



## BUYERS FAQ

**How important is it to be pre-approved before looking at homes and writing an offer?** In today's fast-paced market it is imperative that you either be pre-approved or can show proof of cash funds before looking at homes and writing an offer. This will strengthen your offer and could be the difference between getting your dream home or being beat out.

**When should I start looking at homes?** You should start looking at homes as soon as you have your financing in place because your financing defines your comfortable price point and is an important component of an offer.

**Does a perfect house exist?** The definition of a perfect house is a home that has 80% of what you want, 10% of you can live with and 10% of what you cannot change.

**What do I need to write an offer?** You will need to determine a sales price, down-payment, earnest money offered, closing date, whether the seller will contribute to your closing costs and/or pre-paid items (including prorated taxes, insurance and perhaps HOA dues), who will be on the deed; are you asking for seller paid home warranty, date of possession.

**What is the purpose of earnest money?** Earnest money is money that is offered to the seller to show interest in the property. The seller is taking their property off the market for an amount of time so that you can do your due diligence. Earnest money is deposited with escrow and held there until either you terminate the transaction or you close. If you close, the money goes towards your down-payment. If you terminate and the seller and buyer both sign a release of earnest money, escrow issues you a check to return the funds.

**What protects me from losing my earnest money?** As a buyer, you have several contingencies throughout the buying process. You have an inspection contingency, seller disclosure contingency, financing contingency, preliminary title report review contingency. You can use any of these contingencies to back out of the deal and get your earnest money returned. All of these contingencies have specific time lines within which your rights need to be exercised. These are outlined in the sales contract.

# YOGABUG REAL ESTATE



**Who should I ask if I have questions about the Preliminary Title Report?** The title company is the expert on title. If your questions are not clarified by the title company, an attorney would be the best person to ask.

**How often do you find the right house on the first day looking?** It is completely possible to find your house on the first day looking. The process is different for everyone.

**What is the likelihood of encountering a multiple-offer situation in today's marketplace?** The likelihood of being in a multiple offer situation is changing as the market shifts. We are still seeing many multiple-offer scenarios but not as many in the past 5 years. The likelihood depends upon the price range and desirability of the home.

**Is there a chance that I will have to pay over full price in order to get my dream house?** It depends upon the market conditions when you purchase. We are still seeing multiple offers on some homes.

**What if I have a hard time making up my mind and I want a popular home?** "If you have to sleep on it, you might not sleep in it."

**How long is the process?** Typically, from the time you get an accepted offer to closing is between 20-45 days.

**Can I know the amount and terms of other buyers offers for a house I am interested in?** It is up to the seller to decide whether they will disclose other offers.

**Do you recommend getting a professional inspection and when does the inspection period begin and how long does it last?** YES! We strongly suggest getting the property professionally inspected. Typically, the inspection period begins upon mutual acceptance unless otherwise negotiated. An inspection period typically lasts about 10 business days or as negotiated. Within that time period, the buyer needs to perform all inspections and negotiate with the seller for any requested repairs. If the buyer fails to do so, it is assumed that they are buying the house AS-IS.

**Do you have names of inspectors we can choose from?** You can hire anyone to inspect the property. If requested, we will provide 3 names of inspectors that clients have used in the past.

**How much can I expect to pay for inspections?** A general inspection costs around \$450-700. Other inspections to consider: sewer scope approx. \$100-150; radon test

# YOGABUG REAL ESTATE



approx. \$125-150; underground storage tank search approx. \$100; soil sample tests if needed approx. \$175-225.

**When does the appraisal happen and how much does it cost?** The appraisal is ordered within the inspection period per the sales agreement. It generally costs around \$800-\$850.

**What happens if the appraisal comes in lower than the agreed upon sales price?** You are back to the negotiating table with the seller. You can make up the difference yourself or negotiate a different sales price with the seller or walk away from the deal and get your earnest money back.

**What can happen if I go to the very end of a deal and my financing is going fine and all of my other contingencies have been satisfied and I just decide to change my mind?** There is a good chance that the seller will not return your earnest money in that case.

**Can I move in before closing?** Typically, the answer is "no." Rarely, a seller will agree to allow a buyer to move in prior to closing.

**Is there a difference between signing and closing?** YES! Signing occurs when you go to the title company and sign the documents. Closing occurs when the funds to close are released and the new deed is recorded at the county in your name. The time between signing and closing for a transaction involving a loan is about 48 hrs. For a cash transaction, you can sign and potentially close the same day.

**How will I know it is time to sign the documents and bring in my money to close?** The title company and/or I will call you to set up an appointment.

**How will I know how much money I need to bring to closing?** The title company will send you a Final Settlement Statement to review which will state exactly how much money you will need to bring to close.

**What form does the money to close need to be in?** It can be a cashier's check made out to the title company or you can wire the funds to the title company. They will give you wiring instructions. *Only act on wiring instructions after talking with an escrow agent due to wire fraud!!!*



**When do I get the keys?** I deliver the keys to you after we have heard that the deed has recorded in your name at the county.

**What condition can I expect to find the home at closing?** According to the sales agreement, all debris and personal belonging must be removed from the home. If you want the home professionally cleaned prior to closing, you need to request that in the sales agreement.

**When will I get possession of the home?** You negotiate possession dates. Possession date may be several days after closing.

**Who chooses where we close?** You can request to close at a certain title company but the seller must agree.

**Will I be anxious and stressed at some time during this process?** It is completely normal to feel anxious or stressed at some time during this process.

**Will timelines or dates change after we meet mutual agreement?** It is common for timelines or dates to shift for several reasons throughout the homebuying process.

**How does my REALTOR get paid?** Buyers are responsible for paying their REALTOR. Before looking at properties together, we will review and sign a Buyers Representation Agreement. This contract will outline my responsibilities to you as your REALTOR and your responsibilities to me as the Buyer. It will outline my fees and how I get paid. Some sellers offers concessions towards buyer agent commissions. You have the choice to request that a seller contribute towards the payment of your REALTORS commission when you write an offer on a property.

**Does it matter whether I use a local, out-of-state or an internet lender?** YES! Using a trusted local lender can facilitate a smoother transaction. Out-of-state and internet lenders are more removed from what is happening in Oregon and this can cause delays and frustrations. Often internet lenders can have hidden fees as well.