

REAL ESTATE BUYER'S RESPONSIBILITIES

1. It is your responsibility to determine whether financing for the purchase of your residence has been approved. Although your lending officer may have indicated that you have been preapproved, there are additional steps that need to be taken before you actually receive full approval. You must monitor this procedure with your loan officer. If you have not received full approval of the loan on or before _____, 20__, the date indicated on your contract, you should contact me immediately. At that point, it will be necessary to obtain an extension of the time for approval, or nullify the contract. If you do neither of these things at that time, and do not give the necessary notice, you are obligated to proceed with the purchase even if financing is later denied. Failure to complete the purchase without proper notification of your failure to obtain financing could be determined to be a breach of the purchase contract, and you may be liable for damages to the seller for not completing the purchase.

2. There is a significant amount of information that is required by the lender before your loan can be approved. It is your responsibility to supply all of this information promptly, in order for your loan application to be processed in time for the closing. Your loan officer should explain to you exactly what costs are associated with this loan, and will indicate to you what interest rate is being charged and the payments that are required of you. Contact me if you do have any questions regarding any of this information or would like confirmation about the reasonableness of some of these expenses.

3. If the contract indicates that you are responsible for obtaining a termite inspection, you should obtain a termite inspection at least seven days before the time for closing, but within thirty days of the date scheduled for closing. If the termite inspection indicates the presence of termites, you should notify the realtor or me immediately so that the premises may be treated. You should also determine at that point whether or not there has been structural damage, and if there is, contact me to discuss your rights at that point, which may include the possibility of rescinding the contract.

4. It is your responsibility to inspect the premises, either yourself or through the use of a home inspector. The contract indicates certain dates by which you have to file a written report of any defects that are found. The Disclosure Report you have received only lists those defects of which the seller has actual knowledge, and does not require the seller to perform inspections himself.

5. If a survey is not being supplied with the purchase, it is your responsibility to determine the exact boundaries of the property. If neither the realtor nor the seller has supplied you with a plat of the premises, you may obtain one from the courthouse. The seller or the realtor should be able to locate the metal stakes indicating the corners of the lot, but if not, you should do this yourself. If you can't locate them, you will have to retain the services of a surveyor to indicate the exact boundaries of the property.

6. The Commitment for Title Insurance is a document supplied by the seller that will indicate any exceptions that have been recorded against title, which I will review with you. Customary exceptions are for utility easements, which are commonly listed on the survey plats,

and covenants and restrictions that are filed in most subdivisions. The seller or realtor should be able to supply you with a list of these covenants. If not, contact me, and I can obtain a list from the courthouse.

7. At closing, you will need to have homeowner's insurance in place, and will need to bring proof of that at the closing.

8. You are responsible for contacting all utility companies and indicating when you will be taking possession of the property to have utility service switched into your name.

9. Unless you have signed all of your loan documents with the lender prior to closing, it will be necessary for you to attend the closing and sign the documents at that time. Please bring a driver's license or form of identification because most closing agents that notarize your signature will require that identification.

10. Prior to the time of closing, you should contact the lender in order to determine the exact amount of funds that you will need to bring to the closing. These funds will generally be required to be in the form of a cashier's check and you should determine exactly who these funds should be made payable to. In addition to that Cashier's Check, please bring your checkbook because it may be necessary to write checks for additional expenditures that are not included as part of the closing procedure.

11. Many buyers express a desire to enter the premises prior to closing for the purpose of beginning some repair and remodeling work, or to store some personal items. It is generally not advisable that you do this. Even though you have signed a contract, it is possible that the sale may not be completed for some unknown and unforeseen reason. In that event, you may not be able to recover any expenses you have incurred in changes and renovations that have been made prior to the closing. Questions may also arise as to who has responsibility for your items that are stored on the premises and whether or not you have insurance coverage if any of these items are lost or damaged. If you do decide to use the property prior to closing, please contact me in order to discuss whether or not a pre-closing possession agreement should be prepared and executed.

12. After closing, the residence will belong to you and you may take possession of the property at that point. If you have agreed to allow the sellers to retain possession of the premises, you should have a post-closing possession agreement signed that details the rights of both parties. If this house will be your principal residence, you are entitled to a Homestead Exemption for the purpose of calculating real estate taxes. After the recorded deed has been returned to you, you should take a copy to the Supervisor of Assessments Office in order to ensure that you will be given that exemption on future real estate tax bills.