



HOME BUYING - ONE STEP AT A TIME

1. Select an agent and establish a relationship

A professional agent typically has extensive market knowledge and will work together to find the right home for you.

2. Initial consultation with agent to evaluate your needs

Once you establish your needs, your agent will provide guidance to financial institutions where you can obtain information in order to get the best financing available.

3. Identify property to buy

Your agent will forward you homes based upon the criteria you establish. The more precise and direct you are with your agent, the more successful your search will be.

4. Determine Seller's motivation

Once you have found the home that you wish to purchase, your agent and California Title can assist with the necessary research to help you structure an effective offer.

5. Write offer to purchase

You will draft the Purchase Agreement, and your agent can advise you on protective contingencies, customary practices, and local regulations. At this time you will need to provide an "earnest money" deposit, usually from 1 to 3% of the purchase price (the deposit is not cashed until your offer has been accepted by the Seller).

6. Presentation of offer

Your agent will present your offer to the Seller and the Seller's agent. The Seller has three options: they can accept your offer, counter your offer, or reject your offer.

7. Seller's response

Your agent will review the Seller's response with you and negotiate to reach a final agreement.

8. Open Escrow

When the Purchase Agreement is accepted and signed by all parties, your agent will assist in opening escrow for you. At this time your earnest money will be deposited. The escrow will receive, hold and disburse all funds associated with your transaction.

9. Contingency

This is the time allowed per your Purchase Agreement to obtain financing, perform inspections, and satisfy any other contingencies to which your purchase is subject. Typical contingencies include:

- Approval of the Seller's Transfer Disclosure Statement
- Approval of the Preliminary Report from the Title Company
- Loan approval, including an appraisal of the property
- Physical inspections of the property
- Pest inspection and certification

10. Homeowner's insurance

Your agent can help coordinate between your Insurance Agent and the Escrow Officer to make sure your policy is in effect at close of escrow.

11. Down payment funds

You will need a Cashier's Check or money transfer several days prior to the closing date of escrow.

12. Close Escrow

When all of the conditions of the Purchase Agreement have been met, you will sign your loan documents and closing papers. You will deposit the balance of your down payment and closing costs to escrow and your lender will deposit the balance of the purchase price. The Deed will then be recorded at the County Recorder's office and you will take ownership of your home.



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