



Buyer's Action Proposal

Prepared for:

Mr. and Mrs. Buyer

Prepared by:

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Real Estate Consultants

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RE/MAX Professionals

COLORADO'S MOST *P*RESTIGIOUS REAL ESTATE COMPANY



Dear Charlie & Kristin,

Thanks for taking the time to review this Buyer's Action Plan – your decision to hire a professional REALTOR® is the most important step in choosing your new home! We have been helping buyers find their new home since 1993 and have developed a proven system that provides you with services to help you make the best and most comfortable decision on your new home.

Today, searching for a home requires more than getting in the car and looking at a few homes. Indeed, traditional and technological methods; the Internet, Personal Searching Capabilities, Loan Services, Inspection Services, and Interior Design Services. We provide the most comprehensive tools and services available.

Our Buyer Action Plan utilizes traditional and modern services – they are outlined on the following pages. In addition to outstanding marketing and buying services, you need to ensure that you are properly represented in the real estate transaction. We stay up-to-date on legal, financing, and title issues – We attend ongoing Continuing Education courses and upgrade our education yearly. We use the best real estate contracting software when listing and selling homes and track all of our transactions with the finest real estate management program, as well. In a nutshell, We are highly organized, well trained, and professional. When hiring us, you get REALTORS® in the top percentage of the industry.

Real estate is a “people” business. We have never “sold” anyone a home. Rather, we provide the framework for buyers and sellers to access and disseminate housing information. We are really a “housing information management consultant”. Your home closing will occur by using a combination of people and information management systems. Home Sellers and Home Buyers are brought together via systems like my Strategic Marketing Plan.

We appreciate the opportunity to provide a valuable service – your home purchase may be the most important financial transaction of your life. We take our obligation seriously and look forward to helping you realize your objective. Should you have any questions, don't hesitate to call!

Sincerely,

Tonya & Debby



Debby Ludvik and Tonya Fallows



Tonya Fallows
Owner, REALTOR®



Debby Ludvik
REALTOR®

Our Team

Kristina Szychowski
Technology

Chad Reiling
Graphics

Becky McGhee
Advertising Coordinator

Val Decker
Administration

Lenore Wobido
Showing Scheduler

Janet Morley, Uptown Mtg.
Julie Berndt, WR Starkey
Mortgage Consultants

Linda Lane
Staging, Decor

Mike Tate
Home Inspection

Andy Gould
Professional Photographer

Katherine Gunner
Relocation Director

Pamela Toner
RE/MAX Professionals
Team Member

- ❖ *Caring, Personal Service*
- ❖ *We care about You, Your Family, and Your Move*
- ❖ *Professionals in Listening to Your Needs*
- ❖ *Specialized Buyer Services*
- ❖ *Over 19 Years Combined Real Estate Experience*
- ❖ *We Guarantee Our Service to You.*



Why Should You Use Us to Find Your New Home?

- We care about you, your family and your move
- Accredited Relocation Counselor
- Tonya has lived in Colorado for 25 years. Debby is a Colorado Native
- We sell all across Colorado
- Experience, Experience, Experience! We have been selling real estate since 1993.
- Professional! Members of the National Association of REALTORS® (NAR), Pikes Peak Board of REALTORS®, South Metro Denver Board of REALTORS, Colorado Board of REALTORS® & Parker Chamber of Commerce
- Aggressive marketing to get top dollar
 - Multiple listing service
 - Internet expertise
 - Newspaper advertising
 - Open House
- Sales skills and knowledge about legal changes, financing, market trends
- Communication – We provide you with:
 - Weekly feedback reports
 - State of the Art Search Programs
 - We stay “in touch”
 - E-mail
 - Transaction coordinator
 - Call Us anytime



TESTIMONIALS

Tonya & Debby are great to work with and have a commitment to their clients. They even helped with "value-added" services like tile/remodeling.

Jason Brucker

Tonya & Debby – you are great. All the work and extras you do for your clients is super! We appreciate you!

Julie Schaffer & Steve Steed

Tonya & Debby were recommended three years ago to us when we bought our first home. They were so great we wouldn't even think of any one else this time around.

Dawn and Dana Jewell

I was looking for an agent that I would feel confident using to sell a house if I move in a couple of years. – I found them. Tonya & Debby were wonderful.

Greg Goodenow

Tonya & Debby were great! They were very helpful with everything! They made our 1st home purchase fairly easy. We will definitely be contacting them for help in the future!

Melanie and Adam Chavez

There are three critical factors to consider regarding buying your home. RE/MAX Professionals are masters in all three areas.

A woman with a long blonde ponytail, wearing a black suit, is seen from behind, sitting on a black leather bench. She is looking at three framed signs on a red wall with a white floral pattern. The signs are gold-framed and contain text about the role of a buyer's agent, the home buying process, and realizing goals.

MY ROLE
AS YOUR
BUYER'S
AGENT

*understand
the
process*

FROM
FINANCING
TO
CLOSING

*realizing
YOUR
GOALS*



Who Represents You?

- **Designated Broker:** we prefer to represent You!
- **Seller Agent:** works solely for the seller.
- **Buyer's Agent:** works solely on behalf of buyer.
- **Transaction Broker:** assist buyer and seller through transaction.
- **Customer:** a party to the transaction that is not being represented.
- **Client:** a party to the transaction that has an agency relationship.



Our Role as Your Buyer's Agent

YOU

SELLER'S
AGENT

BUYER'S
AGENT

TRANSACTION
BROKER

when selling my listing

TRANSACTION
BROKER

when selling my listing

Probably the most important choice you make in selling your home is to decide to obtain the services of a Realtor: a professional that markets properties like yours for a living.

You have a choice in who represents you, and what your relationship with that person will be.



Services You Can Expect to Receive from Your Buyer's Agent



- **Help with Financing**
- **Show Any Homes**
- **Negotiate on Your Behalf**
- **Fiduciary Duties**
- **Disclosure of Adverse Facts**
- **Market Trends**
- **School, Shopping Information**



Services You Can Expect to Receive from Your Transaction Broker

- **Help With Financing**
- **We Will Keep Confidential**
 - Your Motivation to Buy
 - Willingness to Pay More
 - Willingness to Offer Different Terms
- **Market Trends**
- **School, Shopping Information**
- **Eliminate Vicarious Liability**



Key Benefits to You

- We will listen to your needs
- Provide Information on all Homes
- Validate Listing Information
- Prepare, Submit and Follow-up on Offers
- Coordinate Process from Contract to Closing
- Provide you Closing Documents Early



When Previewing Homes

- We'll Provide you information and mapping on each property
- Take Notes On Our "Buyer Recap Sheet"
- Does the Property Meet Your Needs?
- Consider either including or eliminating before going to the next property
- This organized Buyer's Handbook is yours to keep. It will assist in the elimination and decision making process.



Making an Offer

- How will Title be taken?
- What's a reasonable amount of earnest money?
- Is financing in place?
- Any special needs or contingencies?
- We'll prepare all the forms you'll need to sign.
- We'll provide you with market trends.
- We'll be presenting your offer.



What Will Happen at Closing

1. Bring a Picture ID, drivers license
2. Bring a Check of Certified Funds
3. We will try to obtain settlement sheets 24 hours prior to closing for us to review
4. We need to establish a walk-through on your new home 24-48 hours prior to closing
5. You'll receive a complete packet of documents at closing for your records.



Services From Contract to Closing

- Weekly progress reports to make sure we meet the terms of your contract
- You will receive copies of addendums and changes being made
- We'll try to predict the hurdles before they become problems



The Loan Process

In general, you can afford to spend 28% to 33% of your gross monthly income on the principal and interest payment, real estate taxes, hazard insurance, and if applicable, mortgage insurance and home owners association fees. Your total monthly debt, including your house payment, minimum monthly payments on your credit cards, loan, child support, etc., should not exceed 36% to 41% of your gross monthly income. Qualifying depends on the type of loan you choose: FHA, FA, Conventional, Fixed Rate or Adjustable Rate. Each loan program has its own guidelines that detail maximum allowances of your home payment and your debts to your monthly income (also called *ratios*), down payment requirements, and credit criteria (the Mortgage Program Definitions page will give you specifics).

You should buy a home you will enjoy for years to come, but you also need to be comfortable with the mortgage payments you will have to make each month. Too much crimping on your spending habits to make the payments on a mortgage can create unhappiness and resentment. In other words, don't mortgage your lifestyle. There is a table on the next page which will help give you an idea of how much mortgage payments are given various interest rate scenarios.



How Much of a Down Payment Should I make?

The first question to ask yourself is how much of a down payment you can afford. Keep in mind that closing costs, improvements you will want to make on your new home, and an emergency cash reserve will all decrease the amount of the down payment you should make. Considering the small effect a \$1000 difference in down payment has on monthly mortgage payments over 30 years (at 8% the difference is only \$7.34 per month), it's generally best to keep your down payment as low as possible. However, typically a down payment that is less than 20% requires mortgage insurance which is not tax deductible.

Monthly Principal and Interest Payment Factors Per \$1000

Rate	30 Year Term	15 Year Term
6.00%	\$6.00	\$8.44
6.25%	\$6.16	\$8.57
6.50%	\$6.32	\$8.71
6.75%	\$6.49	\$8.85
7.00%	\$6.65	\$8.99
7.25%	\$6.82	\$9.13
7.50%	\$6.99	\$9.27
7.75%	\$7.16	\$9.41
8.00%	\$7.34	\$9.56
8.25%	\$7.51	\$9.70
8.59%	\$7.69	\$9.85
8.75%	\$7.87	\$9.99
9.00%	\$8.05	\$10.14



Mortgage Program Definitions

There are a variety of mortgage programs available today. They range from easy qualifying loans for first-time homebuyers to more sophisticated products that can meet unusual financing needs. There are three main categories of loans: Conventional, FHA, and VA. All three are available in 15 and 30 year terms, with some programs having other loan term options. Within the three main loan categories are these loan types: Fixed Rate, ARMS, and Balloon loans. Both Fixed Rate and Balloon loans are available with buydown options.

Federal Housing Administrations (FHA) – Borrowers qualify under FHA guidelines. In most cases, both one-time and monthly mortgage insurance premiums are required regardless of the amount of down payment. The minimum down payment starts as low as 3%. Your total housing expense should not exceed 29% of your gross income. Total housing expense and all of your other obligated debt should not exceed 41% of your gross monthly income under FHA programs. The down payment can be from a gift or borrowed funds secured by collateral.

Veteran's Administration (VA) – Borrowers who are veterans may qualify under VA guidelines. There is no mortgage insurance, but there is a one-time funding fee. The borrower must be a veteran and provide a Certificate of Eligibility. Qualifying is based on net income, family size, and a provision for utilities and maintenance. Total housing expense and all other debt cannot exceed 41% of gross monthly income. Up to 100% financing is available.

Fixed Rate – Available for most loan types regardless of down payment. The interest rate and the principal and interest payment amount remain fixed for the life of the loan.

ARM (Adjustable Rate Mortgage) – The initial payment is usually lower than a fixed rate loan and adjusts periodically. The adjusted period can be set to specific intervals, such as monthly, semi-annually, annually, etc. The amount of the adjustment is controlled by maximum periodic and lifetime caps.

Balloon Loan – A loan with an initial interest rate for a five or seven year period that is lower than fixed rates. Payments are based on a thirty year amortization, but the loan balloons at the end of the five or seven years. This is a good loan for those who may not remain in their home for more than this initial period. Similar loans are available that remain fixed for a period of time (3, 5, 7 and 10 years) and then convert to an ARM.

Buydown - An interest rate subsidy paid up front by the borrower, seller or lender to lower the initial monthly payments. This allows the buyer to qualify at the lower rate and enjoy the benefits of a fixed or balloon mortgage.



Core Values

TEAM| The power of 'one' results in a powerful team. Teamwork is expected at every level of our company

BELIEVE| We believe in people who believe in themselves. We believe in people who want to grow personally and professionally

PASSION| We have a passion for integrity, fairness and excellence. We succeed when we surpass our own expectations.

ATTRACT| We strive to attract the best agents and staff. We provide our Realtors and clients the right technology, tools, services and marketing advantages to help them meet their goals.

CULTURE| We believe in an environment of mutual respect and courtesy. We provide an environment of support and training.

TRUST| We trust our leaders to make decisions that are best for every level of our company. Our partners trust each other.





It makes a difference

EXPERIENCED/PRODUCTIVE SALES TEAM WITH A DOMINANT MARKET SHARE

RE/MAX Professionals agents average over 11 years of real estate experience, have obtained a dominant market share in our service areas and are currently the third largest real estate company in Colorado.

TECHNOLOGY

RE/MAX Professionals is the leader in real estate technology services. Our state-of-the-art web site, www.prestigiousdenverhomes.com attracts over 800,000 page views per month, and is the only site with an extremely user-friendly map-based property search feature.

MARKETING

RE/MAX Professionals has an image of quality, not quantity, and prides itself on stellar branding, advertising and marketing of your property. We leverage the strength of the most powerful real estate brand in the world, and add a level of prestige you can't find in other RE/MAX franchises.

INTRANET

Our proprietary intranet, MyBrokeragePortal, allows our agents to quickly and easily manage all aspects of your listing, all from one single portal. Our agents also have access to RE/MAX International's proprietary intranet, MainStreet, the most extensive resource-sharing intranet in the industry.

MONTHLY NEWSLETTER

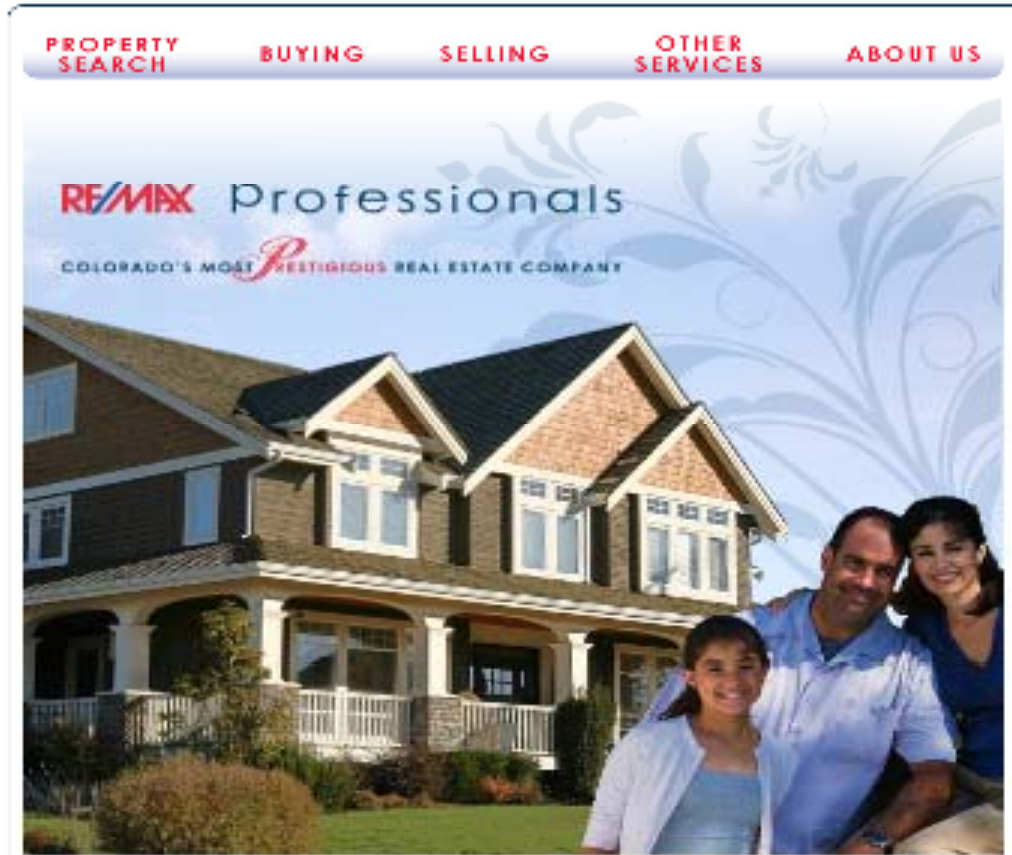
RE/MAX Professionals agents and their customers can receive a monthly market stats report. Our agents keep their fingers on the pulse of our local real estate marketplace, to ensure you are receiving top dollar and getting your home sold.

LOCAL KNOWLEDGE/NATIONAL STRENGTH

RE/MAX Professionals agents are experts of the local Denver real estate market and, in many cases, THE experts in their individual service areas. Our affiliation with 100,000 RE/MAX Brokers worldwide gives your home an aggressive exposure no other firm can offer.



The Re/Max Website



- ❖ ***Our web site gets an average of 500,000 visitors per month.***
- ❖ ***Your listing can be found in 3 areas on our web site:***
 - ❖ *Our Listings*
 - ❖ *Search for Homes*
 - ❖ *Prestige Digital Tour of Homes*



Thank You For Entrusting Us

With Your Real Estate Needs!

You Have Many Choices of REALTORS®
We appreciate the consideration of working
for you and look forward to providing you
with
outstanding service.

Call us Today

Tonya Fallows & Debby Ludvik

Real Estate Consultants

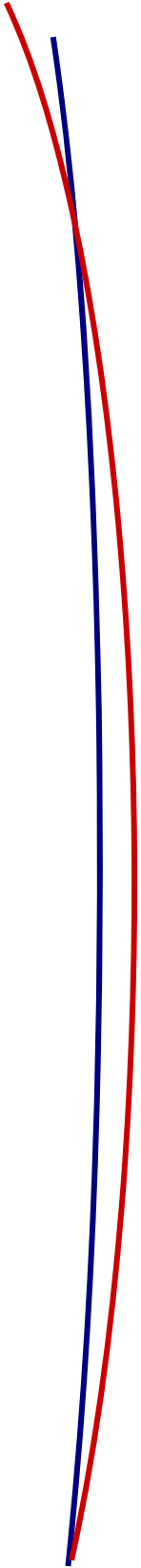
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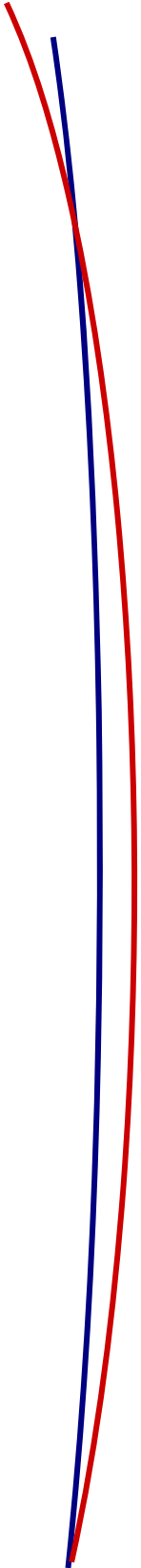
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Your Favorites





What We'll See Today

