

Seller FAQ

What out-of-pocket

expenses should I expect?

Once we have an accepted contract, expect to

pay out-of-pocket for the CIC resale package, HOA demand, repairs if negotiated, and the pest inspection if the buyer is using a VA loan.



Why do I have to pay for the HOA/CIC documents out-of-pocket and so soon?

It's a Nevada Revised Statute (NRS). In the contract it is to be ordered and paid for by the seller within 2 days after acceptance. It usually takes about 10 days to receive it and the buyer has 5 days to review it. They may cancel in writing during those 5 days of review. The buyer can also cancel if they do not receive the package within 15 days. Also, master planned communities have 2 associations so the fees are double.

Pursuant to NRS 116.4109, Buyer may cancel this Agreement without penalty until midnight of the fifth (5th) calendar day following the date of receipt of the resale package. If Buyer elects to cancel this Agreement pursuant to this statute, he/she must deliver, via hand delivery, prepaid U.S. mail, or electronic transmission, a written notice of cancellation to Seller or his or her authorized agent.

If Buyer does not receive the resale package within fifteen (15) calendar days of Acceptance, this Agreement may be cancelled in full by Buyer without penalty. Notice of cancellation shall be delivered pursuant to Section 24 of the RPA.

From the Residential Purchase Agreement

10. COMMON-INTEREST COMMUNITIES: If the Property is subject to a Common Interest Community ("CIC"), Seller shall provide AT SELLER'S EXPENSE the CIC documents as required by NRS 116.4109 (collectively, the "resale package"). Seller shall request the resale package within two (2) business days of Acceptance and provide the same to Buyer 32 within one (1) business day of Seller's receipt thereof.

What happens if the buyer doesn't qualify for their loan?

Short answer - It depends on the contingency date.

Explanation- As your listing agent it is my job to be aware of all contingency dates. If the buyer asks for too long of a contingency date then we can counter it before it becomes a part of our contract. Once it is in contract then it is our job to stay on top of these dates



Why do I have to leave the utilities on?

Short answer - Because the contract says so.

Explanation - It is in the contract 3 times. The seller must leave the utilities on until the Close of Escrow (COE) for inspections, appraisal and final walk-through.



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From the Residential Purchase Agreement

C. **LOAN CONTINGENCY:** Buyer's obligation to purchase the property is contingent upon Buyer obtaining the loan referenced in Section 1(C) or 1(D) of the RPA unless otherwise agreed in writing. Buyer shall remove the loan contingency in writing, attempt to renegotiate, or cancel the RPA by providing written notice to the Seller no later than ____ calendar days following the date of Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or before the Loan Contingency Deadline, Buyer shall be deemed to have waived the loan contingency.**

What happens if the home doesn't appraise for the purchase price?

Short answer - The buyer can renegotiate or cancel.

Explanation - The contract is written to protect the buyer by allowing contingency periods, such as the appraisal contingency clip below from the Residential Purchase Agreement Contract. After a contingency deadline has passed the buyer has waived the contingency. As your agent, it is our job to stay on top of all contingency dates in the contract. The buyer will determine the number of days that are needed to receive and review the appraisal value. In the event the home does not appraise at the purchase price within the time allowed, then the buyer will have two options, (1) renegotiate with the seller, or (2) cancel and get full Earnest Money Deposit (EMD) returned before the contingency deadline.

From the Residential Purchase Agreement

B. **APPRAISAL CONTINGENCY:** Buyer's obligation to purchase the property is contingent upon the property appraising for not less than the Purchase Price. If after the completion of an appraisal by a licensed appraiser, Buyer receives written notice from the lender or the appraiser that the Property has appraised for less than the purchase price (a "Notice of Appraised Value") Buyer may attempt to renegotiate or cancel the RPA by providing written notice to the Seller (with a copy of the Appraisal) no later than ____ calendar days following the date of Acceptance of the RPA; whereupon the EMD shall be released to the Buyer without the requirement of written authorization from Seller. **IF this Residential Purchase Agreement is not cancelled, in writing on or 15 before the Appraisal Deadline, Buyer shall be deemed to have waived the appraisal contingency.**

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What if the buyer changes their mind? Do they get their money back?

Short answer - Yes, during the buyer's due diligence period.

Explanation - Usually the buyer will have between 10-15 days to do any inspections and determine whether the home is satisfactory. The buyer may also ask for Request for Repairs. Within this timeframe the buyer may cancel in writing and get a full refund of their EMD. After this period, the buyer may get out of a contract under other contingency periods but they are limited.

Do I have to make repairs if the buyer asks for them?

Short answer - Maybe.

Explanation - During the timeframe of the buyer's due diligence period the buyer may ask for repairs found in the home inspection. The repairs are negotiable and the buyer can cancel if they are not satisfied. Since it is a seller's market I'm seeing more reasonable repair requests from buyers. Major repairs should be expected. If they were to cancel you would then need to make such repairs and/or disclose it to future buyers. A good example would be a leak under a sink causing mold. Normal wear and tear of the resale home should not be considered. A common solution is offering the buyer a credit toward needed repairs.

When do repairs have to be completed by?

It is best to have them finished prior to the buyers walk through inspection which is normally 3 days prior to closing.

What happens if we don't close on time?

It is in everyone's interest to close. The seller wants to sell and the buyer wants to buy. The entire last week and a half of the loan/escrow process is very time sensitive. The lender may have last minute conditions for final approval. There are mandatory waiting times for final loan disclosures. Escrow and the lender must balance the final closing amounts. We will do everything to keep everyone doing their job and following the timeline.

These are just a few of the questions we can help answer. Working with a real estate professional will ensure that you are left with unanswered questions.