

ANSWERS TO FREQUENTLY ASKED QUESTIONS



WHAT IF I NEED TO SELL MY HOME BEFORE I BUY A NEW ONE?

To put yourself in the best negotiating position before you find the new home you want, hire a qualified real estate agent to help you put your home on the market. Once you write an offer on a new home, your offer will be “contingent” upon the sale of your home. A buyer in this position may not have the same negotiating power as one whose home has already sold (or at least has an accepted offer). The seller may be hesitant to accept your offer because there are too many things that must happen before the sale can close.

HOW DOES MY OFFER GET PRESENTED TO THE SELLER?

I will call the agent who is the listing agent for the home you have chosen. We will make arrangements with the seller to present your offer. I will be there to explain the details of your offer and negotiate on your behalf.

WHAT HAPPENS IF I OFFER LESS THAN THE ASKING PRICE?

If you offer less money, the seller has three options. They can accept the lower offer, counter your offer or reject it completely. Remember that there could be another buyer who is also interested in the home you’ve chosen. If they happen to write an offer at the same time you do, the seller will have two offers to compare. There are usually many aspects of each offer to consider, but ultimately the seller will want to accept the best and most complete offer. In active real estate markets, homes often sell for their listed price. In hot markets, there may be many buyers vying for the same house,

which sometimes drives the final sale price above the original listing price.

As a real estate professional, I can help you plan your strategy, based on the current real estate market in our area.

DOES IT COST ME MONEY TO MAKE AN OFFER?

When you write the offer on the home you’ve chosen, you will be expected to include an earnest money deposit. The deposit is a sign of your good faith that you are seriously interested in buying the home.

WHERE DOES MY EARNEST MONEY GO?

Once the buyer and seller have a mutually accepted offer, the earnest money is deposited into a trust account. That deposit becomes a credit to the buyer and becomes part of the purchase expense.

CAN I LOSE MY EARNEST MONEY?

Real estate contracts are complicated legal transactions. This is another area where having a knowledgeable and professional agent is a necessity. Rarely does the buyer lose the earnest money. Most often, if the transaction falls apart, there are circumstances beyond the buyer’s control that cause it to happen. If the buyer willfully decides, however, that they no longer want to buy the house and has no legal reason for rescinding their offer, then the seller has the right to retain the earnest money.

IS THAT ALL THE MONEY THAT’S INVOLVED?

Some lenders require the cost of the appraisal and credit report at the time of the loan application.

