

# How to Buy Your Next Home In 5 Easy Steps & Love Where You Live

Avoid Over Paying & Wasting Time

by

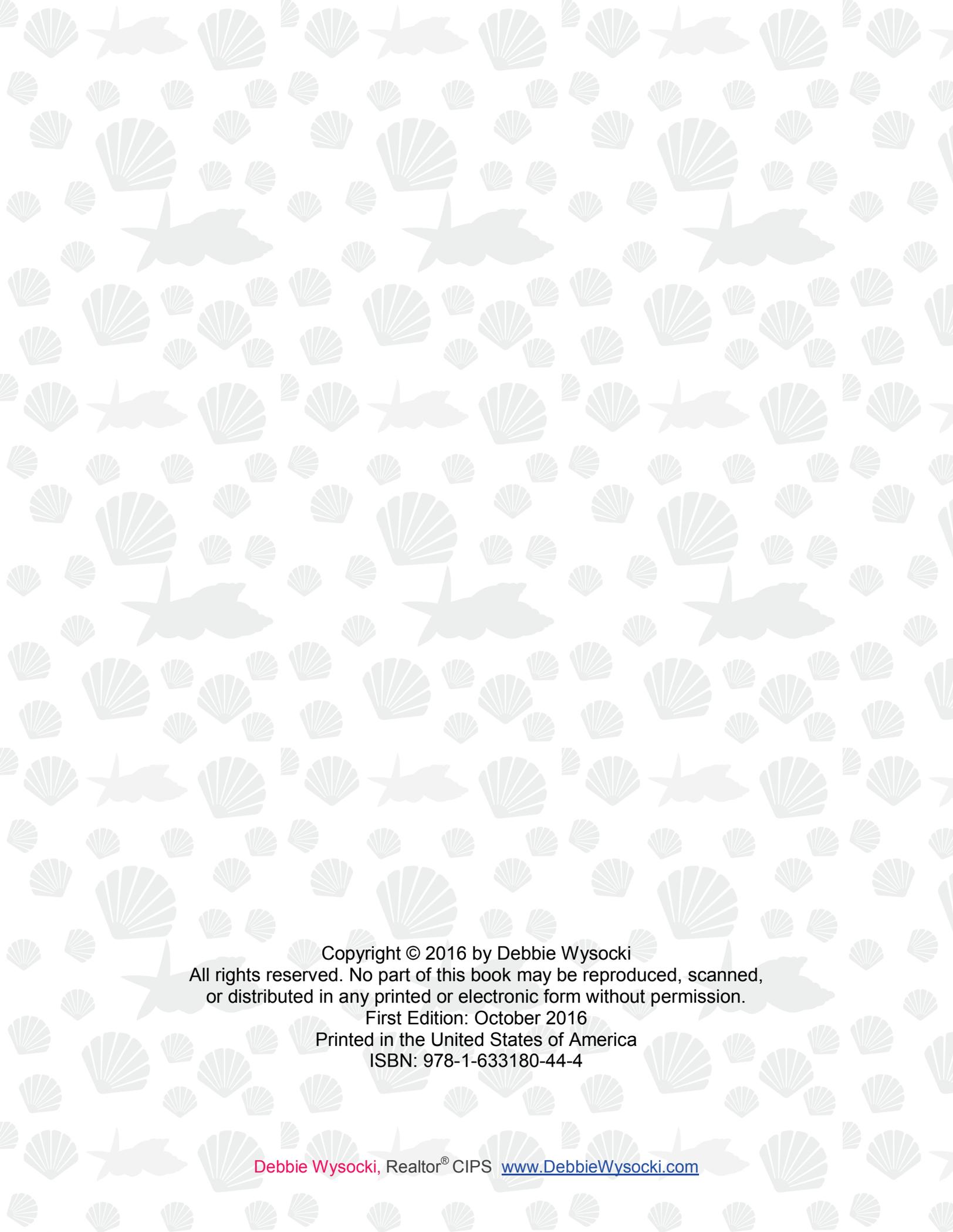
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CERTIFIED INTERNATIONAL  
PROPERTY SPECIALIST

LOVE WHERE YOU LIVE



[I Sell Best Houses.com](http://I Sell Best Houses.com)

The background of the page is a repeating pattern of light gray seashells and starfish. The shells are of various sizes and orientations, scattered across the page. The starfish are also of various sizes and are interspersed among the shells.

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# *How to Buy Your Next Home In 5 Easy Steps & Love Where You Live*

You've decided to purchase a home . . . and you want to know how to find the best deal? You want to make sure you get the best bang for your buck . . . and a house that you can really make a home . . . essentially finding your 'dream home' so you can

## **LOVE WHERE YOU LIVE**

That's exactly why I wrote this book. While I had the pleasure of assisting a client grow his real estate portfolio from \$13 million to over \$75 million and manage it over a period of 20 years as well as helping several others buy, sell, invest and manage properties. I learned so much about the market, negotiating, and helping people achieve their goals and negotiate WIN-WIN deals.

And, that's what I want for you . . . to achieve your real estate goals.

What is the #1 Tip I can give you? Hire a Real Estate Professional. It won't cost you anything, and they will assist you in navigating every step of the Home Buying Process.

If I can be of service to you in some small way in helping you get where you want to go, then that means I've done what my mom taught me to do . . . *'be a Difference Maker.'*

It is truly my privilege to partner with Keller Williams Realty Professionals in Fort Lauderdale. Our Team is amazing . . . from our Broker, Richard Bass and Team Leader-CEO, Alan Waxman to Robin Taylor, Jay Cermak, and Bill Hobbs. Thank you for being part of my Team along with Supreme Lending and Trident Title.

*Debbie Wysocki*

Realtor®

Certified International Property Specialist

Certificate, At Home with Diversity – National Association of Realtors®

**The term REALTOR® has one, and only one, meaning:**

**REALTOR® is a federally registered collective membership mark which identifies a real estate professional who is member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics.**



*"I have known Debbie Wysocki for several years and am consistently inspired by her commitment to serving others. I have always known her to be a woman of integrity and someone who delivers what she promises. I highly recommend Debbie."*

**Nancy Matthews**, CEO & Co-Founder,  
Women's Prosperity Network - Fort Lauderdale



*"Debbie Wysocki is very professional. It's like 'Your wish is my command' -- fairy tale! I can't thank Debbie enough for enthusiastic attitude, friendliness and honesty."*

**Isabel Levin**. Realtor - Miami. FL



*"We have used other Real Estate Agents before, but have found none better than Debbie."*

**Dan Ustian**, Client - Chicago, IL



*"We were referred to Debbie by a neighbor and Debbie navigated us through the home buying process. We closed in 34 days with an FHA Loan. Debbie explained the process along the way -- we were so excited to move into our new home."*

**Yunior Martinez & Dorca Hernandez**  
- Palm Springs, FL

# *5 Easy Steps to Buy Your Next Home*



***Avoid Over Paying & Wasting Time***



**STEP 1:**  
**FIRST THINGS**  
**FIRST...**  
**WHAT YOU**  
**DON'T KNOW**  
**CAN**  
**? HURT YOU**



## *Step 1: First Things First ...*

### *What You Don't Know Can Hurt You*

#### **Knowing Your Credit Score & Navigating the Reporting**

What is the first step?

You want to know where you stand on with your credit score.

What is the easiest way?

Most credit card companies offer you a free copy of your credit report at least once a year – and sometimes monthly.

The higher your credit score, the lower your interest rate. At the time of writing this, November 2016, my favorite mortgage – the 15 year fixed -- has been steady at 2.75% for several months.

Ideally, you want a credit score of over 740 BUT, don't by any stretch of the imagination think you won't be able to buy a home if it is less. Many homebuyers are being approved in less than 30 days with credit score at between 580 – which is the minimum credit score required by the Federal Housing Administration to qualify for the 3.5% down payment program.

Many major lenders often require a credit score of at least 620, if not more.

According to a **2013 Federal Trade Commission (FTC) Report**, at least **5%** of credit reports contain errors; here are a few ways you might want to consider cleaning up your report if you need to:

- 1. Dispute any errors if you spot them.** The first step is to write send a dispute letter to the reporting bureau (Experian, Equifax, or TransUnion). You will also need to contact the merchant or vendor who did the reporting and ask them to update their info with the bureau.

Keep a copy of all correspondence. And if you speak to someone, the name of the person, date, time, their position and department and specific phone number.

Should you need to remove and bad info, this may take a little time. So the sooner you know, the better.

**2.** Have you missed any payments? Been late? Call the company where you were late to missed the payment. If it was just one or two payments, most companies will indeed remove this blip from your reporting record, provided you do not have a chronic history of late payments.

**3. Increase your Credit Limits.** One no-brainer way to increase your credit score be to simply bay off any outstanding debt.

**Why does this work? Because your income to debt ratio decreases.**

**The other option that works well is to ask for a credit line increase because it accomplishes a similar goal – in a slightly different way – it is called the debt-to-credit ratio.**

If your credit limit is \$2,000 and you have tapped out \$1,800 of your credit line, your debt to credit ratio is high.

However, if you get an increase to \$5,000 and you have \$1,800 outstanding, your debt to credit ration is now low.



# STEP 2: MONEY MATTERS



## Step 2: Money Matters

### How Much House Can You Afford?

That's a pretty important question . . . right!

Also, consider if you are a newlywed couple, will you be starting a family soon and will the new mom be going back to work?

As a former Beverly Hills Financial Analyst, a down and dirty rule is 3 times your annual salary. There are three ratios to keep in mind 28/36/and 43.

Of course, if you are steeped in debt, this calculation will not work (and that will be reflected in your credit score)

Banks and mortgage companies are typically looking for you to spend no more than 28 percent of your monthly income on housing expenses. This means your mortgage, insurance, and taxes. So if you or you and your significant other earn \$5,000 per month total, this is considered your Gross Income.

So let's say you have save \$30,000 for the down payment and you earn \$60,000 a year and have a relatively secure job.

Ballpark . . . you can afford a \$200,000 home and payments of \$1,400.00

How do you get to the payment part? You take the Gross Monthly Income and multiply by 0.28 and you get \$1,400.00.

The banking industry does not want a repeat of the crisis we experienced in 2008 and neither do you . . . it is no fun to be 'house poor.'

The second ratio to be concerned about is the debt to income ratio, which I briefly touched upon in the credit score chapter. This is the ratio of 36. You don't want to go over 36 in this area.

To determine your DTI ratio, simply take your total debt figure and divide it by your income. For instance, if your debt costs \$2,000 per month and your monthly income equals \$6,000, your DTI is  $\$2,000 \div \$6,000$ , or 33 percent

The third and last ratio is the ratio of 43. You take your Gross Monthly Income (income before taxes) and multiply by 0.43 – which is 43%. Then you subtract your current mortgage payment, taxes, insurance, car payment, consumer debt (credit card) and your discretionary spending. This figure should be below 43%.

Once you know both these numbers, as well as how much of a down payment you plan to contribute, you can easily work out the maximum monthly mortgage payment you can afford—and by extension, the priciest house you should buy.

Here is an example:

According to [Realtor.com](#)'s [Home Affordability Calculator](#), if you make \$9,500 a month, pay \$1,200 in debts (pre-house), and can make a down payment of \$50,000, if you get a 30-year fixed mortgage at 3.50% interest you can afford a house worth \$312,500. Plug in your own numbers and see what happens!

Consider your dreams **and** the alternatives

Your Realtor® will probably refer you to a local Mortgage Broker who will be able to assist you in getting your paperwork through quick and also with these calculations. It's important to know.

Once you identify how much you can spend, the next question is WHERE. That's critical.

# HOMEBUYING & THE MORTGAGE PROCESS

**1** MORTGAGE  
PRE-QUALIFICATION



**2** PRE-APPROVAL



**3** REVIEWING  
THE FACTS



**4** MEETING THE  
CRITERIA



**5** BRINGING IT  
TOGETHER



**6** FINAL DETAILS



**7** CLOSING /  
HOME SWEET HOME!

## PRE-QUALIFICATION:

During this step the application will be completed, things like credit may be pulled and paperwork is collected to confirm employment and income as required. This step will allow you to determine how much home you can buy. 60 days (min) – before you want to close (remember it will take you time to find the house you want)

## PRE-APPROVAL:

Some Borrowers want to be ready to go with their pre-approval. This allows the Home Buyer's offer to be very strong compared to someone who is just starting the home buying process. Try to begin the pre-approval process 60-90 days before you want to close. The only better offer a buyer can make is cash.

## REVIEWING THE FACTS:

In this step, the application will be evaluated in detail. If necessary, income and assets verification, and check the guidelines to make sure you have crossed all the "t's" and dotted all the "i's."

## MEETING THE CRITERIA:

Some applications may meet the initial loan criteria but still need a few more items to move it forward. If this is the case, the borrower will be hearing from the mortgage broker to explain what's needed.

## BRINGING IT TOGETHER:

This step includes combining the application with the documents provided. The mortgage broker will review these items and may require additional paperwork depending on the type of mortgage. More than likely an appraisal will be required; it will be ordered during this stage. As soon as your offer has been accepted, be sure to order your appraisal from an approved source. Your Realtor® should meet the Appraiser at the property (you should not).

## FINAL DETAILS

This is the final step in the application process. The mortgage company will contact the borrower about any remaining details so we can make sure we have all our ducks in a row.

## CLOSING:

Home sweet Home!

## **Paying for your Home**

### **The Mortgage Approval Process**

The mortgage approval process is either the first step or the second step (depending on where you are in home buying process).

Have you already identified a property OR, are you just at the beginning of the search?

So, what is next?

### **It is the Mortgage Approval**

What exactly is needed for getting your application approved?

## **Mortgage Pre-Approval Checklist**

Whether you've completed the pre-qualification process with a Mortgage Broker or bank, or not, you can apply for pre-approval at any time.

The first step is to complete a full mortgage loan application, including the following information.

Here is a partial list of what you will be asked for by your bank or your mortgage loan originator can tell you about any additional requirements.

- Your residential address for the past two years
- Landlord names and addresses for the last two years, if you rented during that time

### **Employment & Income History**

- Paycheck stubs from the last 30 days showing your year-to-date earnings
- W-2 or 1099 tax forms (issued by your employer) for the past two years

### **Personal Assets**

- Bank account statements from the two most recent months for all checking and savings accounts
- Other asset statements from the past two months for any CDs, IRAs, stocks, bonds or other securities you intend to use for your down payment

- Current real estate holdings, including property address, current market value, mortgage lender's name and address, loan account number, balance and monthly payment

### **Personal Debt**

- A list of any new monthly debts not listed on your credit report (auto loans, student loans, mortgage loans, credit cards, etc.), including creditor name, address, account number, minimum monthly payment amount and outstanding balance on each account .

Additional documents may be required at your mortgage closing, which is the last step in the process of reaching your new home.

Additional documents may be required at your mortgage closing.

Through the course of the closing, several documents are reviewed and signed. Once all of the costs due at closing have been paid and the paperwork has been signed, you can collect your keys - and get ready to move into your new house.

### **What is a Closing Disclosure?**

On October 3, 2015, the Consumer Financial Protection Bureau did away with the Good Faith Estimate and we now have The Closing Disclosure. Timing of your closing could be impacted if you, the Buyer do not receive this document 3 business days prior to closing.

This form is to disclose terms and provisions of the loan, and the financial transaction of the closing.

### **How Much are Closing Costs?**

Closing costs are typically two to five percent of the purchase price. However, they can vary depending on your lender, location and property. Since your closing costs depend on your purchase price, they're an important consideration when working with your real estate agent to decide how much to offer on a house. **Professionals estimate closing costs can run between 1.5 and 4 percent of your loan depending on where you live.**

### **How long does it take to close on a house?**

Many factors go into determining how long the closing process is likely to take - it depends primarily on your lender. You should receive an estimated closing date on your purchase agreement. The type of mortgage loan can also impact how long it takes to close on a house. FHA Loans typically take a little longer than conventional loans (however, mortgage brokers work hard to close loans in under 30 days). It's important to check in with your real estate agent to get regular updates throughout the course of the process.

### **Who pays closing costs?**

Although both the buyer and seller typically pay closing costs, in certain situations you can negotiate to have the seller pay a portion or even all of your closing costs.

### **What kind of mortgage is best for you?**

It will depend upon your credit rating, how much money you are able to save for your down payment, and if you need the consistency of a regular payment.

You should also know that many sellers will only take cash or conventional financing.

WHY? Because the approval process is easier and the time for approval is less.

Most conventional loans are either a 30 year fixed or 15 year fixed term.

**Conventional loans** are actually any type of creditor agreement that are not financed by the Veterans Administration (VA), or supported by the Federal Housing Administration (FHA). In general, all conventional loans are protected by the government sponsored entities such as Fannie Mae (FNMA) and Freddie Mac (FHLMC).

There are different types of conventional loans that have their own peculiarities. Conforming and nonconforming types of conventional loans are the most common kind of subdivision. Conforming loans have to meet the guidelines set by Fannie May and Freddie Mac. One key feature is that the loan amount cannot exceed the maximum loan limit set by Fannie and

Freddie -- \$417,000 in most counties for a single family home. Higher limits apply to two, three, and four unit properties.

There is also a **jumbo loan**. It is a loan in which the amount is greater than the loan limit set by Fannie Mae (FNMA) and Freddie Mac (FHLMC).

The advantages of a Jumbo Loan is that you are able to finance a home that is over the maximum loan amount established by Fannie Mae & Freddie Mac, essentially enabling a borrower to purchase 'more house.'

**Are you having trouble saving up your down payment? Then perhaps, you may want to consider an FHA Loan which allows for a low 3.5% down payment.**

**The Federal Housing Administration (FHA)** was created in 1934 as an effort to bolster homes sales during the Depression. By financially guaranteeing loans the FHA lifts much of the risk of non-payment and foreclosure from private lenders. It is important to remember that the FHA is not a lender; they just guarantee your loan.

**Advantages:**

- Bankruptcy not an automatic disqualification.
- Less stringent credit requirements.
- Lower interest rates.
- Down payment is less.
- Lower mortgage points and other closing cost requirements.
- Resale can be made quicker.
- Is backed by the U.S. government.

**Features:**

- Down payment required.
- Higher MIP than on conventional loans.
- Loan Limits are lower than conventional.
- MIP required regardless of the Loan-to-Value (LTV).

If you are a Veteran, you may want to consider applying for VA Loan. And, if you live in FL, there are even more benefits. If you don't live in Florida, maybe we can entice you. The reality is . . . Florida loves veterans and veterans love Florida. There are over 1.5 million veterans living in Florida.

Here are just a few of the benefits that Florida is offering to our Veterans:

#### Property Tax Forgiveness

Veterans who were honorably discharged with a service-connected permanent and complete disability are exempt from property tax for any real estate used and owned as a homestead. Veterans with less than a 100% disability receive a reduction in their real estate taxes.

#### Employment and Retention Preference for Florida Veterans

The State of Florida, county and local governments provide employment preference honorably discharged and disabled veterans who have service-connected disabilities. Employment preference is also offered to the veteran's spouse or un-remarried veteran's widow or widower under certain conditions.

If you're living in a northern state and just cannot take the cold weather any more, consider purchasing a home in Florida. Home prices are still affordable and there is no better way to purchase a home than with a VA home loan.

The VA loan does not require a down payment – this means you can up to 100% financing. The seller is permitted to pay all reasonable closing costs on behalf of the vet – this can be a point of negotiation of the purchase contract. No monthly mortgage insurance and reasonable interest rates.

Veteran loans do not have a maximum loan amount; however, the calculation of VA loans without a down payment is rather complicated. The calculation is based on available entitlement, type of service eligibility (i.e. active duty, reservist, National Guard) and the Florida county loan limit. Currently, all counties in Florida have a VA lending limit and are not guaranteed beyond \$417,000 with the exception of Collier (\$448,500) and Monroe (\$529,000). VA loans that exceed the county loan limits are called jumbo VA loans.

## *Conclusion*

Yes, I wrote this book to share my knowledge about buying a home and make your journey a little bit easier when you make your next residential purchase.

It is truly a joy to be a Difference Maker and be of service.

I want to be straight up with you . . . I would like your business. If you are not already working with a Realtor<sup>®</sup>, I would like to be your 'go to' person – even if you are not in Fort Lauderdale. Having been involved in Real Estate for over 20 years and having helped investors build portfolios all over the world, I have amazing contacts.

Let's have a conversation about what your goals are and how I might be able to assist you in meeting them. It's just a conversation . . . we'll see where it goes. I love creating WIN-WIN scenarios and utilize outside the box thinking and my vast resources – all to help you get where you want to go in your journey.

Here's how to connect with me:

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## About the Author



Hi, I am *Debbie Wysocki*<sup>®</sup>, and I Sell Beach Houses . . . and more.

Discernment, confidentiality, negotiating, and a good sense of humor have served me well in assisting my amazing clients from all over the world – whether they were the Fortune 500 business- man (or woman), the sports personalities, or my wonderful neighbors business associates, and friends. I really enjoy assisting them in their real estate goals.

My specialty is creating a great Real Estate ‘Experience’ that is stress free --whether you are buying, selling, leasing or securing our Property Management Services. That’s where the ‘More’ comes in.

In short, I want you to **‘Love where you Live.’**

Some people want to know every detail of the person they are choosing to represent them – others just want to know **‘can you get the deal done?’**.

So no matter which client you are, **YES**, as your Realtor<sup>®</sup>, I will represent you with the prestige of the **Keller Williams’** name and **negotiate the best terms for you**. After all, I’ve had 19+ years’ experience managing a \$75+ real estate million portfolio.

**Here are a few other things I bring to the table:**

- Ⓢ Certified International Property Specialist (**CIPS**)
- Ⓢ At Home with Diversity Designation from the **National Association of Realtors**<sup>®</sup>
- Ⓢ Member of the Institute for Luxury Home Marketing
- Ⓢ Strong Community & Business Connections in South Florida (easy to get things done)
- Ⓢ Great Relationships with other Realtors<sup>®</sup>
- Ⓢ Published Author & Co-Author of 4 Books  
**BE IRRESISTIBLE: 7 Key Recipes to Building a Quality Team**  
**co-author with Dan Kennedy on *The Ultimate Success Secret*; now in its 2<sup>nd</sup> printing. An Amazon best-selling co-author with *Juicy Joyful Life*, and co-author with Tony Robbins and Wayne Dyer called *Wake Up and Live the Life You Love*.**
- Ⓢ Expert Speaker on Branding & Relationship Building
- Ⓢ Former Beverly Hills Financial Analyst (1 Billion under management 80 Clients)
- Ⓢ Top Producer/Recruiter for 20 years in Direct Sales/Marketing
- Ⓢ Founder/Facilitator Heart Link Network Fort Lauderdale
- Ⓢ Founder/Facilitator Finding Faith & Fortune – Christian Businesswomen’s Networking

Last but not least, I offer a **LOVE IT OR LEAVE IT Guarantee!**

What does that mean? When you purchase your home from me, if you don’t love it, simply let me know within 90 days, and I will waive my commission when I sell it; I simply ask that you purchase your new home from me that you will be moving to.

**I am truly looking forward to making Real Estate journey a great Experience! Let’s connect, and I promise, you will be happy when you see the difference I can make.**

## Thank You

When I chose to build a true business, it was because I wanted to be a mom who had flexibility and could contribute to our family income in a significant way.

This book is dedicated to those people who believed in me and helped make my career in Sales and Real Estate possible. I first started out as a Beverly Hills Financial Analyst (so I love numbers) and then my husband and I ended up in Florida. While I went on to an amazing 20+ year career in Network Marketing, one of the unique things I did was to be one of the first women to create a 'brand' in the direct sales industry along with my mother, Kathy McGurn, who Co-Founded Women with Dreams . She was my biggest fan and her and Dave did a ton of babysitting while I was doing meetings – building people.

What most people didn't know is that I built an equally successful Real Estate Business assisting investors in the Fort Lauderdale Area. Having expanded to a full service Real Estate practice after my mother passed away and choosing to partnering with Keller Williams Realty Professionals in East Fort Lauderdale – I want to give a shout out to Bill Hobbs for his professional coaching. Thank you.

My children are Trent, who is in his first year at University of Florida and Amanda, who is a Sophomore at Calvary Christian Academy. They have been very involved in helping me grow my business from knocking on doors to stuffing envelopes. They learned sales skills at a young age and because they were always listening to me; they can carry on a conversation with just about anyone and frequently come in #1 in sales contests for school and scouts. They are friendly and compassionate people who are great kids--and I am so blessed to be their Mom.

My husband, Mark, had to juggle his schedule quite a few times to allow for my travel schedule – and although he didn't quite understand all the 'ins and outs' of network marketing and direct sales, he knows our family enjoyed the financial and tax benefits, as well as all those free trips – and he has been most supportive of me transitioning full-time into Real Estate. So thank you, honey for all your help.

I am truly excited to have recently earned the Certified International Property Special designation – only 3,000 Realtors® worldwide have earned this. It is such a privilege to be able to serve my clients – whether it is finding them the perfect luxury vacation rental (or managing those rentals for my amazing owners), working with a Seller to assist them in getting Top Dollar for their home OR helping someone find their next perfect property. I really love 'being a difference maker.'

Thanks to my assistant Jeannilyn Ubas for working hard to get the graphics done and this book formatted. I appreciate you.

And to my heavenly Father for all of the opportunities He has given me to glorify Him and make a difference in other peoples' lives.

