

Home Buyers Frequently Asked Questions

• Do I pay for the realtor?

No, the seller pays for the realtor. Real estate agents fee are a percentage of the sale price, that fee is split between the buyer's agent and the seller's agent. Realtors are paid once the property closes.

• How long does the buying process take?

Once we find your home, it might be the first one (!), we will put in an offer with a specific closing date. Financing usually takes at least 40 days, so we will use that timeline for a closing date. The closing is the end of the transaction, and the day you receive your keys!

• How many properties does the typical buyer look at?

It depends. I've had buyers find their home straight away, the first or second home, and I've had buyers that looked and looked until they find that perfect home. It just depends on when you're ready to make a buying decision.

• How often do you find the perfect property on the first day (80-10- 10 rule)

Before you start looking, make two lists. One is needs and the other, Wants. Keep them in mind when walking through homes and see if they have:

80% of what you need

10% that you can change and make your own

10% you don't love, but you can't live with

• When should I make an offer?

You know it is time to make an offer if the idea of losing it is a disappointment. Sometimes if you sleep on it, you'll never sleep in it.

• How much should I offer?

Once you find your home, I'll analyze what is currently on the market, and what has sold in the area. Ultimately, you will decide what price to offer, but I will help provide you with information to make an informed decision.

• What is the likelihood of a multiple offer situation?

In the Missoula area this happens quite frequently, especially in certain price ranges. We prepare for this by having you prepared- you know your budget limit and you are ready with a pre-approval letter. We will act quickly to write a strong offer.

Will my first offer be accepted?

It depends. In some cases, homebuyers may put offers in on up to 5 houses before they go under contract. This is the extreme, but in a competitive market this can happen and may depend on offer price, terms and/or multiple offers. The best way to prepare for this is to be ready to write a strong, clean offer on a home you want to buy. I will explain further as we work together.

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- **How much earnest money should I put down?**

First of all, earnest money is showing your intent to purchase the property. It is also a deposit that goes toward the final purchase of the home. I usually suggest a \$1000 in a normal market for homes prices \$200,000 to \$400,000. Depending on the situation; multiple offers, offer price I may suggest a bigger deposit. We will talk about all these angles and make sure that your deposit is safe.

- **Will I get my earnest money back if the contract is not accepted?**

Yes, I will only take your earnest money to the title company if the offer is accepted. You usually have 3-5 days after an offer is accepted to give your earnest money to the title company.

- **What happens to my earnest money?**

I will bring your earnest money to the title company. They will hold it until closing, at which time your earnest money is applied to the purchase of your home. At closing, you'll see that the purchase price is the total minus your earnest money.

- **What is the process to get my earnest money back if the contract is accepted and the home inspection finds an issue?**

I will keep an eye on our timeline, the home inspection has to happen after the offer is accepted, and then you have a few days to review the results. After that, we will submit paperwork to the seller's agent that accepts the home in the current condition, or asks for the seller to fix issues that may come up in the inspection. If you decide to not purchase the home based on the home inspection, we will terminate the contract and your earnest money is returned to you.

- **Do I really need a home inspection? (see attached addendum)**

Absolutely. It is very important that you have someone knowledgeable look over the home you are buying and check electrical, plumbing, and structural issues. Also, this area is known for having high radon gas levels, having this tested is important for your health, but also will come up down the road if you sell your home.

- **How long does the home inspection take?**

Depending on home inspector, and size of home it can take a couple hours to most of the day.

- **Can you recommend a home inspector?**

Yes, I will give you a list of at least 3 to choose from.

- **Once I make an offer and sign the contract am I stuck if I decide I don't want the home?**

No, the buy sell contract has multiple contingencies built in to protect your interests and your earnest money. As we work through the timeline from offer to closing those contingencies will be waived if the house meets your standards and expectations. During that time we will be reviewing every aspect of the house, including title, home inspection, insurability and financing.

- **When will I get the keys?**

This is negotiable, but usually buyers receive the keys once the deed is recorded in your name. Seller will sign the deed at closing, the title company will record the deed with county clerk and

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recorder who records that data into the public record and you then receive the keys. This usually takes place the same day of closing.

- **What happens at the closing?**

Get ready to exercise your hand! You will sign all the necessary documents the title company has for legal and tax matters, as well as your lenders documents. Your closing agent at the title company will describe each document. I can obtain most of the documents in advance if you would like to review before closing. You will also be told to bring a cashier's check for the amount of money you are bringing to closing. You will also need your photo ID.

- **What monies will I need to come in with?**

Closing costs will be itemized on the settlement statement. I will review with you before closing.

- **Is the closing date on my Purchase Contract guaranteed?**

Usually, yes. We add a few days in case we need them, usually 10 or 14. Secondly, issues can come up between offer acceptance and closing, and in those cases, there will be an agreement between the parties extending the closing time.

- **Is there anything I should not do during the house hunting process?**

Do not make any big purchases such as cars, that involve additional financing.

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