



# Questions About Today's Real Estate?

## Ask Phyllis!

### *For Sale by owner woes*

*Dear Phyllis,  
My nephew passed away and I am the executor of his estate. He had a dear friend who helped him convalesce. After he passed, this friend wanted to buy his home. As there were no Realtor® commissions involved, I wanted to help him by agreeing to sell him the home at a discounted price. We have been back and forth for thirteen months with different lenders, and he still can't get a loan. Even worse, he now wants to renegotiate the price because the 2nd appraisal came in low. Tired of being the nice guy.*

Dear Nice Guy,

Most real estate agents insist on verifying the buyer's ability to obtain financing prior to accepting an offer. It

typically takes just 2-4 weeks to obtain loan approval.

In my experience, a notice to perform should be sent to the buyer, advising him that he needs to remove his loan contingency (putting his deposit at risk) within 24 hours. But that tactic isn't going to get the buyer's loan approved, which is what you need in order to close.

The low appraisal is another matter. What was the value of the first appraisal and how long ago was that done? Most Realtors® know how to review an appraisal to be certain that the information regarding the comparables (similar sold listings) used was correct. What is the condition of your property? If your home is updated did the appraiser give you proper

(adjustments) credit?

It seems likely to me that you are in escrow with a buyer who cannot or will not close. You might ask the buyer to meet with both him and his lender. Perhaps the lender can explain the delay in obtaining loan approval. Maybe you and the lender could review the appraisal for errors.

In the event that the buyer can't or won't move towards closing, try to get the buyer to agree to cancel escrow in writing. If the buyer is not in agreement, you should contact a real estate attorney.

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