



GENERAL HOME BUYING PROCESS

1. If financing, first obtain pre-approval for a loan and limit taking out any additional loans or credit. (See the Initial Financing Preparations Section for additional information). This is a short process where a loan originator will check your credit, verify information about your finances and issue a pre-approval letter stating the loan amount you apparently qualify for, based on the initial information you provided.
2. Budget for a down payment (generally ranging from a few thousand to 20% of the purchase price), closing costs (often ranging from 2.5% to 5% of your loan amount) and monthly expenses (maintenance, insurance, property taxes, mortgage payments, utilities, etc.)
3. Identify your timeline, priorities, needs and wants associated with your future home to narrow your search. Consider aspects beyond the home itself, such as the neighborhood, accessibility, zoning, future development and appreciation potential etc.
4. Make an offer when you find the right home, determine how you will hold title, and negotiate terms and contingencies such as inclusions, closing costs, inspections, financing, appraisal, etc.
5. When your offer is accepted, deposit your earnest money and satisfy the lender's conditions to obtain final financing approval prior to the deadline in the purchase contract.

6. Complete the due diligence process prior to the deadline in the purchase contract. This includes reviewing the title insurance commitment and the inspection report etc. Depending on the specifics of the home, various additional inspections and tests might be worth considering, beyond a standard home inspection (these include: radon gas, toxic mold, asbestos, methamphetamine, soil analysis etc.)
7. Perform a final walk-through of the property to confirm its condition has been reasonably maintained prior to closing.
8. Coordinate to have utilities and insurance in place by the time you take ownership.
9. Attend the Closing, review the settlement statement, conveyance documentation and complete the final paperwork.