

# Typical Home Purchase Procedures in Fairfield County, CT

## Step 1

In negotiating the purchase of your new home in Darien, Rowayton, Norwalk or New Canaan, the initial step will be to instruct your real estate agent to make an Offer to Purchase. This is often referred to as a “Binder” in local parlance. This offer, in writing and accompanied by a check for 1% of the purchase price, is to show “good faith”. The offer should include the following information and address the following issues:

- The amount you are offering to pay
- Closing date (the date you intend to take possession of the property)
- Any contingencies: i.e. your ability to obtain financing for the transaction, building, pest, termite, radon, lead paint and asbestos inspections, etc.
- Any personal property specifically to be included in the transaction
- Any items specifically to be excluded from the sale

If your offer is not acceptable to the seller, further negotiations will be necessary to reach terms acceptable to both buyer and seller. Should you not reach agreement, the 1% deposit is returned to you.

## Step 2

When a buyer and seller reach agreement on terms:

- The buyer immediately applies for financing, directs his/her realtor to arrange for all necessary inspections, orders a bank appraisal, and retains the services of an attorney
- The realtor deposits the 1% earnest money into an escrow account within 3 days
- The seller arranges with his/her attorney for the drawing up of the Contract of Sale based on the agreed terms

## Step 3

The Contract of Sale should include, among other things, the following:

- Purchase Price
- Mortgage Contingency dates and amounts, (if any)
- Quality of Title to be conveyed
- Date of closing/possession
- Itemized list of personal property to be included or excluded from the sale
- Satisfactory completion of inspections

The Contract of Sale is reviewed by the buyer and his/her attorney and then signed, usually within 10 days following the acceptance of the offer to purchase. The contract is then returned to the sellers and their attorney for final review, along with another check for 10% of the purchase price (minus the 1% “Binder” deposit listed above) After the

sellers have signed the contracts, the buyer's attorney arranges for a title search, coordinates with the bank financing the transaction, and makes other preparations necessary for the closing and passing of title.

It is in navigating each of the steps outlined above that your Realtor earns his or her keep. A level of commitment and dedication are necessary to ensure the satisfactory and timely completion of all these items, upon which so much depends. Professionalism, attention to detail, a thorough understanding of any potential pitfalls and a plan to overcome obstacles are the hallmarks of a good agent.