



MADO REALTY

HOME BUYER'S GUIDE



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MULTIPLE LISTING SERVICE
MLS®





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DELIVERING EXCELLENCE - ONE HOME AT A TIME!

At Mado Realty, we have been providing the Long Island residents with premium quality real estate services for years. We understand managing the sale or purchase of property is a complex, and often times, stressful process, and we make it our goal to simplify the transaction for our clients.

WE STRIVE TO MAKE THEIR LIVES EASIER THROUGH OUR YEARS OF EXPERIENCE, TRAINING, AND DEDICATION TO SERVICE.

Our innovative and knowledgeable team specializes in guiding our clients through the purchasing and selling process while ensuring they enjoy a positive experience through our standard-setting customer service and insistence on creating lasting relationships built on trust, transparency, and satisfaction.

MISSION

At Mado Realty, our mission is to deliver impeccable services, a personalized experience, and a simplified transaction.

We aim to manage the complex transaction process for buyers and sellers in a way that provides them with optimal results.

VALUES

Trust:

We know that our clients’ lives can be transformed by the way their home buying and selling endeavors end. The process is always a major financial situation that risks large sums of money, and of course, valuable time. So, we build relationships with our clients that allow them to know for certain that they can trust us to manage the whole process in a beneficial way.

Transparency:

We believe in maintaining a high level of transparency with our clients at all times. We involve our clients throughout the whole process, and they always have the opportunity to add their own input.

Satisfaction:

The end of a major financial transaction should be a positive experience. At Mado Realty, we consider it to be our obligation to ensure client satisfaction upon the closing of each and every deal.

Vision:

Ultimately, our vision is to set the bar for real estate services on a national scale. We aim to reach that goal by constantly innovating how we deliver client-oriented real estate services at our Long Island office.

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AGENCY RELATIONSHIPS

MORE THAN MEETS THE EYE

When real estate professionals work with sellers and buyers, “agency” relationships are established. As you start working with a real estate professional, please ask for a clear explanation of the current agency laws in Long Island, so that you understand these important issues.



There are three kinds of agency relationships



CLIENT RELATIONSHIP

The agent represents the interests of the seller or buyer and has a fiduciary responsibility of reasonable care, loyalty, confidentiality and disclosure to the seller or buyer. A listing agent works to assist the seller in locating a buyer and in negotiating a transaction suitable to the seller’s specific needs. A buyer’s agent represents the buyer during the home buying process.



CUSTOMER RELATIONSHIP

The agent treats the person as a customer. Meaning they must speak of material fact and must treat them with fairness, honesty and integrity. However they do not owe a fiduciary duty and therefore no loyalty.



MULTIPLE REPRESENTATION

The agent represents the interests of both the seller and the buyer, during the same transaction. The agent has responsibilities to both seller and buyer and must act in the best interests of both parties.

WHERE DO I BEGIN LOOKING FOR A HOME?

LOCATION, BUDGET & PERSONAL TASTE



THE FIRST THING DO TO IS ESTABLISH WHAT KIND OF PROPERTY YOU’RE LOOKING FOR. STARTING WITH THESE 3 PRIORITY AREAS TEND TO HELP.

LOCATION

- Are you looking to relocate due to a new career or to be closer to your work?
- Would there be any impacts depending on the proximity to schools, shops, transportation?
- Do you have an idea of neighborhoods you’re interested in? What is your ideal neighborhood and why?

- Review the market in your ideal neighbourhoods. Determine what is available and what the sale prices are.
- Sit down and consider all things involved in buying a home; mortgage repayments, any renovations or improvements you’d like to do, and any cosmetics and features you’d like to add. This will give you a good view of what will be involved.

BUDGET

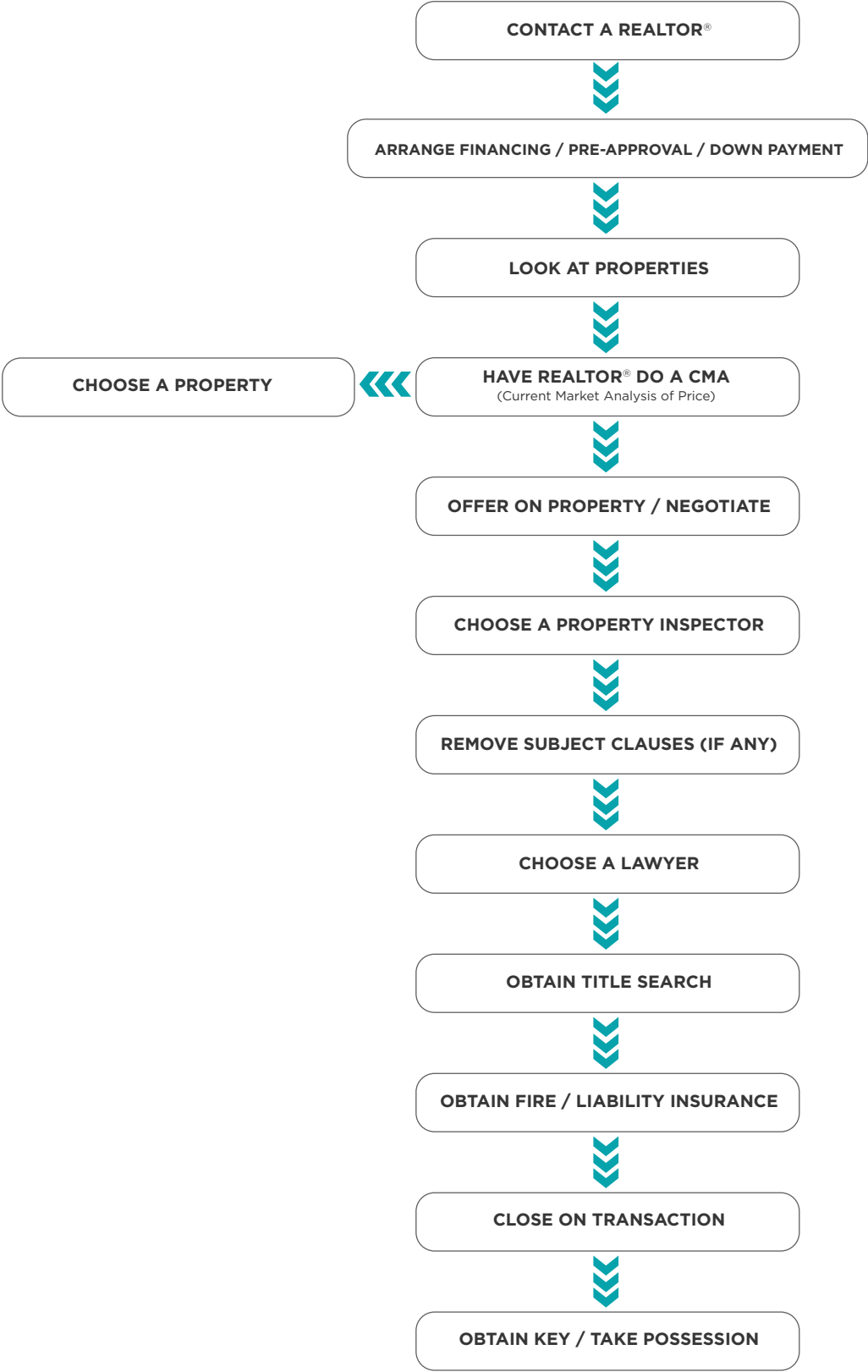
- How much do you want to spend in monthly mortgage repayments that doesn’t impact your quality of life?
- As you consider the style and/or features of your new home, shop around on home design websites or magazines to determine some cost effective styles. Understanding the costs involved in the style and features you’re going after is beneficial.

PERSONAL TASTE

- What style home do you prefer? How many rooms? Open plan living or separated rooms?
- Would you like a condo, townhouse, detached home? Backyard and garden or minimal maintenance?

PROPERTY ACQUISITION

FLOW CHART

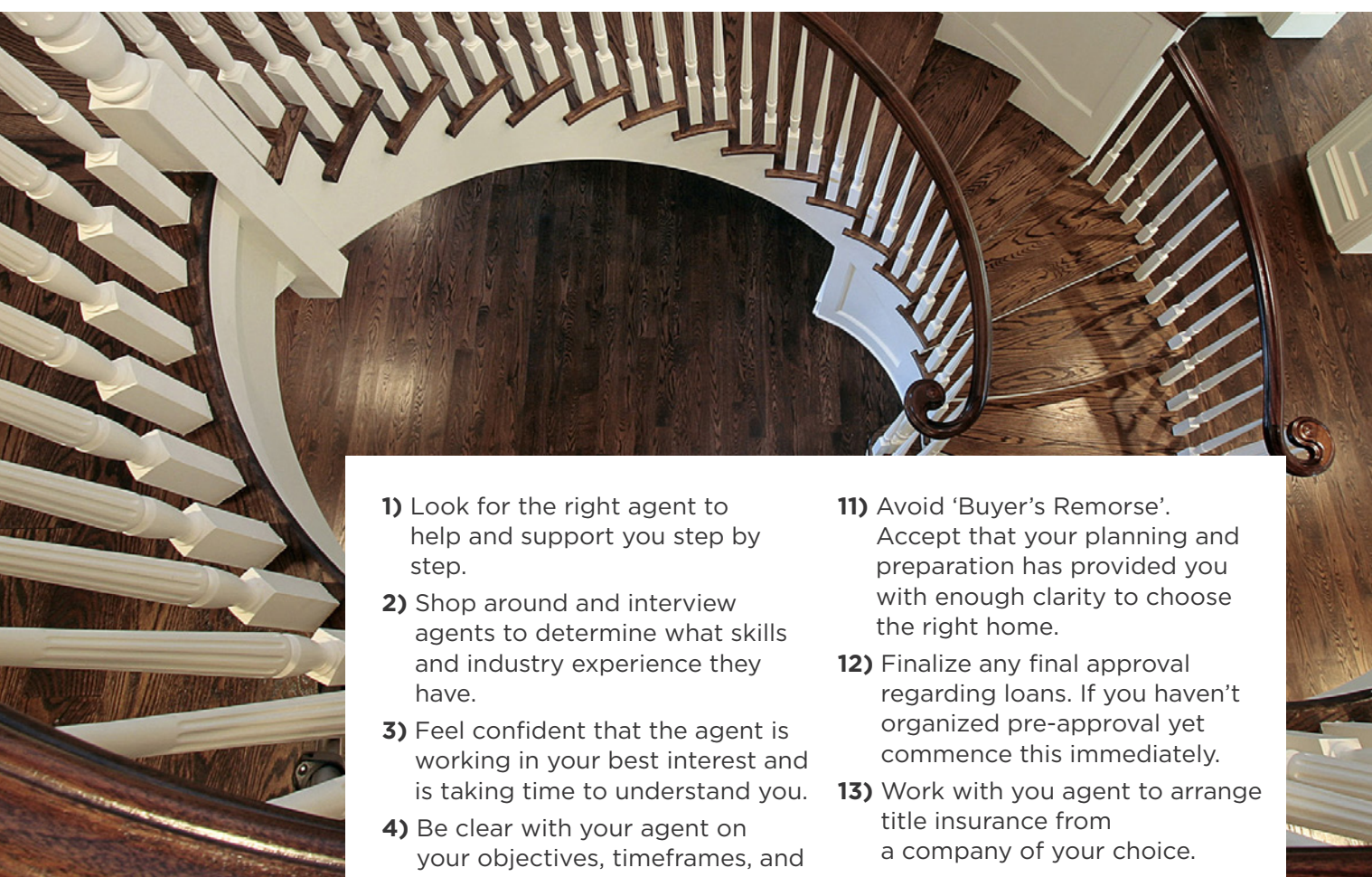


“This team was incredible to work with. From my initial questions, to the sale itself, the team was extremely professional and respectable, promptly and informatively responding to my concerns and replying to emails. Both my wife and I are elated at their service and are excited to search for our next family home. Their friendly, integral approach makes it easy and comfortable to reach out to them, even when the looming task of selling our house scared us at first. Not only do they have a strong background in the real estate market, but I have known them for many years and was most certainly not disappointed. Guaranteed life-long clients here, and you should not hesitate to get started with this team.”

- Mr Smith

18 STEPS TO BUYING A HOME

A STEP BY STEP GUIDE



- 1) Look for the right agent to help and support you step by step.

2) Shop around and interview agents to determine what skills and industry experience they have.

3) Feel confident that the agent is working in your best interest and is taking time to understand you.

4) Be clear with your agent on your objectives, timeframes, and needs.

5) Work with your agent to establish your budget, which may involve arranging pre-approval with a lender.

6) Research the market and choose 3-5 of your favorite properties

7) View each property objectively following the “Simple 3-Step” approach. (See page 9)

8) Record your offer if you decide to purchase.

9) Ensure your agent presents your offer ASAP.

10) Handle counter offers with your agent and ensure where there is compromise there is also reward.
- 11) Avoid ‘Buyer’s Remorse’. Accept that your planning and preparation has provided you with enough clarity to choose the right home.

12) Finalize any final approval regarding loans. If you haven’t organized pre-approval yet commence this immediately.

13) Work with you agent to arrange title insurance from a company of your choice.

14) Any inspections will need to be arranged in a timely manner.

15) Address any minor/major complications and move on. Bumps are sometimes unavoidable but not insurmountable.

16) Do a final walk through of the property before closing. It’s always safe to do a final check.

17) When closing, arrive early with all necessary documentation listed in your closing checklist.

18) After closing keep in contact with your agent to help with any questions or concerns you have. They’re still there for you.

MARKET CONDITIONS

UNDERSTANDING WHAT IT MEANS

MARKET CONDITIONS	CHARACTERISTICS	IMPLICATIONS
BUYER’S MARKET – The supply of homes on the market exceeds demand.	A vast range of homes available on the market means more options for the buyer and likely that homes will remain on the market for longer.	Buyers are likely to have more leverage to negotiate. Buyers can be more patient when exploring available homes.
SELLER’S MARKET – The number of buyer’s wanting homes exceeds the supply or number of homes on the market.	Less houses on the market or a lot of buyers in the area meaning homes are selling quickly. Prices are likely to elevate.	May need to make quick decisions, pay more than expected, and conditional offers (subject to finance) may be rejected.
BALANCED MARKET – The number of homes on the market is equal to the demand or number of buyers.	Equal balance between homes on the market and those looking to buy. A reasonable market for both buyers and sellers.	A good range of options to choose from with both the buyer and seller both generally open to negotiations for a reasonable price.

“We have bought two houses and sold one with this team, the only team we entirely trust to perform an exceptional job in every regard. Every part of the process was delivered at high standards, from photography and videography, to the listing and descriptions, to the consultations, meaning our house sold in just a speedy twenty days! This team is always an absolute joy to work with. Without a doubt, we will contact them immediately for any of our further real estate needs. Thank you so much!”

- Mr Smith

PROPERTY TRANSFER TAX

LAND REGISTRATION

THE AMOUNT OF TAX YOU PAY IS BASED ON THE FAIR MARKET VALUE OF THE LAND AND IMPROVEMENTS (E.G. BUILDINGS) ON THE DATE OF REGISTRATION UNLESS YOU PURCHASE A PRE-SOLD CONDO UNIT.

The tax is charged at a rate of:

Effective January 1, 2017, the tax rates for land transfer tax will depend on the date of the agreement of purchase and sale.

- amounts up to and including \$55,000: 0.5%
- amounts exceeding \$55,000, up to and including \$250,000: 1.0%
- amounts exceeding \$250,000, up to and including \$400,000: 1.5%
- amounts exceeding \$400,000: 2.0%
- amounts exceeding \$2,000,000, where the land contains one or two single family residences: 2.5%

For example, if the fair market value of a property is \$500,000, the tax paid is \$8,000.

FIRST TIME HOME BUYERS' PROGRAM

The First Time Home Buyers' Program reduces or eliminates the amount of property transfer tax you pay when you purchase your first home. If you qualify for the program, you may be eligible for either a full or partial exemption from the tax.

If one or more of the purchasers don't qualify, only the percentage of interest that the first time home buyer(s) have in the property is eligible.

Requirements to qualify for the refund:

- The purchaser must be at least 18 years old.
- The purchaser must occupy the home as their principal residence within nine months of the date of transfer.
- The purchaser cannot have ever owned an eligible home, or an interest in an eligible home, anywhere in the world, at any time.

- If the purchaser entered into an agreement of purchase and sale before December 14, 2007, the home must be a newly constructed home and the purchaser must be eligible for the Tarion New Home Warranty.
- If the purchaser has a spouse, the spouse cannot have owned an eligible home, or had any ownership interest in an eligible home, anywhere in the world, while he or she was the purchaser's spouse. If this is the case, no refund is available to either spouse.

Beginning January 1, 2017, the maximum amount of the refund is \$4,000.

Toronto Land Transfer Tax: 0.5% up to and including the first \$55,000. 1% of the value which exceeds \$55,000 up to and including \$250,000. 1.5% of the value between \$250,000 and \$400,000.

www.fin.gov.on.ca/en/tax/ltt



There is always a lot to consider when you decide to buy a home regardless if you're a seasoned home buyer or a first home buyer. From budget to location and onto the style of the home, there are a lot of questions, but an experienced agent can help support and guide you to ensure you end up with the home you love.

The simple three step approach consists of



APPROACH THE HOME BUYING PROCESS OBJECTIVELY...

- There is no perfect house. 85% is a win.
- The good homes sell quickly.
- Avoid Buyers Remorse and be confident in your choice.



AFTER VIEWING EACH PROPERTY ASK YOURSELF 3 IMPORTANT QUESTIONS...

- What was it about the property I liked?
- Is there anything I would like to or need to change?
- Is this a property I'd like to own? What is the price I'd be prepared to pay?



REMEMBER YOU HAVE 3 SAFETY NETS AVAILABLE TO YOU...

- Your judgment as an educated/informed buyer.
- The Comparative Market Analysis (CMA) prepared by your agent.
- The option of a home inspection.



WHAT IS A REAL ESTATE AGENT?

YOUR FRIENDLY REAL ESATE PROFESSIONAL

IT IS IMPORTANT TO UNDERSTAND THAT IN LONG ISLAND, THE PERSON YOU HIRE TO ASSIST YOU TO SELL YOUR HOME OR ASSIST IN BUYING A HOME MUST BE LICENSED UNDER THE ROVINCIAL REAL ESTATE ACT.

ONE AGENT ACTS FOR THE BUYER AND ONE AGENT ACTS FOR THE SELLER

When a seller employs a real estate registrant to help sell their property, the registrant becomes the agent of the seller, or the listing agent. A buyer may also select a registrant to act as their agent. The registrant is referred to as a buyer's agent or selling agent.

Agents and their salespersons are legally obligated to protect and promote the interests of their clients as they would their own.

Specifically, the agent has the following duties:

- 1) Undivided loyalty. The agent must protect the clients negotiating position at all times and disclose all known facts which may affect or influence their decision.
- 2) To obey all lawful instructions of the client.
- 3) An obligation to keep the confidences of the client.
- 4) The exercise of reasonable care and skill in performing all assigned duties.
- 5) The duty to account for all money and property placed in an agent's hands while acting for the client.

You can expect competent service from your agent, knowing that the company is bound by ethics and the law to be honest and thorough in representing a property listed for sale. Both the buyer and the seller may be represented by their own agents in a single transaction.

RESPONSIBILITIES OF SELLER'S AND BUYER'S AGENTS

In every real estate transaction there is a seller and a buyer. A real estate registrant may be employed as an agent for the seller, as an agent for the buyer, or both. Early in the first meeting with a real estate registrant, the registrant should provide you with full disclosure about the nature of his or her relationship with you, as a seller, and any relationship he or she may have with a buyer. The registrant is required by law to provide this information and explain its implications to you.

YOUR RELATIONSHIP WITH A REAL ESTATE AGENT

Real estate registrants work within a legal relationship called Agency. The Agency relationship exists between you, the client, your agent, and the company under which the individual salesperson who is representing you, is licensed. The essence of the agency relationship is that the agent has the authority to represent the client in dealings with others.



MULTIPLE REPRESENTATION

Multiple Representation occurs when a real estate company (agent) is representing both the buyer and the seller in the same transaction. Since the company has promised a duty of confidentiality, loyalty, and full disclosure to both parties simultaneously, it is necessary to limit these duties in this situation, if both parties consent.

If you find yourself involved in a Multiple Representation relationship, before making or receiving an offer, both you and the other party will be asked to consent, in writing, to this new limited agency relationship.

This relationship involves the following limitations:

- 1) The agent will deal with the buyer and the seller impartially.
- 2) The agent will have a duty of disclosure to both the buyer and the seller except that:
 - The agent will not disclose that the buyer is willing to pay a price or agree to terms other than those contained in the offer, or that the seller is willing to accept a price or terms other than those contained in the listing.
 - The agent will not disclose the motivation of the buyer to buy or the seller to sell unless authorized by the buyer or the seller
 - The agent will not disclose the personal information about either the buyer or the seller unless authorized in writing.

- 3) The agent will disclose to the buyer defects about the physical condition of the property known to the agent. You should not provide a registrant who is not your agent with any information that you would not provide directly to his or her client.

Remember, it is possible to enjoy the benefits of a registrant's knowledge and experience, regardless of whom that registrant is representing.

ADVANTAGES OF USING AN AGENT

THEY EDUCATE, GUIDE AND ANSWER



It's no secret that buying a home can be one of the most stressful events in life, but is equally one of the most exciting and rewarding experiences. Choosing the right REALTOR® can make all the difference.

- 1)** A REALTOR® has the right training and qualifications to work with you through the entire buying process. The support and information they provide at each stage ensures the process is a prompt and enjoyable one.
- 2)** A REALTOR® always has the most relevant and up-to-date information relating to market trends and what homes are available that suits what you are looking for. A lot of traditional forms of marketing are not used anymore, like 'for sale' signs or advertisements online or in the paper. This is where an agent can ensure you're informed of all available options, which is provided by agents through the Multiple Listing Service (MLS).
- 3)** As a buyer, the services that an agent can provide to put you in an advantageous position is provided at no charge or without any obligation. Since January 1, 1995, a REALTOR® can work exclusively for you and without any out-of-pocket expense; the commission from the sale of the home will be paid by the seller from the proceeds of the sale. This means, as a buyer, you can have the professional support and advice from an agent free of charge and put you in the best position for purchasing the right home for you.

HOW DO I FIND THE RIGHT AGENT TO WORK WITH?

There is no shortage to finding a REALTOR® but finding the right one for you is critical. Look for a REALTOR® you can understand and feel as though they are genuine in completely understanding your needs and wants. It's important you feel confident in their abilities to provide you the access and the means to buying the right home.

Confidence and trust are the first things to look for in a REALTOR®. It is extremely important as the relationship between you and the REALTOR® can last for a long time. You need to feel comfortable with who you are working with and how they are working for you.

The other critical things to look for is the experience they have had in the industry and their negotiation skills. A REALTOR® is not just there to find you a home but to lead negotiations to help ensure you get the right home for the best price.

There are a number of ways to find a quality REALTOR®, the most obvious ones in this industry is word-of-mouth. Asking friends, family, neighbours is a great way to hear about great experiences and also those not so great experiences. Other options include contacting agents you may have liked in previous open houses or simply contacting local real estate companies who can help suggest the right agent based off experience in the type of home you're looking for.

Remember, you don't need to commit to a REALTOR® on the first meeting. Take time to interview a number of agents to ensure you find the right REALTOR® that you connect with, that you trust and feel confident in, and has a proven reputation and industry experience in the homes you are looking for.

DO I WORK WITH JUST ONE REALTOR® WHEN I'M BUYING A HOME?

Typically yes. Working with the one REALTOR® allows them to best understand your needs and interests, provide you with continuity through the buying experience, and educate you on all the relevant information and questions you will inevitably have. Your REALTOR® provides all these services with an expectation that when you do decide to buy a home you do so using their services. Whether you end up buying a home or not, for whatever reason, it's appreciated that you provide great references to your friends and family who may be looking to buy or sell in the future if you were impressed with the services provided by your REALTOR®

WHAT WILL AN AGENT CHARGE?

In general, agents work on a commission basis and receive payment only after the successful completion of a sale. A person selling will be asked to agree to pay a commission for the agent's services and this commission is usually stated as a percentage of the total sale price or as a fixed dollar amount. **Note that HST (Harmonized Sales Tax for Ontario) is applicable to commissions.** The commission rate is neither fixed by law nor by any real estate board; it is negotiable between the seller and the agent. The listing agent traditionally shares this commission/fee with the agent working for the buyer.

Choose the agent who appears to be the most able to produce the results you are seeking.

BUYER CONSULTATION

SIT DOWN WITH YOUR REALTOR® BEFORE VIEWING

OF COURSE, IT IS IMPORTANT TO MOVE FAST ON AVAILABLE PROPERTIES BUT WITHOUT FIRST TAKING THE TIME AND DOING YOUR DUE DILIGENCE WITH A REALTOR®, YOU CAN BE DELAYED SIGNIFICANTLY. SITTING DOWN WITH A REALTOR® TO TAKE YOU THROUGH THE HOME BUYING PROCESS WILL SET YOU UP FOR SUCCESS.

A Buyer Consultation will like cover:

- 1) A check on any previous experiences you’ve had buying a home and/or your current knowledge of the end to end process.

2) An in-depth or refresher discussion of the home buying process, depending on your prior knowledge or experiences.

3) A number of key financing details, such as:
 - Personal costs of living to determine how much you can afford each month.
 - Various types of finance options depending on your situation and what they mean. These could be conventional mortgages, second mortgages, or high ratio CMHC with specific terms and conditions to be mindful of.
 - The current lender agreements and amount of down payment required.
 - The different rates available in
- the lenders market.

• Providing GDS/TDS charts to determine what rate and mortgage amount you will likely qualify for.

During this consultation with the REALTOR® it’s recommended you prepare a cash flow comparison spreadsheet for various ranges of purchase prices using both the down payment amount and mortgage available to you. Doing this will help determine the likely mortgage payments and approximate costs for things like realty taxes or utility/property bills.

Once completing this it’s important to ask yourself what you can afford and what the price range you should be looking in is

After confirming the financial requirements, available mortgage amounts and determining the price range to explore for buying, the home buying process is next.

- 1) Further discuss the size of deposit required and timeframes of when this deposit will be needed.
- 2) Review important conditions that should be included in your offer. Things like home inspections, subject to finance and status certificate are important to consider.
- 3) Providing insight on how offers are presented and counter-signed.
- 4) An insight into the lawyer’s actions between the date the offer is accepted and the closing/settlement day
- 5) Discussing insurance requirements for your new home and mortgage.

After this consultation you will be in a good position to understand what is available to you. It’s likely you may need to consider different options in terms of the size or facilities of the house, the neighbourhood you’d like to explore, or perhaps you have more options available to you than you first thought.

Once you have decided on what approach you’re looking to take in terms of properties and locations to start exploring and accounting for any compromises you’re willing to make if necessary, it is time to start working with a Buyer Agency to represent you when negotiating for a property. All of this for no cost!

DON’T USE THE LISTING AGENT

BUYER BEWARE!



It’s a common practice that buyers may find a house for sale they are interested in and contact the agent listing this property to understand the price range. This can sometime bring unwanted problems that are best to avoid.

The first thing to understand that by law, the listing agent’s number 1 priority is the seller of the home to whom they have been hired to represent. They are being paid to act in the best interest for the seller and are required to do so.

The number 1 concern for a buyer liaising directly with a listing agent without a buying agent is that they are not to provide you with any detail or recommendations of what the ‘fair market value’ is for the property. A buying agent will be able to help you conduct a comparative market analysis (CMA) on recent sales of like homes in a similar area so you know the

most correct price range. A listing agent may or may not have this information depending on what has been requested from the seller, but regardless they cannot share this information or share any recommendations other than the sellers request for their price range to complete a successful sale.

The laws and ethics rules protect the seller and ensures they are the primary priority. The ethics primer states: “Remember, if you are the listing agent or subagent to the seller, your principal fiduciary duty is to the sellers, even if you’re working with the buyers as customers.”

As a buyer, engage with a REALTOR® you trust to provide you with the right information and where possible, avoid direct conversation with the listing agent.

FREQUENTLY ASKED QUESTIONS

AND MORE GREAT INFORMATION ABOUT HOME BUYING!



“WHEN I START VISITING HOMES, WHAT SHOULD I LOOK FOR?”

The house or condo you ultimately choose to call home will play a major role in your family’s life. A home can be an excellent investment, of course, but more importantly, it should fit the way you really live, with space and features that appeal to everyone in the family.

As you look at each home, pay close attention to these important considerations...

- ☐ Is there enough room for you now and in the near future?
- ☐ Is the floor plan right for your family?
- ☐ Is there enough storage space?
- ☐ Will you have to replace the appliances?
- ☐ Is the yard the size you want?
- ☐ If it’s a condo, is there good security? Is the reserve fund sound? What’s the view like?
- ☐ Are there enough bathrooms?
- ☐ How much renovating and/or decorating will you need to do right away... Or within the first 2-3 years?
- ☐ Will your furniture suit this home?
- ☐ In what condition are the “guts” of the house, such as the furnace, the wiring, the plumbing, the foundation, or the roof?

“HOW MANY BEDROOMS DO I NEED?”

Whether you are married, or have kids, spare bedrooms come in handy when family and friends come to stay. When you’re not entertaining guests, extra bedrooms are useful as a library, den, office or TV room. Another good reason to choose a home with extra bedrooms is the extra space will make your home more appealing to a larger number of interested buyers when it comes time to sell.

“HOW DO I KNOW FOR SURE HOW MUCH HOME I CAN AFFORD?”

Affordability is probably the single biggest concern of today’s first-time home buyers. Given the wide range of media coverage regularly devoted to the issue, it’s not surprising that many young people wonder how long it will take before they can afford their first homes. Don’t sell yourself short. Talk to your REALTOR®. They will be able to provide you with a list of appropriate lenders who can help to determine your affordable price range. There are many financing options available today and some include low down payments. Find an option that fits your budget and you may be surprised at just how much home you can afford.

“WHAT SHOULD I TELL MY AGENT ABOUT HOMES WE LOOK AT?”

Open communication is critical. Tell your REALTOR® everything you liked AND, more importantly, didn’t like about each home that you see. After all, YOU are their client and they are working for you. Don’t be shy about talking about a home’s shortcomings. Is the home too small for your needs? Let your agent know. Was the home perfect except for the carpeting? Let your agent know that, too. The more open and descriptive you are, the easier it is for your REALTOR® to “zero in” and find a home you’ll love... To find a house that feels like home!

“WHAT SHOULD I ASK ABOUT EACH HOME THAT I TOUR?”

As a rule of thumb, ask any questions you have about specific rooms, features, or functions. Pay particular attention to areas that you feel could become “problems,” such as additions, defects, or areas that have been repaired. Take note of the age of the heating system and roof; the type of windows; the state of the foundation; and the amperage of the electrical system, etc. Above all, if you don’t feel your questions have been answered, ask until you do understand and are satisfied. In most cases, your real estate agent will be able to provide you with detailed information about each home you see. We will provide you with worksheets to note room sizes, features that need a second look and other comments.

“HOW MANY HOMES SHOULD I LOOK AT BEFORE I BUY?”

There is no set number of homes you should look at before you decide to make an offer for one. That’s why providing your agent with as many details as possible up front is so helpful. The perfect home may be waiting for you on your first visit! Even if it isn’t, the house-hunting process will help you get a feeling for the homes in each community and narrow your choices to a few that are worth a second look. Sometimes seeing many houses can become confusing! An excellent way to differentiate each home is to name it! Call it the “cat house” if there were several cats, or the “deck house” if the main feature is the deck. This will make it easier to remember and to reach a decision.

“HOME-HUNTING TIPS”

- ✓ How much do the utilities cost on a monthly basis?
- ✓ Have you (the owner) had any problems with water or dampness in the basement?
- ✓ Are there defects or problem areas that need to be fixed now?
- ✓ How old is the furnace and central air conditioning system?
- ✓ How old is the roof? Has it leaked? Has it been repaired or replaced recently?



“Wonderful service. The team is very responsive and cleared all our doubts. Moreover, they kept us involved throughout the whole process. We are extremely delighted with the services they provided.”

- Mr Smith

10 BUYING MISTAKES TO AVOID

BE PREPARED AND DON'T GET CAUGHT OUT

✗ **LOOKING FOR A HOUSE WITHOUT GETTING PRE-APPROVED BY A LENDER**

When you are pre-approved, you are effectively a cash buyer. This makes it much easier to negotiate with the seller. Do not mistake pre-approval with pre-qualification; pre-qualification is only the first step in gaining pre-approval. Ask your banker or REALTOR® for details.

✗ **FAILING TO CHECK OUT THE NEIGHBOURHOOD THOROUGHLY BEFORE BUYING**

How do traffic patterns change depending on the day, or even the time of day? Are there any future developments in the works? Is that nice greenspace down the road actually zoned for high-rise development? Ask around - check it out first.

✗ **MAKING AN OFFER BASED UPON THE ASKING PRICE, NOT THE ACTUAL MARKET VALUE**

Do your homework. What have similar properties sold for in the immediate area? How long were they on the market? How does this one compare? Is it over-priced, under-priced, or fair value? Ask your REALTOR® for an up-to-date market summary.

✗ **LETTING “FIRST IMPRESSIONS” AFFECT YOUR DECISION TOO MUCH**

There are entire books written on how the first impression of a home is the single most decisive factor affecting many purchasers' decision to buy. Don't let bad decor or messy housekeeping scare you away from a home that structurally meets all your needs. Remember that you are buying the house, not the furnishings.

✗ **NOT KNOWING YOUR RIGHTS AND OBLIGATIONS**

If you do not know your rights, then you can be taken advantage of. If you do not know your obligations, you may inadvertently cause friction between yourself and those with whom you are about to enter a contract. Both your REALTOR® and lawyer are great sources of information concerning this - make use of their expertise and resources.

✗ **ASSUMING THAT THE BANK'S QUOTED MORTGAGE RATES ARE WRITTEN IN STONE**

Like many industries, banks are experiencing increased competition and are often willing to negotiate mortgage rates. Depending upon the market and profit spreads, it is sometimes possible to negotiate substantial savings. Ask your banker or REALTOR® for details.

✗ **NOT SHOPPING FOR HOME INSURANCE UNTIL YOU ARE READY TO MOVE**

If you wait until the last minute, you will be rushed in finding insurance. Allow time to shop around and get the best deal.

✗ **SIGNING DOCUMENTS WITHOUT READING THEM**

Do not wait until the last minute before reading the documents; there probably will not be time. Try to get copies of all documents early on in your home search so that you can peruse them at your leisure.

✗ **MAKING VERBAL AGREEMENTS**

Not only are they harder to enforce, but any written contract you sign will override a verbal agreement. Contract law says that verbal agreements are not enforceable when they deal with Real Property. Always get it in writing!

✗ **BUYING A HOUSE WITHOUT A PROFESSIONAL HOME INSPECTION**

When buying a house, consider getting a professional property inspection. Not only will you know what you are buying, but these reports will protect you from unforeseen nasty surprises in both the short and long run.

DON'T DO THESE BEFORE PURCHASING

FAILURE TO FOLLOW THIS ADVICE CAN SERIOUSLY AFFECT YOUR CREDIT

DON'T MOVE MONEY AROUND

When a lender reviews your loan package for approval, one of the things they are concerned about is the source of funds for your down payment and closing costs. You will most likely be asked to provide statements for the last two or three months on any of your liquid assets. This includes chequing accounts, savings accounts, money market funds, certificates of deposit, stock statements, mutual funds and company retirement accounts.

If you have been moving money between accounts during that time, there may be large deposits and withdrawals in some of them.

The mortgage underwriter (the person who actually approves your loan) will probably require a complete paper trail of all the withdrawals and deposits. You may be required to produce cancelled cheques, deposit receipts, and other seemingly inconsequential data, which could get quite tedious.

To ensure quality control and eliminate potential fraud, it is a requirement on most loans to completely document the source of all funds. Moving your money around, even if you are consolidating your funds to make it “easier,” could make it more difficult for the lender to properly document.

So leave your money where it is until you talk to a loan officer. Oh... don't change banks, either.

Do not make any major purchase that would create debt of any kind. This includes, but is not limited to, furniture, appliances, electronic equipment, jewelry, vacations, expensive weddings and automobiles.

SHOULD YOU CHANGE JOBS?

For most people, changing employers will not really affect your ability to qualify for a mortgage loan, especially if you are going to be earning more money. For some homebuyers, however, the effects of changing jobs can be disastrous to your loan application.

Some jobs have a 3 month probationary period. Your lender will typically make you wait until that is over before approving a mortgage.

BUYER'S ESTIMATED EXPENSES

ALL EXPENSES INVOLVED

ESTIMATED SELLING PRICE

- Up-front expenses are to be paid on or before the documented completion day of your purchase. You may be exempt from some fees or have some fees waived. Your lawyer will inform you or ask your agent to determine this.

DEPOSIT UPON CONTRACT

- 5% of the purchase price is the usual deposit amount unless otherwise advices. This is held in Trust until closing.

LAND TRANSFER TAX

- 1% of the first \$200,000, 2% on the portion of the fair market value greater than \$200,000 and up to and including \$2,000,000, and 3% on the portion of the fair market value greater than \$2,000,000.

LAWYER FEES

- Includes your lawyer's fees & registration of mortgage and Certificate of Title and disbursements.

APPRAISAL FEES

- A majority of lenders require an appraiser to confirm whether/if the purchase price reflects fair market value. Depending on the amount of down payment made to the lender this requirement may be waived.

HOUSE INSPECTION FEE

- The buyer has the option to arrange a home inspection to determine any quality concerns with the home. This is not mandatory but sometimes recommended.

HOUSE INSURANCE

- Required by the Mortgagee as security for the loan. Strata Properties are insured for contents and liabilities only.

SURVEY OR TITLE INSURANCE

- A survey accurately depicts the location of the house and outer buildings in relation to the property lines. Title insurance provides for no-fault protection against title risks.

PROPERTY TAX ADJUSTMENT

- Based on the “adjustment date” you may have to reimburse the Seller for their portion of the prepaid property taxes.

HST NEW HOME REBATE

- Only applicable on new housing.

MISCELLANEOUS

- Move in fee, mid-month maintenance fee adjustment etc.



“Mado Realty is very professional and the best we ever dealt with. They are responsive in communication, very trust worthy and fair to both sellers and buyers. Mado Realty is extremely knowledgeable of the community and area they are dealing with. I am not reluctant to recommend them to anyone who would like to either buy or sell property. Thank you for your wonderful work!”

- Jodie Brown



“Mado Realty works for you to achieve the best outcome. They are passionate about what they do. Above and beyond is what I experienced with Mado Realty. If you want someone to truly represent you and understand your needs then I highly recommend Mado Realty. They are simply the best in the area.”

- Troy Wilson

YOUR **DREAM**
HOME IS JUST
AROUND THE
CORNER...



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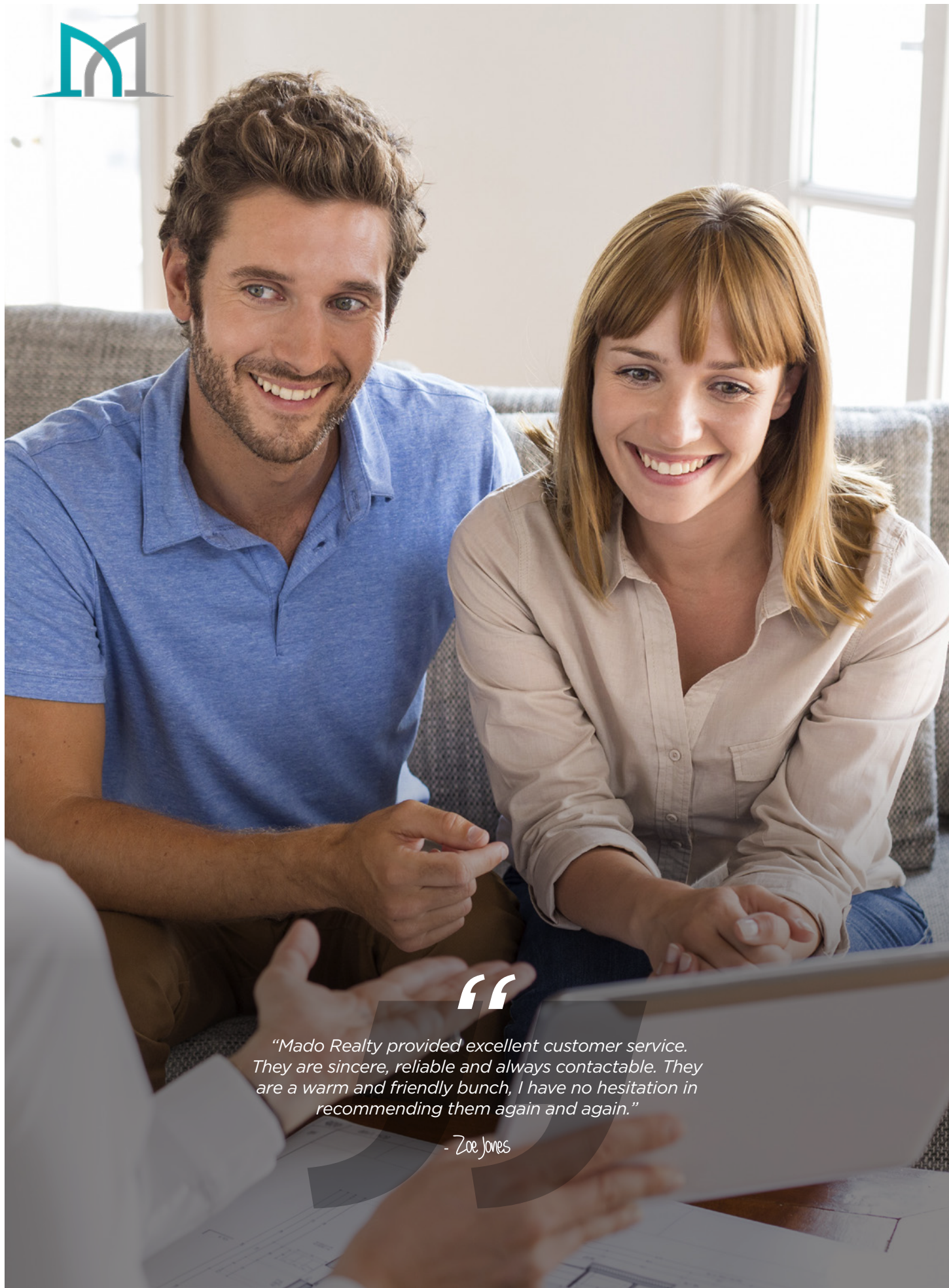
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“Mado Realty provided excellent customer service. They are sincere, reliable and always contactable. They are a warm and friendly bunch, I have no hesitation in recommending them again and again.”

- Zoe Jones

HOW DO I MAKE AN OFFER?

WHEN YOU HAVE FOUND THE HOME THAT YOU LOVE

When you’ve found a special property you want to call home, you’ll probably feel excited and a bit nervous. Your REALTOR® is ready to help you during this important time. With your agent, you’ll draw up an Agreement of Purchase and Sale... A written document that declares how much you will pay for the home, provided that certain conditions are met.

This is a **legally binding** contract that you will sign and date. Your offer will have a time limit for the seller to accept, reject, or make a counter-offer. If a counter offer is made, you have time to respond. Often, offers go back and forth until accepted, or until one party decides to end negotiations.

Be prepared to encounter a phenomenon called “buyer’s remorse.”

This occurs after you make a large purchase of anything, let alone a house. You will ask yourself “Did I make the right decision?” The answer is usually “YES”... consider this self-analysis to be entirely normal!

HOW DO I MAKE AN OFFER TO PURCHASE?

Once you have found your dream home, a written offer to purchase the property will be prepared. This offer is usually recorded on a standard form entitled Agreement of Purchase and Sale.

WHAT SHOULD THE OFFER CONTAIN?

All offers to purchase your property will contain a number of important details which you must consider.

The offer should include:

- Date of the offer.
- Full legal names of both the buyer and the seller.
- Full legal description of the property.
- Amount of the deposit.
- Sale price.
- Amount of the cash down-payment.
- Date of possession of property.
- A list of the conditions which must be fulfilled before the sale can take place (normally called subject clauses or conditions precedent).
- A list of items which are not attached to the building (normally called chattels) but which are to be included in the sale price; for example, drapes, refrigerator, stove, etc.
- Date and time at which the offer expires.



HOW DO I MAKE AN OFFER?

CONTINUED...

HOW DO I DETERMINE THE AMOUNT OF MY INITIAL OFFER?

Your REALTOR® will research comparable sales in the neighbourhood to give you a good idea of the home's current market value. Then you consider what you can afford and make a fair offer.

When the price is agreed upon, the paperwork will be initialed and signed by both parties.

After the offer is accepted, you typically begin the process of arranging a home inspection and arranging to get a firm mortgage commitment. (You should have a full pre-approval for a mortgage prior to signing an offer.)

SUBJECT CLAUSES

The purpose of a subject clause contained in an offer to purchase is to set out a specific condition that must be fulfilled before the sale can go through. One common subject clause you might encounter is financing. Your lender will need the accepted agreement to finalize your financing approval.

If one of the conditions contained in a subject clause cannot be met after every reasonable effort has been made to do so, the contract ends and there is no legal obligation to complete the purchase of sale.

WHAT IS HAPPENING ON THE SELLER'S SIDE?

When you make an offer to purchase a home, the seller will give considerable time and attention to review the offer carefully. Their agent will assist them in understanding the terms and conditions contained in your offer.

THE SELLER HAS THREE OPTIONS:

1) Accept an offer exactly as it stands

If they decide they would like to accept the offer, the seller signs the contract agreeing to its terms. It becomes a legally binding contract. Legally binding means both you and the seller will be bound by the terms of the contract and must perform your respective obligations as stated. Your performance can be enforced in a court of law.

If you are uncertain about any of the clauses contained in the offer, you may wish to consult a lawyer before signing the contract.



2) Make A Counter-Offer

If the seller changes anything at all in the original offer, they are considered to have rejected that offer and to be making a new offer to you the buyer. This new offer is usually referred to as a "counter-offer" or "sign-back."

The risk in making a counter-offer is that if you, the buyer, have changed your mind and rejects the counter-offer, they do not have the option to return to the original offer and accept it.

But, you as the buyer may decide to make another counter-offer back to the seller and the process of counter-offers could continue until an agreement is reached.

3) Reject The Offer

The seller is under no obligation to accept any offer or to make a counter-offer.

WHAT'S A "DEPOSIT" AND HOW MUCH DO I NEED?

When you sign an offer you will be required to give a "good faith" deposit... That is, money that shows you are serious about wanting to buy the home.

Usually, you will be asked to write a cheque for a specified amount, typically \$5,000 to \$10,000 or more, depending upon the value of the property being purchased. Therefore, your deposit funds must be made readily available before you consider signing an offer.

Once the offer is accepted, your deposit money will be held in trust by the listing brokerage until closing.

Once your offer becomes firm (conditions are removed), your deposit will be included as part of your down payment

"Mado Realty was easy to work with and understood what our requirements were. They were highly dedicated and I would have no hesitation in recommending them as I believe their professionalism and interpersonal skills are second to none."

- Ralph Miller

WHO ARE WE

YOUR REAL ESTATE PROFESSIONALS



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Having earned great respect in the New York market and neighborhoods, Sue Magden, our licensed broker and owner, has over ten years of professional experience. With experience in accommodating any kind of property for both residential and commercial requirements – sale or rental – she is excellent at maintaining strong relationships with property managers.

Sue has a bachelor’s degree in International Relations from studying in Turkey, from where she relocated to New York, earning an MBA from Dowling College. Her detailed understanding of the complicated network of property listings makes her a crucial member of the team. She specializes in accommodating property listings in a range of different areas for different budgets.

Sue’s advanced knowledge and experience in a vast range of real estate niches allows her to provide outstanding resources and services to unravel and simplify the complicated process of looking for a new home or commercial space. In short, you can expect honesty, an extremely high bar for integrity, and flexible scheduling for any kind of project for those with busy schedules.



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A native of the Turkey region, Semiral Catalbas graduated from the University of Textile in Istanbul, before working as a project manager for five years.

As well as raising her kids, Sem has attended SCCC in New York and earned an associate’s degree in Liberal Arts. Because her family business in Turkey was involved in real estate, Sem built a strong passion for selling on the property marker. She has served multiple clients to high standards in the New York market. When she isn’t selling or buying properties and helping her clients, Sem loves spending time with her kids, or just driving about, looking at houses to find their features and flaws. With her curious mindset, she can quickly understand what life is like inside just from the house’s appearance from the outside.

WE WOULD LOVE TO BE YOUR AGENCY OF CHOICE

It’s important to have an agent on your side to protect your best interests in the largest financial transaction most will face in their life. Our team is here to guide you through the process from start to finish and make the home buying process easy and as stress free as possible. It would be our privilege to help you find your next home!

YOUR DREAM HOME AWAITS

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