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Selling a Home

WHAT TO EXPECT

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THE 25 Steps OF SELLING a Home

Getting Your Home Ready

1 **HOME SELLER COUNSELING SESSION** - Here, we will go over the entire home selling process. Once complete, you will have a solid understanding of what it takes to sell a home in today's market.

2 **DETERMINE THE DATE** you want to put your home on the market and the price strategy. Your agent should be able to give you objective advice on both of these items. You will then sign the listing agreement to allow your agent to put your home onto the MLS.

3 **BEFORE LISTING** - Prepare your home for sale. This can include deep cleaning, decluttering, staging, and major or minor repair work. (Ask your agent before doing any repairs to make sure it makes financial sense for your situation).

4 **2 WEEKS PRIOR TO LISTING** - Have a professional photographer take pictures of your home.

5 **MAKE A LIST** of updates you have done to the property, local amenities you enjoy, and any other features unique to your property that you want to make sure the agent highlights in the description of the property and during showings with potential buyers.

6 **1 WEEK PRIOR TO LISTING** - Place "Coming Soon" sign on property to generate interest around your neighborhood.

7 **START "SNEAK PEAK" ADVERTISING** online and with network of Realtors before placing your home on the MLS and continue the same ads through the first weekend of open houses.

8 **PLACE YOUR HOME ON THE MLS** - other sites like Zillow, Redfin and Realtor.com will capture the new listing and have it on their sites within 24 hours.

What Happens During Escrow

9 **SCHEDULE OPEN HOUSES** for Saturday and Sunday to allow as many people to see the property as possible during the first weekend.

10 **OFFERS WILL TYPICALLY START TO COME IN MONDAY NIGHT** from the buyers who saw your home over the weekend. We will review all offers that come in (usually on Tuesday night) and issue counter offers if necessary to secure the most favorable terms for you.

11 **NEGOTIATE FINAL TERMS** with the top offer, and after both parties agree and sign, you will officially be under contract. Escrow will be opened less than 24 hours after that.

12 **FILL OUT OPENING PACKET** from escrow and order HOA documents, the Natural Hazards Disclosure (NHD) and termite inspection if applicable.

13 **BUYER WILL WIRE** their Earnest Money Deposit (EMD) to escrow as outlined in the purchase contract, typically within 3 days of opening escrow.

14 **YOU WILL BE SENT A PACKET** of home disclosures for your property that you will need to fill out (repair work you've done, known issues, features of your home, etc.) These usually need to be finished and sent to the buyer within 7 days of opening escrow.

15 **BASED ON THE TIME FRAME AGREED UPON IN THE CONTRACT,** you will need to make your property available to the buyer to perform inspections and an appraisal if needed.

16 **REVIEW THE REPAIR REQUEST** if/when the buyer issues one. Negotiate the request and come to a final agreement. Buyer then needs to lift their inspection contingency based on the time frame negotiated in the contract - typically within 17 days of opening escrow.

17 **APPRAISAL COMES BACK FROM THE LENDER.** If it appraises at value, then you will ask the buyer to remove the appraisal contingency, if it comes back below value, you will need to negotiate with the buyer to come to an agreement on how to handle the difference.

18 **THE LENDER WILL SEND** the appraisal results as well all other documents to the underwriting department for a final approval of the buyer's loan.

19 **WHEN THE FINAL APPROVAL IS ISSUED BY THE LENDER,** you will ask the buyer to remove the loan contingency. This is typically within 21 days of opening escrow.

20 **AT THIS POINT** all contingencies in a typical transaction should now be removed. This will lock the buyer into the purchase. If they can't purchase the property after this point, you will be entitled to the EMD they put into escrow at the beginning of the deal.

Closing Escrow
& Finishing the Sale

21 **YOU WILL NEED TO CONTACT** the utility companies (water, gas, electric, cable, trash, etc) to arrange for your current services to be turned off the day after escrow is scheduled to close. You should also start packing your home at this point.

22 **THE BUYER WILL DO A FINAL WALK THROUGH OF THE HOME** - typically within the 5 days before escrow closes. This is to make sure any negotiated repairs were completed correctly, and to make sure the property is in the same condition as when they saw it last.

23 **FINAL ESCROW DOCUMENTS ARE DELIVERED** to you to sign. You are now done with the paperwork!

24 **ON THE DAY OF CLOSING,** escrow sends the paperwork to the title company, who then sends it to the county recorder's office. Once it's recorded, the deed to the property is officially transferred into the buyer's name and proceeds from the sale are released to you.

25 ***Congrats!***

YOU HAVE FINISHED SELLING YOUR HOME!

THE COST OF

Selling a Home

Getting ready to sell a home is an exciting time. Make it as stress-free as possible by knowing all the costs associated with a home sale before starting the process.

Before Escrow

REPAIRS & UPDATES

If possible, you will want to give your home a "tune up" before placing it on the market. Small repairs, some basic cosmetic updates, and a deep cleaning are usually recommended to make your home as attractive as possible to a potential buyer.

STAGING

First impressions are everything. Staging a home can be as basic as getting some recommendations on how to best use your existing furniture, to fully staging your entire house inside and out. It has been shown time and time again that staging your home will help increase the purchase price.

During Escrow

REPORTS

A buyer will typically ask you to provide a Natural Hazards Disclosure. These typically run about $100. If you have an HOA, you will also need to request an HOA packet with CC&R, which usually runs a few hundred dollars.

REPAIRS

A buyer will usually hire a general inspector. Based on their findings, they may issue a request for repairs. Once you and the buyer negotiate what repairs you will be responsible for, you will need to complete them before closing escrow. The buyer will also typically ask you to correct any termite damage related to the structural integrity of the home.

Close of Escrow

MAIN CLOSING COSTS

- Buyer and Seller's agent commission
- Escrow Fee
  ($250 + $1.13 per $1,000 of property value)
- Title Fee $1,800 (based on a $650,000 home)
- County Transfer Tax
  ($1.10 for every $1,000 of property value)
- Home Warranty for Buyer $300–$600
- Buyer Credits
- HOA Fees $400–$800

PRO-RATED CLOSING COSTS

- Property Tax
- Mortgage Payments
- Insurance
- HOA
- Utilities