

Title 1: Woah! My Offer Got Accepted. Now What?

Subtitle 1: The next steps after your offer gets accepted

Title 2: What's Next After My Offer Gets Accepted?

Subtitle 2: What you need to be prepared for after your offer gets accepted

Title 3: Are You Ready for What Comes After Your Offer Gets Accepted?

Subtitle 3: How you can get ready for the closing process



Congratulations! Your offer has just been accepted, and you are fired up and ready to move into your new home. Although this is one of the most exciting parts of the home buying process, it is also one of the most serious. After your offer gets accepted, lots of things happen quickly. You need to be prepared to transfer a deposit, complete inspections, appraise the home, qualify for a loan, and finalize the closing process. When the seller accepts your offer, you'll be able to conduct your own due diligence to

ensure that there are no serious defects with the home. Even though most homebuyers won't find any major issues with the property, you want to be prepared in case something does come up.

The steps that you will follow protect both the buyer and the seller. This is your moment to do all the necessary inspections to ensure the property you're buying is worth what you're paying for it and that any major issues or repairs can be fixed or negotiated for a price reduction. During this time, the seller will also be able to make sure that you qualify for a loan and can finance the property before the sale is finalized. Let's take an in-depth look at the post-offer approval process so that you can get a good grip on what you need to do when closing on a home.



Things will come up

The first thing that you need to realize is that things are going to come up. Even your dream property might have some issues that you won't discover until later. You might find that your lender won't

provide you with terms that you're happy with. Be prepared for these types of things to happen, and don't get frustrated if you can't get everything completed smoothly the first time around.

Buying a home is often the biggest purchase a family can make, and you want to take the time and resources to make sure you're making the right decision. In some cases, the problems that arise are fairly significant. During your contingency period, as long as you honor the timelines and guidelines in your offer contract, you'll be able to cancel your offer without losing any of your earnest money deposit.

1. You discover major issues with the home

After your offer is approved, you will have the opportunity to inspect the home and conduct walkthroughs before closing. In some cases, you might discover major defects that are costly to repair or significantly lower the expected value of the home. An example might be a damaged roof, sewer problems, termite infestations, or foundation issues. If you encounter any of these problems during the inspection process, you should be wary. If the seller has been dishonest about one thing, they could be hiding other issues as well.

In some cases, sellers may be willing to make repairs free of charge before closing. But many sellers sell homes "as is," meaning that they are not required to make any repairs to them.

2. You can't obtain the type of financing you want

Even if you're already pre-approved for a mortgage, the process is only beginning. Whether you are required to cross-qualify with another mortgage lender or if you just want to shop around for the best rate, you'll need to lock in your mortgage during your escrow period. However, there is always the possibility that you won't be able to acquire financing at the kind of terms you are comfortable with. For instance, you might not ultimately qualify for a loan or get the interest rate you have in mind. If you can't qualify for a mortgage, or the terms are unacceptable, you should be prepared to walk away. The last thing you want is to get stuck with a mortgage you can't afford because you accepted unfavorable terms to finish the homebuying process quickly.

3. Your appraisal may not be high enough to justify the price of the home

You will also have the opportunity to appraise the home after your offer is accepted. In some cases, you will find that the home is worth less than the price accepted by the seller. If the difference

between the home's value and the sales price is significant, you should see if the seller is willing to lower the purchase price for the home. If not, you'll have to come up with the cash to make up the difference between what you offered and what the house appraises for. Otherwise, you'll have to walk away.

In some cases, the seller might work with you. Your agent can help you negotiate this request. If the seller is willing to lower the price after a low appraisal, then a real estate agent can handle the negotiations for you.

The closing schedule will shift

Be prepared for the closing schedule to shift. In the majority of cases, your closing schedule will change at some point based on what you find during the inspection process, as well as how quickly your loan application process goes. The only exception is if you are buying a new home with no issues. Be prepared, but don't let it frustrate you.



The closing schedule explained

Here is the timeline you can expect after your offer is accepted:

1. Offer accepted

The moment the seller formally accepts your offer. Woo!

2. Transfer initial deposit

After your offer is accepted, you will have three business days to transfer the initial deposit. Typically, the initial deposit is about three percent of the home purchase price. This is paid either by check or through a wire transfer. Keep in mind that as long as you abide by the rules of the contract, your deposit is refundable if the deal falls through. If you go through the inspection process and find out that the house has major piping damage, an unstable foundation, or you can't qualify for a loan, you can get your deposit refunded to you.

3. Complete all inspections

During this process, you'll be able to inspect the home for structural issues. It is highly recommended that you hire skilled, experienced professionals to handle the inspections for you. Normally in real estate contracts, there is an inspection contingency that allows you to negotiate needed repairs if any issues are found. You can ask the seller to make the repairs or provide the money for you to make them at a later date. Inspections are absolutely critical. Missing a major issue can leave you footing the bill years down the line if you go through with the sale. You don't want to be in that position, so make sure you take the inspection process seriously.

4. Appraisal deadline

Your lender will typically choose a certified appraiser to evaluate your property. The appraiser's role is to determine the actual market value of the home. Sometimes, the market value of the home and the seller's price differ. If your home appraises for below the agreed upon purchase price, you have two options: you can cancel the purchase and walk away, or you can attempt to renegotiate with the seller. However, the seller is not obligated to renegotiate with you, and in that case, your only recourse might be to walk away.

5. Loan approval deadline

The loan approval deadline is important for both sides. As a buyer, you want to know the terms of the loans available to you. The seller wants to know that you have the financing to afford the

purchase. If your lender doesn't approve your loan, you can cancel the purchase before this deadline. If you are moving forward in the loan application process but haven't been approved yet, you can request a longer deadline.

6. Final walkthrough

During the final walkthrough, you'll be able to make sure that the home's condition hasn't changed since your last visit. You'll also want to make sure that any repairs you have agreed upon have been completed. If repairs haven't been finished or you run into any other major issues, you can delay the close of escrow until all problems have been fully resolved.

7. Sign and transfer funds

During this step, you will sign all of the loan and closing documents and transfer the rest of the downpayment into the escrow account. You will either sign the documents in person or through a mobile notary. After the seller has signed the documents as well, the property transfer will be finalized by the escrow company.

8. Closing & recording of title

This is the final step - the County Clerk date-stamps the property deed, and the property legally changes hands. The escrow ends at this time, and the keys to the home are handed to you.

Once you've completed this timeline, you have finished the homebuying process and are now officially the owner! Staying on top of all the details in the process will help you navigate the final steps and get through closing more efficiently. Even though it might seem exciting to get through the steps quickly, you want to ensure you do your due diligence and that the home you are buying is exactly what you expect.