

# HOW DO I FINANCE A HOME?

Home purchase financing options vary depending on your income, savings, credit record and life situation. Conventional mortgages amortized over 30 years frequently offer an attractive mix of being low risk and having low interest rates and lender fees.

If you don't qualify for a conventional mortgage due to past credit challenges, including bankruptcy or foreclosure, you may qualify for a Federal Housing Administration (FHA) loan. An FHA loan is generally offered at regular market interest rates, but allows you to buy a home with a down payment with a reduced down payment compared to a conventional loan. An FHA-regulated appraisal and inspection are required, which is typically more in-depth than conventional mortgage appraisals and inspections. FHA mortgages include a required FHA mortgage insurance premium, which is usually included in the original loan. FHA mortgage insurance premiums usually cost less than private mortgage insurance.

## Note:

To save time and avoid frustration, it is best to do your due diligence before beginning your search for a new home. Look for reputable banks and lenders and get pre-approved to make the home buying process more efficient.

# FIRST TIME HOME BUYERS

First-time home buyers may be eligible for one or more of the programs offered by the Ohio Housing Finance Agency ([www.ohiohome.org](http://www.ohiohome.org)), and veterans may be eligible for VA loans through the U.S. Department of Veterans Affairs ([www.va.gov](http://www.va.gov)).

SCAN ME!



For additional information, please visit [hmyohiohome.org/downpaymentassistance.aspx](http://hmyohiohome.org/downpaymentassistance.aspx) or call 614-466-7970 or 888-362-6432.

## CONTACT US:



41 N. Perry Street, Room 104,  
Dayton, OH 45422



937-496-7623



Clerkhelpcenter@mcoho.org



Monday-Friday 8:30AM to 4:30PM

To view our outreach schedule or find out more information, please visit our website at [WWW.COURTHOUSETOYOU.COM](http://WWW.COURTHOUSETOYOU.COM).



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CLERK OF COURTS MIKE FOLEY

**BRIDGING THE JUSTICE GAP ONE  
CONSTITUENT  
AT A TIME.**

# BUYING A HOME

## MIKE FOLEY

MONTGOMERY COUNTY  
CLERK OF COURTS





## WHAT SHOULD I CONSIDER WHEN BUYING A HOME?

For most people, a home purchase is the biggest single investment of their lives. It is, therefore, extremely important for a prospective buyer to use great caution in selecting a home that will not only provide comfort, but will cause as little worry as possible, both while it is lived in and when it is time to sell.

A house may seem to be ideal in appearance and cost, but it may contain hidden defects that detract from its value. This may be true not only of the house's appearance and construction, but also of the title to the land on which it is located. It is possible that a title problem may prevent a later sale of the property or be very expensive to remove.

Ask yourself:

- Has the seller given you, either before or after your execution of the purchase agreement, the State of Ohio Department of Commerce Residential Property Disclosure Form?
- If the home was built before 1978, has the seller given you the Lead Based Paint Disclosure Form and the Protect Your Family from Lead in Your Home pamphlet required by federal law?
- Do you know of any serious physical defects in the property? If so, how can you protect yourself against such defects?
- Are there personal property items such as pool tables, area rugs, washers and dryers, or lawn equipment that you would like to include in the purchase?
- What zoning regulations affect the property?
- Have the utilities been installed and paid for?
- Are there any easements or restrictions on the property?
- Are there any unpaid real estate taxes or special assessments associated with the property, and if so, is the seller paying them off before or at closing?
- How are current real estate taxes and special assessments to be prorated at closing?
- Are there mechanics' liens or other monetary liens against the property?
- Is there a provision in the real estate purchase contract for the seller to furnish "marketable" title to the property?
- What type of title evidence is to be furnished and who is to pay for it?
- What kind of deed must the seller give (general, limited, quitclaim)?
- What are the terms of payment of the purchase price?
- When can you have possession?
- Who will be responsible for fire or casualty loss if that occurs after signing the contract, but before title is transferred?
- Is title insurance advisable?



## WHAT IS A PURCHASE AGREEMENT?

A purchase agreement is a document that is just as important as the deed itself. It should contain an accurate description of the property and all of the terms of the sale, including the price, the terms of payment, the type of deed to be given, the date of possession, provisions for the furnishing of title evidence, proration of real estate taxes and casualty losses, and matters on which the buyer may want to make the purchase contingent, such as financing, inspections, the sale of an existing residence, etc. In many cases, provisions for items of personal property or fixtures may be needed.

## IS A PURCHASE AGREEMENT ENFORCEABLE?

To be enforceable, a purchase agreement must be in writing and must be signed by both the seller and buyer and, if the seller is married, by the seller's spouse. The reason for this is that the seller's spouse has an interest in the property (known as dower rights) that cannot be taken away without consent. Therefore, make sure that the agreement you sign is properly binding on both the seller and the seller's spouse.

