



## Top 10 Most Frequently Asked Real Estate Questions By Buyers

### 1. **Do I have to pay you? No**

In most cases, the Seller will pay a commission to the Listing Broker. The Listing Broker will pay commission to your REALTOR®. ***As a Buyer, you do not owe a commission to your REALTOR®*** and note that a Buyer's Agent, represents YOU and looks out after YOUR interests. When you deal directly with a Listing Agent, he/she is looking out for the Seller's interests. In the case of For Sale by Owner properties, some Sellers choose to pay a commission to your REALTOR®. In other cases, a Buyer would be responsible for the REALTORS® fee.

### 2. **What's the first step to get started? Contact a lender and get pre-approved.**

When you shop for a tv or shoes, etc... you shop around. You should do the same when shopping for a Mortgage Lender. You do not want to waste your time looking at houses you aren't able to buy due to something hidden on your credit report. It's always best for Buyers to get pre-approved ***before*** looking at houses. Your REALTOR® can help you focus on you homes to view only in your price range. Please ask me for 3 Top Notch Lenders.

### 3. **Can I be at the home inspection? Yes**

Arriving at the inspection during the last 30 minutes is recommended. This is so the inspector can work uninterrupted and afterwards he/she will be happy to walk you around and answer any questions or concerns you may have. Please make sure the Seller isn't present. I've seen arguments break out during inspections and lost a deal for my client because the Seller insisted on being present.

### 4. **Do I need to be at the appraisal? No**

Appraisals typically take less than 30 minutes. If the appraisal comes in too low, you'll have to pay the difference out of pocket or talk the Seller into coming down to the appraised amount.

### 5. **How long does the closing take? 30-60 minutes**

As a Buyer paying cash, your closing will be very short, but if you are a Buyer getting a loan, it may take up to an hour. Don't be afraid to ask questions at the closing!

### 6. **How much are closing costs? It varies on the loan type and amount of loan**

Closing costs are at least 3% of the purchase price for FHA loans. Some VA loans can be 0%, 1% and Conventional loans can be 5%. ALWAYS make sure you get this information from a Lender. The more expensive the house the more you are asked to put down.

### 7. **Should I get a home warranty? Maybe**

If the house has older systems and appliances, you can ask your REALTOR® to include a home warranty in your offer. Most likely the Seller will agree.

**8. What is title insurance and who pays for it? Protects the Title of the Property**

There is Title insurance for the Buyer (Homeowner) and Title Insurance for the Lender. It protects the title against liens, encumbrances, ownership, and defects. It costs about \$1000 for a \$200,000 house, but it could be more or less. The closing attorney can provide a quote for this and a title search.

**9. What if I have to sell my house first? Contingency Agreement**

Some Seller's will agree to wait until you sell your home and may set a time limit. However, the Seller's may not be as flexible with price. It can be very stressful, but is rewarding in the end when you can sell your house without letting your new dream home slip away.

**10. What if I want to fire my agent before the Buyer Brokerage Agreement is expired? It depends**

All Buyers can break the agreement if the REALTOR® is in breach of the contract. Most REALTORS® will allow a Buyer to break the contract in writing with approval from the Broker. The best way to handle this is to communicate the issue with your REALTOR® and try to work it out. It could just be a miscommunication.