

Secure your Financing

Since you've already seen your lender to get pre-approved, it's now a matter of securing the funds for the sales amount agreed upon. You will finalize the details like the down payment, the interest rate, and the payment schedule, and sign the papers.

Understand the Closing Costs

One thing that every homebuyer needs to be aware of, especially first-time buyers, are the closing costs. Typically, this works out to about 3 -4 % of the cost of the home you are purchasing. For example, a \$400,000 home would have approximately \$12,000 to \$16,000 in closing costs.

These are the things that need to be paid by the buyer:

- Home inspection
- Property appraisal
- Property survey
- Deposit (down payment)
- Title insurance
- Property insurance
- Land transfer tax
- State recording fees
- Property taxes, Utilities, and condo fees
- Mortgage default insurance
- Escrow fees
- Legal fees and disbursements
- New home warranties
- Moving costs

If you hire an agent to represent you and your best interest, that is often referred to as a buyers agent. In this scenario, you would be responsible for your Agent getting paid their fee. This doesn't necessarily mean that you would cut a check directly to your agent, although that's an option, but usually it can be worked and negotiated when presenting the offer to the seller. Because this is something that is based on license law and state guidelines, ask your agent to explain how they plan on getting paid their fee.

