



Steps for Buying a Home

1. Select a REALTOR® & establish a relationship

Find a full time, professional REALTOR® with extensive market knowledge. They will work closely together with you to find the right home.

2. Initial consultation with your REALTOR® to evaluate your needs and resources

Once your needs are established, your Realtor® will provide guidance to financial institutions where you can obtain information in order to get the best financing available. You will discuss your needs and analyze your resources.

3. Identify property to buy

You will be shown homes based upon the criteria that you establish. The more precise and direct you are with your Realtor®, the more successful your search will be.

4. Determine Seller's motivation

Once you have found the home that you wish to purchase, your Realtor® will do the necessary research to help you structure an effective offer.

5. Write offer to purchase

Your Realtor® will draft the Purchase Agreement for you, advising you on protective contingencies, customary practices, and local regulations. At this time you will need to provide an "earnest money" deposit, usually from 1 to 3% of the purchase price (the deposit is not cashed until your offer has been accepted by the Seller).

6. Presentation of offer

Your Realtor® will present your offer to the Seller and the Seller's agent. The Seller has three options: they can accept your offer, counter your offer, or reject your offer. Your Realtor's® personal knowledge of your needs and qualifications will enable them to represent you in the best way possible.

7. Seller's response

Your Realtor® will review the Seller's response with you. Their negotiating skills and knowledge will benefit you in reaching a final agreement.

8. Open escrow

When the Purchase Agreement is accepted and signed by all parties, your Realtor® will open escrow for you. At this time your earnest money will be deposited. The escrow or title company will receive, hold and disburse all funds associated with your transaction.

9. Contingency period

This is the time allowed per your purchase Agreement to obtain financing, perform inspections, and satisfy any other contingencies to which your purchase is subject. Typical contingencies include:

- * Approval of the Seller's Transfer
- * Approval of the Preliminary Report from the Title Company
- * Loan approval, including an appraisal of the property
- * Physical inspections of the property
- * Pest inspection and certification

10. Homeowner's Insurance

Your Realtor® will coordinate between your Insurance Agent and the Escrow Officer to make sure your policy is in effect at close of escrow.

11. Down payment funds

You will need a Cashier's Check or money transfer several days prior to the closing date of escrow.

12. Close escrow

When all of the conditions of the Purchase Agreement have been met, you will sign your loan documents and closing papers. You will deposit the balance of your down payment and closing costs to escrow and your lender will deposit the balance of the purchase price. The Deed will then be recorded at the County Recorder's office and you will take ownership of your home.

