

# General Overview of a Real Estate Transaction

Every transaction is different, so know that there are no hard and fast rules about how long it will take or how much it will cost. Having said that, clients often want to know what to generally expect.

## Timeline

Here's a general outline of the process and how long it could take:

- Credit Repair (if necessary): a few months to a year
- Pre-Qualify: A few days
- Preview Homes: 1 week – 3 months
- Offer accepted/under contract: 21 – 45 days
- Move in!

Of course, there could be hiccups anywhere along the way, or varying circumstances: your first, second, or third offer isn't accepted, the seller wants to rent back for 3 months, something happens and you fall out of escrow, etc. You just never know. **With that being said, a smooth transaction would generally take about 2-3 months.**

## Out-of-Pocket Costs

Again, these vary with each transaction ("everything is negotiable"), but here is a general outline of what you may have to pay for:

- Downpayment: Depends on your loan situation but usually 3% – 20%+ of the purchase price
- Inspection: \$400
- Appraisal: \$600
- Home Warranty: Who pays & how much depends on the contract (although it is often the seller), but usually around \$650
- Termite Work: Depends on the contract who pays for this (or if it is required) but can be anywhere from \$500 – \$7,000+. While it varies by region and market factors, typically sellers pay for this.
- Closing Costs: Typically 2% - 5% of the purchase price. This includes escrow and title fees.
- Agent Fees: Always negotiable.

In addition, it makes sense to keep more money in reserves for living expenses, homeowners insurance, home upgrades, and emergencies.