

Name _____

How to Buy a Home: The Step-by-Step Process

Open-Ended Response Answer Key

1. When making an offer on a house, I would consider factors like the condition of the home, recent sale prices of similar properties in the area, any needed repairs, and my budget. I might also think about whether the seller is motivated to sell quickly.
2. Common closing costs include loan origination fees, appraisal fees, title insurance, property taxes, and escrow fees. Buyers should be prepared for these costs as they can add to the overall expense of buying a home.
3. Advantages of homeownership include building equity, having control over your living space, and potential tax benefits. Disadvantages include the responsibility of maintenance and property taxes. Renting offers flexibility but does not build equity.
4. A professional home inspection is crucial because it helps buyers identify any hidden issues with the property, such as structural problems, electrical issues, or plumbing concerns. The inspector might find issues that need to be addressed before the purchase, giving the buyer a clear understanding of the home's condition.

