

Quick Guide for the Home Seller

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You're ready to move on to a new home! Selling a home can be a bittersweet, emotional experience – and that's completely understandable. A home is much more than a roof over your head; it represents a place of rest, comfort, and of making memories. But when it's time to go to the next level and make new memories in a place that's more suited for you, selling your current property at the optimum price and timing is the ultimate goal. To help you reach that goal, this guide explains some of the key steps involved in modern real estate transactions from a home seller's perspective.

Prepping the Home

The first step before selling your home is to transform it from *your* house to the *prospective buyer's* house by asking: *What would others like to see, and how are you going to get them to imagine that your house could be – should be – theirs?*



A seller may be very proud of their record-setting pet tarantula collection or that electric blue paint in the living room, but most buyers have a difficult time seeing much beyond what the home currently looks like. It's critically important to declutter, neutralize the colors, and depersonalize the space so it appeals to as wide of an audience as possible. **Remember: the buyers are interested purchasing THEIR next home, not YOUR current home.**

It's also time to perform some quick repairs – that champagne stain on the ceiling from New Year's Eve 2018 may not bother you, but it may actually prevent some buyers from making an offer. It takes some swallowing of pride to make your place someone else's, but your agent can help you through the process.

Setting the Initial Offer Price

Establishing an optimal offer price is another necessary step prior to listing. You, as the seller, set that initial number. To assist you with the process, your agent will prepare a Comparative Market Analysis (CMA) to look at the closing price of comparable homes in the area that have recently sold or are currently for sale.

Even though you as the seller set the initial offer price, only the **market** (in this case, the mutual agreement of a buyer and seller) determines the actual value of your home – not your agent, not the appraiser, and not the bank. If you accept a price lower than your initial listing price, the market has spoken. If you receive multiple offers above your listing price and you choose one of those, the market has also spoken.

Receiving an Offer



Once your real estate agent receives an offer, they will promptly forward it to you for discussion. The offer initially will include a proposed price, a proposed closing date, and proposed contingencies. You have the option to accept, reject, propose modifications to, or even ignore the offer.

After the Signing

Sellers – just like buyers – face additional work after the signing of the contract, and your SagePoint agent will help you with these additional steps.

- **Home Inspection** – Nearly all buyers conduct a home inspection, and they routinely (always) find something they want to have repaired. All buyer requests are optional to satisfy, but note that the buyer can choose to walk away from the contract based on inspection findings alone.
- **Buyer's Attorney Review** – The buyer's attorney can review and request changes to the contract. Everything is negotiable at this point EXCEPT the agreed-to offer price.
- **Appraisal** – Even though the market determines the value of the home, the bank (via the appraisal) determines the lending value of the home. If the appraisal value is less than the offer value, additional price negotiation may be in order to resolve the discrepancy.
- **Other Contingencies** – All other contingencies (e.g., buyer's sale of a previous home, buyer's ability to secure financing, etc.) must be cleared prior to closing.

Closing

At the closing, the title company will prepare the closing documents, all parties will execute them, and you will receive a check for the balance of what the new owner paid, less any closing costs and debts associated with the property. Time to celebrate!

SagePoint Realty is a boutique real estate agency located in St. Charles, Illinois specializing in residential transactions. We are less concerned with breaking personal sales records than we are with providing intelligent, effective, and superior service to every customer.

Our goal is to make every transaction an enjoyable and profitable experience for each client.



SAGEPOINT REALTY



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TYPICAL HOME SALE TRANSACTIONAL STEPS: SELLER'S PERSPECTIVE

- Listing Agent (AGENT) meets with Seller to discuss the sales process
- AGENT explains concept of Agency to Seller
- SELLER agrees in principle to engage services of Agent
- AGENT prepares CMA and meets with seller to discuss desired potential marketing price, marketing date, closing date, and other sales details
- SELLER determines initial marketing price, market date, closing date, and other sales details
- AGENT prepares listing agreement including all of Seller's preferences, and this agreement is executed by both Agent and Seller
- SELLER prepares home for sale
- AGENT (or their photographer) takes photos and prepares draft listing remarks
- SELLER approves use of photographs and listing remarks
- SELLER completes legally-required State and Federal home disclosure forms as provided by Agent
- AGENT assembles and activates listing on the MLS at a time approved by Seller
- AGENT installs sign & lockbox to home (with Seller-provided key)
- SELLER engages services of Attorney in anticipation of transaction
- AGENT (with Seller's approval) approves any viewing by prospective buyers (NOTE: All viewings will be conducted by a licensed Agent).
- AGENT conducts open houses as requested by Seller
- AGENT receives offers from prospective buyers (via the Buyer's Agent) and passes them onto Sellers in a timely fashion
- AGENT responds to offers as directed by Seller
- AGENT facilitates the execution of a sales contract; once signed, the home is now in "Contract Pending" status and the AGENT adjusts the listing status and signage accordingly
- ATTORNEY reviews contract
- PROSPECTIVE BUYER conducts home inspection; any repair requests and responses will be communicated through the Attorneys and Agents on both sides
- SELLER and PROSPECTIVE BUYER negotiate and agree to inspection demand responses via their respective Attorneys
- SELLER completes and documents repairs as agreed
- PROSPECTIVE BUYER secures financing, sells their home, and otherwise satisfies contract contingencies; although the closing has yet to take place, the home is now "clear to close", is no longer contingent, and the listing and signage may be adjusted by Agent as appropriate
- ATTORNEY works with Title Company to prepare all closing documents; these closing docs can usually be executed by Seller remotely prior to closing
- PROSPECTIVE BUYERS attend closing at Title Company, paperwork is completed, the home is sold, and checks are distributed to all parties