



Department of Commerce

Division of Real Estate & Professional Licensing

John R. Kasich, Governor
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Consumer Tips When Buying or Selling Real Estate

Real estate transactions can be complicated and confusing. Below are tips that may help home buyers and sellers avoid common problems when buying or selling real estate.

1. Know Your Real Estate Agent: Consult the Division of Real Estate & Professional Licensing's online License Information Lookup system to learn more about a real estate agent or broker, such as whether or not a prospective agent is licensed to sell real estate in Ohio and if so, whether or not his or her license is in good standing. You may also contact the Division directly to see if a complaint has been filed and/or disciplinary action been taken against the agent or broker you are considering. You should answer these questions before trusting someone to represent you in one of the most important and expensive transactions of your life.

2. Choosing a Lender and Understanding Requirements: Financing is a major part of the home buying process whether you are buying a home for the first time or selling your home to buy a new one. Once you compare the costs of taking out a loan and choose a lender, you should also make sure you understand what your lender is required to do for you. Lenders must, for example, provide you with written notice if they are not using an Ohio licensed or certified appraiser to conduct your appraisal. Licensed or certified appraisers must follow federal and state appraisal standards when performing an appraisal while non-licensed or certified appraisers are not. It may be a good idea to order your own appraisal by a certified or licensed appraiser if your lender does not use one.

3. Understanding Earnest Money and Trust Accounts: Upon acceptance of a contract, buyers put down a good faith deposit, known as "earnest money," to indicate that they are serious about purchasing the home. The real estate agent, if one is involved in the transaction, then deposits the money into his or her broker's trust account. If a party rescinds an offer or acceptance, the injured party may retain the earnest money, depending on the purchase contract. However, Ohio law requires buyers and sellers to sign a mutual release prior to the broker dispersing the money. Make sure you understand what the contract says about earnest money and that your agent informs you of the earnest money amount and whether or not the buyer's agent can collect the money from the buyer.

4. Hire an Attorney to Review Your Paperwork: The Division recommends you hire an attorney to review the details of your real estate transaction before it is complete. This will ensure that the details of the contract are accurate and will serve as an opportunity to correct any problems that may exist before it is too late.

5. Ask Questions Often: If you have questions during the home-buying or home-selling process, do not hesitate to ask your real estate agent or broker. It is important to ask questions when something does not make sense—no matter how silly you may think it is!

Important Contact Information:

Division of Real Estate and Professional Licensing

Phone: 614-466-4100

Website: www.com.ohio.gov/real

License Information Lookup:

<http://elicense3-lookup.com.ohio.gov/SearchCriteria.asp>

Oversees:

- Real Estate Brokers and Salespeople
- Appraisers

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