Earnest money guide

A homebuyer's guide to earnest money

How does earnest money work?

What is earnest money?

Earnest money is a payment made by a homebuyer to show to the seller that he or she is serious about buying.

When do I pay earnest money?

The timing of your earnest money payment is generally stated in your contract. In most cases, earnest money is due simultaneously with, or shortly after, the contract is signed by both buyer and seller.

Where does the earnest money go?

Typically, earnest money is held by a third party called an "escrow agent" or "escrow holder." The escrow holder may be a title company, a real estate office, an attorney's office, or any other party designated in the contract.

Does earnest money count towards the cost of the house?

In most cases, homebuyers receive credit for their earnest money deposit at time of closing.

How does Earnnest help?

What is Earnnest?

Earnnest is an app that allows you to send your earnest money electronically to the escrow holder. Rather than writing and delivering a paper check, you can complete the entire earnest money process in just a couple minutes without leaving your couch! No more driving across town to hand-deliver a check to your agent or to the escrow holder!

How secure is Earnnest?

Earnnest uses the 256-bit AES encryption standard chosen by financial institutions and the U.S. government. This standard is the most advanced and secure encryption algorithm.

How can I use Earnnest?

Your real estate agent will invite you (via text and email) to authorize the earnest money transfer. Simply follow the instructions on the invitation. It's that easy!

Where can I learn more about Earnnest?

Visit www.earnnest.com for more information or to chat with us. We can also be reached by email at support@earnnest.com.

The information provided herein is general in nature and does not constitute legal advice. Each home purchase is subject to applicable federal, state and local laws and to the terms of the specific contract. Be sure you read and understand your contract and seek counsel for any questions you may have.