

## **TERRY WATSON'S "THREE SHEETS"**

### **SHEET #1: THINGS YOU ABSOLUTELY SHOULD NOT DO!!!**

- Don't quit your job
- Don't change your job
- Don't get a promotion
- Don't buy any large ticket items (like five dollars or more!)
- Don't Make David Copperfield deposits (all funds need to be traceable)
- Don't talk to Sellers directly (loose lips sink ships)
- Not getting a gift letter and a bank statement for funds
- Not telling the person who is giving you the gift that you will probably need a gift letter and some proof (usually a bank statement) that they had the money to give
- Not telling me if you are allergic to animals
- Not being completely honest with the lender about child support, alimony, wage garnishments or any other payroll reduction
- Making a major purchase (like \$5.00 or more)
- Getting advice from a buying committee that has not purchased in the last year (the rules change almost daily)
- Waiting to see everything else that is on the market
- Don't trash the property in front of the owners
- Calling the other agent on "For Sale" signs
- Attending open houses and new construction without me
- Not telling me if you have a house to sell
- Delaying paperwork because you are irritated by the frequency and number of requests from the Mortgage Company
- Not realizing it is possible to find what you are looking for the very first day you go out (this happens more than you think...)
- Going home to sleep on it (in a hot market, if you sleep on it, you might not get to sleep in it)
- Waiting to find the absolute PERFECT house. You will always be limited by income, zoning, inventory at the time, and/or legislation and or property taxes.
- 80/10/10 Rule If you find a house that has 80% of what you are

looking for, 10% of things you can change and 10% of things you can live with, it's a keeper.

- Do not co-sign for even a candy bar!
- Don't schedule a vacation before we close (especially a cruise)
- Don't order Direct TV, Cable, Telephone or any utility that will pull a credit report unless you want to write a letter of explanation about the credit report to the mortgage company
- Don't change your name during the mortgage process
- Not being up front with your loan officer (hiding information)
- Not realizing the clock starts ticking from the time the loan officer gets the contract, not the date it was written)
- Need a letter of explanation
- Unreasonable expectations
- Not getting a home warranty
- Giving away your negotiation power by speaking in the house (always assume you are being recorded)
- Posting your real estate thoughts on social media sites (If you are savvy, this can easily be viewed)
- Not getting a home inspection
- Not being FULLY approved BEFORE you go looking (nothing hurts as much as finding the house you love and you lose it when someone else beats you to it because you were not completely ready)
- Believing what you see on HGTV and reality television (the majority of that stuff is scripted)
- Not shopping the good faith estimate
- Not telling me what is MOST important to you
- Calling at the very last minute to cancel appointments
- Finding a lender on the Internet that offers a 000000.1 interest rate and is from outside of the area
- Using a 100% Online Lender
- Not using an Attorney that SPECIALIZES in Real Estate
- Not using name on drivers license for mortgage docs (use Jr. and Sr. if required)
- Not telling your lender if you lose your job before you close
- Do not go window shopping and let people pull your credit report
- If it can't be written on the front page of the contract because its being done "under the table", it is probably mortgage fraud

- Do not look at a short-sale if you need to move immediately
- Do not consider a short-sale if you need to be in control of the process
- Dying before the transaction closes (this really messes things up, BIG TIME! Please don't die before the closing...)

## **SHEET 2: FREQUENTLY ASKED QUESTIONS**

- How long does the buying process take?
- How many properties does the typical buyer look at?
- When should I make an offer?
- How much should I offer?
- Should I lock in my interest rate or should I float?
- When will I get the keys?
- What happens at the closing?
- Is the closing date on my contract guaranteed?
- How much earnest money should I put down?
- What happens to my earnest money?
- Will I get my earnest money back if the contract is not accepted?
- What is the process to get my earnest money back if the contract is accepted and the home inspection finds an issue?
- How often do you find the perfect property on the first day (80-10-10 rule)?
- Is there anything I should not do during the house hunting process?
- What is the likelihood of a multiple offer situation?
- What monies will I need to come in with?
- How long does the home inspection take?
- Do I really need a home inspector?
- Can you recommended an attorney, home inspector or a lender?

### **SHEET 3A: THIS WILL MOST LIKELY HAPPEN...(Buyers)**

- You will not be told how much money to bring to closing until the day of your closing and many times only hours or minutes before the closing
- The dates on your contract will change, perhaps multiple times
- You will become anxious or nervous
- You will become irritated or annoyed about frequent and last minute paperwork requests with seemingly impossible deadlines
- The buyer will negotiate 2-5 times on this transaction. They will negotiate the purchase price, the inspection, potentially the appraisal, the final walk-thru
- You will want to tell your friends and family about your experience on social media sites - Don't!
- The Mortgage company will most likely pull another credit report on you days before or even the day of your closing

### **SHEET #3B: THIS WILL MOST LIKELY HAPPEN... (Sellers)**

- The date on the contract will most likely change, it is a guesstimate and subject to many variables (attorneys timetable)
- The property might not appraise at what you are buying it for
- Agent will miss showing appointments and not call or show up
- Appointments will be made and cancelled at the last minute
- The agent on the sign will be in witness protection and not return any phone calls
- Some showings will last about five minutes and some showings will last 3 hours
- There will be a day when I call you and say someone wants to see your house, and you are going to ask me when. And I will say: "pull back the curtains, they are sitting outside now"!
- I am going to call you 3 minutes before your showings and cancel, sometimes it may be 20 minutes after
- Agents are going to make appointments at the very LAST minute
- Agents are going to knock on your door or even drive by, see you in the yard and ask if can they see you house (if this happens, call me)
- Expect lots of lowball offers (at least it is a starting point)