

Home Purchasing Process

The following is a summary of the home purchasing process:

1. **Contact a lender** in order to determine how much you can afford to spend on a home. The lender can pre qualify you for a given loan amount which will assist you in estimating what price range you can afford in a home. The lender is required to provide you with a good faith estimate outlining the prospective costs associated with your loan.

2. **Contact a real estate agent.** Before looking at homes you will sign a Buyer-Agent agreement summarizing the rights and obligations of both you and your real estate agent. Be sure to read the agreement prior to signing it. The real estate agent will show you available homes. When you find the right home you will make an offer, which hopefully the seller will accept, and then you will sign a purchase and sale contract for the home.

3. **The purchase and sale agreement** sets out the rights and obligations of the parties with regards to purchase price, deposits, mortgage, inspections, dates and many other provisions.

4. **Before you can finish** the home buying process you will need to finalize the loan in order to finance the purchase. When the loan is approved, you will be given a commitment letter. Read the letter in order to verify that you are getting the correct loan for the correct amount.

5. **Contact an attorney.** Have an attorney's office search the title to the property you wish to purchase in order to identify any encumbrances attached to the property.

6. **Finally you will attend the closing,** represented by an attorney who will explain and have you sign all of the requisite documents (closing statement, note, mortgage, etc.).

The lender will likely require you to have lenders title insurance and it is recommended to also obtain owner's title insurance. An owner's title insurance policy will cover things that a title search may not pick up and will ultimately provide you with the utmost security in the property you purchase.

For a free half-hour consultation about the legal side of buying a home, [contact our Real Estate department](#).