

INTRODUCTION

When it's time to pull up roots and replant yourself in new surroundings, you must first consider the sale of your current home. The task can feel daunting for first-time sellers, but with a savvy approach and the right real estate professional to help, there can be a 'SOLD' sign on your front lawn before you know it.

This guide provides an overview of the home-selling process in 7 informative steps. Coupled with the right professional agent to guide you, this approach can help to sell your home at the best price, with the least hassle.

7 Steps to Sell Your Home:

1. Damage Control - Repair home wear and tear
2. Go Pro - Enlist a Real Estate Professional
3. Play the Price is Right - Pricing your current home
4. Go to Market - Marketing your home
5. Set the Stage - Prepare your home for showings
6. Negotiating - How to handle offers
7. Closing - Closing the deal

STEP 1 - DAMAGE CONTROL

Before trying to sell your home, make it a home people will want to buy.

Unless your prospective buyers are looking for a "fixer-upper" (which translates to a lower selling price), you'll want to assess the wear and tear on your property and address flaws that can lower your home's appeal and sales value.

Take a good look around to determine where your current home needs improvement. Some fixes are mainly cosmetic and you may be able to them handle on your own; fresh paint, sprucing up the lawn, updating lighting, replacing doorknobs and the like.

Other problems are more significant and may require item replacement and/or hiring home maintenance professionals. Issues concerning heating, plumbing, ventilation and air-conditioning (HVAC system), mold, water damage, wood rot, the water heater, gutters, foundation, or roof can all be deal-breakers if left unaddressed.

Once you've taken stock of it all, tackle what matters most. Be smart. This initial investment of time and money can help generate a faster sale at a higher price.

STEP 2 - GO PRO

Enlist the help of a professional real estate agent

So how do you choose the right agent? Asking friends, family, and colleagues for referrals is a start, but be sure to narrow it down by location. You'll want to find an agent who has recent experience in your area and will know how to market your house locally.

In working for you, a professional agent should:

- ✓ Outline their professional responsibilities to you, including complete disclosure, loyalty, confidentiality, obedience and accountability
- ✓ Help you determine the best asking price
- ✓ Extensively market your home
- ✓ Offer expert advice on ways to prepare and show your property
- ✓ Assist you, if necessary, in finding any home-related services you need
- ✓ Provide feedback from all showings and open houses
- ✓ Update you on market changes that could affect your property's sale
- ✓ Be available to help pre-qualify potential buyers
- ✓ Promptly present and evaluate each offer with you
- ✓ Negotiate the highest possible price and best terms in partnership with you
- ✓ Manage contractual, title and transaction details
- ✓ Ensure that mandatory items are signed, sealed and delivered on closing day
- ✓ Assist you to arrange for a moving company and relocation agent, if needed

Once you've found an agent with the right mix of professional expertise, proven track record and personal chemistry, team up!

STEP 3 - PLAY THE PRICE IS RIGHT

Setting the right price for your property is a delicate balancing act. Aim too high and your home might sit on the market for months, and possibly not sell at all. Price it too low and you miss the potential for a more lucrative outcome.

Get a comparative market analysis (CMA)

A Comparative Market Analysis (CMA) is a document, drawn from a local Multiple Listings Service (MLS) database, that presents pricing information, property details and photos of homes similar to yours (termed "comps") that recently sold, failed to sell, or are currently on the market in your area.

A real estate professional will typically provide you with a CMA as part of a listing presentation he or she delivers at your home in hopes of being able to exclusively represent your interests when you sell. This CMA will include the price or price range the agent suggests for your listing.

Generally, studying what has worked in your area – and what hasn't – will help you to strategically price, position, and present your property to sell for top dollar in a reasonable time frame, with the least inconvenience for you.

Allow room to negotiate

Adding a bit of a cushion to your asking price is a wise move. Most buyers will want to engage in some wheeling and dealing, so set your sale price to allow for this. Your agent can help you determine the amount of wiggle room. Another way to help seal the deal is offering to cover closing costs, while sticking to a higher asking price.

STEP 4 - GO TO MARKET

How buyers find out about homes for sale

As detailed above, strategically preparing and pricing your home are fundamentals to attract serious, financially qualified buyers. Equally important is reaching the maximum number of potential buyers with your home listing.

Today, the Internet, mobile apps, and direct contact with a real estate professional are the main sources of home information for searching buyers. Other sources are yard signs, open houses, newspaper and real estate magazine ads, homebuilders, and television.

Buyers are flocking to the web

The Internet has revolutionized real estate advertising. Accordingly, it's a must that you select a real estate professional with a robust online marketing strategy.

The main items Internet buyers look for on real estate websites are:

- ✔ Property photos
- ✔ Detailed property information
- ✔ Virtual tours
- ✔ Real estate agent contact information
- ✔ Neighborhood information

Market your community as well as your home

Real estate industry surveys have repeatedly found **that neighborhood quality is the most important reason why homebuyers choose where to live.** In fact, experience shows that buyers usually “buy” an area first, and are often willing to pay a premium for homes there.

Therefore, it's crucial to highlight your community's amenities – like proximity to quality schools, restaurants and shopping, local parks and attractions, as well as other benefits that impact lifestyle. Your agent has access to the kinds of detailed community and school information that buyers want, and are skilled at presenting the relationship between your community and home together.

A comprehensive approach to showcasing your home and community

While the Internet is now the real estate information source of choice, if you want to maximize the number of serious buyers, showings and offers you get it is necessary to employ a broad spectrum of advertising in a coordinated manner. Professional agents have a wide range of options for maximizing a property's exposure, including:

- ✓ Multiple Listing Service (MLS)
- ✓ Realtor.com®
- ✓ Company website(s)
- ✓ Personal website(s)
- ✓ Social media sites like Facebook® and Twitter®
- ✓ Craigslist
- ✓ Local Real Estate paper
- ✓ Television
- ✓ Notifying potential buyers and referral sources in their database
- ✓ Open houses
- ✓ Direct mail and email campaigns
- ✓ Home Highlight info to all agents in their company's local offices
- ✓ Notifying the area's top real estate professionals
- ✓ Real Estate professional tours
- ✓ For Sale sign
- ✓ Networking within the local community
- ✓ Realtor.com® Real Estate Search mobile applications

STEP 5 - SET THE STAGE

Putting your home on the market is a lot like putting up a profile on an online dating service. You want to put your best face forward, minimize flaws, and set the stage for an appealing and harmonious match.

Send clutter packing

Systematically address each room and living area, and pare down with vigor. Rid your home of clutter, extraneous objects, and mess. Aim for an attractive, well-organized environment free from untidiness and confusion.

Allow homebuyers to picture themselves living in the space by getting rid of personal items such as framed photos, your kids' drawings on the fridge, or your collection of ceramic frogs.

But don't just stuff those things in the closet.

Potential buyers will definitely be checking out the closet space, and you don't want it crammed with ceramic frogs. Instead, find a place for it all and store neatly in the attic, basement, a friend's place, or a storage facility.

Boost your curb appeal

Finally, it is time to take a hard look at the outside of your house. After all, that's the first thing buyers will see when they pull up, so you've got to work that curb appeal hard.

Check the condition of exterior paint, your lawn and landscaping, your front door (check the hardware and doorknob), the driveway, a pool if you have one, and even the mailbox. If any of it appears neglected, damaged, dingy, or in disarray, do something about it or you'll drive would-be buyers away before they even park their car.

Tips For Showing Your Home

- ✓ If you've painted in neutral tones, add touches of color with accessories
- ✓ Place fresh flowers where they'll stand out
- ✓ Open all doors and windows beforehand to circulate fresh air
- ✓ Pick up toys, remove all clutter, ensure beds are made, put clothes away
- ✓ Floors should be clean, carpets and rugs vacuumed
- ✓ Trash and recycling bins should be tidy and odor-free
- ✓ The kitchen and bathrooms should sparkle
- ✓ If possible, bake cookies or put a pan of cinnamon in the oven to create a warm and inviting aroma
- ✓ Ideally, pets should be unseen. Pet areas should be clean and odor-free. Not everyone may share your love of animals, and some may be allergic to them
- ✓ Remove all cash, jewelry and small valuables from view

STEP 6 - NEGOTIATING

The reality is that most negotiations proceed without much difficulty. In the event that there are obstacles, your agent will be your strongest ally and best resource for solutions.

The basic process

When a buyer makes an offer on your home they'll do so using a contract developed by your local real estate association in conjunction with legal counsel. These contracts enable the buyer to set a sale price, and also include any clauses for specifying various terms of purchase, such as the closing and possession dates, the deposit amount, and a variety of other conditions.

The buyer's agent will then deliver the offer to your agent, who will then present it to you. Closely review the details of the offer together with your agent.

You may then accept the offer, reject it, or counter it. Countering the offer begins negotiation.

Successive counter offers, with deadlines for responding and for meeting various contingencies and special conditions (e.g. a home inspection, the buyer securing financing) will be exchanged between you and the buyer until either a mutually satisfactory pending agreement is reached or the negotiations collapse.

Basic principles for successful negotiation

- ✔ **Disclose everything.** Smart sellers proactively go above and beyond legal necessity to disclose all known defects to their buyers. Most states have property disclosure forms. Use them.
- ✔ **Ask questions.** Offers may contain complicated terminology, sometimes three or more addenda. Your professional agent can help to clarify.
- ✔ **Respond quickly.** When buyers make an offer, they are in the mood to buy. But moods change, and buyers are known to get buyers' remorse. Don't delay if you want the sale.
- ✔ **Stay calm and be patient.** At all times keep communication civil and agreeable.
- ✔ **Meet halfway.** If there are disagreements about relatively small expenses, consider splitting the difference and smile.
- ✔ **Be cautious with contingencies.** When you've landed your buyer, your signed acceptance of a written offer becomes a sales contract. Except for removing any contingencies, this document is the binding basis for the sale.
- ✔ **Rely on your real estate professional.** It's your agent's responsibility to represent your best interests every step of the way. Your success is their success.

STEP 7 - CLOSING

If you and your buyer have both efficiently taken care of your respective contractual obligations associated with finalizing the sale, the process of completing the transaction will go smoothly with no surprises.

A pending sales agreement generally includes contingencies and special conditions that must be fulfilled by the buyer and seller by the closing date, which usually falls 30 to 60 days after both have signed the agreement.

Common contingencies and conditions:

- ✔ The buyer's securing of financing
- ✔ A Title Search – a historical review of all legal documents relating to ownership of the property to ensure that there are no claims against the title of the property

- ✓ The purchasing of Title Insurance in case the records contain errors or there are mistakes in the review process
- ✓ A professional appraisal of the home, requested by the lender to ensure that the home's actual value justifies the loan amount
- ✓ Any additional contractual promises you have made in connection with buyer incentives, home improvements, etc.
- ✓ An independent inspection of the home's structural and functional condition (foundation, roof, electrical, heating, plumbing, etc.)
- ✓ An independent termite inspection
- ✓ A final walk-through by the buyer to verify that the home is in the same condition as when the sale agreement was signed

Carefully review the sales agreement with your agent to have a clear understanding of your obligations. Any shortfalls or mistakes at this point can be costly.

Completing the transaction

While different areas handle the final settlement in slightly different ways, generally the closing agent – a third-party professional, often a lawyer, who conducts the proceedings – reviews the sales agreement and does the following:

- ✓ Determines the total amount due from the buyer and collects the check
- ✓ Determines all the adjustments (e.g. seller prepayment of taxes, utilities, etc.) and ensures that they're factored into the transaction
- ✓ Assures that the transaction costs (closing, legal fees, etc.) are paid
- ✓ Determines the seller's payments, credits and adjusted net proceeds
- ✓ Witnesses the seller's signing of the property title and all other documentation associated with the transaction
- ✓ Collects the keys and any other necessary items from the seller
- ✓ Provides the seller with the net proceeds as well as copies of the documentation pertaining to the sale
- ✓ Ensures that buyer's title is properly recorded in the local records office along with any mortgage liens

In most cases, the buyer's possession date will fall within a couple days of the closing date, at which point your former home will have a new occupant and your home selling journey will be complete.

You did it! Congratulations!