



Real Estate Frequently Asked Questions

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<https://www.silverpeakrealty.com/faq>

At Silver Peak Realty, integrity, honesty and trustworthiness are our watchwords. We want you to know that we understand your concerns by answering some of the common questions that people have asked us over the years. If you have an issue we did not address, please reach out to us at contact@silverpeakrealty.com.

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Qualifications of Real Estate Agents

1. Why should I use a real estate agent? I don't understand what they get paid for.

Customer service, knowledge and experience are what clients pay for; real estate agents can actually save you money in the transaction. It takes a lot of work and preparation to be a great real estate agent. While the general public may only see an agent at an open house or at a closing, much happens behind the scenes. Agents must take classes to keep their license current, stay up-to-date on market conditions, tour available properties, monitor the activity on their listings and be responsive to the needs of and requests from their clients. Agents are basically on-call every day, ready to show properties or negotiate contracts on a moment's notice. Many people don't realize that the only time an agent gets paid is when a property closes. This can take months or even years.

And, according to Salary.com the median annual Real Estate Sales Agent salary in Denver, CO area is \$41,034, as of March 29, 2018, with a range usually between \$40,086-\$52,194.

2. I'm looking for a loyal, knowledgeable professional to put my priorities first. How do I know that's going to happen?

We suggest interviewing agents and asking for recommendations from past clients. Real estate transactions are significant and emotional events in people's lives. You want to work with someone you can trust to help you make the right decision for you. You have a choice as to which real estate professional to work with.

At Silver Peak Realty, we offer a no-hassle, no-obligation, no-cost consultation with potential clients. We want to get to know you and have you get to know us so we can both decide if we want to work together. Call us at 303.829.3740 or email contact@silverpeakrealty.com. We'll set up a meeting at your convenience!



3. I am a CPA/CFA/Engineer/Mathematician/MBA and have had extensive training in math and investments. I run all my financials through multi-sheet Excel workbooks all the time and I know all the financial details about the real estate transaction. I think I know as much or more than a real estate agent. Why should I use one?

As a professional, we're sure you appreciate that time is money. A real estate agent is skilled in the entire real estate transaction process: marketing, qualifying buyers, negotiating and closing the deal. Working with a real estate professional makes it more likely that you will have a smooth transaction process to closing. As an example, many people file their own income taxes, but in our experience using a CPA to file Silver Peak Realty's taxes saves us time and money.

4. Isn't it easy to become a real estate agent?

Real estate agents must take a 168-hour course covering all aspects of the real estate profession, submit fingerprints for a background check, and pass the Colorado Division of Real Estate Real Estate license exam. Upon meeting these three requirements, the person becomes a Broker Associate and must be affiliated with an Employing Broker who provides supervision for a period of two years. Broker Associates are responsible for all the costs of doing business, including multiple listing service (MLS) and showing fees, marketing costs, transportation, phone service, etc.

5. I feel uncomfortable when talking to real estate agents for a number of reasons.

Again, you have a choice of real estate professionals. You need to choose someone with whom you feel comfortable and whom you feel is acting in your best interest. At Silver Peak Realty, we take pride in our integrity, honesty and work ethic. We believe in being as transparent as possible with our clients.



6. I don't need a real estate agent to sell my home. I can get all the property information myself from online services and download the real estate contracts from the official Colorado website. I save a bunch of money and have more control over the process. Why not?

Here are five great reasons:

1. More \$\$\$ from the sale

According to the 2017 National Association of Realtors *Profile of Home Buyers and Sellers*, "FSBOs (For Sale By Owner) typically sell for less than the selling price of other homes; FSBO homes sold at a median of \$190,000 last year (up from \$185,000 the year prior), and significantly lower than the median of agent-assisted homes at \$250,000."

2. Controlled access

The system used to screen potential buyers who want to see your property is safe and secure. With an agent controlling access to your property, you can be assured that the people coming by are qualified and you have a record of their visits.

3. Objective knowledge

Agents know what properties are selling for, how long they are on the market and the ratio of list to selling price. Sometimes sellers are emotionally attached to their properties and by using an objective third party, negotiations can proceed more smoothly. Pricing properties is an art rather than a science. The process must take into account the recent sold properties, the on-market homes and the condition/location of the subject property in order to get the highest price.

4. Marketing your property

Putting your property in the multiple listing service (MLS) is just a start. Agents are experienced at in-person marketing, email promotions, signage, brochures and exposure to the greatest number of buyers possible.

5. Close the deal!

Getting a property under contract is just the beginning of the transaction. A professional who knows how to deal with inspections, objections, deadlines and contingencies is more likely to make the closing happen.



How to find a Real Estate Agent

7. How do I find a down-to-earth real estate agent who cares about my real estate wishes?

A professional real estate agent will sit down and discuss your real estate goals and objectives at a no-cost, no-obligation personal consultation. Again, it is your choice on who to work with. You can check an agent's license status on the Colorado Division of Real Estate website.

8. What is the difference between a Realtor® and a real estate agent? What are you?

Realtor® is a trademarked term that refers to a real estate agent who is an active member of the National Association of Realtors (NAR), the largest trade association in the United States. Silver Peak Realty's Managing Broker Sally Moser received her Graduate Realtor Institute certificate involving 90 hours of training from NAR in 2005. While not currently Realtors®, the agents at Silver Peak Realty conduct their business in accordance with the highest standards of integrity, honesty and transparency with loyalty to and advocacy for their clients.

9. I read online that it is good to find an experienced real estate agent who works at a big real estate firm. They said that these people have more experience than small companies and that I can be sure I am in good hands. What's your take on that?

An agent can have 20 years of experience at a large firm or a small firm. What matters is their attitude, knowledge and availability. Silver Peak Realty's agents have a total of 19 years of experience that is drawn upon to help clients realize their real estate goals.



The Value of Silver Peak Realty

10. What motivated you to go into real estate?

A real estate transaction is an interesting, dynamic process and each one is different. Sally is a people-person and problem solver and she gets satisfaction helping clients and friends realize their goals and dreams.

11. How much do you charge for buyers and sellers?

A buyer generally does not pay a fee when purchasing a home. When a seller signs a listing agreement with an agent, the seller agrees to pay a percentage of the home's price in commissions. The commission amount is then split in pre-agreed-upon percentages to the real estate agents involved in the transaction, usually the listing agent and the buyer's agent.

Because Silver Peak Realty is a local company with low overhead, we are able to list homes at significant savings to the seller while still providing targeted marketing and great customer service. Listing fees are in the 4-5% range.

Real estate commissions are negotiable and not set in stone. Silver Peak Realty is also open to charging an hourly fee or a flat fee for services. Give us a call or email us and we'll be happy to give you a quote.

12. What makes you different?

No pressure, honest advice, and patience. We have worked with people who have purchased a home in one day and with others that have taken years.



14. How can I get to know you?

Please give a call or send an email. Sally is available to meet with you over a cup of coffee or a glass of beer.

15. What was your worst and best experience as a real estate agent? We'll tell you over a coffee or beer.

16. I want to talk more to you, but I don't want to sign a contract or something. Is there a way we can do that?

Yes, we offer a free, no-hassle, no-obligation meeting for potential clients. No contracts, no pressure, just honest advice.

17. Can we talk via Skype, Facebook Messenger or WhatsApp?

Yes, we can! Please tell us which communication channel is most convenient for you and we will use it to communicate with you.

Specific Situations we Have Been Asked About

18. I am a professional investor. I don't need any hand-holding, I just need somebody to worry about the transaction formalities and the timeline. Are you the right guys for that?

Yes, the team at Silver Peak Realty has worked with a number of investors and we understand your concerns. We are detailed-oriented and know that meeting deadlines and contingencies make or break deals.



19. I have saved my entire life to buy a property. Saving this much money was very hard and the last thing I want to do is to invest it in something that is not valuable. I want to find somebody to help me with buying a property that I can trust and knows how important this is to me. Can I count on you?

We know this is a big decision for most people. We provide you with all current information, property values, market trends and analysis so you can make an informed decision. We are available on a daily basis to keep you informed about the latest listings and show you the property of your dreams.

20. What really matters to me is that I like the house. I want to feel the house when I enter it and want to be able to imagine my kids growing up in there. Do you get what I am saying?

Yes, we get it! You and your family are the ones that will live there, so you need to be happy with your decision. We totally support you waiting until the right property comes along. We set up searches in the MLS that will send you listings meeting your criteria as soon as they come on the market, then we'll schedule showings to fit your schedule.

We've worked with buyers who purchased a home in one day (and still live there 15 years later) and buyers who took over a year to buy a home (and sold it in less than a year). According to the 2017 National Association of Realtors *Profile of Home Buyers and Sellers*, "Buyers typically searched for 10 weeks and looked at a median of 10 homes." But we have found this to be the exception, not the rule. The amount of time is up to you.

21. I just want to buy a little vacation home in the mountains. Can you guys help me with that?

We can and have worked with buyers in the Front Range mountain areas, but for properties in Summit County and beyond, we refer you to other agents.



22. I want to buy a foreclosure, flip it and get an outstanding return on investment. Have you guys dealt with that before?

While we have worked on short sales and REO (bank-owned) properties, we have not gone to an auction to bid on a property in foreclosure. We recommend you work with a foreclosure specialist.

23. We are looking to rent out our house. Can you help me with that?

Silver Peak Realty engages in limited property management activities, and we can recommend property management companies or alternatives to you.

24. Do you have information about how much I can sell my house for?

We'd love to! Silver Peak Realty will send you a Comparative Market Analysis (CMA) at no cost to you. Email or call today.

25. Can you give me an overview of what properties in my neighborhood have sold for?

Sure, this information is included in the Comparative Market Analysis (CMA) mentioned above.

26. I want to buy or sell a house from a distance. Can you help me?

No problem! We've worked with people in Seattle, WA, Chicago, IL and Los Angeles, CA on their Boulder-area real estate transactions.

How Real Estate Transactions Work

27. What is a "real estate transaction", what is involved?

To put it simply, a real estate transaction is the legal transfer of a property from seller to buyer for consideration. A ready, willing and able buyer, a property and an owner who wants to sell the property are the necessary elements.

First, the buyer needs to talk to a mortgage lender to see if he/she can qualify to get a loan. Or, the buyer needs sufficient cash to pay for the property.



The next step is for the buyer to put in an offer on the property and come to an agreement with the seller on the terms, conditions and price.

Once "under contract" on the property, the contract will stipulate deadlines and the responsibilities of the buyer and seller.

If all due diligence is completed and deadlines are met, the deal is finalized at closing with buyer and seller signing all documents and the property changes owners.

Legal Commitments

28. I always get hesitant to sign stuff, because I don't want to commit to something that I don't understand. Why do real estate agents always want me to sign stuff?

Because it shows that you are serious about and committed to buying or selling a property. But, you should NEVER sign something you don't understand. It's the real estate agent's job to explain what forms you are being asked to sign. All Colorado Division of Real Estate forms are available on line as well.

29. What does it mean 'to be under contract'?

It means the buyer and seller have signed a written agreement, that if all the conditions and terms are met, will result in a sale of the property or closing of the transaction.

30. What if something happens to my real estate agent or me and we cannot continue with the transaction?

Not to worry! Agents go on vacation, get sick, and are people, too. Your agent will have a backup plan for coverage in case he/she are unable to continue representing you. The Managing Broker will step in or appoint another agent.

Regarding your personal situation, well, let's get together and discuss it.



31. Can real estate agents sign in my name?

No, not unless explicitly agreed to in writing. However, Silver Peak Realty encourages you to have a close friend or family member you trust be designated to have your Power of Attorney in case you are unable to sign the necessary documents.

Third-Party Involvement

32. What are some typical scenarios where hiring a real estate agent wouldn't be enough, but I would also have to pay to hire a lawyer or a tax advisor or other expert?

Real estate agents can advise you only to the extent of their knowledge. For example, for specific information about which items are tax-deductible regarding your purchase or management of a rental property, we would advise you to talk to your tax advisor. Another scenario: if there is a material defect such as a foundation crack in the house you are under contract to buy, we would recommend talking to a structural engineer.

When and how to buy/Rent/Sell a House

33. Should I buy a house?

We don't know. You're the only one who can answer this question after weighing the advantages and disadvantages. We'd recommend buying if you are able to live in the property for a minimum of at least two years or if you have the temperament to be a landlord if you decide to move.

34. How much money do I need to buy a house or a condo?

Generally 10-20% down payment, good credit and ability to get a mortgage.



35. How long does it take to buy a house?

The amount of time to find a home is totally dependent on you. Once under contract, the transaction process takes from five to eight weeks to close.

36. How long does it take to sell a house?

It depends on the current market, the price of the house and the competition.

37. Which taxes do I need to pay when I buy or sell a house?

It depends on your local area. But, in the Front Range of Colorado, usually you need to pay the property tax for the pro-rated portion of the year you've owned the home, if selling.

38. I want to flip a house. Any advice?

Buy low, sell high. And have rock-solid knowledge of the real estate market and trends. Depending on how long it takes to complete improvements, the market could change totally before you get the property back on the available list. Sally has flipped a couple of homes. It's a lot of work.

Colorado Front Range Market Specifics

39. How is the Front Range market? I heard people are coming in from California or even China and just pay the full purchase price of a property in cash. How can I compete with that?

The market is hot, hot, hot due to the robust economy, low unemployment, migration to the state, lots of tech and outdoor companies and the legalization of marijuana. There are ways to compete. We're happy to sit down and discuss them with you.

40. What's the deal with the housing bubble? Is it over yet?

Real estate is cyclical, but we don't see the market crashing anytime soon.



41. I am just moving to the Front Range now. What should I do in terms of housing?

Get to know the area, figure out where you want to live and what you can afford.

42. The Denver Metro Area is super expensive, but my job is there. Are there any alternatives where I could live?

Kansas? Seriously though, there is an affordable housing program in Denver and Boulder. Other cities are considering giving developers incentives to develop affordable housing.

43. I really want to buy a historic building and renovate it to live in it. Are there any available in the Front Range? Where?

How historic? 80 or 100 years? We recommend doing an internet search to find these homes and we'll be happy to show them to you and discuss the pros and cons.

44. Where is the best place to ski in Colorado?

We love Summit County ski areas.

Real Estate Transactions Involving Cryptocurrencies

45. I have ridden the crypto boom big time and have a significant amount of Bitcoin/Ethereum/Ripple that I want to invest into some tangible, hard assets. Can you help me buy a house with cryptocurrencies?

Yes, we can and would like to help you with your project.



46. How do I buy/sell a house with cryptocurrency?

Typically, at some point in the transaction to buy a home, the cryptocurrency is converted to dollars. Regarding selling a home, the seller can indicate on the listing that they are willing to accept cryptocurrency.