

Overview of the Buying & Selling Process

The Buyer

1. Considers the purchase of a home.
2. Selects a real estate agent.
3. Determines needs and wants.
4. Applies for financing, gets pre-qualified for a loan.
5. Views & researches possible homes.
6. Makes an offer to buy.

Once an Offer is accepted, and the Contract is fully executed (both parties have agreed to all items in the contract and signed it):

1. The earnest money and option fee checks are collected from the buyer. The earnest money is given to the title company, and the option fee is given to the seller.
- 2. The buyer has a home inspection and a termite inspection done by a licensed inspector. These inspections are done as soon as possible after the contract has been executed, and must be done during the option period (specified in the contract).**
- 3. The buyer finalizes the financing with the lender** during the timeframe specified in the Third Party Financing Addendum.
4. The lender will order an appraisal of the home.
- 5. The buyer secures homeowner's insurance for the new home.**
6. The title company will perform a title search, and work on clearing up any issues that must be resolved before closing, so that a title insurance policy can be issued.
7. The lender gets final closing documents to the title company.
8. The title company prepares all of the paperwork for the closing
9. Both the buyer and seller go to the title company to sign papers for the closing. The buyer brings a certified check to closing for the amount that must be paid (down payment plus closing costs, as specified on the Settlement Statement / HUD 1 form).
10. The purchase is "funded" by the lender through a wire transfer of funds from the lender to the title company.
11. The buyer takes possession of the home.
12. The title policy, deed, and title are filed in county records by the title company.