

Buyer's Guide



MAUE | M | D
DOLLARD
TEAM

AT JAMESON SOTHEBY'S
INTERNATIONAL REALTY

Debbie Maue

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During her 29 years in Chicago real estate, Debbie has honed her expertise to achieve the maximum results for her clients at every transaction and to make their experience effortless. Her keen insight into the industry offers clients in-depth knowledge on community information, school district performance and changing trends in the housing market. Her experience reaches beyond the Chicagoland area as well. With a real estate license for the state of Montana and key contacts in all the premier sea, ski and sun destinations around the world, Debbie can help you find your perfect place, wherever it may be. She has served as the National Association of Realtor's President's Liaison to Costa Rica, held the Chicago President position of the International Real Estate Federation, and was a past Chair of the Chicago Association of Realtor's International Council.

Debbie's experience and dedication to her clients have also resulted in her being awarded as a Chicago Association of Realtors Top Producer and a Top Producer at Jameson Sotheby's International Realty. Her dedication to personal fitness also gives her the focus and strength to power through challenges in the real estate business. She has competed in many triathalons and is a 4-time Ironman finisher. She is also very connected to her community and gives back through Big Brothers Big Sisters of Chicago. She also acts as President for Realtors to the Rescue, an organization that supports Chicago pet shelters and rescue centers.

With her business based 100% on referrals from existing clients, Debbie continues to build her strong reputation in the Chicago market. She currently splits her time between Chicago and NW Montana.

Mark Dollard

BROKER ASSOCIATE | MDOLLARD@JAMESONSIR.COM | 773.677.2529

Mark has built a reputation as a responsive and dedicated broker who uses his market expertise and extensive background in finance to identify and close on prime opportunities for his clients. As a multi-year top-producing agent at a boutique real estate firm, he brings an unparalleled level of experience, skills, and customer service to real estate transactions. Whether working with a first-time condo buyer or selling a multi-million dollar investment property, Mark strives to understand each client's unique needs and leads them confidently through all aspects of what is often a complex process. Constantly looking at the long-term benefits, Mark educates his clients with their future in mind, and remains a trusted advisor long after any single transaction has closed.

Mark chose to align himself with the Jameson Sotheby's brand based on their outstanding global reputation, powerful marketing and technology platforms, and a shared commitment to excellence in service. Prior to following his passion into real estate, Mark worked as a derivatives trader for five years and founded multiple commercial real estate ventures. Calling on his extensive experience in valuation and negotiation, Mark is incredibly thorough and thoughtful when determining market prices and negotiating strategies, and has an aptitude for generating financial solutions under pressure. His technical acumen brings a rare added value to his clients, as he navigates the competitive bidding process and strategically positions and markets properties to maximize sales results.

Mark resides in Wicker Park with his wife and son, and plays music to cultivate his artistic side. Prior to real estate, Mark earned a B.S. in Chemical Engineering at Iowa State University and his M.A. in Economics from University of Kansas.



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A wide-angle photograph of the Chicago skyline across a large body of water, likely Lake Michigan. The sky is a clear, pale blue with a few wispy clouds. The water in the foreground is a deep, vibrant blue with gentle ripples. The city skyline is visible in the distance, with numerous skyscrapers of varying heights and colors, including some with gold or brown facades. The overall scene is bright and clear, suggesting a sunny day.

OUR COMPANY

Leading residential brokerage firm Jameson Sotheby's International Realty is the exclusive Chicagoland affiliate of the *Sotheby's International Realty* global network. As real estate's most celebrated luxury lifestyle brand, we offer unrivaled access to qualified people and distinctive properties around the world.

Our commitment to excellence reflects the Sotheby's experience and the outstanding level of service that has been the global benchmark for three centuries. With access to cutting edge technology, research and marketing, we are able to provide our clients a customized approach to real estate that is unsurpassed in the industry. Armed with the most sophisticated resources and the built-in integrity, exclusivity, and global reach of the *Sotheby's International Realty* brand, we are dedicated to artfully uniting extraordinary properties with extraordinary lives.

OUR CULTURE

Jameson Sotheby's International Realty is recognized as where the exceptional aspire to be. Many of our agents have grown their business 20-150% in the past year and top agents that have joined us unilaterally say we have a platform and culture that just doesn't exist elsewhere.

TOP REASONS TO BUY

1. Tax Advantages
2. Pride of Ownership, Control & Predictability
3. Homes have appreciated 4.7% on average annually since 1940
4. Equity/Principal Paydown (forced savings)
5. Bankruptcy Protection

OWN VS RENT

Compare the advantages and considerations of owning after a 10 year period vs. renting a home.

		RENT	OWN
CURRENT RENT	\$4,000		
PURCHASE PRICE OF HOME	\$700,000		
PERCENTAGE OF DOWN PAYMENT	20%		
LENGTH OF LOAN TERM (YEARS)	30		
INTEREST RATE	4%		
YEARS YOU PLAN TO STAY IN THIS HOME	5		
YEARLY PROPERTY TAX RATE	2%		
YEARLY HOME VALUE INCREASE RATE	2%		
PRICE OF HOME AFTER APPRECIATION		-	\$775,000
REMAINING BALANCE AFTER 5 YEARS		-	\$505,521
EQUITY EARNED		-	\$75,000
AVG. MONTHLY PAYMENT OVER TIME		\$4,200	\$3,840
TOTAL PAYMENT		\$252,000	\$230,400
TOTAL SAVINGS		-\$252,000	+\$129,479

*Note: These items were not used in the above calculations: private mortgage insurance, homeowner's insurance cost, loan closing cost, cost of selling a home, property tax, homeowner's tax saving, and rent increases. **Results are estimates only.***

Introduction

While every financially significant investment poses risks, the 2020 Chicago, IL real estate market offers more opportunities than ever before. Whether you are an experienced real estate investor with a sophisticated and diverse portfolio, or a first-time homebuyer contemplating the purchase of your first home, it's important to educate yourself on the latest economic and real estate market trends, the basics of the home buying process and to understand the unique local market trends impacting your neighborhoods of interest. It's also essential that you select a skilled and experienced real estate advisor to help you navigate the process.

Jameson Sotheby's International Realty provides homebuyers with expert advice, accurate market and property information, prompt access to coveted properties and the highest level of service and discretion. We offer skilled and authoritative assessment of real estate opportunities, as well as exclusive access to some of the best properties on the market.



THE HOME BUYING PROCESS: A BASIC OVERVIEW

The Home Buying Process: A Basic Overview

Finding and purchasing a home involves the general steps outlined in the following section; however, most homebuyers and real estate investors have unique financial, property and personal requirements that demand advice from a real estate advisor with specialized expertise. These include instances when you wish to purchase a:

- Home that is dependent on the sale of another property
- Vacation home
- Secondary or multiple investment property
- First home



The Home Buying Process: A Basic Overview

Step 1: Secure Financing

Before starting your home search, it's important to evaluate your financial situation, confirm your budget, familiarize yourself with mortgage options and secure pre-approval from your lender. This will help you conduct your search with confidence and negotiate your desired home successfully.

◆ *Establish Your Budget*

As a general guideline, total monthly housing costs for your primary home, including mortgage payments, taxes, maintenance fees, insurance, interest charges and utilities, should not exceed 32% of your gross monthly household income.

Many financial advisors also suggest that total monthly debt, including mortgage payments, credit card and car payments, should not exceed 40% of your gross monthly income.

Those purchasing a real estate investment property should consult their real estate and financial advisor to understand tax and financial implications of their purchase.

◆ *Confirm Down Payment*

If your down payment amount is less than 20 % of the total purchase price, you will need to purchase mortgage loan insurance that guarantees the debt against default. In most cases this will be added to the mortgage loan.

◆ *Check Your Credit Rating*

Your credit report plays an important role in your mortgage approval process and in determining the interest rate and other loan terms that a lender offers you. Before meeting with a potential lender, you may wish to confirm your credit rating so you have time to resolve any issues. Contact Transunion.com, Experian.com or Equifax.com for more information.

◆ *Understand Mortgage Basics*

INTEREST RATES

Mortgage interest rates are fixed, variable or adjustable.

- Fixed: A fixed mortgage interest rate is a locked-in rate that will not change for the term of the mortgage.
- Variable: A variable rate fluctuates pending market conditions while the mortgage payment itself remains unchanged.
- Adjustable Mortgage Interest Rate: With an adjustable rate, both the interest rate and the mortgage payment change based on market conditions.

The Home Buying Process: A Basic Overview

◆ Understand Mortgage Basics continued

Work with your lender to optimize your mortgage payment schedule for your unique situation. Many primary homeowners aim to pay off their mortgages as quickly as possible, which can be achieved with more frequent installments. Your mortgage may also be structured to allow an increase in payments as cash flow permits, and you may be able to make lump sum payments each year to be applied directly to the principal.

If you are purchasing real estate solely for investment purposes, other considerations such as tax implications come into play. Consult your mortgage and financial advisor for assistance.

◆ Get Written Pre-Approval

In markets where there is high demand and a low volume of the type of home you wish to purchase, written pre-approval is essential and will give you the competitive edge in securing your desired home. For example, in a scenario where a seller receives two similar offers, one accompanied by a letter that confirms financing pre-approval, and another other without supporting documents, the former offer is frequently considered first.

The Home Buying Process: A Basic Overview

Step 2: Define Your Goals, Needs and Budget

Prior to meeting with your real estate advisor, it's important to clarify your budget, personal property preferences, and any anticipated life stage and lifestyle requirements that may impact the purchase of your home.

As a starting point for your consultation, complete the worksheet and review with your Jameson Sotheby's International Realty associate.

BUDGET RANGE

Target Budget _____

Maximum Budget _____

PREFERRED PROPERTY TYPE

Condo/Apartment

Townhouse

Single-Family Home

Multiplex

Vacation Home

Other _____

PRIMARY PROPERTY USAGE

Primary Family Home

Vacation/Secondary Property

Investment/Revenue Property

Other _____

PROPERTY FEATURES

Need

Want

How many bedrooms do you need?

How many bathrooms do you need?

Do you need space for a home office?

What kind of parking facilities do you need? For how many cars?

Do you require air conditioning?

Do you require storage or hobby space?

Do you require garden/outdoor space?

Is a fireplace high on your list?

The Home Buying Process: A Basic Overview

Step 3: Select Your REALTOR®

A REALTOR® represents your interests when purchasing a home, one of the most significant financial investments you can make. For this reason, it's essential to select an advisor with in-depth knowledge of your local real estate market and specialized experience in the property types you are interested in.

We offer our clients:

◆ *Local Expertise*

Our associates offer in-depth knowledge of your local real estate market, from advice on the homes and developments with the best potential return-on-investment, to insight into the properties and neighborhoods that best match your life stage and lifestyle.

◆ *Exclusive Access*

In some areas, many homes are sold within hours and days of being listed on MLS. Other properties are marketed exclusively and privately within the Sotheby's International Realty network without ever being made available to the public. Our connection to over 20,000 associates worldwide gives you direct and priority access to real estate opportunities that would otherwise be difficult to view.

◆ *Global Connections*

With a network of over 1000 offices in 71 countries, Sotheby's International Realty provides unparalleled access to the global real estate market. We have the experience and contacts to facilitate international real estate transactions and to assist clients who wish to buy Chicago Illinois real estate from abroad.

◆ *Real Estate Specialization*

We assist clients in the purchase of real estate in several real estate categories: single-family homes, condos, townhomes and multiplexes, as well as properties that demand specialized knowledge such as waterfront real estate, luxury real estate, golf properties, ski resort properties, farm and ranch and golf properties.

The Home Buying Process: A Basic Overview

◆ Professional Service and Discretion

We commit to providing you with confidential, knowledgeable and responsive service. We guarantee discretion, monitor and promptly deliver listings that meet your criteria, facilitate viewings and property tours according to your individual needs and schedule, and facilitate the negotiation and purchase of your home professionally.

◆ Seamless Sales & Marketing

If buying a home depends on the sale of your current one, we make the process efficient and seamless. Our real estate marketing program reaches the most targeted and qualified buyers through exclusive international, national and local publications, as well as online marketing that generates over 1 billion annual media impressions.

Local Market Update – January 2020

A Research Tool Provided by the Chicago Association of REALTORS®
RESIDENTIAL ACTIVITY ONLY | Data current as of February 14, 2020



Lincoln Park

+ 11.8%	+ 44.4%	+ 1.2%
Change in New Listings All Properties	Change in Closed Sales All Properties	Change in Inventory of Homes All Properties

Detached Single-Family

	January			Year to Date		
	1-2019	1-2020	+ / -	1-2019	1-2020	+ / -
New Listings	53	40	-24.5%	53	40	-24.5%
Closed Sales	5	9	+80.0%	5	9	+80.0%
Median Sales Price*	\$1,550,000	\$1,125,000	-27.4%	\$1,550,000	\$1,125,000	-27.4%
Percent of Original List Price Received*	91.7%	91.1%	-0.7%	91.7%	91.1%	-0.7%
Market Time	182	221	+21.4%	182	221	+21.4%
Inventory of Homes for Sale	95	90	-5.3%	--	--	--

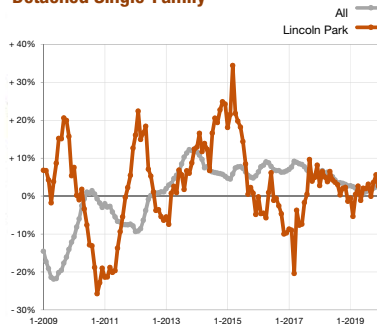
Attached Single-Family

	January			Year to Date		
	1-2019	1-2020	+ / -	1-2019	1-2020	+ / -
New Listings	202	245	+21.3%	202	245	+21.3%
Closed Sales	40	56	+40.0%	40	56	+40.0%
Median Sales Price*	\$490,000	\$532,500	+8.7%	\$490,000	\$532,500	+8.7%
Percent of Original List Price Received*	95.4%	95.9%	+0.5%	95.4%	95.9%	+0.5%
Market Time	69	124	+79.7%	69	124	+79.7%
Inventory of Homes for Sale	330	340	+3.0%	--	--	--

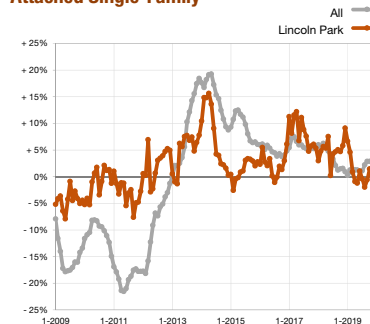
* Does not account for sale concessions and/or down payment assistance. Note: Activity for one month can sometimes look extreme due to small sample size.

Change in Median Sales Price from Prior Year (6-Month Average)†

Detached Single-Family



Attached Single-Family



† Each dot represents the change in median sales price from the prior year using a 6-month weighted average. This means that each of the 6 months used in a dot are proportioned according to their share of sales during that period.

Current as of February 14, 2020. All data from Midwest Real Estate Data. Report © 2020 ShowingTime.

The Home Buying Process: A Basic Overview

Step 4: Conduct Your Home Search

Once your Jameson Sotheby's International Realty associate has an understanding of your budget and property preferences, you can expect them to provide you with:

◆ *Automatic Property Updates*

As soon as a property that meets your desirable home criteria is posted on MLS, your real estate associate will contact you with pertinent information.

◆ *Advance Access to Exclusive Properties*

In some neighborhoods, homes are sold within days, or even within hours, of being listed on MLS. Others are marketed and sold within a real estate company's network without ever being made available to the public. In some cases, your REALTOR® may be able to arrange for advance access to properties that are represented within their professional and company network.

◆ *Property Tours*

Your real estate agent will schedule walk-throughs of properties matching your preferences and needs. You may also review properties on glaciersir.com, then contact your REALTOR to schedule a private tour, should there be one that matches your needs.

◆ *Evaluation of Options*

It can be challenging to determine the fair market value of a home and to assess whether it is "good value" for its listed price or for your budget. Variables that impact the value of a home or property include its location, neighborhood, community plan, proximity to amenities, lot attributes, views, property size, interior and structural condition, construction type, age, unique features, and the state of the local real estate market.

Your Jameson Sotheby's International Realty associate will assist you in assessing the pros and cons of the home(s) you are interested in, and provide insight on recent comparable property sales so you have the information you need to place an offer and negotiate effectively.

The Home Buying Process: A Basic Overview

Step 5: Submit Your Offer

It's important that you sit down with your agent to prepare your offer. Real estate laws vary widely from region to region, and it's essential that you protect your legal interests and account for any specific contractual contingencies that are unique to your area and desired property. Some general considerations include:

◆ *Legal and Contractual Obligations*

Making an offer commits you to legal and contractual obligations as soon as the other party has accepted it. Prior to submitting an offer, ensure you are clear on the legal obligations you are undertaking, should the offer be accepted.

◆ *Valuation*

Prior to writing your offer, your Jameson Sotheby's International Realty associate can provide you with information on recent area sales, local market information and background on whether there are competitive bids, which will help you determine your initial offer as well as your target price for this specific home.

◆ *Offer Details*

The details of an offer typically include: your legal name, the legal address of the property, the price you are offering to pay, inclusions (items in or around the home that you think are included in the sale should be specifically stated in your offer, such as appliances, lighting fixtures or window coverings), amount of your deposit, dates you take legal and physical possession of the home, legal "contingencies" or "conditions" upon which the contract becomes final (such as satisfactory home inspection report or financing approval), and the date the offer expires. Your offer is a legally binding document and should be prepared by your real estate professional.

◆ *Professional Inspection*

Your REALTOR® can advise you as to whether a professional inspection should be conducted prior to or after submitting your offer. This will depend on the property age and type, and whether competitive bids are anticipated.

◆ *Time Frame*

Ensure that any time frames indicated in your contract are realistic, particularly if your offer is still subject to securing a mortgage loan. You should secure a mortgage loan pre-approval in advance. Increases in market activity as well as increased vigilance by lenders may mean that mortgage approval requires more time. Consult your Jameson Sotheby's International Realty associate and lender for more information.

The Home Buying Process: A Basic Overview

Step 6: Negotiate Successfully

◆ *Preparation*

After submitting an offer, you should be prepared to negotiate, not just on the initial price, but on all key factors impacting the sale of the home including deposit, inclusions, dates for completion and possession, and deadlines for contingency removals. Ensure you know your budget and requirements prior to submitting your offer so you don't commit to additional costs in the heat of the process.

◆ *Multiple Offers*

In high-demand, low-inventory areas, you may find yourself bidding against other buyers. Some sellers in high-demand niche markets may also intentionally list their home at a low price hoping to stimulate multiple offers. This doesn't necessarily mean that the price will be bid up significantly over the asking price, but it does mean that due diligence is required on your part and the part of your REALTOR® to ensure the offer you submit is strategic, competitive and reflective of what you are ultimately willing to pay for the property.

Whether you are anticipating competition or not, you should be preapproved for your mortgage prior to your home search and well in advance of writing an offer. In a multiple offer situation, this will impact your ability to negotiate successfully, particularly if others making an offer are already preapproved. It also lets you know the maximum you can afford in what may be a stressful situation.

◆ *Potential Responses*

You can expect one of three responses to your offer:

- Accepted as is: the deal is complete and once signed by the seller, the offer becomes a binding legal contract.
- Counter offer: the seller may make changes to your offer, such as adjustments to the price, closing date or conditions. You may accept the counter offer and close the deal by signing the document. Or, you may make another counter offer back to the seller.
- Rejection of the offer: the seller may choose to reject the offer and the sale will not go through.

◆ *Offer Acceptance*

Once both parties come to an agreement, negotiations conclude and you move on to the next steps in the buying process. You will have a set period of time in which to satisfy the legal conditions ("contingencies") agreed to in your contract, such as completing a satisfactory home inspection report or securing financing.

The Home Buying Process: A Basic Overview

Step 7: Close the Deal

The closing or completion day is the day you take legal possession of your new property.

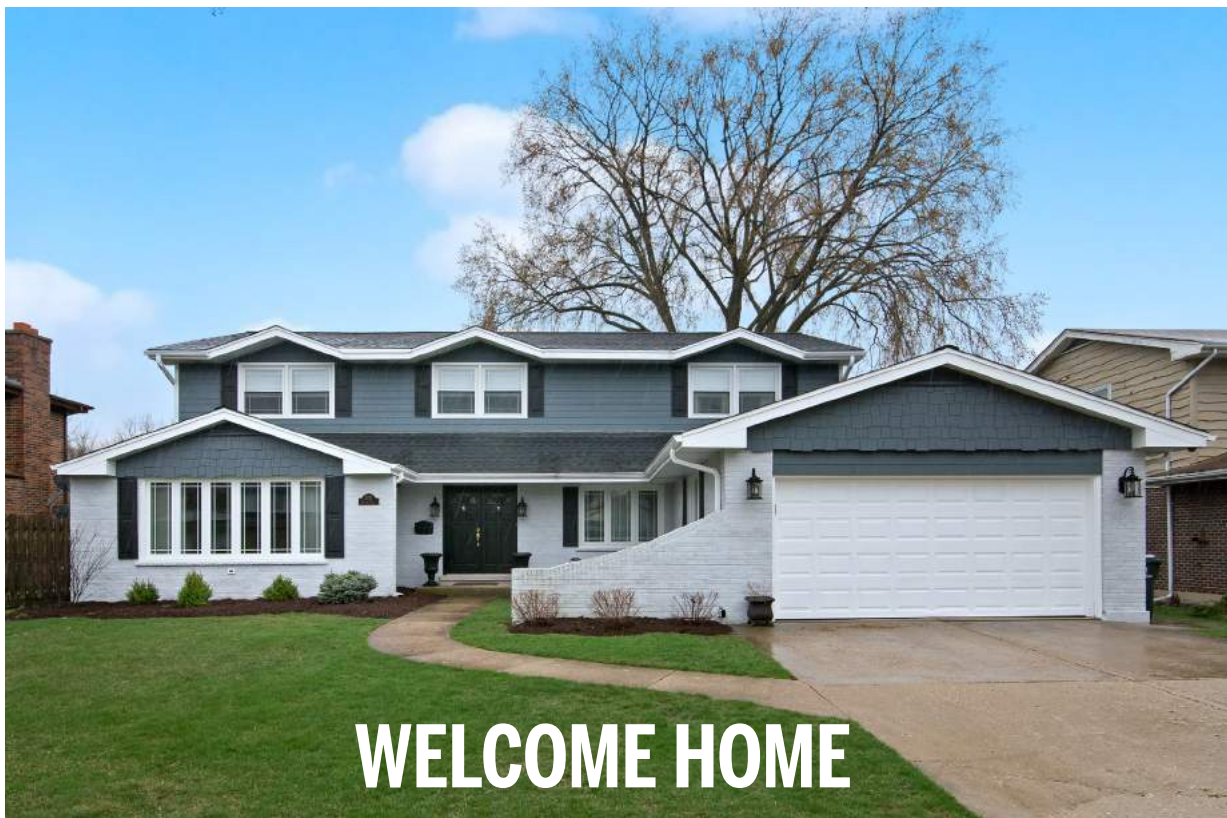
◆ *Preparation*

As this day nears, your REALTOR® and lender will monitor the progress of your transaction to ensure there are no last minute issues that need to be dealt with.

◆ *Completion (Closing) Day*

On completion day itself, legal property ownership is transferred to your name. The mortgage amount is provided to your title company by your lender and you will receive a Closing Disclosure with costs payable, including: balance owing, legal fees, property transfer taxes and other completion costs. Your title company will pay the seller, complete necessary documents and transfer legal ownership.

On your closing day, your lender provides the mortgage money to your title company, you provide the down payment (minus your deposit) to your title company as well as remaining closing costs. Your title company pays the previous owner, registers the home in your name and provides you the deed to your new home.



TYPICAL PURCHASE TIMELINE

WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8	WEEK 9	WEEK 10
1. MEET WITH AGENT, SET UP ONLINE SEARCH, CHOOSE INITIAL AREA AND PROPERTY TYPE									
2. MEET WITH LENDER (PRE-APPROVAL & PRICE RANGE, COSTS)									
3. CHOOSE REAL ESTATE ATTORNEY AND INSPECTOR									
4. BEGIN LOOKING AT PROPERTIES									
5. WRITE CONTRACT, SECURE NECESSARY DOCUMENTS									
6. BEGIN REAL ESTATE ATTORNEY REVIEW AND CONSIDER INSPECTION									
7. INSPECT PROPERTY									
8. FINALIZE ATTORNEY APPROVAL									
8.5 MORTGAGE PROCESS									
9. FINAL WALK THROUGH									
10. CLOSE									

Approximate timeline for guidance.

TYPICAL CLOSING TIMELINE

WEEKS UNTIL CLOSE					
6	5	4	3	2	1
1. APPLY FOR HOMEOWNER'S INSURANCE					
2. CONSIDER PURCHASING A HOME WARRANTY (TALK TO YOUR AGENT)					
3. SCHEDULE MOVERS (SOME BUILDINGS REQUIRE SCHEDULE AND FEE)					
4. TALK TO YOUR ATTORNEY ABOUT HOW TO HOLD TITLE					
5. HAVE YOUR ATTORNEY SCHEDULE CLOSING TIME					
[see below] 6. ASK YOUR ATTORNEY TO DETERMINE YOUR CLOSING COSTS					
7. SCHEDULE FINAL WALK THROUGH					
[see below] 8. TRANSFER / SET-UP					
9. REVIEW CLOSING DOCUMENTS					
10. CLOSE – KEYS REMOTES / MANUALS					
11. MOVE IN					
12. AFTER CLOSE – WE STAY IN CONTACT TO ADVISE, PROVIDE RESOURCES & KEEP YOU UP-TO-DATE ABOUT THE MARKET					
6.	Transfer Fees, Title Fees, Escrow, Loan Fees, Legal Fees, Insurance, Appraisal, Inspection, Pro-Rations, Deposits, Property Tax, Assessments, Down Payment				
8.	UTILITIES	SERVICES	ADDRESS CHANGE	CITY	COMMUNITY
	Gas, Electric, Water, Phone	Garbage, Cleaning, Lawn, Cable, Alarm	Mail, Subscriptions, Bank, Credit, School	Permits, Fees	School, Library, Health Club

Approximate timeline for guidance.

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