

THE BARAN GROUP

Our Results Will Move You

Buyer's Guide to a Home Purchase



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About The Baran Group

The Baran Group is a full-service, top-producing real estate team with Chicago's #1 real estate brokerage, @properties | Christie's International Real Estate. Client satisfaction and service are our top priority by leveraging @properties client-focused tools and carefully listening to clients' needs to deliver above and beyond expectations.

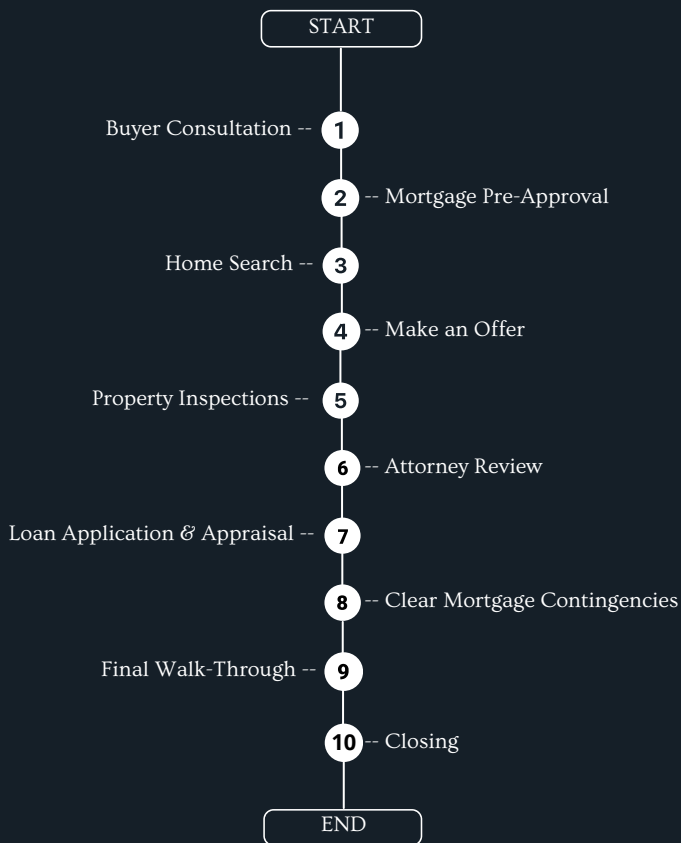
The Baran Group was formed by husband-and-wife Nick and Ruta Baran, who have called the Chicagoland suburbs their home for 34 years. Together, they have over 30+ years of realtor experience and have been members of other top-producing Realtor teams. Our team also includes a group of Buyer's Agents that expands our range of experience and increases our availability to assist our buyers with home showings, home previews, property inspections, and final walk-throughs, whenever you need us.

The Baran Group has served hundreds of clients, working with everyone from first-time home buyers, move-up or down-sizing home buyers, to luxury home buyers and investors. Our team has extensive experience in evaluating the inventory of available properties and providing honest and transparent feedback to ensure our clients purchase the right home at the right price.

Our Results Will Move You! Throughout the buying process, we will demonstrate that our clients are our primary focus with a strong work ethic, timely communication, extensive market knowledge, proactive property research, creative offer preparation, and effective negotiation techniques. We understand buying your dream home is a journey, and we are with you every step of the way.

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The Buying Process

1. Buyer Consultation

During our initial meeting, we will discuss your specific home needs, desired price range, preferred areas, and purchase timeline. We will also review home buying process (this guide) and complete our Buyer-Broker Agreement (see FAQs). This critical step ensures we are aligned as we embark on your new home-buying journey together.

2. Mortgage Pre-Approval

A mortgage lender pre-approval letter is required to submit an offer to purchase a home unless you are paying cash*. This letter assures sellers that you have the financial ability to purchase their home. The lender can address questions on interest rates, loan and down-payment options, and estimated monthly payment and closing costs. You can bring your own lender or we can refer you to one of our trusted mortgage lending partners or bring your own lender.

*Cash Buys will be required to provide proof of funds.

3. Home Search

With the MLS Home Search and innovative tools like Zenlist, we work with you to "Stop looking, Start finding®" your perfect home. After narrowing the list to your favorite homes, we will schedule in-person showings to evaluate your top picks. We can also conduct an "Agent Preview" of homes before scheduling in-person showings to ensure selected homes meet your criteria, condition, and finishes.

4. Make an Offer

Once we find the ideal home, we'll analyze comparable sales data and develop an offer strategy. We'll prepare the offer on an MLS board-approved contract with a Buyer's Agent Commission Addendum and have you digitally sign via DocuSign. We then present the offer to the seller's agent, who communicates with the seller on our behalf. When negotiations are complete and the seller accepts and signs the offer, you will be officially "under contract." At this time, earnest money is due (~1% of purchase price).

4. Make an Offer

If your ideal home receives multiple offers, we can enhance your offer's chance of being the seller's preferred choice by considering any combination of these creative offer options and buyer concessions:

- Escalation Clause: Increase offer price to a \$ value above the highest competing offer.
- Tax Proration: Agree to 100% of the most recent Property Tax Bill.
- Inspections: Accept property "As-Is" with inspection or waive professional inspections.
- Appraisal Gap: Agree to pay \$ gap if the appraisal value is less than the contract price.
- Low-Cost/Free Rentback: Allow Seller to rent home for up to 60 days after closing.
- Attorney Review Period: Reduce 5 to 2 business days; common with inspection waiver.
- Seller Closing Cost Credit: Agree to pay a fixed \$ value of Seller's closing costs.
- Hard Earnest Money: Forfeit earnest money if you cancel the contract for any reason.

5. Property Inspections

Property inspections need to be completed within 5 business days after contract signing. A qualified home inspector will assess the property's condition, ensuring it meets health and safety standards. If inspection concerns arise, we will collaborate with you and your attorney to negotiate a list of seller repairs or request a closing credit in lieu of repairs. As property access will be limited after inspections, inspection day is a great time to measure rooms for furniture, window treatments, or get home improvement estimates. We can recommend a local home inspector; inspection fees are a buyer's expense paid on inspection day.

6. Attorney Review

During the 5-day attorney review period, you will meet with your attorney to carefully review the contract and request any necessary modifications. Attorney review is a crucial period where the buyer or seller can cancel the contract for any reason, except the purchase price. For instance, if the inspection uncovers issues that the buyer and seller cannot agree on a resolution, either party can cancel the contract, and both parties must agree to refund earnest money. You and bring your own attorney or we can recommend our preferred Real Estate attorney. Attorney fees are a buyer's expense paid at closing. After Step 6, cash buyers skip Steps 7 & 8 and proceed to Steps 9 & 10.

7. Loan Application & Appraisal

Once you have a fully executed (signed) contract and if you are financing the home purchase, you will proceed with a formal loan application. To initiate this steps, your mortgage lender will provide you with a list of financial documents necessary, including bank statements, tax records, pay stubs, etc. After attorney review and inspection periods are complete (Steps 5 & 6), your lender will order a property appraisal, another buyer's expense paid at closing.

8. Clear Mortgage Contingencies

The contract mortgage contingency is typically a period of 30-45 days to obtain a mortgage approval and commitment. Your lender will forward your financial documents received from Step 7 to the underwriting department for a detailed review. Once your loan is approved, the lender will issue a Clear-to-Close (CTC) notification and attorneys will coordinate and schedule the closing at a Title Company selected by the Seller's attorney. Per the contract, Step 8 must be completed within 45 calendar days from contract signing or 5 business days before closing, whichever is sooner.

9. Final Walk-Through

The day of or before closing, we will conduct a final walk-through of your future home to confirm the sellers completed agreed-to repairs, all appliances & fixtures negotiated in the contract are still present, no property damage occurred during the move-out process, and no debris was left behind. To avoid interrupted service, make certain you switch over home utilities effective the day of closing.

10. Closing

Your attorney and the seller's attorney will meet with you at the title company office for the closing. Your attorney will guide you through each form that requires a signature and review the numbers on the settlement statement. On average, closings take a one to two hours. Once the closing process concludes, you will receive keys to your new home.

Buyer's Side Estimated Closing Cost

- Home Inspection: \$400-\$800+ (varies on level of inspections performed)
- Attorney Fee: \$500 - \$700 (recommended for IL Real Estate Purchases)
- Lender Fees: ~\$1400 (includes Application Fee)
- Title Insurance: \$1,950 - \$19,000 (varies based on the price of a home)
- Recording/Endorsement Fees: \$185 - \$5,000
- Closing Fee: \$1,725 - \$20,000 (varies based on the price of a home)
- Other Processing: \$275 to \$5,000 (varies on closing type)

Common Buyer FAQs

How are Buyer's Agents compensated?

See Note 1

Step #1 refers to a Buyer-Broker Representation Agreement, which details Buyer's Agent services, agreed to Buyer's Agent compensation (i.e., % of home purchase + a fixed fee) and the agreement terms. While Buyers are responsible for the Buyer's Agent compensation, we will include a Compensation Addendum with all offers requesting the Seller cover all or a portion of the Buyer's Agent compensation. Ultimately, the Seller is most interested in their net proceeds from the sale. This Agreement is required for all IL/U.S. Licensed Real Estate Agents and Brokers.

Won't I get a better price if I work with a Home's Listing Agent?

The Listing (or Seller's) Agent has an agreement with the Seller to represent the Seller's interest in the sale of their home. While you could work directly with the Listing Agent, they may require you to sign a Buyer-Broker Agreement and acknowledge Dual-Agency. Or you can represent yourself and sign a Notice of No Agency. A dedicated Buyer's Agent protects your interest, guides you through the home purchasing process, and independently advises you on an offer and price strategy.

What we request from our Buyers:

- Relationship Commitment: as outlined in our Buyer-Broker Agreement
- Timely Communication: honor our mutual investment of time & finances
- Seek our Representation: @ Open Houses, New Construction, FSBOs
- Respect our Profession: sales commissions are our only source of income; do not request that we discount our income or act in an unprofessional manner
- Referrals: share your home-buying experience with friends and family
- Testimonials: once we close on a property, complete online review

NOTE 1: THERE IS NO LEGAL OR OTHER REQUIREMENT THAT OWNER (SELLER) AGREE TO PAY A BUYER BROKER COMMISSION, WHICH, LIKE THE BROKERAGE COMMISSION, IS NOT SET BY LAW AND IS FULLY NEGOTIABLE

Guide to Multiple Listing Services (MLS) Property Status

NEW: New on Market, Designation for ~7 Days

ACTV: Active on Market (On MLS for # of Days)

PRIV-ACTV*: Private Listing, not visible in Public MLS Searches

PRIV-CTG*: Private Listing Under Contract; Never in Public MLS

CTG-A/I: Contingent on Attorney Review & Property Inspections

CTG-FIN: Contingent on Buyer's Financing

CTG-HS48: Contingent on Buyer's Home Sale; 48-hr Kick-out

CTG-HC48: Contingent on Buyer's Home Closing; 48-hr Kick-out

PEND: All Contingencies Closed; Awaiting Closing

PCHG: Price Change from Original List Price

RACT: Reactivated; Prior Purchase Contract Cancelled

TEMP: Temporarily Off-Market; No Showings

CLSD: Purchase Complete; Selling Price Published in MLS

EXP: Expired Listing Agreement; may reappear as NEW

CANC: Cancelled Listing; May Reappear

***Note:**  Provides Buyers with Private Listings

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Request Zenlist



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If you have a Buyer'-Broker Agreement with another Buyer's Agent or your home is currently listed For Sale with a Listing Agent, this guide is not a solicitation for business.

