



Steps to Owning a Home

Buying a home is one of the biggest investments one will make in their life. There are many details involved, but do not be discouraged (That's why you chose to work with a Realtor!)

In the simplest terms, here are the steps to homeownership:

- **Get pre-qualified!** Do not skip this step! Obtaining pre-qualification with your lender will ensure you can make an offer the moment you find the perfect property!
- **The Purchase & Sale Agreement-** Make an offer! When entering into a contract to purchase real estate, the Purchase and Sale Agreement outlines the entire home buying process. Don't be overwhelmed by the nine page contract. We will go over it with you and answer any questions you may have. Two of the main components of the Purchase & Sale are PRICE & TERMS. Once you & the seller come to an agreement on price and terms, it is now **Pending (Under contract.)** * You will write an earnest money check to accompany your offer.
- **Home Inspection.** We will take care of scheduling the home inspection for you. Plan on being present so you can ask questions of the Home Inspector regarding the structure of the property. This is a buyer's expense- costing between \$250-\$500 (due at time of inspection) depending on the size & type of the property (Home Inspectors can conduct radon gas, mold and other more specific tests for additional fees.) A report will be provided to you, the buyer, outlining any and all repairs. These range from Health & Life Safety repairs (egress windows, smoke & CO detectors, etc.) to Significant repairs (roof replacement) to minor repairs (leaking faucet.)
- **Negotiate repairs** with the Seller: Buyer and Seller must reach an agreement on repairs called out during the Home Inspection. This can go back and forth until both parties agree. If both parties cannot reach agreement, the contract is void and you get your earnest money back.
- **Title** Once agreement on repairs has been made, we will **open title** at the title company specified in the Purchase & Sale Agreement. This report will show any liens on the property you're purchasing. The purpose of a Title Report is to ensure there is clear title and...
- An **appraisal** will be ordered by your lender. An appraisal differs from the home inspection because it is used by your lender to put a value on the property you are purchasing. An appraiser will compare your property to similar properties that have sold recently in the same area.
- **Underwriting and loan approval** at your lending institution. The lender gathers all necessary paperwork to approve your loan. Check with your lender and lock in your interest rates as soon as repairs are negotiated.
- **Schedule closing appointment** at Title Company. We will assist you.
- **HUD-1 Settlement Statement review** details all closing costs for both buyer and seller. Closing costs include prorated taxes and condo dues (if applicable,) title company fees, appraisal cost, realtor commissions, etc.
- A **Final Walk-Through** of the property ensures repairs were completed. In addition, you can choose to do a re-inspection with your Home Inspector.
- **Sign closing documents** at the Title Company
- **Sale Records, usually the next business day after closing** and you move in to your new property.

Congratulations!