

BUYERS GUIDE

WHAT TO EXPECT WHEN BUYING IN OAHU



REAL ESTATE |

ISLAND LIVING

| DONE DIFFERENTLY

HOMES



So, you're considering buying a home?! You're in the right place. We want you to fall in love with Oahu, just like we have. This guide is designed to give you a basic overview of the home buying process here on Oahu.

Buying a home is one of the most important and exciting financial decisions of your life. When you're ready to start - we'll meet face to face and create a detailed personalized home buying plan. We will hold your hand each step of the way. Helping homebuyers find the right island home, is what we do best. We aim to make home buying more transparent and less stressful, allowing you to focus on what is most important... Deciding, if this the right house for you?

Our 60+ years of combined experience of helping buyers find the homes of their dreams, sellers create their next opportunity, and investors make money - all while giving back to the community is one thing. But it's our client centric approach that makes our clients keep coming back and refer their family and friends.

Buying a home in Hawaii - to some, this seems impossible! Lucky for you, we are pretty darn passionate about making this process and transition smooth, manageable, and downright fun for our clients! *We're happy you're here!*



BUDGET FOR YOUR NEW HOME

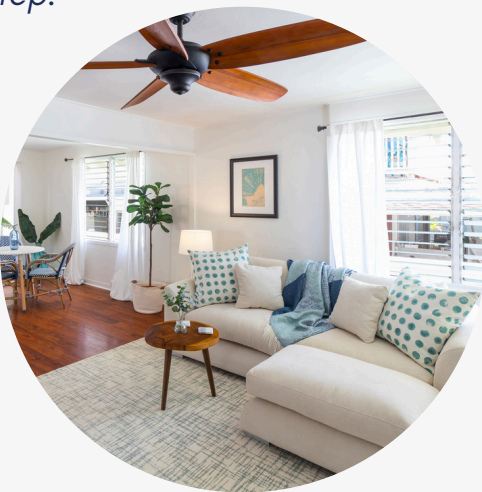
You'll be surprised what you qualify for. **The real question is, how much do you want to spend each month on your new home?**

WHAT'S YOUR MONTHLY BUDGET FOR OWNING A HOME IN HAWAII?

A quick rule of thumb is **30-45% of your monthly income** should go to your mortgage, however, just because this is what other people do, doesn't mean you should too.

To determine what you want to spend, we recommend you create a spending budget, "guesstimating" what your monthly costs will look like while you enjoy Island Living.

Be honest to yourself about this step.



BUDGET TOOLS

A great tool for family budgeting is **CreditKarma.com**. We use this app to help us understand how we are currently spending money.

It aggregates all of your bank accounts, credit cards, car payments and investments to give you an overview of where your money goes each month. It's quick and easy to set-up, and helps my husband and I stay on top of our finances.

Once you know where your money is going each month, you can determine if there is extra money you can save to put into a mortgage, or if you want to spend in other ways.

FIND A LENDER

Items you will need



INFORMATION

Date of birth, Social Security Number, and address history for the period covering the most recent two years (that address history part is always fun for us military families, huh?!)



STUBS

Paycheck stubs for the period covering the most recent 30 days of YTD earnings.



TAX BASICS

W-2 or 1099 tax forms for the period covering the most recent two years.



EXTRAS

Additional documentation reflecting any bonuses, commissions, overtime or other sources of income.

ONE OF THE FIRST STEPS IN BUYING, IS FINDING A LENDER. THEY WILL HELP YOU DETERMINE HOW MUCH HOME YOU CAN AFFORD.

IT HELPS TO HAVE EVERYTHING GATHERED BEFORE SPEAKING TO OR MEETING WITH YOUR LENDER.



SIGNATURES

Signed Federal tax returns for the period covering the most recent last two years (with all schedules) if you are self-employed or receive rental income.



OPTIONS

An idea of the state, county, city, and zip of where you want to purchase a home.



LIEN

Any tax, homeowners/condo dues, insurance, and lien information (balances, monthly payment, and mortgage company/lien holder name) for all real estate owned



ASSETS

Asset statements for the period covering the most recent past two months (or recent quarterly statement) for all assets you plan to use to qualify, including Checking, Savings, CDs, 401(k), TSPs, IRAs, stocks, bonds, or other securities



HIRE A REALTOR

DOWN TO BASICS

Should you hire an expert to help you navigate the home buying process? What should you ask when you interview agents?



QUESTIONS TO ASK:

How long have you sold real estate? (try to gage level of experience)

Where do you live? What part of the island do you predominately sell on?

How many buyers a year do you help find a home?

What is the market like right now? Should we wait to buy?

What are the key things I should know about the areas I'm most interested in.

Can you provide references from past buyers you've worked with?

ABOUT OUR POWERS

Choosing the right person to help you find your island home, is almost like dating and definitely like a job interview. It all comes down to feeling comfortable and confident with this person or team, as you will be sharing personal information with your agent, as well as spending a lot of time with them even if you are not on the island.

Make sure you communicate well together and that you are upfront and honest about your goals and desires - this way, you can both make the most of your time.

HOW REALTORS ARE PAID

Commissions are Negotiable! Did you know when you work with a buyers agent you negotiate up front what compensation you want to pay them?

Prior to looking at properties we will sit down and discuss what you are looking for, what services we provide and map out the home buying process here in Hawai'i. We will also put into writing our agreement of services and the compensation you are willing to pay for our services.

We will then ask the sellers to pay your buyers agent commission as a term in your Purchase Contract.

An aerial photograph of a person on a surfboard riding a wave. The water is a vibrant turquoise color, and the wave is breaking with white foam. The person is positioned on the left side of the frame, riding the wave towards the right. The background is a soft, hazy orange-brown color, suggesting a sunset or sunrise sky.

DECIDE WHERE TO LIVE

HAVE NO IDEA WHERE
YOU SHOULD LIVE ON
OAHU? NEITHER DID WE.

This can be hard to know if you are not familiar with the island. We encourage you to talk to us and friends who live here, read about the different areas and neighborhoods on our website, and consider the Island Lifestyle you want to have.

O A H U

| NEIGHBORHOODS |



HERE ARE 4 POPULAR NEIGHBORHOODS OUR CLIENTS LOVE.

While we're mentioning only a few area areas here, we do have more area information on our website, and have detailed neighborhood guides you can download. We can also set up a time to discuss the area in detail to help you narrow your search.



K A N E O H E

Known for its stunning "Jurassic Park" mountains and wide, sweeping views of the ocean, this is a boating community but has very little direct "sandy" beach access. Depending where you live in Kaneohe you have about a 25 min commute to Pearl Harbor and close, easy access to the Marine Corps Base. The mall and movie theater for this side of the island is located here. Kaneohe has a cool "Hawaiian" feel. Move-in ready homes start around \$700k with condos beginning around \$350k.

K A I L U A | L A N I K A I

Known for beautiful beaches, it also has one of the fastest commute times to Pearl Harbor (besides living on base) with three highway options to get you 'over the mountain'. Average commute to Pearl Harbor is 35 mins, little to no traffic even at peak traffic hours. Kaneohe Marine Corps Base is located here, making shopping off the economy feasible with access to great programs for the kids on base and an awesome golf course. Kailua is a quaint beach town with great local shops, many restaurants, and is mostly walkable/rideable. We also have our own Target, Whole Foods, & local brewery. Homes tend to be older construction, and you can expect move-in ready homes to start around \$900k, with smaller condos beginning around \$450k.

HAWAII KAI

Known California-style homes, golf courses, and waterfront canal communities around every corner, Hawaii Kai was the first planned community on the island. Beautiful beaches, famous Hanauma Bay, and Honolulu are close by and easily accessible. There are great restaurants and shopping, including the best (cleanest!) Costco on the island. The commute to bases is considered a downside of this community, with 45 mins being at low traffic hours and upwards of 1.5 hrs in traffic. Move-in ready house prices start around \$800k with condos beginning around \$550k.



EWA | MAKAKILO | KAPOLEI

Known for having some of the newest housing communities on the island, you can expect to get more for your money here. Bigger, newer houses with small lots seem to be the norm. The newest outdoor mall on the island is located here, as well as plenty of places to eat. Ewa (pronounced "Eva") Beach is not considered a "walking community", but it is a quick drive to a great military beach, Barber's Point. Construction is progressing on the first light rail system on the island, which will alleviate the terrible traffic from this neighborhood to Pearl Harbor and Honolulu, when completed in 3 years - also potentially raising home prices. You can expect the commute to Pearl Harbor to be 30 mins. without traffic (depending on where you live in Ewa), to 1.5 hours on a normal day during rush hour. New homes start at \$600k with condos beginning around \$300k.



FINDING THE RIGHT HOME

LET'S GET THE PARTY STARTED

Once you've determined your "Must Haves", your "Nice To Haves", and your "Deal Breakers" then it's time to head out and look at properties. We've put this "Road Map" together to help identify the over 200+ steps involved.

BUYERS ROADMAP

LET'S BEGIN

This process and transition should be smooth, manageable, and downright fun!



INTERVIEW AGENTS

- What Is Your Situation?
- Any Previous Home Buying Experience?
- Your Expectations of Us
- Gain Market Knowledge



HIRE YOUR REALTOR

- Discuss Services and Compensation
- Sign Buyers Brokerage & Service Agreement



VIEW PROPERTIES

- Availability
- MLS Numbers
- Open Houses



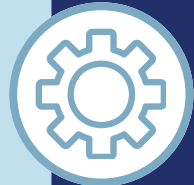
LISTINGS

- Explore Daily/Weekly MLS Listings
- Off Market Homes



DESIRED HOME FEATURES

- Price
- Condition
- Location
- Size
- Numbers



FINANCING

- Connect With A Lender
- Pre-Approval Process
- Determine Your Budget
- Current Monthly Payment
- Discuss Closing Costs

BUYERS ROADMAP



MAKE OFFERS

- Market Analysis (CMA)
- Offer Price (Seller Paid Concession)
- Closing Date
- Inspection Period
- Earnest Money = 1%
- Multiple Offers



INSPECTION PERIOD

1st Days

- Inspections (HM, PV, Plumbing)
- Lender - Mo. Pymnt Estimates
- Obtain Repair Estimates
- Home Insurance Quotes

Middle

- Lock Interest Rate
- Survey, Termite, Appraisal, Underwriting
- Lender Closing Disclosure (as needed)
- Title Report, HOA Docs, Building Permit Package

Last 5 Days

- Review Inspection Report
- Renegotiate | Ask for Repairs



CLOSING

7 Days Closing Process

- Property Walk Through
- Sign Documents



CONGRATULATIONS

- You Just Bought A Home!
- You Are An **Island Living Homes** Client For Life!
- Meet other ILH Ohana at our many Events!!!



FUNDING & RECORDING

- Loan Funds
- Home Records with the State
- Receive Keys, Change Locks
- Happy Dance!

ONE LAST POINTER

The home buying process is much more involved than a guide can share. We would love to sit down with you to hear what you're looking for and help you navigate the process of not only buying, but moving to Hawaii!

Oh, and in the meantime, we wanted to share this cool neighborhood ranking tool with you,

WWW.AREAVIBES.COM



Super useful and fun to play with as it ranks different areas on the island and gives them each scores based on livability, walkability, crime, schools, employment and so on.



DO GOOD. LIVE HAPPY



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