Real estate transactions can be broadly divided into those conducted for self-use purposes (actual demand) and those for earning purposes (investment).

Here is the flow of real estate transactions summarized as a flowchart, assuming the case of an individual purchasing a home, as an example of actual demand.



The form of selling homes can be broadly divided into properties for sale by owner/builder and properties for sale by broker. The flow of purchase differs depending on this.

(1) Property for sale by owner/builder

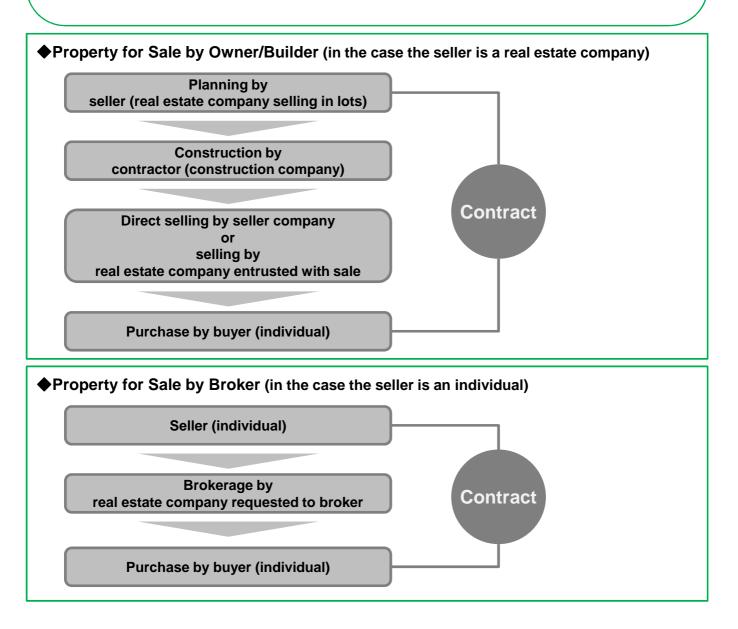
A property purchased directly from the real estate company that is the seller.

(There are also cases of purchase via a real estate company entrusted by the seller to act as a sales agent.) In general, newly-constructed condominiums and large groups of newly-constructed detached homes are properties for sale by owner/builder.

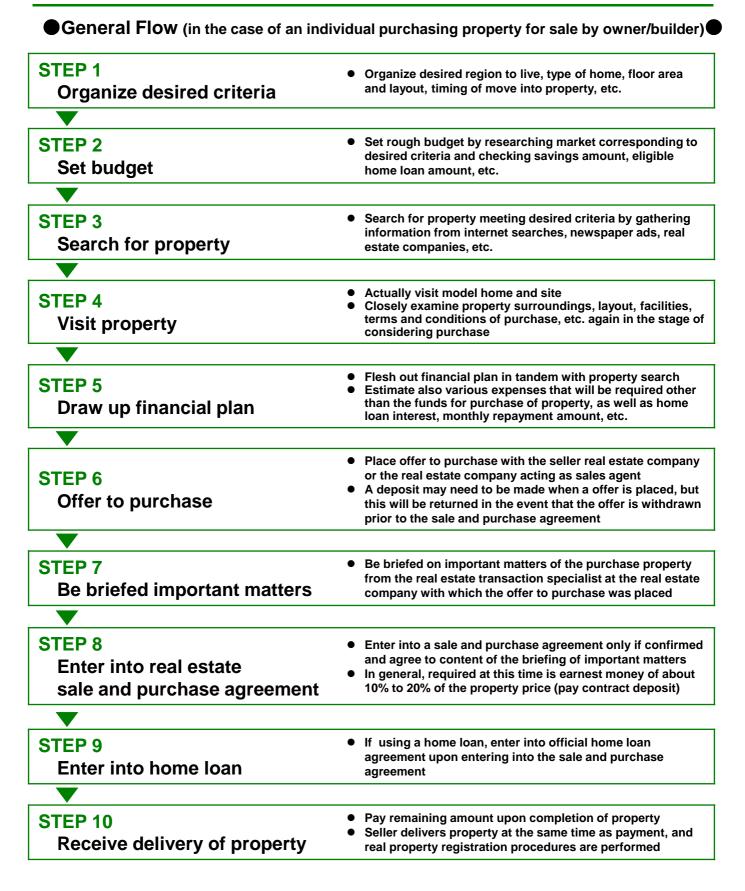
(2) Property for sale by broker

A property purchased through a real estate company acting as broker at the request of the seller.

In general, small groups of newly-constructed detached homes and existing properties are properties for sale by broker. Brokerage fees payable to the real estate company may arise in the case of properties for sale by broker.



Source: The Real Estate Transaction Modernization Center's "Fudosan Japan"



Source: The Real Estate Transaction Modernization Center's "Fudosan Japan"

General Flow (in the case of an individual purchasing property for sale by broker)	
STEP 1 Organize desired criteria	 Organize desired region to live, type of home, floor area and layout, timing of move into property, etc.
STEP 2 Set budget	• Set rough budget by researching market corresponding to desired criteria and checking savings amount, eligible home loan amount, etc.
STEP 3 Select real estate company	 Research characteristics of real estate companies, and select the real estate company to which to request property search
STEP 4 Search for property	 Convey desired criteria to the selected real estate company, and ask to be introduced properties that fit such In addition to the above, sometimes one searches for property from the internet and real estate ads on their own
STEP 5 Visit property	 Actually visit model home and site Closely examine property surroundings, layout, facilities, terms and conditions of purchase, etc. again in the stage of considering purchase
STEP 6 Enter into brokerage agreement with real estate company	 Enter into brokerage agreement if officially requesting the real estate company for brokerage in the transaction Brokerage agreement states the subject property, content of brokerage services, brokerage fee payable to the real estate company, etc. * In general, brokerage agreement is entered into between STEP 4 and STEP 8 once the real estate company to which to request brokerage is decided
STEP 7 Draw up financial plan	 Flesh out financial plan in tandem with property search Estimate also various expenses that will be required other than the funds for purchase of property, as well as home loan interest, monthly repayment amount, etc.
STEP 8 Offer to purchase	 Upon deciding on the desired property to purchase and desired criteria, place offer to purchase with the seller through the real estate company In general, an offer is placed in writing
STEP 9 Be briefed important matters	• Be briefed on important matters of the purchase property from the real estate company's real estate transaction specialist

Source: The Real Estate Transaction Modernization Center's "Fudosan Japan"

• General Flow (in the case of an individual purchasing property for sale by broker)

STEP 10 Enter into real estate sale and purchase agreement	 Enter into a sale and purchase agreement only if confirmed and agree to content of the briefing of important matters In general, required at this time is earnest money of about 10% to 20% of the property price (pay contract deposit)
STEP 11 Enter into home loan	 If using a home loan, enter into official home loan agreement upon entering into the sale and purchase agreement
STEP 12 Receive delivery of property	 Pay remaining amount upon completion of property Seller delivers property at the same time as payment, and real property registration procedures are performed