



Selling Process

Your residence is probably one of the most valuable financial assets you own, so it is smart to manage it as you would any other financial asset. In the following you can learn about the home selling process step-by-step.

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Make The Decision To Sell

Plan ahead. If you sell your home without having somewhere to move you may have to live in temporary rented quarters. Better to choose your next home before you need it. And if you plan on buying a new home you will want to get pre-approved for a mortgage.

Select A Realtor®

Next you select a Realtor® to represent you, unless you decide to sell the home yourself.

Benefits of listing your home with a Realtor® include access to the Multiple Listing System which links all member Realtors® so they can match buyers and sellers. Realtors® offer professional home sales experience which can greatly impact the process. Realtors® can also be an important factor in negotiating. Lastly, a good Realtor® can take care of many details which busy home owners don't have time to contend with.

To best serve your interests find a Realtor® with a proven track record. At WayneGarcia.com, we believe in a team approach, sharing our market knowledge and experience to get you the best deal possible.

Establish The Appropriate Price

You set the price although the assistance of a Realtor® can be invaluable. The Realtor® develops a comparative market analysis that evaluates sales of properties similar to your home. Generally, comparative sales must be within the last six months, in the same neighborhood, have the same characteristics and be in the same condition as your home, and with similar square footage.



We recommend paying particular attention to the total price for the neighborhood and price per square foot. A good Realtor® will give you their best professional advice based on actual sales.

Setting the appropriate price is a sensitive issue and can have important consequences. For example, if the price is set too high it can virtually stop all sales activity. And even if you find a buyer who agrees to the price the sale is contingent on an appraisal approved by the mortgage company.

It's important to know when to be aggressive with your price when the market warrants. An outstanding house with lots of charm in a desirable, well-located neighborhood during a good real estate market can command a premium and record-breaking price.

Pre-Sale Inspection

Decide whether you are in a stronger negotiating position if you discover defects early and correct them or adjust your sales price. Or if you wait for a buyer to tell you what's wrong with your home. A major reason that transactions fail is that the buyer backs out after hearing the results of the inspection.

Remember that if you know something about the condition of your home, you must disclose the information.

Preparing For Sale

Decide what repairs and decorative improvements to make before putting the home up for sale. Keeping the lawn manicured and festively planted, making the house spotlessly clean, clearing clutter from shelves and closets, and painting the home are all important.

Pack and store portable valuables and prescription drugs. Also, make arrangements for your pets with your Realtor®, for the welfare of both your pets and prospective buyers.

Listing Your Home

Once you are ready for the sale to begin, you must execute the listing agreement with your Realtor®. A listing agreement is a contract that covers a specific period of time and which grants the real estate agent the right to exclusively represent you and market your home. In exchange, you will pay a commission that is agreed to up front.

The listing agreement also grants the Realtor® the right to advertise your home on the Multiple Listing System which links all member Realtors® so they can match buyers and sellers. This can greatly enhance your chances of finding a buyer.

There are other forms to be completed with your Realtor®. If you have documentation on the condition of your home share them with your Realtor®.

Showing Your Home To Buyers

The more flexible you can be the greater the exposure your home receives. Most appointments are made in advance giving you some warning.

It's better if you aren't present while buyers view your home. Potential buyers need the freedom to discuss pros and cons with their Realtor®. You want them to be comfortable and have adequate time to consider their purchase.

Receiving An Offer

Any offer will be sent to your Realtor® on your behalf. Your Realtor® will then present the offer to you. This may happen in person or by fax. Here are some questions to consider:

- How much did the buyer offer to pay?
- What are the financing terms?
- How much earnest money will you accept?
- How long is the option period, and what will you charge for this right?
- What date do you want to sign the closing papers?
- What date do you want to relinquish physical possession of the property?

Negotiating The Offer

Once an offer is written and submitted you may accept the offer as written, reject the offer, or propose changes. If you sign without making any changes then all parties are in agreement and the contract is executed. If you change the offer the buyer has the option of making further changes and submitting it again.



The offer will go back and forth between parties until all terms are agreed upon. Then the contract is executed. Usually at this time the option fee will be sent directly to you signifying that the buyer has the right to terminate the contract within the option period.

Inspections

Now the buyer arranges to have your home inspected. The inspections are for structural and mechanical systems, and for wood-destroying insects. The inspections can take a few hours so plan to be away from your home. You will receive a copy of the inspection reports.

You may be asked to modify the contract. To make repairs, compensate the buyer for the repairs, or lower the sales price. If the buyer cannot accept the property as is and you will not provide relief, the buyer can terminate the contract if still within the option period though the buyer will be out the option fee and inspection costs.

If the home is in acceptable condition and the option period has expired everyone should now be fully committed to the contract.

Arranging The Move

If you are going to use a moving service or rent a truck check availability as soon as possible. Holidays, end of the month, and end of the semester moves can be more difficult to schedule. And closings can be delayed so have a contingency plan. You also need to contact local utilities in advance to have the services switched to your name. Your Realtor® can give you contact numbers.

Preview The Closing Statement

If possible, you want to preview this closing statement before closing. You want to verify the accuracy of the statement and understand all items. And you want to see how much your proceeds from the sale will be. Sometimes sellers are asked to pay their share of the year's property taxes through the day of closing even if they have already put that money into an escrow account by their mortgage lender. Still the taxes due are deducted and within a few weeks the mortgage lender will settle the escrow account and send a refund check. But in the meantime home owners are out the money.

Closing

Normally you will go to the title company or closing attorney's office to sign all documents, bringing with you photo identification. You and the buyer will probably have separate appointments to sign the documents.

The closer will review each document in as much detail as you want and you will sign them as you go. When the process is complete the closer usually makes copies of all the documents for you and you're free to go.

Once the seller has signed the documents, the lender verifies that everything has been processed to their satisfaction and then releases funds so the title company or closing attorney can disperse them to the appropriate parties. This can be up to a day or so after the papers are signed.

Possession

Possession depends on what was negotiated in the purchase contract. Typically, once funding is completed the buyer receives the keys to the property and then you must be completely moved out. It can vary, of course, but if possession is different from closing and funding a temporary lease should be signed.

