

From Contract to Closing:

1. The agent shows the buyer properties
2. The buyer chooses a house to buy
3. The agent writes the offer on the sales contract
4. The contract is presented to the "listing agent"
5. The listing agent presents it to their sellers
6. The sellers decide what they can agree to and then the listing agent reports this back to the "selling agent" aka, buyer's agent
7. Once they have all agreed to all conditions (generally sales price and closing date and later repairs) then the contract is signed by all parties
8. Delivered to the title company to "open title" ...often a title rep will pick up the contract and deliver it to the title company as a favor to the agents
9. The title company is now "opening title" which means reviewing the past ownerships and any issues affecting the property (HOA lawsuits, pipeline easements; not physical condition of the property)
10. While the title company is doing this, the buyer has the inspector look at the house to see if it is structurally sound
11. Once the inspection is done with the buyer and inspector then often a list of repairs or a \$amount for repairs is presented to the seller.
12. The seller may have listed the property "as is" so no repairs will be done by seller
13. The seller must do "structural repairs" in order for the buyer to secure their loan with their lender
14. Other cosmetic repairs do not have any effect on the sale, meaning the seller does not have to make them or the buyer can buy the house and do them himself or do nothing about what needs repaired (unless a lender required structural repair)
15. And, even if there are no repair issues or anything wrong with the house under the "option period" of generally 10-14 days, the buyer can just change his mind and not buy this house.
16. Earnest money and option money are distributed per the instructions in the contract itself
17. Generally, sale goes forward and buyer chooses to stay with the offer to purchase and then seller will do repairs prior to closing.
18. The buyer must secure a homeowner's insurance binder or commitment from an insurance company saying they will insure the buyer's new house
19. The buyer must agree to pay monthly or annual HOA dues (in the contract)
20. The buyer must get their loan approved during this time from contract to closing
21. The buyer then brings a cashier's check to closing or wires the funds to the title company
22. The title company lets all parties know if they are running on schedule with their title search, lender's loan documents for the buyer's new loan, so that all parties close by the date in the contract.
23. If this date doesn't happen, the agent should always have "an extension" signed by seller and buyer and move the date out further

24. AT the closing the listing agent, buyer's agent, buyer and seller and sometimes loan officer attend the closing
25. All documents are signed and buyer gives money which he sent to title company to the seller and seller gives buyer the keys to the house and garage door openers, etc once the title company "funds" the closing.

Note:

- Our Marketing courses and Powerhouse Marketing describe how to "find and show properties to buyers" and goes through the steps of listing a house with the sellers called the "listing presentation".
- Our Law of Contracts course discusses "contract to closing" and the steps above which are involved to get the sale to closing.
- Promulgated Forms will teach our students "how to fill out all the forms they need to use in real estate".
- Finance talks about how the lender qualifies the buyer to get a loan and what the seller must do to pay off his loan and get the mortgage recorded once the seller's home is sold.
- Agency tells our students how the agent should talk, show and behave for their principal's best interest (both buyer and seller).
- Marketing is probably the most important course for a new person to take to understand the Process of working as a real estate agent. The classroom format is going to be their best presentation option to get more out of their new career details. They should take this for their SAE and take it early so it helps them in their new career.
- Principles 1 and 2 will give them basic terminologies for real estate and a little bit of real estate math.

The More You Learn, The More You Earn..."thanks, I hope this helps you"... Rita Santamaria