

ELENA LICARI

Texas Buyer's Guide

IT'S ALL ABOUT
YOU ACHIEVING...
YOUR VISION,
YOUR DREAMS,
YOUR FUTURE.

COMPASS

INTRO

Austin was recently voted the No. 1 place to live in America for the third year in a row — based on affordability, job prospects and quality of life. It was named the fastest growing large city in the U.S. It ranked No. 4 of the best large cities to start a business. It was chosen among the top 15 cities in the United States to visit. And its home state of Texas took the top spot in a study of the best states for female entrepreneurs.

It's no secret that Austin, Texas is a hotbed for technology, startups and innovation. There are so many tech companies that Austin has been nicknamed "Silicon Hills."

- Bloom, Laura Begley. "Is Austin, Texas, the Best City in America?" Forbes, 31 May 2019

BEFORE YOU START

1. What is your price range?
2. What type of property are you looking for? (single-family home, condo, townhome)
3. Do you have any preferred neighborhoods?
4. Do you have pets?
5. Do you have children?
6. Is proximity to public transportation an important factor?
7. What amenities are most important to you? (parking, yard, etc.)



Scan the QR code for our
Buyer Questionnaire Form



MEET ELENA LICARI

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Team Lead

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REAL TRENDS
VERIFIER

Elena Licari brings a unique perspective to real estate with 14+ years of experience as a firefighter and a passion for the business that sparked when she met her husband, a builder and developer. Her creative strategies, vigorous negotiation skills, and 360-degree understanding of the market put her in the very top 1.5% of 1.6 million Realtor® by sales volume Nationwide ranked 2020, 2021, 2022, and 2023 per The Wall Street Journal Real Trends. Elena is among the Nation's elite and was honored as one of 2022 Leading 100. Through Elena's work as a firefighter, she fell in love with helping people and learned to guide others through high-stress situations. The stakes are different in real estate but the lessons still apply as she coaches people through life-changing buying and selling decisions. Elena taps into the analytical and emotional sides of real estate to put each client in a position to win. Buying a home starts with a vision meeting. Elena takes more time at the beginning of the process which ultimately gets you to your future faster—uncover the dream and work backward to make it happen. Using time-tested techniques, she'll align with your vision and show you homes on streets in neighborhoods that live up to that dream. She's an expert at finding off-market opportunities and believes the house hunting process can and should be a fun adventure. Selling a home with her means tapping into the latest technology, custom market reports, and a team of marketing specialists to get the highest price possible. Premium collateral includes custom websites and community videos to target the right buyers. She'll get more people into the home which means competitive offers for the seller. Elena's husband has been in the construction business for over 25 years, and together they've designed several of their own custom homes. Through this hands-on process, she has established relationships with architects, subcontractors, and builders, and become familiar with city processes. Most people walk into a home and want to talk about the possibilities. Elena can ballpark what's possible on the spot and then get you concrete answers from the right people—an advantage for timely offers. Elena grew up in the Bay Area after immigrating there with her family. After falling in love with Lake Austin, Elena and her husband decided to relocate there and build their dream home. Since moving they have taken advantage of everything the city has to offer, embodying the Lake Austin Lifestyle. Passionate about health and fitness, Elena rides dirt bikes, hikes, skis, wake surfs, is a dedicated student of martial arts, and has a general love for the outdoors. She speaks Russian and is a lifelong learner whether it's a seminar on emotional intelligence, a negotiation workshop, or her membership to the Lorna Hines Academy.

BUYER TIMELINE

1.

FIND AN AGENT

Set up a time to sit down with me to discuss the neighborhoods you're considering and how I can help guide your search.

2.

GET PREQUALIFIED

Before beginning your search, your first step is to get pre approved for a mortgage loan (unless you will be paying the full price of your home in cash). I can recommend mortgage brokers. Based on your income and credit history, the mortgage broker will determine how much a bank will lend you, which will help determine the price range for your search.

3.

VISIT PROPERTIES

Now is the time to consider your ideal home's location and amenities. You will attend viewings and open houses spanning a range of areas and property types. Additionally, I will activate notifications for exclusive Coming Soon and Off-Market properties as they hit the market.

4.

SUBMIT AN OFFER AND NEGOTIATE

Once you identify a home you like, you can put in an offer, which is an agreement to pay a certain price for the home. This offer is packaged with a Proof of Funds (POF) and Pre Approval Letter. Note: if your offer is lower than the list price or with terms not acceptable to the seller, the seller can return with a counter-offer price or acceptable terms, which you can accept, reject, or make another counter offer. I will provide advice throughout.

5.

DUPLICATE DOCUMENTS

During the escrow process, you will have an opportunity to inspect the property, review homeowner's association documents, select home insurance coverage, submit to escrow and remove contingencies. It is the buyer's duty to select all desired inspections and determine the overall condition of the property. You may approve or negotiate credits or repairs.

7.

LOAN AND APPRAISAL

Organize an appraisal with your bank. Your completed mortgage application with all supporting documentation should be submitted to your chosen lender upon receipt of the fully signed Purchase Agreement. The bank then issues loan approval. Consequently, you'll wire the closing funds with the homeowner's insurance in place, and then the loan will be funded with clearance to close.

8.

FINAL WALKTHROUGH

A final walkthrough of the property is scheduled and completed just before closing. The walkthrough confirms that no damage has been done to the home since the time of inspection and that the major systems and appliances are in working order.

9.

CLOSING

Once all the conditions of the contract have been satisfied, the closing is held. The closing documents are signed, payment is exchanged, and you receive the keys to your new home! Congratulations! You are now a home owner!

KEY TERMS

APPRAISAL

Assessment of the property's market value, typically done for the purpose of obtaining a Mortgage.

APPRAISER

The lender will hire an appraiser to place a value on the property before approving your loan

ASSESSED VALUE

Value placed upon property for property tax purposes by the tax collector

CLOSING COSTS

Expenses incidental to a sale of real estate, such as loan fees, appraisal fees, and title insurance.

CONTINGENCY

Certain criteria that have to be met in order to finalize the sale

DEBT-TO-INCOME RATIO

The percentage of an individual's monthly gross income relative to the amount of debt owed.

EARNEST MONEY DEPOSIT

A good faith deposit the buyer makes with an offer to show that you are serious about buying the property. In exchange, the seller agrees to stop marketing the property

FINANCIAL STATEMENT

A formal record of all your financial assets, debts, and liabilities

INSPECTION

An expert conducts a formal review of the property to find visible issues that need to be repaired. You can make your offer contingent on an inspection or conduct a pre-offer inspection to make your offer stronger.

LIEN SEARCH

A background check on the property and the seller to ensure there are no outstanding debts or claims upon the property.

LOAN OFFICER

The loan officer represents a financial institution and provides a loan to the buyer.

MAINTENANCE FEE

Fees paid by co-op shareholders that contribute to building operations.

PRE-APPROVED

Advanced approval from a bank or other lending institution for a home mortgage.

PRE-QUALIFIED

Potential buyers provide an overall financial picture and mortgage brokers provide an estimate of what level of loan you will likely be pre-approved for.

PRIVATE ATTORNEY

You can seek outside legal counsel on the contract. In our area, most buyers don't hire their own legal counsel, however you are always welcome to do so.

RECORDING FEES

A fee paid to the local government to officially report a sale of a home; usually paid by the buyer

SETTLEMENT COMPANY

The settlement company, also called a title company, ensures the contract is fair to all parties and manages the money throughout the process. Working with your agent, the buyer hires the settlement company, which is paid through the closing costs.

SPECIFIC TESTS

Tests like radon and termites require separate contingencies in your offer. Your agent can walk you through your options.

TITLE INSURANCE

Insurance to protect the buyer and lender against losses arising from disputes over the ownership of a property

CHAPTER 1

FINANCING YOUR PURCHASE

Loan Pre-approval

The Home Loan Process

What NOT to do when applying for a Home Loan

The Underwriter Reviews Your Loan

Components of a Mortgage

How do Lenders Qualify Buyers?

- A 10x10 grid of black dots, arranged in 10 rows and 10 columns, centered on a white background.

Why get pre-approved?

Pre-approval is different from pre-qualifying, as it is a full loan approval instead of an opinion letter. It is recommended to get pre-approval before looking at homes. Finding out what you qualify for will help you look in the right price range.

Determining The Right Price Range

The first step in buying a house is to determine the price range that is right for you. You will need to consider how much you are prepared to invest in your home and how much you will need to borrow. You should also consider how much property taxes and insurance will add to your monthly mortgage payment.

Determining Cash You Will Need

The first step in buying a house is to determine the price range that is right for you. You will need to consider how much you are prepared to invest in your home and how much you will need to borrow. You should also consider how much property taxes and insurance will add to your monthly mortgage payment.

Determining Additional Costs

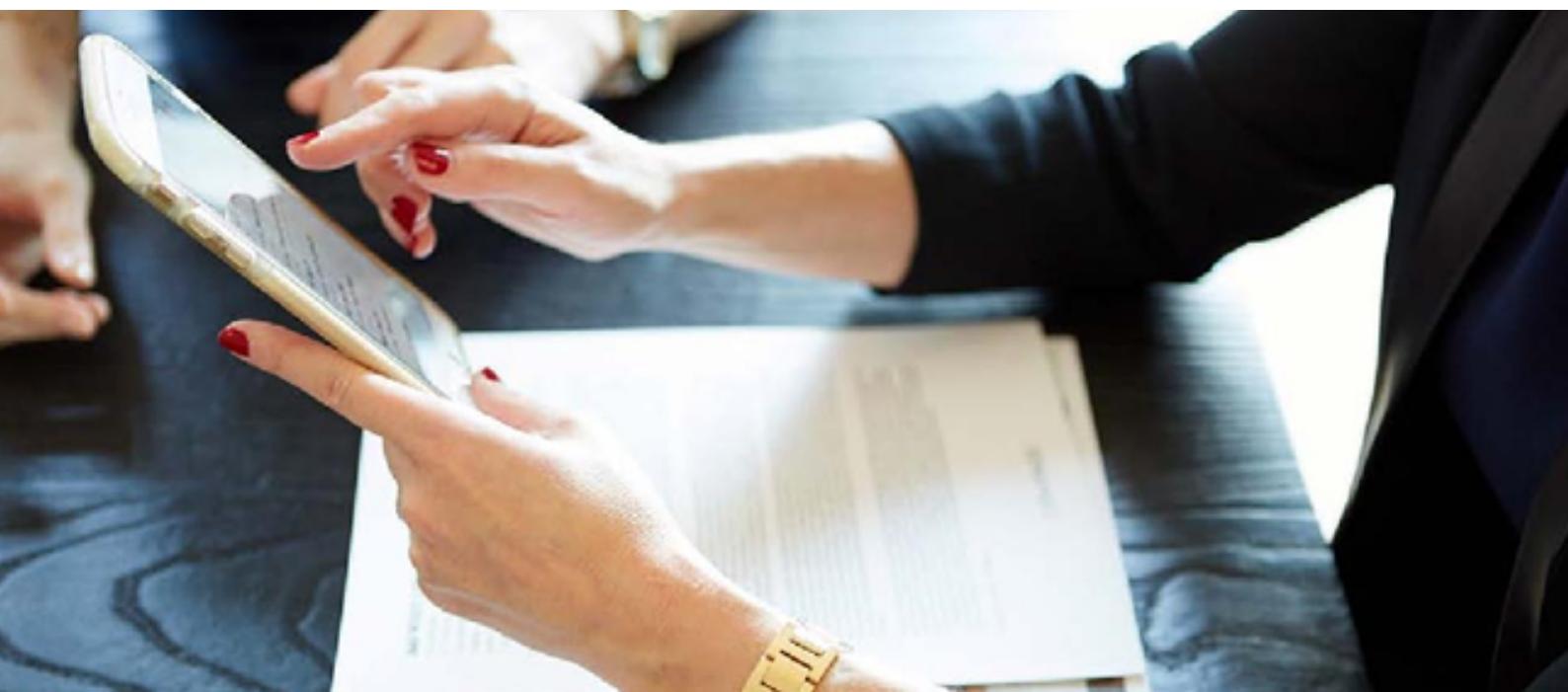
Elena will help estimate your purchasing power and your carrying costs, but it is highly recommended that you discuss your cash needs and tax ramifications with an accountant and/or financial advisor

Pre-Approval for a Loan

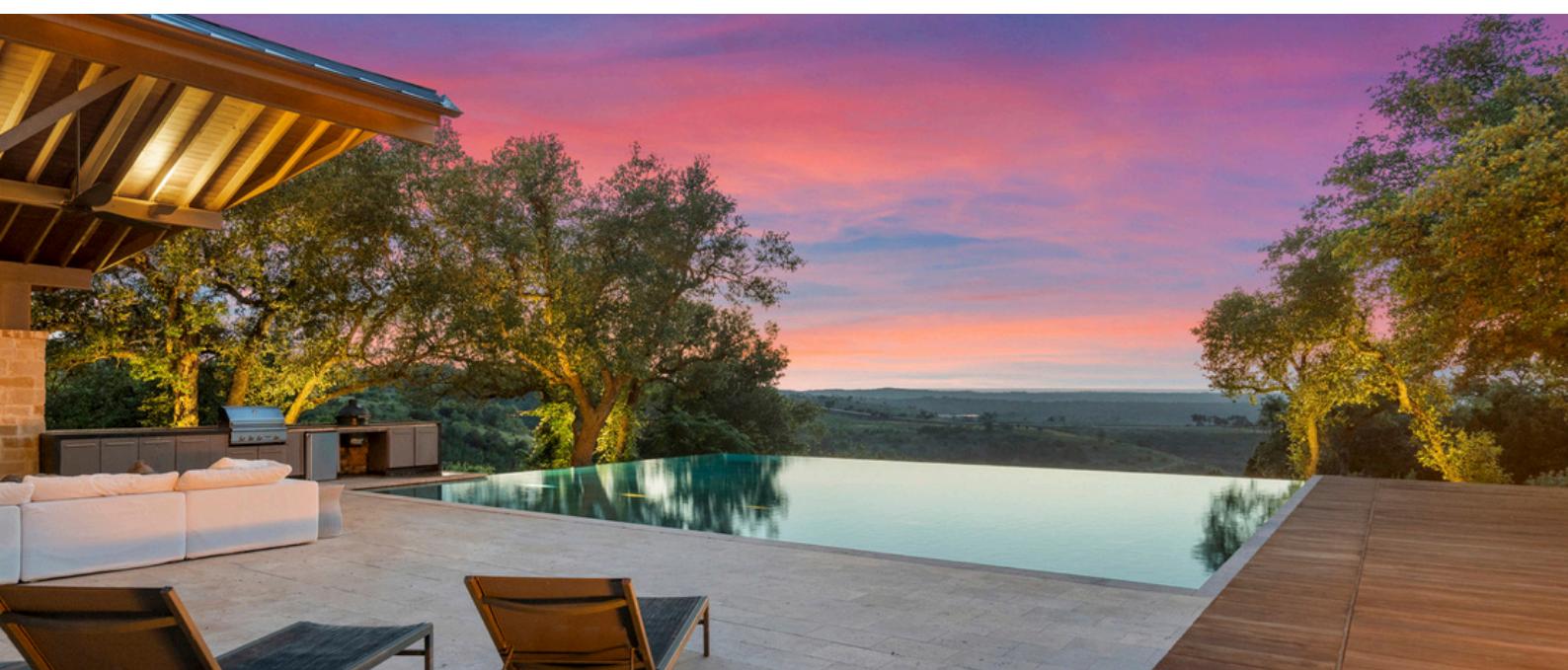
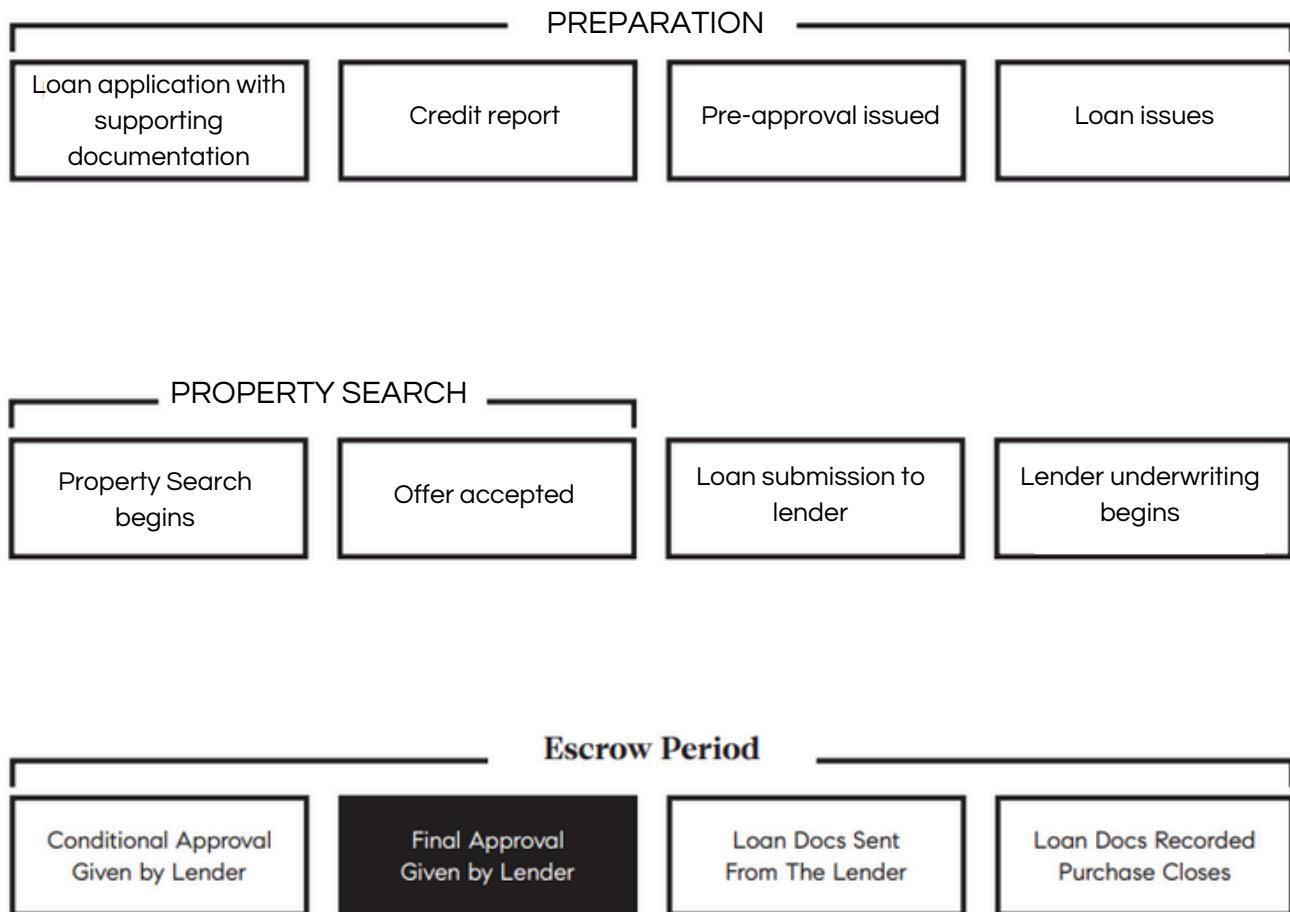
An offer is given greater consideration by a seller if it is accompanied by a pre-approval letter from a reputable lender or a local mortgage broker. This assures the seller that you will be able to obtain the proposed financing and will not tie up the property needlessly.

Lenders will inquire about the following six critical factors:

1. Income
2. Savings/capital/investments
3. Credit history
4. Debt level/ratio
5. Employment history
6. The value of the property you wish to purchase



The Home Loan Process



What Not Do When Applying For A Home Loan

Below are a list of things to steer clear of when seeking to obtain financing for a home. The following items may be detrimental when trying to move forward with the loan process.

DON'T buy or lease an auto before you apply for a home loan

Lenders look carefully at your debt-to-income ratio. A large payment such as a car lease or purchase can greatly impact those ratios and prevent you from qualifying for a home loan.

DON'T move assets from one bank account to another

These transfers show up as new deposits and complicate the application process, as you must then disclose and document the source of funds for each new account. The lender can verify each account as it currently exists. You can consolidate your accounts later if you need to.

DON'T change jobs

A new job may involve a probation period, which must be satisfied before income from the new job can be considered for qualifying purposes.

DON'T buy new furniture or major appliances for your new home

If the new purchases increase the amount of debt you are responsible for, there is the possibility this may disqualify you from getting the loan, or cut down on the available funds you need to meet the closing costs.

DON'T run a credit report on yourself

This will show as an inquiry on your lender's credit report. Inquiries must be explained in writing.

DON'T attempt to consolidate bills before speaking with your lender

The lender can advise you if this needs to be done.

DON'T pack or ship information needed for the loan application

Important paperwork such as W-2 forms, divorce decrees, and tax returns should not be sent with your household goods. Duplicate copies take weeks to obtain, and could stall the closing date on your transaction.



The Underwriter Reviews Your Loan

1. Credit

It is important that credit has been established with a good payment history. Any derogatory credit must have a good explanation. Outstanding collection accounts, judgements, or liens must be paid through escrow. The credit report will also list a credit score – a mathematical calculation of your overall credit rating.

2. Job Stability

A consistent job history with the same company is ideal; however if changes have been made for advancement, it is acceptable. Schooling completed in preparation for a specific vocation is considered to be a part of your job history.

3. Income and Ratios

Your gross monthly income (before taxes) is computed. Bonuses, overtime, part-time, or self-employment income is averaged over the last two years. The principle, interest, taxes, and insurance (PITI) on the new loan (plus mortgage insurance, if applicable) is divided by the gross monthly income to get the "top" ratio. P.I.T.I and all debts are divided by the income to get the "bottom" ratio.

Ratios are ideally 33 over 38 for an 80% loan and lower for a 90%, 95% or 97% loan. If other components are strong, higher ratios may be permitted.

(PITI / Gross Monthly income = Top Ratio) (Total Debt / Gross Monthly

4. Down Payment, Closing Costs & Cash Reserves

To be considered, your funds must have been verified as having been yours for 3 months. A 5% minimum down payment MUST be from your own funds; however, the remainder of the down payment, closing costs, and the 2 to 3 months of reserves may be gifted by a relative who provides a letter and bank statement showing the ability to give.

5. Property

The property is the security for the loan. The lender will require an appraisal by a certified fee appraiser to assure that there is sufficient collateral. The underwriter will review the appraisal to verify the marketability, condition, and value of your home. The lender will also review the title report and require title insurance on the property for your protection as well as theirs.

*If you don't fall within these guidelines, don't panic! Lenders work can work with a variety of circumstances

Components of a Mortgage

P.I.T.I

Principle, Interest,
Taxes and Insurance

INSURANCE

Homeowner's Insurance, Mortgage
Insurance, Homeowner's Dues

FORMULA 1

Formula for Property Taxes
in Alameda County/Contra
Costa County

$$\frac{\text{Purchase price} \times 1.25\%}{12 \text{ months}} = \text{Monthly Property Taxes}$$

FORMULA 2

Formula for Homeowners
Insurance

$$\text{Loan Amount} \times 0.35\% = \text{Monthly Homeowners}$$



How Do Lenders Qualify Borrowers?



Income \$200,000 / \$16,667 per month

Total monthly payments on installment+ revolving debt

Proposed Monthly Housing Expenses:

Purchase Price: \$1,250,000

Loan Amount: \$1,000,000

Down Payment: \$250,000

30-yr fixed interest-only payment: @3.875%:
4,702.37

Taxes per month: \$1,302.08

HOA Dues (or hazard insurance): \$500.00

Total monthly payment (PITI): \$6,504.45

Monthly Debt Payments: \$400.00

Total Debt Service: \$6,904.45

Housing-to-income ratio 39%



CHAPTER 2

THE BUYING PROCESS

Property Types

Disclosures

Disclaimers

The Option Period

Making the Offer

Escrow

Closing Costs

Property Types

Single Family Home

A single-family home (often abbreviated as SFH), house or dwelling is a free-standing residential building that is maintained as a single dwelling unit. Even if the dwelling unit shares one or more walls with another unit, it is considered a single family home if it has direct access to a street and does not share heating facilities/ equipment, water equipment, nor any other essential facility or service.

Condo

A condominium is usually attached housing, where the buyers/owners of each unit own their individual unit and a portion of the private land that the building sits on, as well as any amenities. All or most condominium buildings have associations (often referred to as Homeowner Associations) that govern/oversee the policies of the condominium building as a whole, allocate expenses for maintenance, and collect the homeowner association fees.

Co-op

Co-operative (Co-Op) housing is the form of ownership in which the whole property is owned by a co-operation and then sold as shares to the individual buyers/owners of the community. Co-operative housing typically shares the costs of upkeep and maintenance and shares amenities across all of its members.

Tenancy In Common (TIC)

Tenancy In Common (TIC): In a TIC, a building is owned by a TIC group in percentage shares, including the rights to occupy a particular unit. Each owner has a distinct, separately transferrable interest in the building as a whole. All areas of the property are owned equally by the group, and therefore an individual may not claim ownership to a specific part of the property



Disclosures

It's typical for the listing agent to provide a general disclosure package to all serious buyers. This is your opportunity to review general information about the property.

Seller's Disclosure

This document is a questionnaire filled out by the seller in regards to their property condition

Preliminary Title Report

Provided by the title company, this report gives you information about the sellers.

Home Inspection

A home inspection will check the overall condition of the home from the foundation to the roof, including electrical, plumbing and heating, the basic structure, as well as the quality of the finish work. Other recommended inspections may include structural engineering, soil conditions, fireplace and furnace. The inspection period is useful for obtaining estimates for repairs and improvements you plan to make later.

Possibly Applicable Documents:

Conditions, covenants and restrictions commonly referred to as CC&Rs

Home Owners Association (HOA) Meetings (if applicable)

Condominium Certification Form

Lead-based Paint Addendum (for homes built before 1978)

On-site Sewer Addendum (if the home is on septic)

ECAD (Energy audit for homes in Austin)

MUD, PID, or WCID Disclosures



Disclaimers

RealTrends Disclaimer

Compass is the largest independent brokerage in the United States by Gross Transaction Value (according to RealTrends, 2019). Gross Transaction Value is defined as the total dollar value of transactions closed by agents on the Compass platform and is reflective of the partnership with Pacific Union and Alain Pinel.

Coming Soon Disclaimer

Compass Coming Soon offering varies by MLS.

Private Exclusive Disclaimer

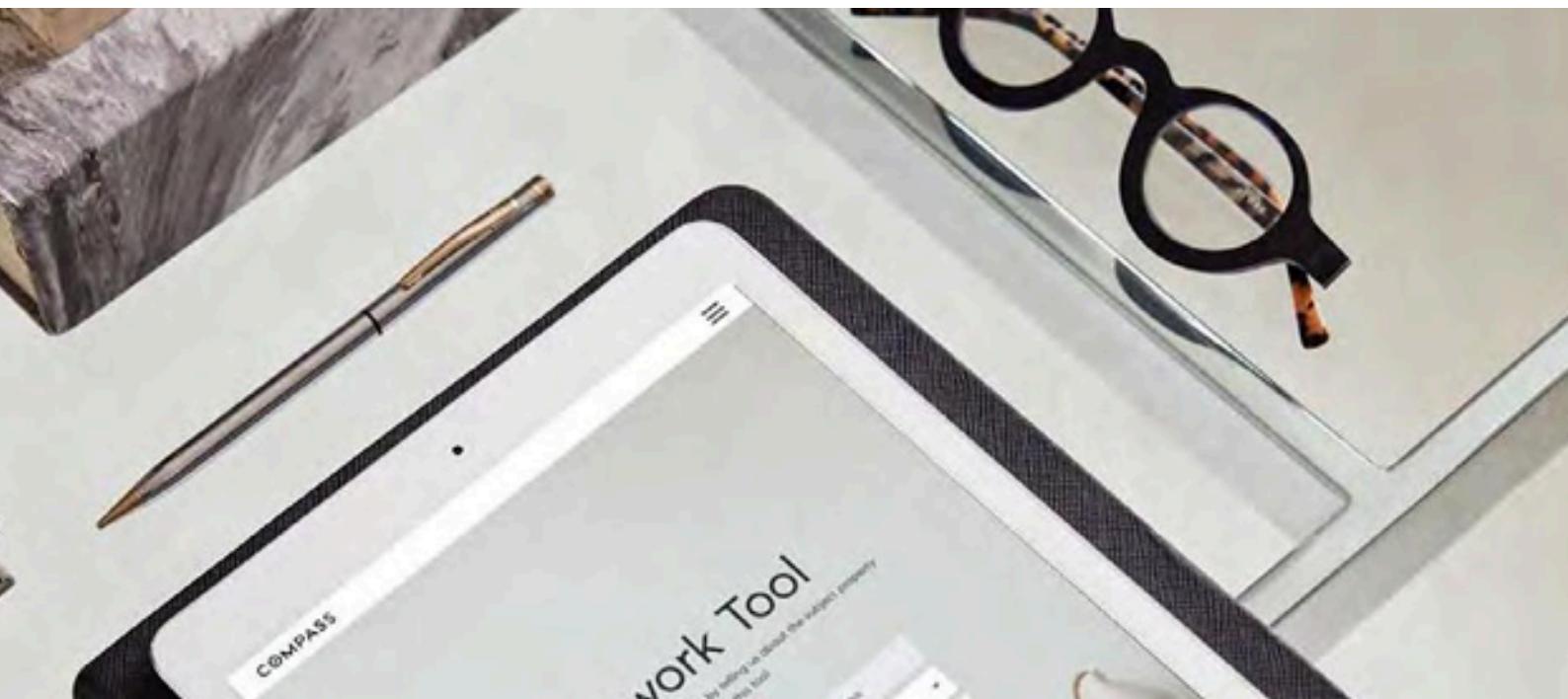
The Compass Private Exclusive program varies by MLS

Short Disclaimer

Compass is a licensed real estate broker, licensed to do business as Compass RE in Delaware, Idaho, New Jersey, Pennsylvania and Tennessee, Compass Realty Group in Kansas and Missouri, Compass Carolinas, LLC in South Carolina, and Compass Real Estate in New Hampshire, Maine, Vermont, Washington, DC., Idaho and Wyoming and abides by Equal Housing Opportunity laws.

Long Disclaimer

Compass is a licensed real estate broker. All material is intended for informational purposes only and is compiled from sources deemed reliable but is subject to errors, omissions, changes in price, condition, sale, or withdrawal without notice. No statement is made as to the accuracy of any description or measurements (including square footage). This is not intended to solicit property already listed. No financial or legal advice provided. Equal Housing Opportunity. Photos may be virtually staged or digitally enhanced and may not reflect actual property conditions.



The Option Period - What Is It?

The Option Period in Texas is a specified number of days set forth in a real estate contract which allows the buyer to terminate the contract for any reason. This option, when written into a real estate contract, creates the right to terminate the contract within a certain number of days for a specified price without risking the earnest money deposit. The Texas Real Estate Option Period:

- Provides security for the buyer.
- Has an agreed-upon number of days.
- Starts at the beginning of the purchase contract period
- Requires consideration - a non-refundable fee paid to the seller called the Option Fee.
- The property will be placed in OP (option pending) status in the MLS.
- Ends at 5 p.m. local time.
- Can be extended by mutual agreement of the buyer and seller.

What the Option Period does and what is specifically involved:

Provides security for the buyer.

If a buyer decides that he/she wants the Option Period written into a real estate contract, it is used solely to have the option to exercise the right to terminate the contract for any reason whatsoever without risking the earnest money deposit.

Has an agreed-upon number of days.

The number of days set forth for the option period is negotiable, but typically, anywhere between 1 and 10 days. During this time period, a home buyer will want to complete any desired home inspections (general, architectural, foundation, pest, etc.). If these inspections result in potential home repairs, the option period also provides time for repair estimates to be obtained and any additional contract negotiations (due to needed repairs) finalized. The buyer may decide to exercise their right to terminate if they are not satisfied with the condition of the property after receiving the report(s).

The Option Period starts at the beginning of the purchase contract period.

The option period begins the day after the effective date of the contract. For example, all parties execute the contract on June 2nd. The option period begins on June 3rd.

Requires consideration - a non-refundable fee paid to the seller called the Option Fee.

- The Option Fee amount is negotiable.
- The Option Fee is given (hand-delivered or mailed) to the seller (or seller's agent) at the beginning of the contract period.
- The Option Fee must be delivered no later than 11:59 p.m. on the third day after the effective date of the contract. For example, if the contract effective date is March 1, the option fee must be paid by 11:59 p.m. March 4.
- The Option Fee may or may not be credited to the buyer's costs at closing.
- If the buyer chooses to terminate the contract during the option period, the seller has the right to keep the amount paid for the option period.

The property will be placed in OP (option pending) status in the MLS.

During the Option Period, the property will be removed from "Active" status and placed in "Option Pending" status in the MLS (Multiple Listing Service). This will prevent other potential buyers from viewing and making offers to purchase that home. The Option Fee is provided to the seller as consideration for taking the home off the market during this time.

Ends at 5 p.m. local time.

If a buyer wishes to terminate the contract during the Option Period, he/she must notify the seller by 5 p.m. local time (where the property is located) on the day that the Option Period ends.

Making The Offer

Q: What is a good offer?

A: A good offer depends on multiple factors: the market, the neighborhood, the seller needs and the list price. It is your agent's job to provide you with the best information on these factors to help you make a decision. Is the list price low or high compared to the market? Is your offer the only one on the table or are there several you are up against? Are properties in general selling above or below asking in the neighborhood.

Q: How do you win in a multiple-bid situation?

A: Primarily by understanding the strategy and motivation of the sellers. It is important to know how many other offers are on the table, the state of the market and the goals of the seller. An offer is more than a purchase price – a good offer is drafted carefully with overall terms that will appeal to the seller.

Q: Is it beneficial to provide a personal letter or enclose photos, etc. with the offer?

A: Absolutely. Sellers want to know who is buying their house. Whether you are buying from a developer or normal seller, a good solid offer package with a personalized cover letter shows that you are serious and passionate.

Q: How long will it take for me to hear if I/we got it?

A: We generally give 24 hours for the seller to respond. In some cases the seller requests more time but usually no more than a couple days. In the case of a short sale or REO, it can take weeks or months to hear back from the bank.

Q: What is the counteroffer? How does it work?

A: When you submit an offer, the seller has four choices:

1. They can ACCEPT it as written, and you are ratified—meaning you are “in contract” to buy it.
2. They can REJECT it.
3. They can offer you a “BACK-UP” position — in the case that they have accepted another offer, this will put you in first position to ratify if the first offer cancels or falls through.
4. They can COUNTER your offer. They can counter you on the purchase price, the length of escrow, contingency periods or any other terms. Once you receive their counter, you can then 1) Accept 2) Reject or 3) Counter their counter. This can go back and forth many times until both sides come to an agreement. As soon as one party agrees to the other’s counter, you are ratified

Q: What is a Multiple Counter Offer?

A: If a seller receives more than one offer, they can counter all of them or a select few. In this scenario, the offer is not ratified when you respond to their counter. The seller has the final say; therefore, you are not ratified until the seller accepts your counter

ESCROW

Escrow: What is it?

Escrow is the period of time between your offer being accepted and your purchase being finalized. Escrow is a deposit of funds, a deed or other instrument by one party for the delivery to another party upon completion of a particular condition or event

Why Do I Need an Escrow?

Whether you are the buyer, seller, lender or borrower, you want assurance that no funds or property will change hands until ALL of the instructions in the transaction have been followed. The escrow holder has the obligation to safeguard the funds and/or documents while they are in the possession of the escrow holder, and to disburse funds and/or convey title only when all provisions of the escrow have been complied with. The escrow officer is a neutral third party and does not represent any one party. Your title company will provide you with a preliminary title report for the buyer to be made aware of any encumbrances on the property. Your title company also provides title insurance to ensure delivery of clean title.

How Does Escrow Work?

The principals to the escrow — buyer, seller, lender, agents — cause escrow instructions, most usually in writing, to be created, signed and delivered to the escrow officer. If a broker is involved, he or she will normally provide the escrow officer with the information necessary for the preparation of your escrow instructions and documents. The escrow officer will process the escrow, in accordance with the escrow instructions, and when all conditions required in the escrow can be met or achieved, the escrow will be "closed." The duties of an escrow holder include following the instructions given by the principals and parties to the transaction in a timely manner; handling the funds and/ or documents in accordance with the instruction; paying all bills as authorized; responding to authorized requests from the principals; closing the escrow only when all terms and funds are in accordance with instructions and provide an accounting of that in the Closing or Settlement Statement. The escrow officer can ONLY take instructions from all parties in agreement. No one party in the transaction can solely give instructions. The escrow officer does not represent any one party — they are a neutral third party in the transaction

How Long Does Escrow Last?

This is determined on a case-by-case basis and will be written into the offer. Generally, 30 days is common. However, in some cases, you (or the seller) may need more time. In some cases, it is shorter, for example with an all-cash deal.

Escrow Cont'd

Who chooses the Escrow?

It is usually the buyer's choice, as the buyer pays the escrow fees. The selection of the escrow holder is normally done by agreement between the principals. If a real estate broker is involved in the transaction, the broker may recommend an escrow holder. However, it is the right of the principals to use an escrow holder who is competent and who is experienced in handling the type of escrow at hand. There are laws that prohibit the payment of referral fees; this affords the consumer the best possible escrow services without any compromise caused by a person receiving a referral fee.

What Happens During Escrow?

The escrow period gives all parties involved the time needed to comply with the terms of the offer and prepare to transfer title from the seller to the buyer. During this period, you do several things, all of which your agent will help you with:

1.

You put down a refundable deposit of 3% of the purchase price, which is held by the title company.

2.

Your lender processes your loan and will ask you for various information needed to approve you.

3.

You review and sign disclosures.

4.

You do your due diligence on the property and remove your contingencies by the deadlines you requested in your offer.

5.

You have any inspections you wrote into your offer done.

6.

The lender orders an appraisal for the property.

7.

You sign all loan and title documents when they are ready.

8.

Closing happens a couple days after you sign documents.

Closing Costs

The following is an estimate of the costs typically associated with the purchase of a home. Actual charges can be more or less.

Prior to Closing

Inspection

Differs according to the size of the property.

Appraisal and Credit Report

Paid to the lender

Paid at Closing

\$1,000 - \$1,500

Lender Processing and Underwriter Fees

Title Company Fees

Based on the value of the property

Homeowner's Insurance

Varies based on the property

Tax Reserve Fund

A minimum of two months of estimated taxes placed into escrow if required by the lender, depending on the timing of closing

Condominium Charges

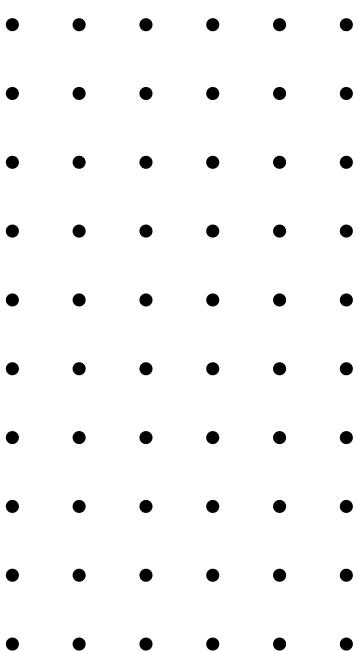
Condominium associations may charge an application fee, move-in fee, etc

CHAPTER 3

Resources

Useful Websites

Fire Prevention



Austin Real Estate Websites

COMPASS

www.compass.com

AUSTIN BOARD OF REALTORS (Official MLS Site)

www.abor.com

Easy to use, easy to navigate. Up to the minute – real time information on listings

TEXAS REALTORS

www.texasrealestate.com

WALKSCORE

www.walkscore.com

Great source for quickly accessing what is nearby.

CRIME MAPPING

www.crimemapping.com

TEXAS TRIBUNE

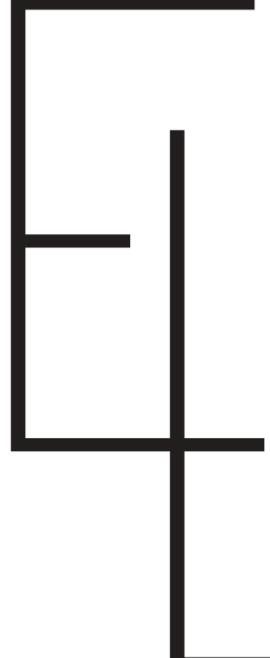
<https://schools.texastribune.org/districts/>

Information on School Districts

GREAT SCHOOL

www.greatschool.org

Great source for information on nearby schools.



FIRE/DISASTER PREPAREDNESS AND INSURANCE TIPS FOR HOMEOWNERS

Don't wait until it's too late!

In light of my in-laws' recent loss during the Tubbs Fire in Sonoma County, and as a firefighter/engineer and real estate agent, I felt compelled to write this newsletter to help others prepare for the unthinkable

Thoroughly Review Your Insurance Policy:

- Find out what your predetermined price-per-square-foot rebuild price is.
- Evaluate and ask yourself, "Is this price per square foot enough to rebuild in my area?" Oftentimes, prices are determined by outside area averages and not by what is really happening in the Bay Area.
- Make sure your personal contents policy is sufficient. (This value is separate from the dollar amount you get for the structure rebuild!)
- Find out if your vehicles, motorcycles, boats, guards and/or detached shop areas (and tools) are covered.
- Find out how much you have to set aside for debris clean up. Remember: Hazardous materials, asbestos, lead and other toxic materials must be cleaned up by special contractors, and all of this costs extra money to dispose of.
- Ensure you periodically update your policy when you add on square footage or renovate your home to make sure your policy reflects this.



FIRE PREVENTION ACTIVITIES

Make sure you have adequate clearance around your home

This means at least 30 feet of defensible space around your home of flammable vegetation. Cut back trees and shrubbery as these increase your fire exposure and hazard rate. Trim tree limbs so that you have 10 feet clearance from your roofline and chimneys

Cover chimney outlets or flues with ½' mesh spark arrestor

If you live in a rural area, make access to your home easy for the fire department (gates, lock boxes, etc.

Ensure address numbers are at least 4" tall and clearly visible from the street. If you have a long driveway, post the address from the street. Remove unnecessary flammable things around your house that increase your fire load. If you have a wood shake roof, consider replacing it with a composition roof or other material that is less flammable.

Many fires start when embers make contact with a wood shake roof or other highly flammable materials around your home, causing your entire home to catch fire

Document what you own:

We found DropBox (dropbox.com) to be the best platform for storing things immediately on your phone/ computer and acting like a "safety net." Start a receipts folder in your DropBox and immediately scan receipts when you get them. This could save you thousands if you ever have to prove the value or ownership of any items after an emergency such as a fire!

- Take a quick video of your home and all your important valuable contents, and then upload the video to your iCloud or DropBox.
- Don't forget to take photos of all your big-ticket items (along with serial numbers, if they're available).
- Show the date and price you purchased your items, as insurance companies will depreciate your items based on when you bought them. Proving the item's cost when you purchased it can really help you recover the maximum dollar amount.
- If you have a shop or garage, make sure you take videos and photos and document your tools/ automotive parts as these can add up.

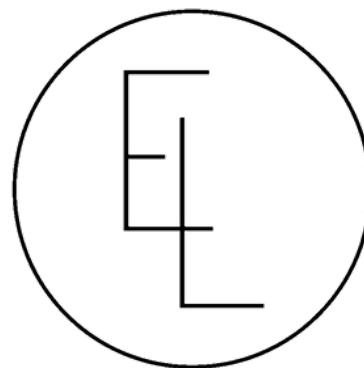
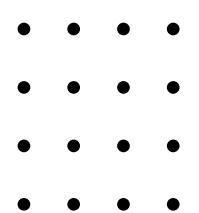
Some of our Biggest Learnings

Family photos: Scan and upload them to the cloud or to DropBox! Sadly, my in-laws only uploaded a few, and all their older pictures were lost.

Upload all your important documents to DropBox or something similar.

If you own a safe, remember not all safes are really fire resistant. Consider leaving items in a bank safety deposit box as an option.

Thank you for taking the time to read my learnings and experiences in light of recent events. Call, text or email me with any real estate or safety questions — I'm happy to help



ELENA LICARI

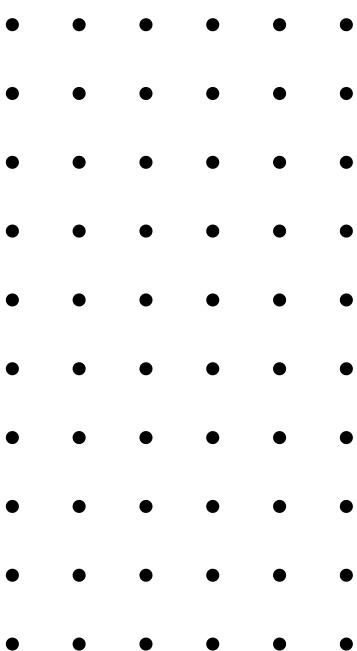
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