

# Home Selling Tips and FAQs

## **What is a contingency?**

A contingency is a provision in a real estate contract that specifies the contract would cease to exist upon the occurrence of a certain event. For example, most buyers include a home inspection contingency that allows the buyers to do a thorough analysis of the home's condition...and if the condition is not satisfactory, then the buyer may elect to cancel the contract or ask the seller to make repairs. A financing contingency is also another standard contingency that is part of most purchase contracts.

## **After we sign the contract and our home is 'under contract,' will my home still show up on all of the websites?**

Our local Realtor Association rules require us to change the status of your home in the MLS within a specified number of days. Once that happens, your home will stop displaying on the local and national websites within a few days.

## **Should I have an attorney or settlement company handle the closing?**

Virginia law gives you the choice to choose your own attorney or settlement agent to handle your closing. However, we strongly recommend hiring an attorney to represent you.

## **When do I schedule closing?**

As a seller, you can schedule your closing prior to the contracted closing date. You do not need to sign closing documents at the same time as the purchaser. Your attorney will contact you to set up a time to sign the deed and other closing documents.

## **What happens at closing?**

Closings are driven by local custom, which makes them different when compared to closings in most other places. You'll want to select your attorney well in advance of closing, as they will work with the buyer's attorney and coordinate with you for payoffs on any loans and other closing details. Generally, you should be able to sign the deed and other closing documents a day or two before closing. Of course, if you have moved or are going to be out of town for closing (or if you know that your work schedule or something else may prevent you from attending), you'll want to let your Broker and your attorney know as soon as possible. On the closing day, your attorney will receive purchase funds from the purchaser's attorney. That party then picks up the deed and records it. Once the deed is recorded, your sale proceeds are disbursed. Keep in mind that there are multiple moving parts to the process (especially when the purchaser has a loan), so you'll want to account for the potential of any delays.

## **When do I turn off my utilities?**

Per the contract, you are obligated to leave your utilities on until after your home has closed and recorded. In addition, you must leave all of the utilities on so that your buyer can perform their final home walk-through. We recommend calling your utility companies a few days prior to closing to schedule your utilities to be turned off the day after the scheduled closing. Closings are sometimes delayed and that will give a bit of a cushion just in case.

## **When will the buyers come for the final walk-through?**

The final walk-through is typically completed the day before or the morning of closing, but the timeline can vary. The buyer's Agent will notify your Nest Broker a few days prior to closing to set this up.



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## **When do I need to be out of my house?**

Ideally, you should be out of your house the day before closing and, preferably, a few days prior to closing. This will ensure that the buyer has time to perform their walk-through and that you have a little bit of extra time to clean and move out those last minute items.

## **What condition does my property need to be in for closing?**

Legally, the Virginia Association of Realtors Contract of Purchase states that your home must be in 'broom clean' condition at closing. What does this mean? It basically means that the home is vacant and there is no furniture, clutter, belongings, or trash in the home.

However, we like to live by the Golden Rule and ask you, 'What condition would you like your home to be in if you were buying it?' We strongly recommend having the home cleaned for the new buyers. In addition, it would be nice to patch holes and do any minor touch ups. Lastly, be sure that the lawn has been cut recently and the outside is in good condition.

## **When will I get my escrow money back from my mortgage company?**

Your settlement agent will pay off your existing loan with the proceeds from the sale. Be sure that your mortgage company has your new mailing address. If there is additional escrow money, you should receive a check within 30 days of closing.

## **How will I know that my mortgage has been paid off?**

Your settlement agent will take care of paying off your mortgage. You will receive notification from your mortgage company after closing.

## **What happens to the propane in my propane/oil tank?**

A few days prior to closing, we will check the gauge on the propane tank and notify the fuel company of the tank levels. They will then relay the value of the contents of the tank to your settlement agent and you'll be credited for that at closing.

## **When is the appraisal completed?**

The purchaser is required by the terms of the contract to apply for their loan within five days after contract ratification. Once this occurs, the purchasers' lender will order the appraisal. So, while the time may vary, you can expect it sometime between two to four weeks after contract ratification.

## **When will the home inspection be completed?**

The specific terms of each contract will vary. It's fairly standard in our market area that the inspections are completed within two weeks of contract ratification.

## **If I have repairs that need to be done from the home inspection report, by when should I have them completed?**

If the purchasers have requested and you have agreed to take care of some repairs, we recommend trying to have these repairs completed at least one week prior to closing. Be sure to save any receipts or inspection reports from all of the contractors that you have hired to complete the work. This will be our proof that the work was done.

