



**LKR** LEPIC-KROEGER, REALTORS®

# 10 STEPS TO BUYING YOUR HOME

## 1 GETTING THE PRE-APPROVAL

Getting pre-approved for a mortgage is one of the best things you can do when you are looking for your new home. Having a pre-approval letter helps you know how much you can afford, shows sellers you're serious if you make an offer and can also give you an advantage over others if there is a competing offer.

## 2 LOAN APPLICATION

While pre-approval is the first step, you also have to complete a loan application which will also pull your credit rating and history. This will determine how you will finance your home. Timeliness in providing requested materials and information is important to help with a quick approval and smooth buying process.

## 3 FINDING 'THE ONE'

Now it's time to identify the must-haves for your new home. Things to consider are age of the home, move in ready vs. fixer upper, location, area amenities, etc. Once you have your list, talk with your REALTOR®. They will help you negotiate the sale, confirm the closing date and help you get ready to purchase your new home.

## 4 LOCK IN YOUR RATE

Once your offer on your new home has been accepted, and your loan application is complete and updated with the new information, it's time to discuss your interest rate with your loan officer.

## 5 INSURANCE

Your offer has been accepted, your loan application has been sent for approval, now you need to protect your new investment with home insurance. Mortgage companies require you to have fire and hazard insurance. You may also be required to have flood insurance if your new home is in a flood zone.

## 6 INSPECTIONS

Inspections are a huge part of the home buying process. You can expect to have a whole house inspection, radon test, pest inspection, and possibly septic inspection. Your REALTOR® will be able to help you identify area inspectors and set up appointments.

## 7 APPRAISAL

The appraisal helps mortgage companies justify the price you are paying for your new home. If the home happens to appraise for a lower amount than the purchase price, you may be able to renegotiate your purchase price.

## 8 ABSTRACT

The abstract is essentially a historical record of each property. This also confirms that the property is clear of any liens. Once all of the liens are clear, an attorney will confirm the transfer of title to the new property owner.

## 9 PROCESSING + UNDERWRITING

Once all of the information is received and loan documents are filled out, the mortgage request is given a final review by a loan processor and underwriter. Once they have made the final decision to approve, your loan is granted and the closing date and location are set. Now it's time to start packing!

## 10 CLOSING TIME

The final documents have been approved and signed, now it's time to finally close on your new home. At the closing, be prepared to bring a certified check for closing costs. Don't forget your ID!

**WELCOME HOME!**