

Information & Advice – Home Sellers

1) 4 Factors in Selling

A. The List Price

The market value of a house is the price that a willing and knowledgeable buyer and seller will agree upon. ***Only the market value is of importance to the buyer!***

Serious buyers with money and motivation quickly learn the market value of homes that meet their needs. They usually are not willing to waste time bidding and sometimes looking at overpriced properties.

Benefits of Competitive Pricing

1. A more attractive price yields better exposure to serious buyers
2. Less inconvenience for you
3. Better response to advertising, signage, ads etc.
4. Due to the interest competitive pricing can attract a faster sale with fewer conditions
5. Attracts higher offers, one of the best ways to attract competing offers, either directly or indirectly
6. When a property is priced too high and does not sell in the beginning, the seller reduces the price in an effort to promote a faster sale. As more time goes by, the seller continues to reduce the price. However, because less interest is generated the longer a property remains on the market, the price drops until the house finally sells at a price below market value.

Research indicates for best results: price within 2-3% of the market value.

B. The Condition of Your Home

The first five minutes are critical in selling your home! It has been said that buyers make up their minds in less than 5 minutes, and then spend the rest of the time rationalizing their decision. Their first impressions begin with the yard, the driveway, and the front door.

Here are a number of things you can do to make your house ready for viewing. Attending to them can make a difference of literally thousands of dollars in the market value of the property.

PREPARING YOUR HOME FOR SHOWING

You don't get a second chance to make a good first impression. Consider this; 2 identical cars are for sale. One is clean as a whistle, polished to a "like new" condition, the other is dirty, soiled seats etc. Which one will sell quicker? Which one will probably sell for more money and will receive multiple "bids" Below is a checklist to help you polish your home....It's worth it!

<p>FIRST IMPRESSIONS The Drive Up</p> <ul style="list-style-type: none"><input type="checkbox"/> House exterior in good repair<input type="checkbox"/> House number easy to see<input type="checkbox"/> Eavestroughs, down spouts and soffits painted and in good repair<input type="checkbox"/> Garage/Carport clean and dry<input type="checkbox"/> Cracked or broken window panes replaced<input type="checkbox"/> Windows washed <p>(SEASONAL)</p> <ul style="list-style-type: none"><input type="checkbox"/> Lawns cut and raked; hedges and shrubs trimmed; gardens and walkways weeded and edged<input type="checkbox"/> Leaves raked; walks swept; decks and patios cleared of leaves and debris<input type="checkbox"/> Snow and ice cleared; walkways sanded or salted <p>GARAGE</p> <ul style="list-style-type: none"><input type="checkbox"/> Seasonal equipment properly organized<input type="checkbox"/> Garage door clean/repainted<input type="checkbox"/> Ensure the door operates smoothly<input type="checkbox"/> Remove cob-webs <p>AT THE FRONT DOOR</p> <ul style="list-style-type: none"><input type="checkbox"/> Door easy to unlock<input type="checkbox"/> Doorbell works<input type="checkbox"/> Door hardware in good repair<input type="checkbox"/> Porch and foyer clean and dry<input type="checkbox"/> No shoes/boots lying about <p>BATHROOMS</p> <ul style="list-style-type: none"><input type="checkbox"/> Mirrors, fixtures and taps cleaned and polished<input type="checkbox"/> Leaky taps and toilets repaired<input type="checkbox"/> Seals around tubs and basins in good repair/Re-caulked if necessary<input type="checkbox"/> Floors cleaned, waste containers emptied<input type="checkbox"/> Flush and close toilets<input type="checkbox"/> Inside of cupboards and cabinets clean and neat and de-cluttered<input type="checkbox"/> Towels clean and matching<input type="checkbox"/> Clutter put away-better yet pack it away – you are moving	<p>INTERIOR MAINTENANCE</p> <ul style="list-style-type: none"><input type="checkbox"/> Cracked plaster repaired/Drywall repaired<input type="checkbox"/> Chipped paint touched up/walls washed if soiled<input type="checkbox"/> Door knobs and cupboard latches tight<input type="checkbox"/> Furnace & Hot water heater wiped down and cleaned<input type="checkbox"/> Burned out light bulbs replaced<input type="checkbox"/> Squeaky doors oiled<input type="checkbox"/> Clean, dust and polish<input type="checkbox"/> Organize closets & pack away last seasons clothes <p>KITCHEN</p> <ul style="list-style-type: none"><input type="checkbox"/> Sinks and taps cleaned and polished, no dirty dishes or place in the dishwasher or oven if necessary<input type="checkbox"/> Appliances cleaned & polished<input type="checkbox"/> Countertops cleared off as much as possible<input type="checkbox"/> Position the microwave as not to clutter the countertop<input type="checkbox"/> Stove fan cleaned and replace filter<input type="checkbox"/> Kitchen/dining table set to reflect the lifestyle<input type="checkbox"/> Inside and outside cupboards and cabinets clean and neat<input type="checkbox"/> Pack the Tupperware cupboard<input type="checkbox"/> Small appliances put away<input type="checkbox"/> Pack pots and pans that you are not usingClutter put away <p>BASEMENT</p> <ul style="list-style-type: none"><input type="checkbox"/> 60 – 100 watt light bulbs in all light fixtures<input type="checkbox"/> Floor clean/painted<input type="checkbox"/> Furnace polished, filter replaced and ductwork cleaned<input type="checkbox"/> Storage area neat and tidy – Remove all junk<input type="checkbox"/> Electrical panel cleared<input type="checkbox"/> Cobwebs swept from floor joists<input type="checkbox"/> Windows and Walls cleaned<input type="checkbox"/> Leave a copy of the utility bills out for viewing. <p>Remember – you never get a second chance to make a good first impression!</p> <p>Great first impressions help create great offers</p>	<p>BEDROOMS</p> <ul style="list-style-type: none"><input type="checkbox"/> Cleaned, painted if required<input type="checkbox"/> Closets organized, clean<input type="checkbox"/> Beds made <p>Clutter put away, better yet...pack it</p> <p>VALUABLES</p> <ul style="list-style-type: none"><input type="checkbox"/> Valuables <u>locked</u> safely away or taken with you, (out of sight, out of mind)<input type="checkbox"/> Move valuables from top drawer of your bureau or chest of drawers <p>HELP THE SALES PEOPLE SELL YOUR HOME</p> <ul style="list-style-type: none"><input type="checkbox"/> Turn on all lights<input type="checkbox"/> Open drapes in the daytime, close them at night<input type="checkbox"/> Air conditioner turned on in warm weather<input type="checkbox"/> Fireplace lit in cooler weather<input type="checkbox"/> Hall and stairs cleared of all clutter<input type="checkbox"/> Turn off the TV and play background music quietly (soft rock)<input type="checkbox"/> Carpets freshly vacuumed and all Hardwood polished<input type="checkbox"/> No cooking/smoking odors<input type="checkbox"/> heat some frozen pastry slowly in the oven or heat a pan on the stove and then drop in a few drops of vanilla<input type="checkbox"/> Children, pets and adults can keep buyers from feeling at ease while they look through a home. For showings, please be out of the house if possible.<input type="checkbox"/> Store unneeded items offsite<input type="checkbox"/> Help make your closet cupboard room<input type="checkbox"/> Empty and clean all garbage containers<input type="checkbox"/> Fresh cut flowers <p>The most important thing you can do in a showing to help sell your home is to leave, even if the agent insists that it is ok to stay. Buyers must get emotionally committed to your home to buy it and they can not become emotional about "their new home" if you, the current owners are "hanging around."</p>
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Remember your stiffest competition is the brand new "model" home your buyer has just seen . . . with no children and no animals!

C. The Market Exposure Your Home Should Be Given

After you have show cased and priced your home, it is ready to take to market. The task is to bring serious qualified buyers who are interested in a home with your specifications, and in your price range.

There are a series of steps an experienced real estate agent will take to give your house the maximum exposure in the first few days and weeks that it can get.

These activities can include:

- Listing your property on the Multiple Listing Service (MLS), to notify the agent network who will bring you specific buyers for your property
- Putting a FOR SALE sign on your property
- Putting a lock box on your door for easy accessibility for other real estate agents
- Making Feature Sheets to highlight strengths of property
- Networking with their networking referral system
- Distributing "Just Listed" cards in your neighbourhood
- Various advertising methods
- Conducting an open houses for real estate sales representatives, agents, brokers and/or the public
- Virtual Open House Tour
 - Caravan Bus Tour
 - Special Invitation to be mailed to agents with current listings in your area
 - Upload information on the internet
 - Contacting homes in the surrounding area
 - Your agent may or may not need the marketing activities above and probably will have additional activities.

D. The Final Terms of the Agreement of Purchase and Sale... "the Offer"

Even when a buyer and a seller come close to agreeing on the final price of the property, the successful completion of the sale can rest on many factors which must be included in the agreement of purchase and sale.

Some of the more common items that may receive attention, and therefore be items for negotiation between the two parties are:

- **Conditional on Financing.** If the buyer needs to find financing to finalize the agreement or the buyer is already approved for financing and the bank requires a satisfactory appraisal of the property, a condition of this sort is included in the agreement which must be met within a set period of time.
- **Conditional on the sale of the buyer's home.** Sometimes the buyer, whose home is on the market, but not yet sold, wants to agree that the sale be subject to the sale of his property. In other words the Buyer agrees to buy your home as long as they can sell theirs within a set period of time.
- **Conditional upon home inspection** by a qualified home inspector. The Buyer arranges and pays for an inspection of the home by a qualified inspector.
- **Conditional upon satisfactory home insurance** In some instances older homes that have had few mechanical improvements have experienced huge rate increases. These increases have made some properties too expensive to own.
- **Closing dates.** Some may want or need an earlier or later closing date than you would like. Be prepared for flexibility.
- **What equipment, [fixtures](#) and chattels** of yours are included in the sale price?
- **Condition of the house**, repairs the buyer may want or need to have done.
- How the **mortgages** are dealt with (sometimes the buyer asks a seller to hold a mortgage).

2) Costs

Here is a brief summary explaining some of the costs you may incur when you are selling your property.

1. **Real Estate [Commissions](#).** This is usually between 4% - 7% + GST of the sale price of the property. However, this could change depending on the nature of the agency relationship shared between the purchaser's agent and the purchaser. If the transaction is one of property rental, the commission is generally one month's rent, plus GST.

2. **Survey Costs.** In some cases the seller must provide a survey. If you have a current survey in your possession, and nothing has changed since it was conducted, this will usually suffice. A new survey will generally cost \$700 - \$1,200 in town, and possibly more in the country. Country surveys vary in price due to size of the area and the terrain.

3. **Legal Fees;** one for the lawyer (plus GST) and their service and one for the disbursements. Ask for quotes for both. The fee may be higher if there is a mortgage being discharged on the sale.

4. **Mortgage Discharge.** If your mortgage is being discharged prior to its maturity, there could be a penalty for early discharge. A lot of mortgage companies require a discharge fee to cover their administrative costs. Call your bank and ask for a mortgage discharge statement in advance of selling. This will minimize any "surprises".

In the case of an institutional lender, many mortgages provide a "portability" feature, which means in effect that the interest penalty may be waived if the seller transfers the mortgage from the home they are selling to the home they are buying, if in fact that is the case.

Your agent can verify all this data in a "mortgage verification form" sent to your lender.

5. **Other Expenses.** All your final bills from utilities and suppliers should be fully paid up at the time of closing or shortly thereafter. These could include realty taxes, phone, hydro, oil, gas, cable TV, renovations, alterations, snow removal - all the bills which have to do with the house. Make sure all the companies and organizations involved are informed of the date of closing to ensure all final billings are made, and you are no longer responsible for any utility or tax charges subsequent to the date of closing.

PLANNING YOUR MOVE

Most people experience moving at least once. Whether you are moving down the road, across town or across the country, it can prove to be a challenging time. A well-organized and planned move can greatly reduce the stress involved in packing up and transporting a lifetime of belongings. A successful move can also be a wonderful way to start life in your new home. Whether you decide to move yourself or hire professional movers, plan ahead. Most good moving companies in terms of both trucks and staff, are booked six weeks in advance. This is especially the case during the summer months, which tends to be the busiest moving time of the year. If possible, avoid the end of the month and weekends for moving, weekdays are always less hectic and companies generally offer more economical rates during this down period. Organization is the key to a stress-free move. Here is a check list to help make the move smoother.

ONE MONTH BEFORE MAKING THE MOVE

Start a moving expenses book. Some of your expenses may be tax deductible, so be sure to save the receipts.

- Make an appointment for their rep to come to your home to discuss the move
- Ask for an experienced driver who will be responsible for packing and moving your things
- Ask about cost, timing requirements, the company's liability in case of damage or loss
- Make special arrangements for moving a piano, antiques, appliances etc.
- Obtain a written commitment from the moving company you choose.
- Ask for recent referrals and phone them
- Make any necessary arrangements to move family, ie: hotel reservations, plane tickets etc.
- Gather together all important documents and store them in a safe place – such as safety deposit box.
- Take a good look at what is worth taking and what is not. Be ruthless. Have a garage sale. Rent a garage bin Get rid of all the stuff you really do not need.
- Make plans for the children and pets for moving day; ie:
 - a. Children below the 9th grade will find the adjustment easier if you move sooner rather than later.
 - b. Buy a toy moving van and talk about the move with small children explaining what will happen.
- Arrange for school records for transfers to new schools.
- Get boxes, packing paper, heavy twine and/or masking tape if you are packing yourself
- Stop or transfer newspaper and other home deliveries.
- Make a floor plan of your new home and plan where everything will go. Take necessary measurements, do not try to guess.

TWO WEEKS BEFORE THE MOVE

- Return all items you have borrowed including library books.
- Dispose of flammable items.
- Book freight elevator if you are moving in or out of an apartment.
- When packing, number all the boxes. Keep an inventory list. Label each box with the room where it belongs in you new home. Seal boxes.

ONE WEEK BEFORE THE MOVE

- Prepare a list of all items you plan to take with you personally. Include all jewelry and any valuables which you do not wish to entrust to movers.

- Dismantle and/or unfasten anything that requires it.
- Prepare a list of everything that is left to do.
- Confirm the booking for the moving company
- Defrost and air the deep freezer.

2 DAYS BEFORE THE MOVE

- Do your last laundry. Disconnect and drain the washing machine.
- Finish packing
 - a) Blankets are best moved in large boxes, towels and pillows in dresser drawers
 - b) Do not overload drawers when packing items in dresser.
 - c) Liquids in bottles should have tops secured.

THE DAY BEFORE THE MOVE

- Lead packers around the house and make sure they understand all your written instructions.
- Gather together all keys for the new owners, including garage and shed.
- Pack items that you will carry with you: Mark them; **DO NOT LOAD! THIS IS FOR THE CAR!**

MOVING OUT

- Lay down plastic sheets to minimize dirt in the house
- Conduct a final check for forgotten items.
- Check inventory for number of boxes – break down by room.
- Check Mover's Bill of Lading against your inventory.
- Turn the heat down.

MOVING IN

- Arrive at your new house before the movers. Take milk, bread, coffee, tea with you. It will be a long day.
- Verify that the utilities have been turned on.
- Lay down plastic sheets to minimize dirt in the house.
- Give copies of your floor plan to the movers. As your goods arrive, examine each item carefully as it is put in place and check off your inventory.
- Note any damage. You won't be able to check goods which have not been unpacked, so above your signature on the Bill of Lading write "Subject to loss or hidden damage."
- The first priorities for unpacking will be the children's rooms, TV and radio, and basic kitchen supplies.
- Take a deep breath and accept the fact that it will take a while to settle in.

HOME CONTACT LIST

My Contact	Name	Ph #	Address	Acct No.	Other
MRTG Company					
Insurance Co.					
Tax Office					
Bank					
Gas Company					
Water Heater					
Electric Company					
Water Company					
Phone					
Internet					
Cable/Satellite					
Police Station		911**			
Local Fire Dept		911**			
Ambulance		911**			
Nearest Hospital					
Doctor's Office					
Dentist Office					
Poison Control Ctr					
MPP's Office					
Councilor's Office					
Other					
Other					
Other					
Other					
Other					

Obtain emergency numbers in your area. Keep this list where it is easily accessible

** 911 Local emergency numbers only

AFTER CLOSING CHECKLIST

DID YOU

- Call municipal office for garbage & recycling pickups.
 - Blue Box Green Box

- Send "change of Address" notification to:
 - Credit Card Companies
 - Insurance Companies
 - Motor Vehicle Department
 - Health Care Providers
 - Friends and Family

- Replace or Re-key all exterior door locks.
(Consider having a home security system installed.)

- Change **all** batteries and record the date batteries were changed.
 - Smoke detector _____ Date
 - Carbon Monoxide _____ Date
 - Remote Controls _____ Date

- Set Maintenance schedule for:
 - Furnace check - _____ Date
 - Air Conditioning check - _____ Date
 - Swimming Pool check - _____ Date
 - Other - _____ Date

- Building Inspector recommendations
 - _____
 - _____
 - _____
 - _____
 - _____

- Check lawn, garden & snow equipment.
 - Lawn Mower
 - Snow Blower

ENJOY