

# 18 Steps of the Homebuying Process



- 1 Choosing your real estate agent.
- 2 Choosing your lender (know about different types of mortgage loans and pre-qualification).
- 3 Selecting your home (determine the type, the price, and the location).
- 4 The offer (once you have found the property, make a written offer through your real estate agent).
- 5 The closing process (when you have reached an agreement with the seller, the initial good-faith deposit is given to a settlement agent or broker, and the process begins).
- 6 The mortgage loan (a mortgage loan is requested, appropriate forms filled out), if financing is needed.
- 7 Preliminary report or title commitment is reviewed and accepted.
- 8 Inspections and disclosures (the property is inspected during the period specified in the contract, and all disclosures made by the seller about the property are reviewed).
- 9 Appraisal (the property value is determined by an independent appraiser).
- 10 Loan approval (the lender contacts you with loan approval).
- 11 Homeowner's insurance (you inform the settlement agent of the name of the insurance company that will issue the policy).
- 12 Loan funding conditions (the settlement agent checks the lender's funding conditions are met).
- 13 Final visit to property (the buyer inspects the property with the real estate agent, before closing the transaction).
- 14 Document signing (the buyer signs the loan documents and other closing documents and deposits the down payment and closing funds).
- 15 The settlement agent returns the documents to the lender.
- 16 The lender's funds are electronically transferred to the title company (the monetary exchange occurs between the lender and the settlement agent).
- 17 The deed is recorded at the county office (this transfers the property title to the buyer) and the transaction closes.
- 18 **Congratulations! The keys are delivered to you.**

## WHY BUY A HOME?

In addition to the pride of ownership and enjoyment that you get from your own home:

- You will build wealth to the extent the value of your home appreciates
- The property taxes and mortgage interest may be tax deductible
- Your housing expenses usually increase at a slower rate than if you were renting
- You have much more flexibility in how you use, decorate, and/or remodel your home