

THE HOME BUYING PROCESS

Step One

Evaluate The Market

Think of this as window shopping for your future home. Scroll through listings, tour open houses, and see what styles, layouts, and neighborhoods catch your eye. You'll start to figure out what feels like "you" (and what definitely doesn't), which makes the rest of the journey way easier—and a lot more fun.

Step Two

Secure Financing

Money talks—and in real estate, it talks loud. Whether you're buying with cash or going the mortgage route, the most important step is getting your finances in order. If you're using a lender, don't just stop at one—chat with a couple! Each has different programs and perks, and comparing them can help you score better rates, lower closing costs, and loan terms that work in your favor. Better yet, use the offers you get from one lender as leverage with another—this way, you're negotiating behind the scenes to land the absolute best deal. Getting pre-approved is also a must these days—sellers won't take you seriously without it, and it gives us a clear picture of exactly how much home you can comfortably buy.

Step Three

Find Your Dream Home

Now the fun part begins—house hunting! Partner with a trusted, reliable real estate agent who's fully on your side. A great agent will not only help you spot the right home but also run comps to make sure it's priced fairly. When you find "the one," they'll craft a smart, competitive offer designed to get you the best deal possible while protecting your interests every step of the way.

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Step Four

Crafting An Offer

Once you've found the home you love, it's time to put together a strong offer. This isn't just about the purchase price—your offer will also include details like your down payment, financing terms, contingencies, earnest money, and timelines. It also outlines key dates such as the inspection period, closing date, move-in date, and other important milestones in the contract. A well-structured offer shows sellers you're serious, while also protecting your interests and giving you the best shot at getting your dream home.

- **What is earnest money and how is it used?**

- Think of earnest money as a good-faith deposit that shows the seller you're serious about buying their home. You get this money back at the end of the transaction, and you can use it to help cover closing costs or other expenses—so it's not an extra fee. There's no set amount you have to put down, but a typical range is about 1% to 3% of the purchase price. Contingencies in your contract (like inspection or financing) protect your earnest money—meaning if you back out for a covered reason, you get it back. But if you walk away for something outside of those protections, the seller may keep it.

- **What is a Contingency?**

- A contingency is like a safety net built into your purchase contract. It means your offer is conditional on certain things happening, and if those conditions aren't met, you have the right to back out of the deal without losing your earnest money. Contingencies protect you and make sure you're not locked into buying a home that doesn't meet your expectations or financial needs.

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Step Four - Cont.

Crafting An Offer

Standard Contingencies You'll See in a Contract

- **Inspection Contingency** – Gives you the right to have the home inspected and request repairs, credits, or walk away if major issues are found. This also includes a neighborhood review, and you may exercise this contingency based on concerns uncovered during inspections or your own due diligence in the home.
- **Financing (or Loan) Contingency** – Protects you in case you're unable to secure financing for the purchase.
- **Appraisal Contingency** – Ensures the home's appraised value matches (or is higher than) the purchase price, so you're not overpaying.
- **Title Contingency** – Confirms the seller has a clear title and legal right to sell the property.
- **Home Sale Contingency (sometimes)** – Lets you make the purchase dependent on selling your current home first.

Step Five

Getting Signed Around

“Signed around” is real estate lingo for the moment all parties have signed the purchase contract. Once both buyer and seller agree to the terms and put pen to paper, the deal is official and the transaction clock starts ticking. From this point forward, deadlines like the inspection period, financing, and closing timeline officially begin.

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Step Five

Transaction Timelines

Once the contract is signed around, the transaction officially kicks off—and the clock starts ticking. While the dates in your contract (like inspection, appraisal, and closing) are flexible during the offer stage, once everyone agrees, they become set deadlines. From here, both the buyer and seller have responsibilities to keep things moving smoothly. For buyers, this often means completing inspections, securing financing, and providing any needed documentation. For sellers, it can include making agreed-upon repairs and ensuring the home is ready for appraisal and closing. Staying on top of these timelines is key to avoiding delays and keeping your transaction on track. Here is a breakdown of standard contract timelines.

- **Within 5 Days: Deposit Your Earnest Money** – This is your first official step after going under contract. Coordinate with the closing agent and either stop by their office with a check or arrange a secure wire transfer to get your earnest money deposited on time.
- **Within 5 Days: Apply for Your Loan** – Even if you're already pre-approved, you'll need to formally apply for your loan once you're under contract. This locks in the process with your lender and gets the ball rolling toward final approval.
- **Within 5 Days: Apply for Homeowner's Insurance** – You'll need to secure a policy early in the process. Lenders require proof of insurance before closing.
- **Within 15 Days: Provide Notice if Coverage Isn't Reasonable** – If you're unable to obtain homeowner's insurance at a reasonable rate, you must notify within 15 days to protect yourself and keep your earnest money safe.

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Step Five Cont.

Transaction Timelines

- **5–10 Days: Complete Your Home Inspection** – Depending on what’s written in your contract, you’ll typically have 5 to 10 days to get the inspection done. Once you have the results, you can decide whether to request repairs, negotiate changes, accept the property as-is, or terminate the contract and back out of the transaction.
 - **Accepting the condition of the home as is** – After the inspection, one option is to accept the home exactly as it stands. This means you’re comfortable moving forward without asking the seller for repairs or credits. Choosing this route can sometimes make your offer stronger in the eyes of the seller, but it also means you’re agreeing to take on any future repairs yourself
 - **If the Property is Disapproved** – If the inspection reveals issues that make you uncomfortable moving forward, you have the option to disapprove the property and terminate the agreement. In this case, the contract is canceled, and as long as you’re within your inspection contingency, your earnest money is refunded. This protects you from being locked into a home that isn’t the right fit
 - **Requesting a 5-Day Extension** – Sometimes an inspection uncovers potential issues that need a closer look. In that case, you can request a 5-day extension to bring in professional contractors—like electricians, plumbers, or roofers—for additional inspections. This extra time ensures you fully understand the scope of any repairs before deciding how to move forward.

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Step Five Cont.

Transaction Timelines Inspections

- **Moving Forward With Conditions** – Sometimes an inspection turns up issues that don't make you want to walk away, but they do change how you feel about the deal. In these cases, you can choose to move forward only if certain repairs are completed by the seller or if the contract is renegotiated to better reflect the home's condition. This way, you're still able to get the home you love—while making sure the terms make sense for you.
 - **Requesting Repairs or changes to the Contract Terms** - If your inspection reveals items you'd like addressed, you can formally request repairs or credits from the seller. Once submitted, the seller has three days to respond with their decision. After that, you have another three days to review their response and either accept their offer or decline and terminate the agreement. This back-and-forth keeps the process fair and gives both parties a clear timeline to reach a resolution.

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Step Six

The Appraisal Process

After inspections, your lender will order an appraisal to confirm the home's value. An appraiser is hired by the bank—not the buyer or seller—to provide an independent assessment of the property. Depending on your type of loan, the appraiser may also require certain conditions to be met before the loan is approved. For example, FHA and VA loans often act like a mini-inspection, checking for safety and livability standards in addition to value.

- **What If the Appraisal Comes In Low?**

- If the appraisal comes in under the purchase price, we'll need to renegotiate with the seller, the seller may reduce the price, or you may bring additional funds to closing to cover the gap.

- **What If the Appraisal Comes In High?**

- If the appraisal is higher than the purchase price, that's great news—you're instantly walking into equity.

Step Seven

Underwriting the Loan

Once the appraisal is complete and any conditions are satisfied, your file moves to underwriting. This is when the lender takes a deep dive into your finances, the property, and all the documents to officially approve the loan. It can feel like a waiting game, but it's the final step before receiving the "clear to close."

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Step Eight

Closing Day & Getting Your Keys

The finish line is here! The last step is signing your closing documents, which makes everything official. Once that's done, the home is yours—you'll get the keys and can finally move into your new place. Congratulations on becoming a homeowner and starting this exciting new chapter!



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“Let’s Get You Home”

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Summary Checklist

Homebuyer's Quick Checklist

Step 1: Explore the Market

- * Browse listings and tour homes.
- * Figure out what you like (and don't like).

Step 2: Secure Your Financing

- * Talk to multiple lenders and compare offers.
- * Use one lender's offer to negotiate with another.
- * Get **pre-approved** so sellers know you're serious.

Step 3: Find Your Dream Home

- * Partner with a trusted real estate agent.
- * Run comps to confirm fair pricing.
- * Choose the home that feels right for you.

Step 4: Craft Your Offer

- * Include purchase price, down payment, financing terms, contingencies, earnest money, and timelines.
 - * Set key dates: inspection, closing, move-in.
- #### **Earnest Money**
- * Deposit 1–3% as a good-faith deposit.
 - * Protected by contingencies, refunded at closing, or forfeited if you back out without cause.

Contingencies

- * Inspection: Review home + neighborhood.
- * Financing: Protects you if loan falls through.
- * Appraisal: Ensures home value supports purchase price.
- * Title: Confirms seller can legally sell.
- * Home Sale: (Sometimes) dependent on selling your current home.

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Summary Checklist Cont.

Transaction Timeline (Typical)

- * Day 1–5: Deposit earnest money & apply for loan.
- * Day 5–10: Inspection period.
- * Day 1–5: Apply for homeowner’s insurance.
- * Day 1–15: Notify if unable to secure affordable insurance.

Inspection Outcomes

- * Accept the home as-is.
- * Disapprove and terminate.
- * Request a 5-day extension for contractor inspections.
- * Request repairs (3-day seller response / 3-day buyer response).
- * Move forward only if repairs or renegotiation happen.

Appraisal Process

- * Ordered by lender to confirm value.
- * FHA/VA may add safety & livability checks.
- * If low → renegotiate, seller lowers price, or buyer adds funds.
- * If high → instant equity!

Underwriting

- * Lender reviews everything.
- * Wait for the “clear to close.”

Closing Day

- * Sign closing docs.
- * Get the keys.
- * Celebrate your new home!