

All Patriots Realty

A Quick Guide to Buying to Your Stafford VA Home!



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GUIDE TO BUYING REAL ESTATE IN STAFFORD VIRGINIA (AND SURROUNDING AREAS)

Welcome! You are about to embark on the exciting journey of finding your Stafford area home. Whether it is your first home or your tenth home, a retirement home, or an investment property, your home-buying experience should be fun and exciting. How do you find your ideal Stafford area home with the least amount of hassle? What is the legal process for buying a Stafford area home? Read on!

How to find and buy your Stafford area home

1. **Read the rest of this guide**
2. **Find a real estate agent**
3. **Find a lender, ask to talk to a loan officer**
4. **Home Search: Tell the agent what part(s) of town you want to live in, what kind of house you want, and how much the bank said they'd loan you.**
5. **How much you should offer.**
6. **You'll make the offer by signing a contract.**
7. **Have the house professionally inspected.**
8. **The bank will have the house appraised to make sure it's worth what you're paying for it.**
9. **Find an insurance agent (ask friends for referrals) and get a quote.**
10. **Closing.**

Read the rest of this guide!

Purchasing a home is a very important decision and a big undertaking in your life. In fact, most people only choose a few homes in their lifetime. Our job is to make sure that you are well equipped and armed with up-to-date information for your big decision. We prepared this guide to quickly walk you through the phases of the home-buying process. This guide gives you helpful information during and after your transaction.

Use its reference pages, note pages and agency explanations, as an invaluable guide on your home-buying journey.

Please keep it with you during your home-buying process. There are pages that contain important phone numbers and dates and areas for notes to help you stay organized.

We love the opportunity to help you meet your real estate needs!!!

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Find a real estate agent

(We would love to be interviewed for the job!).

The seller pays the commission to your agent, so it costs you nothing to have an agent. Your agent serves you by letting you know what houses are available that meet your needs (they have access to the MLS-multiple listing service) and by answering your questions about the process.

As a licensed real estate professional, we provide much more than the service of helping you find your new home. They are members of the National Association of Realtors (NAR) and must abide by a Code of Ethics and Standards of Practice enforced by the NAR. A professional Realtor is your best resource when buying your home.

The difference between agents, brokers, and realtors:

All real estate salespeople are **agents**. They're licensed to represent either buyers or sellers in property transactions. There are basically three flavors of agents:

1. Regular **agents**. They have no additional training or professional memberships.
2. **Brokers**. They generally have more education and training than regular agents. But they're still a kind of agent.
3. **Realtors**. These are agents who belong to a special professional association of agents.

A common mistake is to refer to all agents as Realtors, but it's the other way around: all Realtors are agents, but not all agents are Realtors.

Find a lender, ask to talk to a loan officer

Tell them you want to buy a house, fill out an application, and get what's called a Pre-Qualifying or a Pre-Approval Letter.

Pre-qualifying will help you in the following ways:

- Generally, interest rates are locked in for a set period. You will know in advance exactly what your payments will be on offers you choose to make.
- You won't waste time considering homes you cannot afford.

Pre-approval will help you in the following ways:

- A seller may choose to make concessions if they know that your financing is secured. You are like a cash buyer, and this may make your offer more competitive.
- You can select the best loan package without being under pressure.

How much home can you afford?

There are three key factors to consider:

1. The down payment
2. Your ability to qualify for a mortgage
3. The closing costs associated with your transaction.

Down payments:

Most loans today require a down payment of between 3.5% and 5.0% depending on the type and terms of the loan. If you can come up with a 20-25% down payment, you may be eligible to take advantage of special fast-track programs and possibly eliminate mortgage insurance.

Qualification:

Most lenders require that your monthly payment range between 25-28% of your gross monthly income. Your mortgage payment to the lender includes the following items:

- The principal on the loan (P)
- The interest on the loan (I)
- Property taxes (T),
- The homeowner's insurance (I).

Your total monthly PITI and all debts (from installments to revolving charge accounts) should range between 33-38% of your gross monthly income. These key factors determine your ability to secure a home loan: Credit Report, Assets, Income, and Property Value.

Closing Costs:

You will be required to pay fees for loan processing and other closing costs. These fees must be paid in full at the final settlement, unless you can include them in your financing. Typically, total closing costs will range between 2-5% of your mortgage loan.

THE TEN COMMANDMENTS-When applying for a Real Estate Loan

1. Thou shalt not change jobs, become self-employed or quit your job.
2. Thou shalt not buy a car, truck, or van (or you may be living in it)!
3. Thou shalt not use charge cards excessively or let your accounts fall behind.
4. Thou shalt not spend money you have set aside for closing.
5. Thou shalt not omit debts or liabilities from your loan application.
6. Thou shalt not buy furniture.
7. Thou shalt not originate any inquiries into your credit.
8. Thou shalt not make large deposits without first checking with your loan officer.
9. Thou shalt not change bank accounts.
10. Thou shalt not co-sign a loan for anyone.

This is a “tongue and cheek” list, but these items will affect your credit and possibly prevent you from moving forward with your home purchase.

Home Search: Tell the agent what part(s) of town you want to live in, what kind of house you want, and how much the bank said they'd loan you.

Your agent will give you a list of houses that match your criteria. Go look at them, do drive-bys.

There are many factors to consider when selecting a neighborhood that is right for you. Below are just a few of the many factors -- You may think of others that are important to you. Write them on your Home Search Criteria for so they do not get forgotten.

Neighborhoods have characteristic personalities designed to best suit single people, growing families, two-career couples, or retirees. Investigate to determine if the neighborhood matches your lifestyle and personality.

Scout out the Neighborhood!

It is important that you scout the neighborhood in person. You live in more than your house.

- ☑ Talk to people who live there.
- ☑ Drive through the entire area at different times of the day, during the week and on weekends.
- ☑ Look carefully at how well other homes in the area are being maintained; are they painted, are the yards well cared for; are parked cars in good condition, etc.

Neighborhood Factors to Consider --

- Look for things like access to major thoroughfares, highways, and shopping.
- Listen for noise created by commerce, roads, railways, public areas, schools, etc.
- Smell the air for adjacent commerce or agriculture.
- Check with local civic, police, fire, and school officials to find information about the area.
- Research things like soil and water.
- Look at traffic patterns around the area during different times of the day and drive from the area to work.
 - Is the neighborhood near parks, churches, recreation centers, shopping, theaters, restaurants, public transportation, schools, etc.?
 - Does the neighborhood belong to a Homeowner's Association?

How much you should offer?

It's rare that you accept the price given by the seller, usually you'll offer slightly less than they're asking. Get a list of Comparables (similar homes that have sold in the same area recently) from your agent so you can get an idea of how much the house is worth.

You'll make the offer by signing a contract. If the seller accepts your offer, then they'll sign too. At this point you're generally obligated to buy the house and the seller is generally obligated to sell, though depending on the wording of the contract either of you could have the right to walk away from the deal under certain circumstances.

The Contract will define the details of the transaction and is a binding commitment on the parties. Oral agreements are not binding. There is no "cooling off" period to change your mind, in Virginia, unless specifically provided in the written agreement.

The items that cause most contract misunderstandings are:

Personal property included in the sale (washer, dryer, chandelier, stove, fireplace inserts, drapes, etc.). The seller can remove anything not permanently attached. If you have any doubt at all, write the item into the contract. Do not rely on the fact the item is listed as being for sale. If it is not in the contract, it is not sold!

Condition of the property. The Stafford area contract provides the structure conveys in its present condition. Inspect carefully before signing. You may want a professional home inspection and the contract contingent on acceptance of the report. Most contracts provide that appliances, heating, air conditioning, plumbing, electrical and mechanical systems are to be in "normal working order" at the time of settlement. That is not "new" condition. You will conduct a final inspection of these systems shortly before closing.

Other considerations:

Arrangements for financing. Most contracts contain a contingency that will cancel the contract if the lender denies your loan. You must diligently pursue loan approval and apply for a loan within 7 days of contract ratification or you are in default. Many builder contracts do not contain this contingency.

Set the settlement date and date of possession. Avoid the last few days of the month, if possible. They are the busiest and delays may result.

If you need to sell a house to buy a new one, your contract can be made contingent on the sale of your house but you will need to add contingency language.

Ask for termite, well, radon, home, and septic inspections, if needed, and warranties.

Consider carefully the choice of settlement attorney. They are very important to the process.

Have the house professionally inspected.

If you are purchasing a resale property, we highly recommend that you have a professional home inspector conduct a thorough inspection. The inspection will include the following:

- Appliances
- Plumbing
- Electrical
- Air conditioning and heating
- Ventilation
- Roof and Attic
- Foundation
- General Structure

The inspection is not designed to criticize every minor problem or defect in the home. It is intended to report on major damage or serious problems that require repair. Should serious problems be indicated, the inspector will recommend that a structural engineer or some other professional inspect it as well.

Your home cannot “pass or fail” an inspection, and your inspector will not tell you whether he/she thinks the home is worth the money you are offering. The inspector’s job is to make you aware of repairs that are recommended or necessary.

The seller may be willing to negotiate completion of repairs or a credit for completion of repairs, or you may decide that the home will take too much work and money. A professional inspection will help you make a clear-headed decision. In addition to the overall inspection, you may wish to have separate tests conducted for termites or the presence of radon gas.

In choosing a home inspector, consider one that has been certified as a qualified and experienced member by a trade association.

We recommend being present at the inspection. This is to your advantage. You will be able to clearly understand the inspection report, and know exactly which areas need attention. Plus, you can get answers to many questions, tips for maintenance, and a lot of general information that will help you once you move into your new home. Most important, you will see the home through the eyes of an objective third party.

The bank will have the house appraised to make sure it's worth what you're paying for it.

(They don't want to loan you \$200,000 to buy a house that's worth only \$150,000.)

You might have to pay this up front, otherwise it will be added to your closing costs. Besides paying for it up front if that's required, you're not involved in this step of the process.

The Appraisal Process

Technically, the purpose of an appraisal is to protect the lender from loaning too much money on a property. If the real estate agent has done a good job providing comparables and negotiating the contract, you will not have this problem.

A lender wants to assure the target property is worth as much money as the buyer is going to pay for it. For the buyer, a low appraisal could jeopardize the transaction, especially if the borrower is stretched for cash. Generally, if an appraisal for a property is too low, the lender may not approve the loan for the property.

A lender will only approve a loan up to a certain percentage of its appraised value, traditionally 80 percent (\$80,000 on a \$100,000 property). If that property comes in at \$95,000, the lender will still provide a loan, but the buyer may have to come up with additional money to honor the contract for a \$100,000 price.

If the contract was contingent on a satisfactory appraisal, the buyer may be able to negotiate the price down. The seller may consider this a viable option because once the property has been appraised at one amount, more than likely, with another contract; the same appraisal may come in. It is better to cut the price and move forward with the settlement.

Consider a survey

In transactions involving new financing, Lenders may require a house location survey prepared by a licensed professional land surveyor. The survey will verify the legal description of the property and discover encroachments. Encroachments would include a carport or shed built over the property line. The settlement attorney orders the survey.

House location surveys typically cost \$325 and do not include setting posts at the corners of the lot. Contact the surveyor to discuss setting corners. The charge is about \$50 per corner. You will not need a survey for a condominium. Surveys are not always required, but is advisable if you are getting a loan.

Find an insurance agent (ask friends for referrals) and get a quote

You can certainly price-shop 2-3 different companies if you like. Pick one and tell them you want the insurance. The cost will be added to your closing costs, you don't have to pay this at the time of ordering.

If you've never purchased insurance before, it's not hard. Get quotes from two or three and compare. If you already have insurance for a car, one of your quotes should come from the same agent, since you usually get a discount by having both car and homeowners' insurance with the same company. To find other agents, just do a web search for "homeowners insurance". Thankfully, states have mandated that insurance policies be standardized because there's so much fine print you could never compare them easily otherwise.

The main variables you'll choose are:

1. The amount of coverage. Typically, this should be the amount it would cost to replace your house if it burned to the ground. This amount is often less than you paid for your home, because you also bought the land the home is on. Naturally, most people choose to not insure the land, which can't burn down.
2. The deductible. This is how much you will to pay out-of-pocket before your insurance kicks in. The lower the deductible, the higher your insurance premium. ("Premium" is just a fancy word for the amount you pay for insurance.)
3. The perils you want covered. In insurance terms, a "peril" is something that costs you money, such as fire, a tree falling on your house, or burglary. All policies cover those, but most don't cover floods, unless you pay for a flood insurance add-on.

Closing

Settlement is the formal process that accomplishes the transfer of ownership. The purchaser usually has the choice of settlement attorney. Your agent will forward the contract and related documents to the settlement attorney for processing right after the contract has been fully signed.

The services normally provided for the purchaser include: review of the sales contract, assemble necessary information and documentation, review title, arrange for a house location survey and issuance of title insurance, review loan instructions, prepare, explain and record documents, and receive and disburse funds. Typical settlement fees vary from \$200 to \$400. There may also be messenger fees to pick up or deliver documents to your lender.

At settlement, the parties sign the various documents necessary to transfer ownership. All parties should be present. Most lenders do not accept a power of attorney for settlement.

The documents you sign at closing include:

- Note -- aka the loan -setting forth the terms of repayment.
- Deed of Trust -- pledging the property as security for the loan. In other states, this document is often called a mortgage.
- Disclosure documents and other certifications required by the lender.
- The seller will execute/sign the Deed and deliver possession of the property to you.

The settlement attorney will receive and disburse funds among the purchaser, seller, new and old lenders, real estate agents, surveyor, termite inspector and homeowner's or condominium association.

After settlement, the settlement attorney will record the Deed and Deed of Trust in the land records of the jurisdiction/county where the property is located.

New Resident Guide

(information taken directly from Stafford, VA's website)

This guide is by no means all-inclusive, but it is meant to help new residents cross some basic chores off their to-do lists.

Driving

To drive legally in Virginia, you must get a Virginia driver's license within 60 days of moving to the state (which, newcomers should note, is a commonwealth).

Two proofs of identity, one proof of Virginia residency, proof of legal presence and proof of your complete Social Security number (if you have been issued one) are required. A birth certificate, passport, resident alien card or other document is needed to prove you're in the country legally.

For more information about acceptable documentation, see the [Department of Motor Vehicles website](#).

One last word about getting a Virginia license: Be prepared to take a vision test.

Making Sure Your Vehicle is Legal

Your car, like you, needs some Virginia credentials. You've got 30 days to get them. Here's what you must do:

1. Title your vehicle in Virginia.
2. Meet Virginia's minimum car insurance requirements, which are \$25,000 for injury or death of one person; \$50,000 for injury or death of two or more people; and \$20,000 for property damaged. If you can't get insurance, you must pay a \$500 uninsured motorist fee.
3. Pass a vehicle-safety inspection and put a sticker on your windshield proving it. The inspection can be done for \$15 (\$5 for motorcycles) at many auto-repair shops. Look for car dealerships or service stations with a white poster out front with an official inspection station state seal on it.
4. In Stafford County, your car also must pass an emissions test - unless you have a valid emissions certificate from one of several other states (listed on the DMV Web site). Emissions testing is not required of certain vehicles, such as motorcycles and registered antique vehicles. The test costs up to \$28. For more information and the location of emissions inspection stations, contact the [Department of Environmental Quality](#) at 800/275-3844.
5. Register your vehicle and get Virginia license plates at a DMV center. You can register your vehicle only after it passes a safety inspection and after you have insured and titled it.

Stafford does not require you to get a local vehicle decal.

One last thing drivers should know, especially speedy ones: Radar detectors are illegal in Virginia.

For detailed information on becoming a legal driver, check out the [DMV newcomers guide online](#).

Local Government

The Board of Supervisors are elected to four-year terms. Meetings are the 1st and 3rd Tuesdays at 3 pm and 7 pm at the George L. Gordon, Jr., Government Center, 1300 Courthouse Road.

Schools

The School Board members are elected to four-year terms. Meetings are the 2nd and 4th Tuesdays at the Bandy Administrative Complex, 31 Stafford Ave.

Visit the Stafford County Schools website / www.staffordschools.net for school locations and information.

Taxes

New residents have 30 days from the date they move into Stafford County to register with the office of the Commissioner of the Revenue for assessment of personal property tax. To register complete the New Resident Filing Form.

Tax due dates:

Personal property and real estate tax bills are due twice a year. First half taxes are due June 5th or the next business day if the fifth falls on the weekend or a holiday. Second half taxes are due December 5th or the next business day if the fifth falls on the weekend or a holiday. Billing and payments are handled by the Office of the Treasurer. For your convenience, you can Search, View & Pay Taxes online. You can also view taxes previously paid.

Purchase or sale of personal or business property:

Residents are required to report the purchase or sale/disposal of vehicles, motorcycles, boats, trailers, airplanes, mobile homes, business equipment and machinery and tools to the Commissioner of the Revenue at (540) 658-4132 within 30 days of the transaction. This insures proper assessment for each tax installment.

Address Changes/Moving from Stafford County:

Residents must report to the Commissioner of the Revenue all changes of address to insure the receipt of tax bills. Residents must also report to the Commissioner of the Revenue when moving from the county. If moving to another prorating locality, you will be billed up to the reported move date. If you move to a non-prorating county after January 1st you will be taxed for the full year in Stafford County.

Voting

You can register to vote at the DMV office when you get your driver's license (as long as you'll be 18 by the next general election), or you can visit your local registrar or call (540) 658-4000.

Voter registration forms also are available at public libraries, armed-forces recruitment centers and some state government offices.

For more information about registering to vote, call the State Board of Elections at (800) 552-9745.

Pet Licenses and Adoptions

Dog licenses and proof of rabies vaccination are required for dogs 4 months and older in Stafford County. State law requires cats 4 months and older to be vaccinated as well, but Stafford does not require cats to be licensed. Stafford also has pet adoptions.

Dog licenses are available from the Treasurer. If your pet is normally found only in a zoo, check with your

local [Animal Control](#) office to see if it's legal to own.

Trash Pickup

Residents are responsible for getting rid of their own garbage, either by paying a private company or hauling it to a landfill or drop-off site.

For more information about trash pickup and recycling, visit the [R-Board](#).

Employment Offices

The phone book has a long list of private employment agencies, and the Virginia Employment Commission has two offices in the Fredericksburg area. One is in Fredericksburg at 3501 Lafayette Boulevard, (540) 898-3806. The other is at 529 Meadowbrook Shopping Center in Culpeper, (540) 829-7430.

You can also search [VEC job listings online](#). You can also search [Stafford County jobs online](#).

Cable TV and Internet Providers

The three major cable providers in the area are Comcast, Cox Communications and Verizon FIOS. Comcast has local offices at 10841 Houser Drive in Fredericksburg and at 1128 Garrisonville Road in Stafford. Call Comcast at 1-800-COMCAST (800) 266-2278, or go to [Comcast's website](#). Cox has a local office at 1310 Belman Road in Fredericksburg (540) 373-6343, or go to [Cox's website](#). Verizon can be reached at (800) 837-4966 or go to [Verizon's website](#). To check Fios availability, visit [Verizon Fios](#). For DSL visit the resource website [Virginia DSL Providers](#). Satellite cable is provided by HughesNet. Please visit the [HughesNet](#) website for more information.

Phone and Utilities

Verizon Communications is the leading phone-service provider in the area. Call 1-800-VERIZON or go online to [Verizon's website](#).

For water and sewer services contact the [Department of Utilities](#) at (540) 658-8616.

View an [online listing of companies](#).

Post Offices

The main Stafford office, 2650 Jefferson Davis Highway, (540) 659-7095, is open 8:30 a.m.–5 p.m. Monday through Friday and 10 a.m.–2 p.m. Saturday.

The region also has many smaller post offices. You can find them in your phone book or by searching the [U.S. Postal Service website](#).

Newspaper

The Free Lance–Star is the Fredericksburg area's local daily newspaper. You can subscribe by calling (540) 374-5002 or (800) 877-0500, ext. 5540.