

10 Steps to Buying a Home



1. Describe your dream home

What features are important to you in your new home? Start by making a list.

2. Determine your price range

When you list all your monthly bills, how much of your monthly pay is left over for your mortgage? Don't forget to include all bills that may be associated with your new home, such as homeowner's insurance, water/sewage & utilities, cable, trash pickup, security system monitoring, and homeowner association fees.

3. Select a Lender for your home loan

Various lenders can offer a range of loan programs and interest rates. It is important to shop around for the one that suits you best – and also to find a loan officer or mortgage broker with whom you are comfortable.

4. Enlist the help of a Realtor® to find your home

For the average home-seeker, it is advisable to gain assistance from a real estate professional. Their services are invaluable in finding the right home and neighborhood, and in negotiating with the seller and preparing the appropriate legal contracts, including the purchase agreement.

5. Obtain a pre-approval letter from your Lender

When you have selected a mortgage product and a loan officer or broker, s/he will work with you to get your information in order for pre-approval. Most home sellers will want to know that you are pre-approved for your loan before they will enter into a serious contract with you.

6. Make an offer

You've found the perfect home... you've been pre-approved for the right mortgage... You're ready to make an offer. This offer must be made in writing – the appropriate form can be completed by your Realtor®, or provided by the local bar association or Board of Realtors®.

7. Pay earnest money

Once the contract is finalized, there will generally be a requirement to present a sum to the seller as an indication that you are serious about purchasing the home (pending inspection).

8. Property inspection

After the offer is accepted and prior to closing, you will need to enlist the services of a home inspector to assure that the house's structure, systems and foundation are as they should be. Repair of problems that may be unearthed at this time can be added into your purchase contract or, in some cases, may be legal cause to exit the contract. It is highly advisable to attend the inspection – you can learn a lot about your new home from the inspector at this time.

9. Obtain homeowner's insurance

Most lenders will require that you show proof of homeowner's insurance on your new property before they can finalize the loan. You will most likely need to present payment for the first year of insurance at your closing, along with your down-payment and closing fees.

10. Close on the property

Before your new home is all yours, you must sign all appropriate documentation at your closing.

The closing will typically be held at a Title First office, the office of your realtor, lender or attorney, or sometimes on-location. Because your new home is one of the biggest purchases you will make throughout your life, it is important that you feel comfortable with all the information being presented to you during the closing procedure.

Title First is dedicated to walking you through this important process with care and attention. When it's time to set up your closing, don't hesitate to tell your realtor or lender to call Title First, or feel free to give us a call if you're working by yourself.