



HOME SELLER'S GUIDE

FOR PUTTING YOUR HOME ON THE MARKET

THE
STERN
TEAM

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THE STERN TEAM

OMADA REAL ESTATE

Experience the thrill of navigating the real estate market with the unmatched expertise of The Stern Team, an esteemed group of professionals who have conquered the realm of buying and selling homes along the illustrious Wasatch Front. With a new successful transaction nearly every day, our impeccable standing in North America and prestigious reputation in Utah make us your ultimate ally in achieving your residential dreams.

Witness the power of The Stern Team Promise in action as we pursue excellence, guided by our unyielding principles of integrity and dedication to the aspirations of those we serve. Whether you seek to buy, sell, or invest in a tranquil Salt Lake sanctuary, The Stern Team and Omada Real Estate are committed to delivering you an exceptional real estate journey like no other.

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SELLING PROCESS: START TO FINISH

MASTERING THE HOME SELLING JOURNEY

Your home stands as your most significant asset, having received substantial investments of time, money, and genuine emotion throughout the years. stands as your most significant asset, having received substantial investments of time, money, and genuine emotion throughout the years.

When the time arrives to sell, precision is key. Unfortunately, numerous pitfalls can arise, jeopardizing the efforts you've devoted to your home. You've put in too much effort to allow such mishaps to occur!

This guide was crafted with your needs in mind. You merit the appropriate knowledge to make informed decisions about selling your home. Consequently, we've dissected the selling process into fundamental steps. From determining if selling is a wise choice to concluding the transaction with a substantial check in hand, you'll gain insights through a straightforward, step-by-step approach, steering you towards a successful home deal.



SELLING PROCESS: START TO FINISH

MASTERING THE HOME SELLING JOURNEY

Before diving into the details, let's take a comprehensive look at the entire home-selling process. Use this brief overview as a quick reference as you navigate through each step:

1. Assess your readiness to sell

Selling your home demands substantial effort. Reflect on whether this phase of life is suitable for managing a complex process that may extend over a month or two.

2. Work with an experienced agent

Find a RamseyTrusted agent in our ELP program for expert guidance and prioritized support throughout the home-selling process.

3. Set the right price

Your agent should leverage local data to compare your home with recently sold properties similar to yours, enabling you to set a fair price from the outset.

4. Stage your home

Consider a pre-listing home inspection for optimal condition assurance. Declutter, depersonalize, and take necessary steps to create a fresh ambiance, potentially expediting a more lucrative sale.

5. Show your home

A skilled agent will list your home in high-traffic areas and handle showings efficiently to maximize opportunities and exposure to active buyers.

6. Choose the right offer

Collaborate with your agent to avoid settling for a subpar offer. Remember, negotiations can be undertaken to reach a mutually beneficial agreement.

7. Tackle Contingencies

These are stipulations outlined in a contract that must be fulfilled to complete a home sale. Examples include the outcomes of a home inspection, appraisal, and final mortgage approval.

8. Close the sale

As you wait for your buyer to finalize their financing (and to collect your check!), plan your move. For a moving and storage company you can trust—check out our friends at PODS.



01 ASSESS YOUR READINESS TO SELL



SMART SELLING IN A HOT REAL ESTATE MARKET

In a bustling real estate market, selling your home may be tempting, especially when neighboring properties are fetching high prices. However, it's crucial not to be swayed solely by market trends. Instead, center your decision on your individual situation and financial standing.

Consider your long-term goals and personal finances. Selling a home involves costs like agent commissions and potential repairs. Assess if you can cover these expenses and still get a desirable return on investment. Also, think about your long-term plans – whether selling aligns with your goals or if waiting for a better opportunity makes sense.

Look beyond rapid sales and high prices in the local real estate market. Analyze the demand for properties like yours, potential developments in the area, and any external factors affecting the market. Consult with real estate professionals for insights into current conditions and expert advice on pricing and navigating the selling process.

In essence, while market trends matter, your decision to sell should be based on personal goals, financial readiness, and a solid understanding of your local real estate scene. This holistic approach ensures a well-informed decision that aligns with your unique circumstances.

TOP SIGNS YOU MAY BE READY TO SELL:

Debt-Free with an Emergency Fund

If you're considering selling your home and venturing into a new property, being debt-free with a robust emergency fund is a positive signal. Having paid off all your debts and maintaining three to six months' worth of expenses in your emergency fund indicates a solid financial foundation for your next home purchase.

Financially Prepared for Costs

Before diving into the home-selling process, ensure you have funds set aside for staging your current home. Additionally, evaluate your financial readiness for the costs associated with your next home.

Whether you're moving up or downsizing, having the capability to pay for your new house in cash or securing a mortgage within your budget is crucial. Opt for a 15-year fixed-rate conventional mortgage, keeping the monthly payment at 25% or less of your take-home pay. Don't overlook closing costs and moving expenses in your financial planning.

Emotionally Ready to Sell

Gauge your emotional readiness for selling. Are you prepared to leave the place where your family created lasting memories? Can you commit to maintaining your home in a show-ready condition for an extended period? Are you open to hearing constructive feedback from potential buyers? If you can answer affirmatively to these questions, your emotions are unlikely to hinder the home-selling process.

Secured the Best Real Estate Agent

Avoid missed opportunities and potential losses by choosing a skilled RamseyTrusted agent through our ELP program for a confident and well-priced home sale. Find local agents aligned with your values easily.

Home Value Exceeds Outstanding Debt

Selling a home below its debt value is not ideal; breaking even is better but still not preferred. If facing this situation, avoid selling unless necessary to prevent bankruptcy or foreclosure. If unsure about your home's current value compared to your debt, we can help you assess in the next steps.

Your agent can
dispute a
questionable
appraisal

You can
drop your
contract
price

The buyer can
bring the
difference in
cash

You and the
buyer can
meet
somewhere in
the middle

Both
parties can
call the
deal quits

DETERMINING THE VALUE OF YOUR HOME

Before putting up a "for sale" sign, it's crucial to estimate how much your home will sell for. Let's do a quick calculation to determine your expected profit.

Start by figuring out your equity, which represents the portion of your home you own compared to what your lender owns. Calculate equity by subtracting your mortgage balance from the current market value of your home. For example, if your home is valued at \$200,000 and you owe \$120,000 on your mortgage, your equity would be \$80,000.

$$\text{Market Value (\$200,000)} - \text{Mortgage Balance (\$120,000)} \\ = \text{Home Equity (\$80,000)}$$

Now, consider closing costs as they impact your proceeds from the home sale. The primary expense is the agent commission, typically 6% of the sale price, divided between the seller's and buyer's agents (covered by the seller).

Additionally, sellers pay 1–3% for taxes, title transfer, and legal assistance. Using our example, deducting up to \$18,000 for these costs could leave you with \$62,000 for your next house.

$$\text{Home Equity (\$80,000)} - \text{Agent Commissions and} \\ \text{Closing Costs (\$18,000)} = \text{Sale Proceeds (\$62,000)}$$

A \$62,000 down payment for your next house is substantial, but precision is key. Assessing your home's value requires a professional touch.

Rely on a real estate agent for a free comparative market analysis (CMA). Their insights into recent transactions in your area ensure accurate figures. And remember, there are more benefits to working with an agent, as you'll discover shortly!



02 WORK WITH AN EXPERIENCED AGENT

NAVIGATE REAL ESTATE WISELY WITH AN EXPERT

Once you've confirmed your readiness to sell, your subsequent move involves locating a top-notch real estate agent. Pause for a moment! Is there a possibility of cutting costs by forgoing the agent and handling the house sale independently?

While it's accurate that selling on your own, known as For Sale by Owner (FSBO) in real estate, eliminates the need for agent commissions, rest assured—an agent is highly recommended.

02 WORK WITH AN EXPERIENCED AGENT

NAVIGATE REAL ESTATE WISELY WITH AN EXPERT

WHY NOT SELL YOUR HOME BY YOURSELF?

Embarking on the FSBO route and attempting to sell your home without an agent entails three significant risks:

Reduced Profit

Statistics consistently reveal that FSBO homes tend to sell for considerably less money than homes with agent assistance. Some may dismiss this fact, attributing the lower profit to agent commissions.

However, proficient agents possess the expertise to help you secure a higher selling price, even after factoring in their commission. Additionally, selling FSBO does not guarantee avoidance of paying the buyer's agent commission.

Limited Exposure

For a successful home sale, you require a substantial pool of potential buyers. A seasoned real estate agent exposes your home to thousands of potential buyers, leveraging an extensive network of other agents actively working with buyers. This approach surpasses the efficacy of merely relying on someone stumbling upon your online listing.

Unintentional Mishaps

Selling your home independently has risks. Seasoned agents, with their wealth of experience, navigate challenges effortlessly. Their expertise can prevent financial setbacks that may result from minor errors.

Many sellers are aware of the drawbacks of FSBO, and only a small percentage choose this route. It's advisable to avoid making that mistake and opt for professional assistance.

Every year a very small percentage of sellers choose to sell solo. Don't make that mistake.

HOW TO FIND THE RIGHT AGENT

Choosing a trustworthy real estate agent is crucial when selling your home. While it may be tempting to go with the first person you meet or someone familiar, investing thousands of dollars requires careful consideration. Even if someone is newly licensed, take the time to interview multiple agents. Prioritize finding the one who truly justifies the significant investment in facilitating the sale of your home.





02 WORK WITH AN EXPERIENCED AGENT

NAVIGATE REAL ESTATE WISELY WITH AN EXPERT

ASK THE RIGHT QUESTIONS

To identify the ideal agent, it's crucial to pose the right questions. For a streamlined process, utilize our Real Estate Agent Interview Worksheet, a simple tool that provides you with the most pertinent questions, facilitating easy comparison of notes and aiding you in selecting the agent perfectly suited to your needs.

SEEK EXCELLENCE

When interviewing real estate agents, ensure that the chosen professional embodies the following characteristics:

Communicator

The initial interaction with an agent speaks volumes. An agent genuinely interested in securing your business will promptly return your call, potentially within minutes. Extended waiting periods for a response indicate a lack of emphasis on excellent service.

Coach

While selling a home can be intricate, it's no reason to relinquish control of decisions. Given that it's your financial stake on the line, the right agent takes the time to elucidate the process in straightforward language, empowering you to make informed decisions at every juncture.

Confidence booster

A reliable agent supports recommendations with tangible data. If an agent attempts to coerce you into following their advice or yields to all your demands, it's a clear signal to reconsider your choice.

DISCOVER YOUR AGENT NOW

Identifying agents embodying these characteristics doesn't require extensive searching. We've already done the groundwork for you! Our team selectively chooses agents nationwide who align with our high standards of excellence, referred to as RamseyTrusted. For a swift and uncomplicated connection with these agents, explore our free Endorsed Local Providers (ELP) program.

03 SET THE RIGHT PRICE

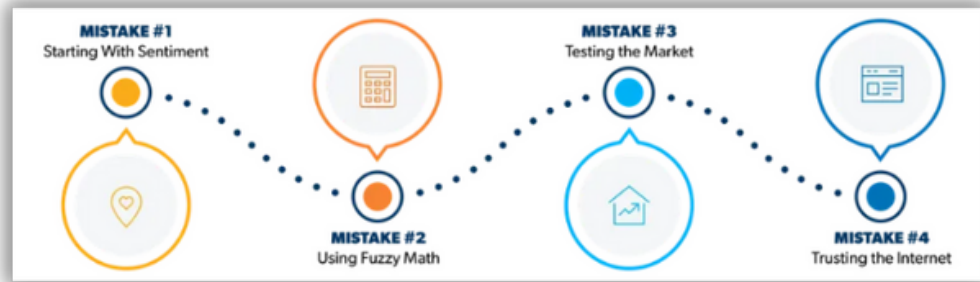
STRATEGIC PRICING FOR HOME SUCCESS

Once you've selected your agent, the next step is to collaborate on pricing your home. Rest assured, your agent will guide you through the recommended pricing strategy. However, it's essential to understand that the ultimate decision on the final number rests with you.



PRICING MISTAKES TO AVOID

To ensure you don't make critical errors in pricing, be mindful of common pitfalls. Here are some pricing mistakes to watch out for, along with guidance on pricing strategies to secure a successful outcome.



Mistake #1: Starting With Sentiment

Selling a home often evokes sentimental feelings, tied to years of cherished memories. However, pricing your home based on emotional attachment is a common misstep. Buyers are not emotionally invested in your property as you are, and pricing it too high can deter potential buyers.

Mistake #2: Using Fuzzy Math

Relying solely on the financial needs for your next home purchase when determining the sale price is risky. Separating personal financial considerations from the pricing decision increases the likelihood of arriving at a figure that aligns with market dynamics.

Mistake #3: Testing the Market

In a robust market, the temptation to set an ambitious price to gauge buyer interest may arise. However, this approach is counterproductive. Overpriced homes often deter serious buyers, leading to prolonged listing periods and increased costs.

Mistake #4: Trusting the Internet

While online platforms offer home value estimates, relying solely on them can be misleading. Discrepancies among various sites and the lack of personalized market insights can result in inaccurate pricing. Engage a seasoned professional with firsthand experience in your local market for a more reliable valuation.

OBTAIN A COMPARATIVE MARKET ANALYSIS (CMA)

Let's be realistic—your home holds the value that someone is willing to pay for it. To gauge this figure accurately, the most effective method is to examine recent sales of homes similar to yours in your vicinity. Your real estate agent possesses access to this invaluable information and can furnish you with a Comparative Market Analysis (CMA), aiding in maximizing the return on your home in the shortest possible time.



WHAT'S A COMPARATIVE MARKET ANALYSIS?

A Comparative Market Analysis is an extensive report that meticulously compares your home to neighboring properties currently on the market or recently sold. The objective is to identify homes that closely resemble yours, enabling your agent to make informed predictions about what buyers would be willing to pay for your property.

A comparative market analysis is a detailed report that compares your home to nearby homes that are on the market or were recently sold.

For instance, if your home is 2,000 square feet with three bedrooms, your agent won't compare it to houses of 3,000 square feet with four bedrooms—it wouldn't be fair. Similarly, homes identical to yours but in a different part of town won't significantly contribute to determining your home's market value, especially if they're in a sought-after school district.

The Comparative Market Analysis (CMA) provides a detailed overview, complete with photos and location maps for the involved properties. A seasoned professional will help you understand how your home stacks up against the competition, enabling you to set a competitive price based on factual data rather than emotions.

04 STAGE YOUR HOME



HOME STAGING MAGIC TO MAXIMIZE APPEAL

You're on a roll! Now, it's time to ensure your home is in its prime condition to captivate potential buyers. While dusting shelves and vacuuming carpets are essential, they might not suffice. What you truly need is to stage your home.

Staging involves the art of enhancing your home's appeal. It's not necessarily a complete makeover, but the goal is to create a fresh and rejuvenated appearance. This is achieved by accentuating the positives, minimizing the negatives, creating the illusion of larger spaces, and infusing your home with a sophisticated and upscale ambiance.

04 STAGE YOUR HOME

HOME STAGING MAGIC TO MAXIMIZE APPEAL

WHY STAGE YOUR HOME?

Numerous real estate experts underscore the profound impact that staging a home can have on expediting the sales process. Some studies even suggest that staging may lead to higher offers from buyers.

The logic is clear—potential buyers are less inclined to invest in a property that appears disheveled and has an unpleasant odor. By presenting your house at its pinnacle, you can motivate buyers to submit more competitive offers.

Some studies have shown how staging can even increase how much money buyers offer.

INVEST IN A HOME INSPECTION

Pause and consider: Why should sellers invest in a home inspection? While it's often seen as the buyer's responsibility to avoid deal-breakers, a pre-listing inspection is a valuable tool for sellers.

Despite a modest cost, it helps reveal hidden issues before listing, preventing unpleasant surprises during the sale. This proactive step deters buyers from making significant demands in negotiations or, worse, backing out of the deal at the last minute.

WHAT'S INCLUDED IN A HOME INSPECTION?

A home inspection usually includes:

- Electrical, plumbing, heating and cooling systems
- Walls, ceilings, floors, windows and doors
- Roof, attic and visible insulation
- Foundation, basement and structural components





HOW HOME INSPECTION WORKS

View a home inspection as a health checkup for your house—no gown or stethoscope needed. The inspector notes potential concerns, providing a detailed report on operational status, identified issues, and maintenance recommendations.

Focus on major issues, especially in crucial areas like the roof, electrical, plumbing, and HVAC systems. Your agent can guide you, and if budget allows, addressing significant concerns before listing is a wise move.

HOW TO FIND A HOME INSPECTOR

To find a reliable home inspector, seek recommendations from your real estate agent, friends, or family. Alternatively, conduct a straightforward online search through the American Society of Home Inspectors. Regardless of the method, select an inspector with ample experience whom you trust.

A thorough inspection unveils major repairs before listing. If you prefer not to handle repairs, inform buyers about identified issues and adjust your listing price accordingly.

EFFECTIVE HOME STAGING ON ANY BUDGET

The visual impression of your home possesses the ability to either draw in potential buyers or swiftly deter them. Let's concentrate on strategies to enhance the visual appeal of your home.

MUST-DO'S FOR EVERY ROOM

Before you dig into the details, you have a little housekeeping to do. Clear the slate with these heavy-hitting tasks:

- Scrub every surface until it shines.
- Minimize clutter to maximize space.
- Pay a pro to deep clean rugs and carpets.

To really make rooms look their best, apply a fresh coat of paint.

TARGET AREAS FOR STAGING IMPACT

After handling essential housekeeping tasks, decide where to focus your staging budget. The impact is usually greatest in these three key areas, depending on your budget size (ranging from zero to max):

- Living room
- Master bedroom and bath
- Kitchen and dining room

ZERO BUDGET

Living Room

Arrange seating for conversation, not just for watching TV. Feel free to borrow furniture from other rooms if needed.

Master Bedroom and Bath

Opt for a minimalist approach by stowing away bulky furniture, including items like treadmills. In the bathroom, tidy up the linen closet and discreetly tuck away the hamper.

Kitchen and Dining Room

Create a clean and inviting space by clearing off countertops. Set the dining table with your finest dishes, flatware, and linens for an added touch of elegance.

MINI BUDGET

Living Room

Add vibrancy with a colorful vase of flowers on the mantle or coffee table. Modernize the space with upgraded lighting fixtures and enhance comfort with new throw pillows for the sofa.

Master Bedroom and Bath

Create a spa-like ambiance with fresh bedding and throw pillows. Showcase the bathroom with plush towels and a polished look by modernizing faucets and cabinet handles.

Kitchen and Dining Room

Revitalize the kitchen with new paint and handles for cabinets. Add flair with a stylish backsplash. Update brass light fixtures with a contemporary color palette.

MAX BUDGET

Living Room

Elevate the flooring to match the standards of the neighborhood. Consider replacing worn-out furniture or giving it a renewed appearance with a tasteful slipcover.

Master Bedroom and Bath

Enhance aesthetics with window treatments, organize your closet professionally for a streamlined look, and upgrade the bathroom with granite countertops and ceramic tile flooring for added sophistication.

Kitchen and Dining Room

Opt for stainless appliances and natural stone countertops to modernize the kitchen. Invest in a statement light fixture to hang over the dining table, adding a focal point to the space.

BUDGET FOR IMPROVEMENTS AGING ON ANY BUDGET

These are just a few suggestions. Keep in mind that each home is distinct, and what proves effective for one might not suit another. Before diving into the process, have a discussion with your agent to devise a tailored plan—when we say plan, we're referring to a budget. To help you stay on course with your budget, consider utilizing the Home Improvement Worksheet, available for download.





05 SHOW YOUR HOME

IT'S TIME TO MARKET YOUR HOME

After attending to the significant repairs and enhancing the aesthetics of your home, it's time to showcase it effectively. However, maintaining its appeal amidst your daily activities is crucial to avoid deterring potential buyers.

You're essentially marketing a house now, so treat it as if it's already their home. Rally everyone in your household to cooperate, emphasizing that the house is essentially operating as a high-end bed-and-breakfast. For a stress-free experience while presenting your home, we'll guide you on how to achieve that.

05 SHOW YOUR HOME

IT'S TIME TO MARKET YOUR HOME

PREPARE FOR THE PHOTO SHOOT

For an effective photo shoot, especially crucial in today's online-focused home search, good lighting and a wide-angle lens are essential, but your efforts play a significant role too. Prepare your home for the photo shoot with these tips:

Put everything in its place

Ensure tidiness throughout. Countertops and bathrooms should appear spacious. Close toilet lids and stow personal items away, including toys and pet accessories.

Add extra touches

Infuse life into your home with a few carefully chosen accessories. Opt for simple yet warm additions, such as colorful pillows on the sofa or a soft throw draped over the bed.

Let there be light

Bright rooms create an illusion of spaciousness. Open curtains, raise blinds, and welcome natural light. Prioritize cleaning windows until they sparkle.

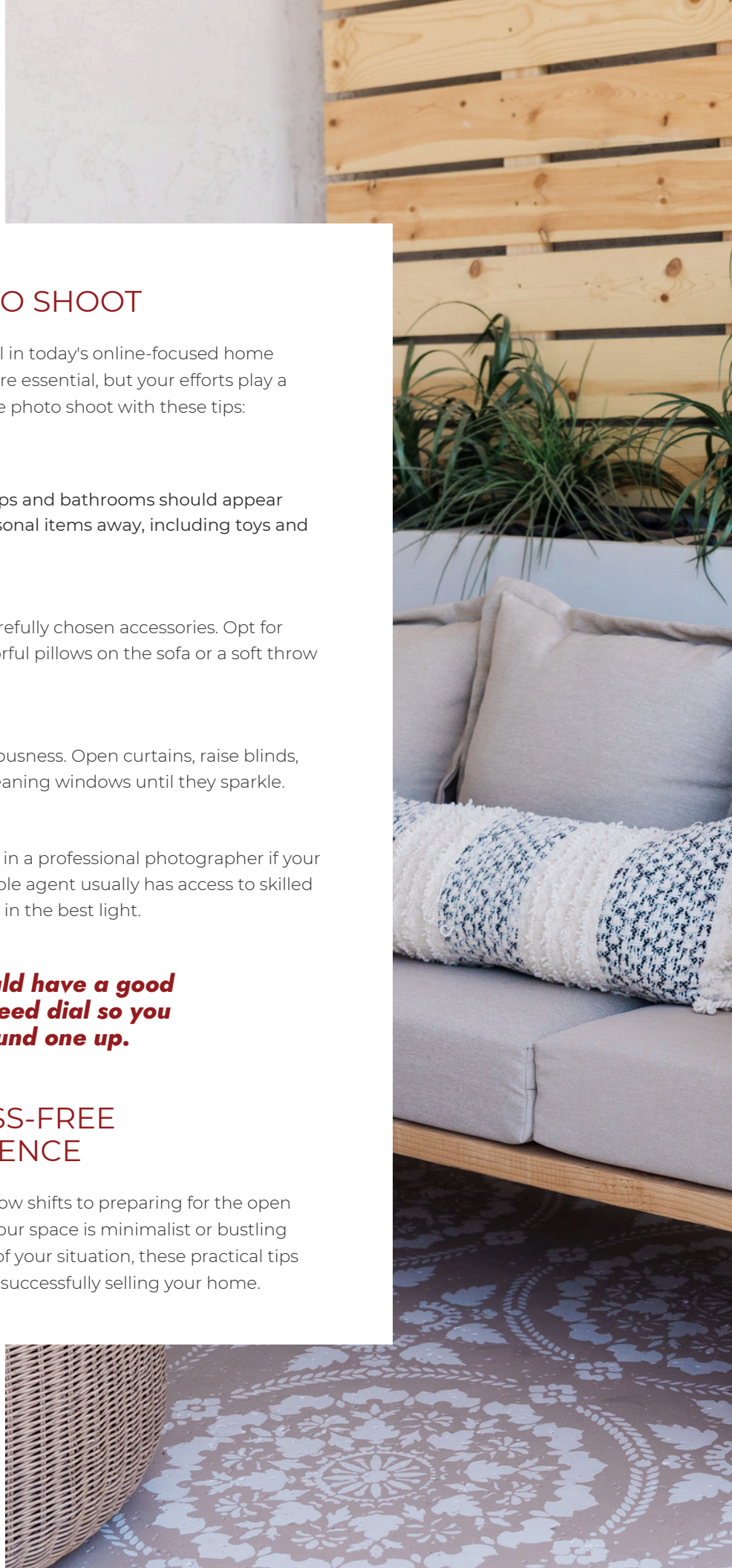
Hire a pro to take the pictures

Avoid losing buyer interest by investing in a professional photographer if your home looks lackluster in photos. A reliable agent usually has access to skilled photographers to showcase your home in the best light.

The right agent should have a good photographer on speed dial so you don't have to round one up.

STRATEGIES FOR A STRESS-FREE HOME SHOWING EXPERIENCE

With the photo shoot completed, the focus now shifts to preparing for the open house. Managing home showings, whether your space is minimalist or bustling with activity, can be challenging. Regardless of your situation, these practical tips can assist you in maintaining your sanity and successfully selling your home.





05 SHOW YOUR HOME

IT'S TIME TO MARKET YOUR HOME

IF YOUR HOME IS VACANT

Make it easy for buyers to see the possibilities.

Revitalize Empty Spaces

Help buyers envision potential by lightly staging key rooms, focusing on the living room and master bedroom. Add flair to the master bath and kitchen counters with carefully chosen accessories.

Enlist Helping Hands

Avoid the uninviting aura of a home that seems deserted. Allocate a budget for essential services such as lawn maintenance and cleaning while you're away. This ensures your home receives the necessary care, making it appear well-tended and deserving of potential buyers' attention.

IF YOUR HOME IS VACANT

Strike a balance between the "homely" feel and the "for sale" presentation. Even if you plan on hosting at least one open house, it's crucial to anticipate the unexpected.

Organize a daily checklist

Maintain a daily checklist to keep your home visitor-ready and reduce last-minute stress. Tidy up regularly and create a morning routine with simple tasks.

Pack up the pets

Take arrangements for pets during home showings to allow potential buyers to focus on your home's features without distractions from furry friends.

Give buyers some space

Create space for buyers to imagine themselves in your home by being flexible with showing schedules and avoiding personal interruptions during visits.

Tackle the toys

Manage children's toys by encouraging them to choose a few favorites and storing the rest in plastic bins for easy rotation.

Involve the kids in the process.

Involve kids in the selling process by assigning tasks, fostering a sense of responsibility, and making it enjoyable with timed practice drills. Acknowledge their efforts for a job well done.

TRY YOUR BEST . . . BUT BE HUMAN

On hectic days, if you can't tidy up before a showing, inform your agent about the situation. They can prep the buyer, ensuring your home still gets seen. Don't miss an opportunity to showcase your home.

GET STARTED

There you have it! Everything you need to prep your home for showings. To make it easy, we've organized your to-do list into sections in our Home Selling Checklist. Download it to showcase your home and secure that perfect offer.

06 CHOOSE THE RIGHT OFFER

SECURE THE PERFECT DEAL FOR YOUR HOME

Congratulations on the successful open house! Now that multiple buyers have fallen in love with your home and made offers, it's time to stay focused.

By the time you receive an offer, it's tempting to coast through the contract stage. However, to ensure a smooth process and get the best deal, you need to choose the right offer. Avoid the risk of a delayed closing or receiving less money than your home deserves.

Here's what to prioritize once someone says yes to your home sweet home.



06 CHOOSE THE RIGHT OFFER

SECURE THE PERFECT DEAL FOR YOUR HOME

KEY CONSIDERATIONS FOR EVALUATING AN OFFER

The offer stage commences with the purchase agreement, shaping the course of the entire process. Your agent should provide a clear explanation of the offer in simple terms, ensuring your understanding before you commit by signing on the dotted line

Pay careful attention to these aspects:

Purchase Price

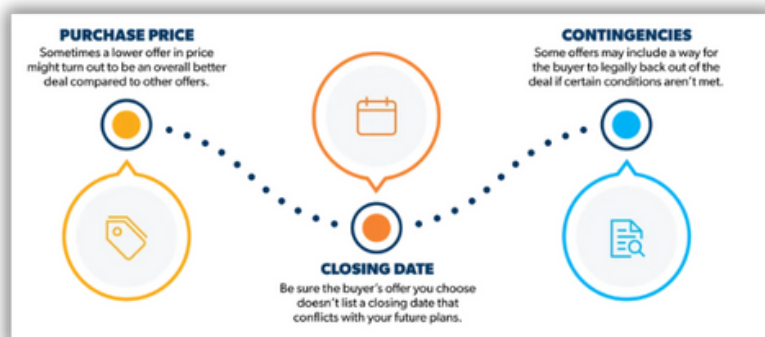
Expect offers that may be below your asking price. Later, we'll explain why a lower offer could potentially be a better overall deal. Remember, negotiation is always an option.

Closing Date

Ensure the selected buyer's offer doesn't propose a closing date that clashes with your future plans. Avoid being rushed to move or facing delays in collecting sale proceeds that might hinder the purchase of your next home.

Contingencies

Later, we'll discuss contingencies in detail. For now, be aware that some offers may allow the buyer to withdraw if certain conditions, such as the sale of their current home or home inspection results, aren't met. Only agree to contingencies that you're comfortable with.





EVALUATING YOUR OFFERS

When evaluating offers, focus on the entire package, not just the purchase price. For example, a buyer offering your full asking price but asking for seller concessions might result in a lower net compared to a slightly lower offer without additional requests. Skilled negotiation can turn a seemingly disappointing offer into a mutually beneficial deal.

Even lower offers can be opportunities, so don't take them personally. Read contracts thoroughly to avoid unintended consequences, like unknowingly selling your appliances with the house, which can lead to additional costs and frustration. Understanding the terms is crucial to prevent such situations.

Even a low offer is an opportunity to get your home sold, so don't take it personally. With some skillful negotiating, you can turn a disappointing offer into a deal where both sides win.

RELY ON YOUR AGENT FOR NEGOTIATIONS

When reviewing offers, don't be discouraged by lower asking prices. Trust your real estate agent to navigate negotiations and secure the best deal. Your agent will evaluate whether a lower offer might bring complications with contingencies or ensure a smooth path to closing. Details on contingencies will be provided shortly.

07 TACKLE CONTINGENCIES



MASTERING CONTINGENCIES FOR A SMOOTH CLOSING

Things are getting serious now. You've officially accepted an offer on your house. However, it's crucial to stay focused because the next step involves addressing contingencies.

Contingencies are conditions that must be fulfilled before the home sale can be completed. Failure to meet these conditions by the closing day gives either you or your buyer the legal right to back out of the agreement. As the seller, your primary focus should be on contingencies such as:

- Home inspection
- Appraisal
- Financing

We will delve into the details of each one, providing you with the information you need to navigate these aspects confidently as you approach the final stages of your home sale.

HOME INSPECTION

Even if you've already arranged an inspection before listing your home, the potential buyer is likely to conduct their own examination. Ideally, no significant surprises will arise. However, if the buyer's home inspector discovers issues that your inspection missed, there's no need to panic.

When unexpected issues arise, determining what should be addressed to finalize the deal can be challenging. Your real estate agent is a valuable resource to guide you through this process. Depending on the situation, you may choose to offer cash at closing or a price reduction to account for repair costs. Additionally, the buyer's appraiser might mandate specific repairs based on the buyer's loan and your home's value.

In the event of a major repair requirement, your agent can assist in obtaining professional quotes. This ensures you have an accurate cost estimate to facilitate negotiations and reach a mutually satisfactory resolution.

Pro tip: Even if you're confident you can fix whatever the home inspection finds, hire a professional to do it—or discount the selling price. You may be the do-it-yourself type who can fix the issue correctly and to code, but that probably won't be good enough in the buyer's eyes.

APPRAISAL

Navigating the appraisal process can be nerve-wracking, as the buyer's financing depends on it. Ensuring accurate pricing in line with the market is crucial, but it's equally vital to take proactive steps to ensure the appraisal truly reflects your home's value.

To enhance your chances of a favorable appraisal, consider the following tips:

- Present your home in impeccable condition, showcasing that it has been meticulously maintained.
- Compile a comprehensive list detailing any enhancements you've made to the property, and strive to include supporting documents like invoices or receipts.
- Request your agent to furnish a well-researched list of comparable houses to reinforce the validity of your chosen sales price.

Allocate ample time to address any potential appraisal issues well before the closing day. Being prepared ensures that you won't find yourself all packed up and ready to move, only to discover that you need to go back to square one.



FINANCING

While the ball may currently be in the buyer's court, it's not the time to be a passive spectator. Preventing the deal from unraveling in the final moments is crucial, and having a proactive real estate agent can make all the difference in reaching your goal.

An exceptional agent provides support during this waiting period by:

- Maintaining clear and consistent communication.
- Liaising with the buyer's lender to expedite the approval process.
- Vigilantly investigating any potential red flags that could jeopardize the deal.
- Facilitating connections with an alternative lender if the original one encounters setbacks.

To safeguard your deal from falling apart due to financing issues, seek a buyer who has already undergone preapproval for a mortgage. This ensures that they have submitted the necessary documentation, and the lender has verified the exact amount they are willing to finance.

However, it's important to recognize that preapproval is not foolproof. Changes in employment, new credit card applications, or acquiring new car loans can introduce complications in the final approval. In such cases, a seasoned agent will guide you in navigating through challenges and making the best out of an unfavorable situation.

HOW TO HANDLE LAST-MINUTE DEAL BREAKERS

Experiencing the disappointment of putting in substantial effort to sell a home, only to witness the deal fall apart, can be incredibly disheartening.

Here, we outline common stumbling blocks that may jeopardize your home deal and offer strategies to salvage it.

- Discovering an open lien during a title search can jeopardize your home deal. Resolve it through title insurance if covered; otherwise, settle the lien before closing.
- Major repair needs found in a home inspection require negotiations with the buyer. A skilled negotiator can help, but flexibility may be needed to resolve the issue.
- Buyer's financing falling through poses a hurdle; seek preapproved or cash buyers to mitigate this risk.
- Address issues from the final walk-through promptly to ensure a smooth closing and adhere to the Golden Rule by leaving the home in expected condition.
- An appraisal value lower than the sale price creates a financial gap. Bridge it with a shared contribution between you and the buyer for the deal to proceed.

APPRAISAL TOO LOW? HERE ARE SOME OPTIONS:

Equipped and prepared, you're now ready to navigate contingencies with assurance. By keeping these tips in mind, you'll be on the path to successfully closing the deal and securing the rightful value for your most significant asset!

Your agent can
dispute a
questionable
appraisal

You can
drop your
contract
price

The buyer can
bring the
difference in
cash

You and the
buyer can
meet
somewhere in
the middle

Both
parties can
call the
deal quits



08 CLOSE THE SALE

SEALING THE DEAL WITH A SMILE

Closing marks the ultimate step before your house is officially sold! On your closing date, ownership legally transfers to the buyer, and you finally receive payment.

The week preceding closing can be stressful, managing your move and ensuring your home is in excellent condition. The struggle is real, but the good news is, you'll overcome it.

Here's how to successfully close the sale and maintain a smile on your face.

EXPECT THE BEST . . . BUT PREPARE FOR THE WORST

Closing the deal depends on your buyer's lender finalizing loan documents, typically taking a month or two. Expect delays and maintain your composure when unexpected issues arise.

Having a seasoned agent by your side ensures smooth navigation through last-minute surprises, allowing you to close with confidence.

You won't be able to close the deal until your buyer's lender finalizes their loan documents—which takes a month or two, on average.

REVIEW YOUR CLOSING DISCLOSURE

Ensure you review your closing disclosure thoroughly. Sellers receive one just like buyers, detailing fees, such as agent commissions and mortgage payoff.

Pay attention to your share of costs and any agreed-upon contributions to the buyer's closing expenses.

UPHOLD YOUR END OF THE BARGAIN

If the contract requires repairs, fulfill them—both legally and ethically. Provide warranty documents and appliance manuals for the new homeowners.

Keep your buyer informed as you prepare to move, fostering good communication to ensure a smooth transition and maintain satisfaction for all parties involved.

08 CLOSE THE SALE

SEALING THE DEAL WITH A SMILE

BE READY FOR CLOSING DAY

Closing day tasks vary by location, with some states opting for electronic processes while others require in-person signings. Your agent will guide you on preparations. Here's an outline of what sellers typically encounter on closing day:

What to bring

If you gather around a table for closing, you'll need your photo ID, the keys to your home, a check for closing costs and other documents depending on your sales agreement.

Where to go

Your closing appointment is typically scheduled at the title company's office, where the formal transfer of ownership of your house to the buyer will take place.

Who will be there

This varies based on your location, but attendees at your closing appointment may comprise you (the seller), the buyer, the escrow or closing agent, the attorney (who may also act as the closing agent), a representative from the title company, the mortgage lender, and the real estate agents.

However, if you've already pre-signed the deed and transfer documents, your physical presence is likely unnecessary.

What to do

Prepare for a signing celebration! On closing day, settle any outstanding closing costs (details available in your closing disclosure). Additionally, you'll sign the deed and any other necessary documents for the transfer of property ownership.

CONGRATULATIONS!

Now that you're equipped with the best approach to reach closing day, kick off the process by teaming up with a seasoned real estate agent—especially one recognized as RamseyTrusted.

To effortlessly find a RamseyTrusted agent at no cost, explore our Endorsed Local Providers (ELP) program. We exclusively endorse agents with a demonstrated history of excellent communication, results, and service. The assurance lies in knowing these agents align with our financial values and, more importantly, yours too.



09 TOTAL SELLING COSTS

FINISHING STRONG- PRIORITIZE YOUR BUDGET

To bring everything into perspective, we have one last tip for you, and if you're familiar with our approach at Ramsey, it won't come as a surprise: prioritize your budget.

Some sellers may underestimate the financial aspects of their home sale until it becomes evident at the closing table. However, you won't find yourself in that situation!





09 TOTAL SELLING COSTS

FINISHING STRONG- PRIORITIZE YOUR BUDGET

Prepare for your home sale by proactively considering all potential expenses. While every seller's budget will vary, let's explore a sample budget to provide you with an idea of how to organize your finances for the sale.

Here's an example of what a home-selling budget might entail:

Selling Costs (\$400,000 Home)	Dollar Amount
Mortgage Payoff	\$200,000
Agent Commissions	\$24,000
Closing Costs	\$12,000
Home Repairs	\$4,000
Home Staging	\$1,800
Moving Expenses	\$1,850
Pre-Listing Home Inspection	\$350
Total	\$244,000

In this scenario, you'll allocate \$244,000 to sell a \$400,000 house, which might seem substantial. However, the larger expenses like mortgage payoff, agent commissions, and closing costs (\$236,000) can be covered using the proceeds from your sale.

On the other hand, expenses you need to save for in advance include pre-listing home inspection, post-inspection repair needs, home staging, and moving costs, totaling \$8,000 in this example. It's essential to note that your own pre-sale expenses may vary. Research thoroughly and seek deals from trusted professionals.

By saving up the \$8,000 beforehand, you safeguard your financial goals during the home-selling process. After selling your \$400,000 house and covering the major post-sale expenses, you'll be left with \$164,000 to use for your next home—cha-ching!

***Home Price (\$400,000) - Mortgage Payoff, Agent Commissions
and Closing Costs (\$236,000) = \$164,000***

THE END

Celebrate with confetti—you've achieved it! The journey is complete, and now you possess the knowledge to sell your home the Ramsey way. By adhering to this guide throughout your home-selling process, you'll sidestep common financial pitfalls and continue to build wealth, setting the stage for a legacy.

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