

## Step by step guide to the buying process on a contingency.....

- Offer is presented and accepted on a home the buyer wishes to purchase
- 1st 5 days, buyer must arrange home inspection and get attorney review process done
- Their existing home must be listed with a Realtor within 7 days of the acceptance date of the contract
- The seller reserves the right to continue to offer the home for sale to other potential buyers
- In the event the seller receives an offer on the home, they may accept it and serve notice to the current buyer
- Once they receive notice of a 2nd offer on the home they wish to purchase, the buyers must either release their contract and let the 2nd buyer have the home, OR, remove their contingency on the sale of their current home and proceed with the closing.
- The buyer must have their financing in place and show proof of qualification that they can purchase the home without the sale of their current home.
- Seller, at their option may also request additional earnest money from the buyer upon the release of their home sale contingency
- The home is no longer being shown to potential buyers once the contingency is satisfied and closing is scheduled per the contract

### Another option available.....

- Buyer can arrange for interim financing with a lender
- Up to 80% of the equity of their current home can be used as a down payment on a new home
- A mortgage is established and the buyer proceeds to close on the new home
- They will have the responsibility of paying on their existing home mortgage and the interest payment on the line of equity and a 2nd mortgage on the home they purchase.
- When their current home sells, the existing mortgage and the equity line is paid off and the proceeds are placed on the mortgage that exists on the new home.