



The Many Faces of Buying Your First Home*

Looking to buy your first home? Congratulations! But the process isn't easy -- you might already be feeling overwhelmed by the process of finding the perfect house, securing a mortgage and making a competitive offer. And the number of different people you will meet throughout the process is likely to only increase your stress levels. Read on to ease your mind and learn more about the key players who will help make your dream of buying your first home a reality.

Seller

Perhaps the most obvious person involved in the process of buying a home, other than yourself, is the seller of the property you plan to buy. You will likely interact with this person throughout the process of buying your home and you might have to communicate with them and/or their real estate agent to handle any issues or negotiations that arise.

Mortgage Loan Officer

Before you start looking for your first home, you'll want to choose a mortgage lender and speak with a mortgage loan officer. This person represents a bank, credit union, or other financial institution that provides loans to homebuyers. Your mortgage loan officer will play an important role throughout your homebuying experience, from determining how much money you can borrow, to assisting you with your application, to finalizing the sale.

Real Estate Agent(s)

Although this role is optional, it's common to hire a real estate agent as a first-time home buyer. Chances are good that the seller of the property will be working with a real estate agent as well. A real estate agent is a licensed professional who, based on your specific financial and lifestyle needs, will find available homes in which he or she believes you will be interested. Your real estate agent will also work with the seller and his or her own agent, if applicable, to handle any offers, counteroffers, negotiations, questions, etc. After your bid has been accepted, your agent will likely continue to work with you on other parts of the process, such as paperwork or inspections, until the sale is finalized.

Real Estate Attorney

You might also consider hiring a real estate attorney to assist you during the legal process of buying your first home. In some states it is a requirement, so it is a good idea to check with your real estate agent. This person will prepare and review various items such as purchase agreements, mortgage documents, title documents and transfer documents.

Home Inspector

A home inspector will only be involved in the process of buying your first home for a short time, but he or she is extremely important. Your home inspector will examine the condition of the property you plan to buy and pay specific attention to elements such as the roof, foundation, heating and cooling systems, plumbing, electrical work, water and sewage, and fire and safety issues. If the home inspector finds any evidence of damage that might affect the safety and value of the home, such as the presence of asbestos, insects or water damage, you might have to arrange for additional specialty inspections. The cost of these inspections often adds up so be sure to anticipate them when determining your budget.

Appraiser

Along with a home inspector, an appraiser plays a brief but important role in the process of buying a home. Your mortgage lender will hire an appraiser to assess the value of the property you plan to buy to ensure that it is worth as much money as you plan to borrow. You may be charged for the appraisal, but keep in mind that the appraiser technically works for your mortgage lender.

Home Insurance Agent

If you get a mortgage to buy your home, you will be required to provide proof of home insurance on the property before your mortgage is finalized. You can arrange for home insurance on your own or with the help of your mortgage lender. If you choose to secure the insurance yourself, be prepared to speak with multiple different home insurance agents to find the plan that works best for you.

Loan/Mortgage Servicer

Once you have officially purchased your new home, you will be assigned a loan/mortgage servicer at the institution where you obtain your mortgage loan. This person is responsible for the day-to-day management of your loan, completing tasks such as payment processing, billing, record keeping, providing customer service help, and more.

Questions? Call our Loan Serving Department today at 978-462-3106!

*Some information in this article was provided by www.investopedia.com

