

What to Expect When Buying a Home

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Step 1: Find Your Realtor

Since the seller of a property pays the agent's commission, you get the benefit of having someone assist you without it costing you a penny. There are a lot of real estate agents out there, and you need to filter through them to find the one that is best for you. You want one that is knowledgeable about the area you want to buy in, knows the INs and OUTs of the home buying process, and can assist you through the process to help make it as stress free as possible. You want one that is a great negotiator and will do everything in their power to get you the home that is best for you.

A Realtor is a real estate agent that has taken a step further. A Realtor follows a more strict code of ethics than a standard real estate agent and is required to take on more training classes to further their knowledge of the real estate field. Make sure your agent is a Realtor!

Step 2: Speak to a Lender

To help make the buying process go more smoothly and stress free, you need to speak to a lender prior to beginning your house hunting. This allows you to find out what amount you are approved for and get any issues that could affect your eligibility resolved. If you need a referral for a lender, ask your Realtor.

Step 3: Find Your Dream Home

Once you have spoken to a lender and have been pre-approved for a loan, you will now begin your search.

Your Realtor will ask you detailed questions about what you are looking for in a home (For example: location, size, number of bedrooms and baths, etc.) This will help your Realtor during the search process, and save you time so you are not looking at homes that will not work for you. Once you have found a few potentials online, you and your Realtor will go look at them. Tell your Realtor what you like and don't like about each home. That will assist your Realtor in finding homes that are a better fit for you.

Step 4: Make an Offer

Once you have found the home you like, you and your Realtor will work together to create an offer. Your Realtor will fill out the forms for you to sign. Once submitted you should expect the sellers to counter against your offer. They may negotiate a different sales price, terms, or a combination of each. This countering stage may involve several counters until both sides have reached an agreement. Once the offer has been accepted by all parties, you will now have the house under contract.

When a seller accepts an offer, they are removing the property from the market. This poses a risk to the sellers because if you fail to close, it could mean that they missed out on another buyer while you had it under contract. To show the sellers that you are a serious buyer when you make an offer, you will need to put some money down. This money is called "Earnest Money" and you will write this in the form of a check at the time the offer is made. If the offer is accepted, the money will be deducted from your account right away and will be held in an escrow account. These funds will be credited to you at the closing table and can be applied to your closing costs or down payment. You are allowed to put down whatever amount you feel comfortable with, but it is recommended that you put down at least 1% of the purchase price as earnest money. If you decide you no longer want to buy the home for no legitimate reason, you will forfeit your earnest money. If you decide to back out of the deal because something was found during the inspection or the home failed to appraise for the purchase price, you can get your earnest money back.

Step 5: Inspections

Once you have the house under contract, you and your agent will start scheduling inspections. A standard home inspection will involve a licensed inspector examining all aspects of the home to ensure it is in sound condition

and safe to live in. Among many things, they will inspect the foundation, the electrical and plumbing systems, the HVAC system, the roof, etc. The average home inspection typically runs between \$400-\$450 dollars, so you should prepare yourself for that expense. This amount will be owed immediately following the inspection. Another inspection that is worth considering is a termite inspection to ensure the property does not have active termites in it. This inspection usually runs between \$30-\$40 dollars.

Some homes may require additional inspections such as a septic inspection if the house is on a septic system. If the home has a pool, you would consider getting a pool inspection. Your agent will work with you if any other types of inspections are recommended.

Almost all homes, even new construction, will most likely have some issues that will come up on the inspection. If you are buying a property that has already been lived in, you should realize that it will not be in perfect condition. When the inspection comes back, you will work with your Realtor and go through the list of problems. You will have three options; negotiate with the sellers to have the issues fixed at their expense, buy the house as-is, or if there is a substantial defect, you can cancel the deal and walk away.

Step 6: Pre-Closing Period

During the inspection period and up to closing, your Realtor, your lender, and the title company will be doing a lot of work to get ready for the closing. You should expect a lot of communication with your lender. They may require additional documentation or additional signatures. You should respond to any lender requests as soon as possible. Any delay in getting needed documents could delay the closing date.

Sometime in the last week prior to closing, you should start calling all utility companies to have everything changed over to your name. Most require a minimum of 24 hours, so you don't want to wait until the closing date to start calling. If you are unsure of who to call, your Realtor can assist you in finding out.

Step 7: Closing

Congratulations! You have made it to the closing table and are almost finished. At the closing table you and your Realtor will sit down with the closing agent from the title company. They will walk you through all the documentation that needs your signature. This process

typically takes about 30-45 minutes. Once this has been completed, you have officially purchased your new home and will be given the keys!

Conclusion

Buying a home is a big step and The Melcher Real Estate Group strives to make the process as easy and stress free as possible. If you have been thinking about buying a home, give us a call to schedule a private consultation. You can reach us by phone at (615) 305-3910, by email at TheMelcherGroup@gmail.com, or visit our website at www.TheMelcherGroup.com for more information.

Thank You