CONTRACT TO CLOSING

1

BINDING CONTRACT

A contract becomes "binding" when both Buyer and Seller have signed the contract and all exhibits. However, that doesn't guarantee the deal will ultimately close. The contract may be subject to a Due Diligence Period and, in most cases, certain financing contingencies explained below. Both Buyer and Seller have certain obligations they must fulfill, as laid out in the contract.

2

DUE DILIGENCE

During the Due Diligence Period, the Buyer has the right to terminate the deal for any reason without penalty and have their Earnest Money deposit returned. A home inspection will be performed at the Buyers' expense. Based on the results, the Buyer may "renegotiate" contract terms – typically price or repairs to be completed before closing. If the parties cannot agree, the Buyer has the option to move forward under the original terms or terminate the contract without penalty. NOTE: The Seller does NOT have the option to terminate the contract, but can refuse the Buyer's new terms.

3

FINANCING & APPRAISAL

Unless the Buyer has agreed to an all-cash closing or waived the Appraisal Contingency, the Lender will require that the property appraise for at least the amount of the Purchase Price. If the appraisal is lower, the parties can negotiate a new price or the Buyer can terminate without penalty. If the contract includes a Financing Contingency and the Buyer's loan is denied within the deadline stated in the contract, the Buyer is allowed to terminate and receive their Earnest Money back.

4

FINAL WALK-THROUGH

A final walk-through will be performed by the Buyer and their Agent on the day before or morning of closing. This is to ensure that there has been no damage to the home, all items expected to remain are still in place, and that any last-minute contract requirements have been met such as having a professional cleaning.

5

CLOSING

Closing will be at the closing attorney's office. You will be provided with a draft Settlement Statement prior to closing that gives a line-item summary of your charges and total to be wired for closing. Extra keys, garage openers, HOA keycards, warranty/appliance books, and other important items should be left by Seller on the kitchen counter or similar area.

6

POSSESSION

Possession is generally transferred at Closing. In cases where possession is transferred after Closing, a Temporary Occupancy exhibit is added to the contract. The contract requires that Seller remove all personal property from the home and leave it "broom swept" clean upon transfer.