while there's no guarantee of appreciation, a 2001 study by the NATIONAL ASSOCIATION OF REALTORS® found that a typical homeowner has approximately \$50,000 of unrealized gain in a home.
3. **Equity.** Money paid for rent is money that you'll never see again, but mortgage payments let you build equity ownership interest in your home.
4. **Savings.** Building equity in your home is a ready-made savings plan. And when you sell, you can generally take up to \$250,000 (\$500,000 for a married couple) as gain without owing any federal income tax.
5. **Predictability.** Unlike rent, your mortgage payments don't go up over the years so your housing costs may actually decline as you own the home longer. However, keep in mind that property taxes and insurance costs will rise.
6. **Freedom.** The home is yours. You can decorate any way you want and be able to benefit from your investment for as long as you own the home.
7. **Stability.** Remaining in one neighborhood for several years gives you a chance to participate in community activities, lets you and your family establish lasting friendships, and offers your children the benefit of educational continuity.

To calculate whether renting or buying is the best financial option for you, use the calculator courtesy of Ginnie Mae: http://www.ginniemae.gov/rent_vs_buy/rent_vs_buy_calc.asp?Section=YPTH

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

10 STEPS TO PREPARE FOR HOMEOWNERSHIP

1. Decide how much home you can afford. Generally, you can afford a home equal in value to between two and three times your gross income.
2. Develop a wish list of what you'd like your home to have. Then prioritize the features on your list.
3. Select three or four neighborhoods you'd like to live in. Consider items such as schools, recreational facilities, area expansion plans, and safety.
4. Determine if you have enough saved to cover your down-payment and closing costs. Closing costs, including taxes, attorney's fee, and transfer fees average between 2 percent and 7 percent of the home price.
5. Get your credit in order. Obtain a copy of your credit report.
6. Determine how large a mortgage you can qualify for. Also explore different loans options and decide what's best for you.
7. Organize all the documentation a lender will need to pre-approve you for a loan.
8. Do research to determine if you qualify for any special mortgage or down-payment-assistance programs.
9. Calculate the costs of homeownership, including property taxes, insurance, maintenance, and association fees, if applicable.
10. Find an experienced REALTOR® who can help you through the process.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

10 TIPS FOR FIRST-TIME HOMEBUYERS

1. **Be picky, but don't be unrealistic.** There is no perfect home.
2. **Do your homework before you start looking.** Decide specifically what features you want in a home and which are most important to you.
3. **Get your finances in order.** Review your credit report and be sure you have enough money to cover your down-payment and your closing costs.
4. **Don't wait to get a loan.** Talk to a lender and get prequalified for a mortgage before you start looking.
5. **Don't ask too many people for opinions.** It will drive you crazy. Select one or two people to turn to if you feel you need a second opinion.
6. **Decide when you could move.** When is your lease up? Are you allowed to sublet? How tight is the rental market in your area?
7. **Think long-term.** Are you looking for a starter house with the idea of moving up in a few years or do you hope to stay in this home longer? This decision may dictate what type of home you'll buy as well as the type of mortgage terms that suit you best.
8. **Don't let yourself be "house poor".** If you max yourself out to buy the biggest home you can afford, you'll have no money left for maintenance or decoration or to save money for other financial goals.
9. **Don't be naïve.** Insist on a home inspection and, if possible, get a warranty from the seller to cover defects within one year.
10. **Get help.** Consider hiring a REALTOR® as a buyer's representative. Unlike a listing agent, whose first duty is to the seller, a buyer's representative is working only for you. And often, buyer's reps are paid out of the seller's commission payment.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

COMMON BUYER CLOSING COSTS

The lender must disclose a good faith estimate of all settlement costs. A check to cover your closing costs will probably have to be a cashier's check. The title company or other entity conducting the closing will tell you the required amount for:

- Down-payment
- Loan origination fees
- Points, or loan discount fees, you pay to receive a lower interest rate
- Appraisal fee
- Credit report
- Private mortgage insurance premium
- Insurance escrow for homeowners insurance, if being paid as part of the mortgage
- Property tax escrow, if being paid as part of the mortgage. Lenders keep funds for taxes and insurance in escrow accounts as they are paid with the mortgage, then pay the insurance or taxes for you.
- Deed recording fees
- Title insurance policy premiums
- Survey
- Inspection fees—building inspection, termites, etc.
- Notary fees
- Prorations for your share of costs, such as utility bills and property taxes

A Note About Prorations: Because such costs are usually paid on either a monthly or yearly basis, you might have to pay a bill for services used by the sellers before they moved. Proration is a way for the sellers to pay you back or for you to pay them for bills they may have paid in advance. For example, the gas company usually sends a bill each month for the gas used during the previous month. But assume you buy the home on the 6th of the month. You would owe the gas company for only the days from the 6th to the end for the month. The seller would owe for the first five days. The bill would be prorated for the number of days in the month, and then each person would be responsible for the days of his or her ownership.

JEROD MAYER

REALTOR® - BUYERS SPECIALIST FOR DAVID M. RENDALL

27720 Dickason Drive

Valencia, CA 91355

Direct: 661.964.8140

Office: 661.702.4552

Fax: 661.702.4551

Email: JerodMayer@Remax.net

Web: www.jerodmayer.com

PACK LIKE A PRO

1. Develop a master “to do” list so you won’t forget something critical.
2. Sort and get rid of things you no longer want or need. Have a garage sale, donate to a charity, or recycle.
3. Don’t throw out everything. If your inclination is to just toss it, ask yourself how frequently you use an item and how you’d feel if you no longer had it.
4. Pack like items together. Put toys with toys, kitchen utensils with kitchen utensils.
5. Decide what if anything you plan to move yourself. Precious items, such as family photos, valuable breakables, or must-haves during the move, should probably stay with you.
6. Use the right box for the item. Loose items encourage breakage.
7. Put heavy items in small boxes so they’re easier to lift. Keep weight under 50 lbs. if possible.
8. Don’t over-pack boxes and increase the chances they will break.
9. Wrap every fragile item separately and pad bottom and sides of boxes.
10. Label every box on all sides. You never know how they’ll be stacked and you don’t want to have to move other boxes aside to find out what’s there.
11. Use color-coded labels to indicate which room each item should go in. Color-code a floor plan for your new house to help movers.
12. Keep your moving documents together, including phone numbers, driver’s name, and van number. Also keep your address book handy.
13. Back up your computer files before moving your computer.
14. Inspect each box and all furniture for damage as soon as it arrives.
15. Remember, most movers won’t take plants.