

BUYING A HOME

Step-by-Step GUIDE



START

PRE-APPROVAL/ PROOF OF FUND/ PRE-COMMITMENT

Income and asset document and credit report are analyzed to determine the amount of financing you qualify for.

FIND A HOME

Let your agent help you find the perfect home to fit your lifestyle.

MAKE AN OFFER

Present your Pre-Approval Letter or proof of fund, Sign the offer CONTRACT, once accepted, sign binder, order inspection.

CONTRACT & ATTORNEY REVIEW

Review and sign your contract of sale with your RE attorney. Provide initial down payment check.

SECOND DEPOSIT

Second Deposit is due upon ARC (attorney review conclusion) as instructed by Attorney,.

HOME INSPECTION

Have a professional inspection done on the property you are purchasing. A qualified inspector can discover any hidden problems that may cost you money after you have purchased your home.

PROCESSING FOR MORTGAGE DEALS

Receive your welcome email. Your processor will order the appraisal, verify your credit, employment, and assets.

APPRAISAL REPORT FOR LOANS

Received and reviewed! Processor updates you of outstanding conditions pending loan approval.

TO UNDERWRITING

Processor submits file to underwriting for review and Commitment Letter. You receive CL when issued.

TITLE REPORT

Your attorney submits the title report to the bank attorney for review and clearance.

MORTGAGE COMMITMENT & CLEAR TO CLOSE

Submit all closing conditions, insurance noted on Commitment Letter for final clearance.

SCHEDULE CLOSING

All parties are notified the loan is clear to close. Closing date is scheduled.

Research reputable moving companies, and arrange services.

CLOSING

Final Walk Through is Conducted. All parties sign closing documents. Certified check instructions provided prior to closing.

DOs

- Do save and submit all future paystubs.
- Do save and submit all future bank statements (complete with all pages)
- Do keep copies of all documents to processing
- Do continue to pay your debt and loans on time
- Do call your loan officer at any time with questions or concerns.

DONTs

- Don't apply for any credit
- Don't change your credit
- Don't move money around
- Don't change your job

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Contact: 866-201-6210



THIS IS HOW CLOSING COSTS WORK

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CLOSING COSTS

1/2 OF TITLE & ESCROW FEES
Fees such as transfer taxes, title insurance, notary fees, etc.

COMMISSIONS
Average real estate commission is 5.4% (Real Trends)

LOAN PAY OFF
Outstanding mortgages balances would be satisfied at closing

1/2 OF TITLE & ESCROW FEES
Fees such as transfer taxes, title insurance, notary fees, etc.

LENDER FEES
For obtaining a mortgage including the appraisal

HOMEOWNERS INSURANCE
Typically one year of your hazard or homeowner's insurance is paid up front at closing.

ADDITIONAL COSTS

Home Warranty (optional)
Property Taxes (prorated)
RE Brokerage Admin Fees
Pest or Septic Inspection
HOA fees (prorated, if required)

Owner's Title Insurance
Inspection Fees (in escrow)
Earnest Money (credit at close)
RE Admin Fee (if applicable)
Credit Report Fee

CLOSING COSTS CAN RUN BETWEEN 2-5% OF PURCHASE PRICE

All fees and charges can be negotiated.

Be prepared: Budget for low-cost repairs.

Tax proration's vary by State, ask a professional.

You can ask for closing cost assistance from Seller as part of the offer.

A \$1,000 increase in purchase price usually equates to < \$10/month

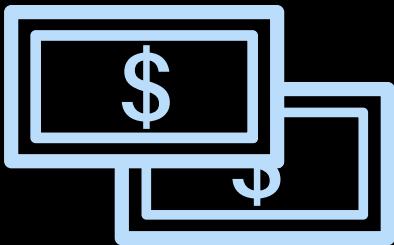
Don't make any big purchases when you are under contract.

SELLER AND BUYER

(GFE)
GOOD FAITH ESTIMATE

Request a copy of this estimate from your agent or lender, you're legally entitled to receive one within a few days of applying for a loan.

Note that this is an estimate.



(10%)
COMPARE

These two documents are identical on everything except price.

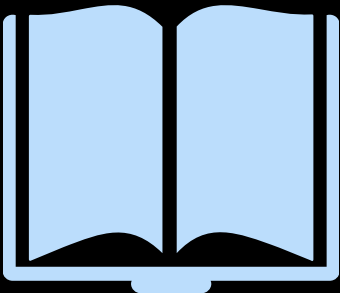
Any difference in charge should always be within 10% of the GFE value.

Ask your professional to explain any changes.

(HUD-1)
SETTLEMENT STATEMENT

You should be able to receive a copy of this document within a few days of closing.

Review the charges, compare with your GFE, and be sure to ask any questions that you have!



DID YOU KNOW?
Federal law requires that sellers and buyers receive a copy of a HUD-1, or settlement statement, from outlining all charges in a real estate transaction.

DO YOUR HOMEWORK
Don't be shocked at closing! Ask your lender, agent, or title rep to explain all of your costs well before going in to sign your final papers.