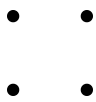


Buyer's



Guide



01

Find an Agent

Connect with a licensed Compass real estate agent who is knowledgeable about the neighborhoods you're considering and can help guide your search.



02

Get Pre-Approved

Before beginning your search, your first step is to get pre-approved for a mortgage loan (unless you will be paying the full price of your home in cash). We can connect you to a mortgage broker. Based on your income and credit history, the mortgage broker will determine how much a bank will lend you, which will help you determine the price range for your search.

03

Visit Properties

Now is the time to consider your ideal home's location and amenities. You will attend viewings and open houses spanning a range of areas and property types. Additionally, we will activate notifications for Private Exclusive and Coming Soon listings before they hit the market.

04

Submit Offer

Once you identify a home you like, you can put in an offer, which is an agreement to pay a certain price for the home. This offer is packaged with a Pre-Approval Letter or Proof of Funds (for cash offers). If your offer is lower than the list price or with terms not acceptable to the seller, the seller will likely return with a counter-offer price or acceptable terms. You can accept, reject, or make another counter-offer. We will provide advice throughout.



05

Under Contract

Once your offer has been accepted and all parties have signed the Agreement of Sale, you are considered under contract. Your first deposit is due at this time. We will send you an outline of important dates and deadlines for your transaction.

Your completed mortgage application with all supporting documentation should be submitted to your lender.

Your chosen title company will search for any liens or judgements on the property in order to provide a clean title and title insurance.

08

Settlement

On the day of settlement, you and the seller will sign off on all deed, title, and mortgage documents. The ownership of the property will transfer to you. Congratulations! You are now a homeowner!

06

Home Inspections

It is the buyer's responsibility to schedule all desired home inspections and determine the overall condition of the property within the agreed timeline and contractual contingencies. We typically recommend you get home, termite, and radon inspections. You may approve or negotiate credits/repairs. Prior to settlement, we will do a final walk-through to verify the property is still in an acceptable condition and any negotiated repairs were done.

07

Homeowners Insurance and Loan Approval

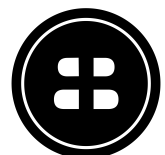
Be sure to set up a homeowners insurance policy at least two weeks before settlement.

Once all requirements have been met for the mortgage company and the home has appraised, they will issue a "clear to close," giving the green light for settlement. The mortgage company will issue a Closing Disclosure with an estimate of your closing costs.



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Key Terms

Appraisal Assessment of the property's market value, for the purpose of obtaining a mortgage and performed by a licensed appraiser.

Assessed Value Value placed upon property for property tax purposes by the tax collector.

Closing Costs Expenses incidental to a sale of real estate, such as loan fees, appraisal fees, title insurance and escrow fees.

Closing Statement The statement which lists the financial settlement between Buyer and Seller, and the costs each must pay.

Contingency Certain criteria that have to be met in order to finalize the sale.

Conventional Mortgage A mortgage or Deed of Trust not obtained under a government insured program such as FHA or VA.

Credit Money given to a buyer from a seller through escrow at closing.

Escrow A neutral third party that handles the transfer of any money during the sale of a home from initial deposit to final funding and closing.

Earnest Money Deposit Buyers in California usually deposit 3% of the purchase price to show that the buyer is serious about purchasing the home. It is usually refundable in the event a contingency in the sales contract cannot be met.

Fixed Rate Mortgage A loan on which the interest rate and monthly payment do not change.

Home Warranty A policy that covers certain repairs (e.g. plumbing/heating) of a newly purchased home for a period of time, typically one year.

Preliminary Title Report A report showing the condition of title before a sale or loan transaction. After completion of the transaction, a new title insurance policy will be issued.

Title Insurance Insurance to protect the buyer and lender against losses arising from disputes over the ownership of a property.

Recording Fees Money paid to the lender for recording a home sale with the local authorities, thereby making it part of the public records.

