

## WHAT TO EXPECT IN A RESIDENTIAL TRANSACTION

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Buying a home involves several stages. Below is a list of the more common steps during a residential transaction.

Your situation may vary and it is best to contact your real estate professional at (317) 645-4444 for more information.

### Common Steps for Buying a Home

#### Initial Meeting with Real Estate Professional

- Determine needs and wants
- Determine financial eligibility

#### Loan Qualification

- Discuss finances
- Obtain prequalification

#### Find a Home

- Select an affordable property that fits your needs
- Discuss offer with agent
- Buyer reviews contract with agent
- Buyer's agent presents offer to listing agent

#### Present and Negotiate Offer

- Buyer prepares "earnest money" deposit (typically, ½ to 1% of purchase price)
- Seller accepts offer (Seller can accept your offer, counter your offer, or reject your offer)

#### Earnest Money Deposit

- Deposit "earnest money" into escrow account (usually held by listing agent) Baldwin Companies likes to request that the title company hold it as an impartial entity, but that's atypical to local industry standards where the listing brokerage wants to hold it
- Title Company will order Preliminary Title Report to see if there are any ownership issues (tax liens, claims against title, etc.)

## Submit Loan Application

### Contingency Period

- Conduct Physical Inspection of property by a qualified inspector
- Approve Seller's Disclosure Statement
- Approve Preliminary Title Report
- Obtain property appraisal (lender will arrange this)
- Obtain loan approval from lender
- Perform termite inspection and certification (optional or if lender required)

### Obtain Homeowner's Insurance

- Select insurance company and coverage
- Insurance will be in effect upon closing

### If Applicable, Obtain Home Warranty Insurance

### Sign Documents

- Title Company receives signed documents at closing

### Down Payment

- Need cashier's check or money transfer prior to closing date

### Closing the Transaction

- Deposit down payment and closing costs with Title Company
- Lender sends balance of purchase price to Title Company
- Deed is recorded with County Recorder's Office
- Get your keys and move in!

Your agent should guide you through all of this.

**DON'T FORGET TO FILE HOMESTEAD & MORTGAGE EXEMPTIONS WITH COUNTY AUDITOR**