

BUYING A HOME

Steps & Expenses

Congratulations on embarking on the journey of purchasing your first home. As a homebuyer, there are a few tasks and initial costs you'll need to take care of before you can get to the closing table. I've put together this checklist to assist you in getting ready for what what's to come. ~Christine

Step One **Preapproval**

It cost \$0 to obtain a preapproval! Securing a preapproval through a lender helps determine affordability, understand borrowing capacity and shows a seller you're serious about buying. Preapprovals are typically valid for 4 months as long as there are no changes to your employment or finances. Need lender recommendations? I can help!

Step Two **The Home Search**

As your REALTOR, I will work to identify properties aligned to your preferred location, features, and price point. The home search should begin at least 3 months prior to your desired move-in date. When we're not touring homes together, I encourage free to attend open houses or drive by homes of interest to get a sense of the community, commute, area amenities, etc.

Step Three **Submit an Offer**

You've found the place you want to call home! Now we'll submit a competitive offer with terms aligned to your interests; offer price, earnest amount, closing date, etc. The seller typically has 24-36 hours to respond.

Step Four **Counter Offer**

The initial offer is sometimes the starting point for negotiation or what is considered a counter offer. I will work to ensure your best interests are served throughout the negotiation stage.

Step Five **Offer Accepted**

A final agreement is reached and the offer is accepted. Congrats! You are now under contract. This is considered your *Binding Agreement Date* and you are now "in escrow". Here's what comes next.....

Step Six **Earnest Money**

Earnest money is a good-faith deposit to show the seller you're serious about buying. The amount is typically between \$1000 - to 1% of the sales price and was determined when you submitted your offer. Money due to the title company within 3 calendar days of your Binding Agreement Date.

Step Seven **Mortgage Application**

You are required to submit your mortgage loan application and cover the cost of the credit report within 3 calendar days from the Binding Agreement Date. Immediately notify your Realtor and the Seller's agent of the loan application, providing the name and contact details of the mortgage lender.

Step Eight **Home Inspection**

A home inspection must be completed within 10 calendar days of your Binding Agreement Date. The average cost of a home inspection in Tennessee is \$450-750 and due upon scheduling. *I will provide you with options for inspectors and schedule on your behalf. It is beneficial for you to attend the home inspection.*

Step Ten **Home Insurance**

You must obtain & submit proof of hazard insurance (home insurance) within 14 calendar days of your Binding Agreement. The average annual cost of home insurance in Tennessee is \$1,980.

Step Eleven **Utilities**

Let there be light! Within 1 week of closing day, contact your utility providers to establish utilities at your new home; you'll need to transfer electricity, water, natural gas (if applicable) and trash (if not covered by an HOA).

Step Twelve **Cleared to Close**

"Cleared to close" means your lender has verified you meet the requirements and conditions for a mortgage. At least 3 business days before the closing your lender is required to provide a Closing Disclosure.

Step Fourteen **Final Walkthrough**

1 day prior to closing you and I will complete a final walkthrough. This your chance to ensure repairs were completed (if applicable) and the home is in the same or better condition.

Step Thirteen **Closing Day**

