

## Seller Tips

Here are some suggestions to help you prepare in selling your home.

### **Signing a Listing Agreement**

When you choose a REALTOR®, you will sign a listing agreement (a contract in which you agree to allow the REALTOR® to sell your home during a given period.) The agreement says that you will pay the REALTOR® a fee when you sell your home.

The amount of compensation you pay a broker is negotiable, but the REALTOR® will generally follow their company's policy regarding compensation. The amount of the fee will be spelled out in the listing agreement. Make sure you understand how the fee will be paid before signing.

### **Exclusive Listing**

Most REALTORS® will ask for an exclusive right to sell listing. This means that you will owe the broker a commission regardless of who finds a buyer during the listing period. In other words, if you decide to sell the house to your cousin the broker still gets a commission. The advantage of this kind of arrangement is that the broker is motivated to work harder to sell your home.

It's possible that a REALTOR® from another company will find a buyer for your home. In that case, your broker is the listing broker, and the second agent is the selling or cooperating broker. Many times your listing broker will agree to pay the cooperating broker a fee from the amount you pay the listing broker. Your listing broker cooperates with other brokers who procure buyers interested in your property and offers to compensate the other broker for procuring a buyer. Cooperating and compensating other brokers is discussed in the listing agreement you sign with the listing broker.

### **Length of Listing**

The listing agreement will specify how long you agree to list your house with a company. Your REALTOR® will probably suggest an average time that homes like yours are on the market. You want a period that's long enough to motivate your REALTOR® to advertise your home and respond to buyers, yet short enough to allow you to change to a different company if you become unhappy with the REALTOR®'s service. Remember that the listing agreement is a contract. You should get a copy for your records. Your REALTOR® is bound to the terms just as you are. You can expect the REALTOR® to keep appropriate information confidential and effectively market your property.



2160 Capeview St.  
Merritt Island, FL 32952  
Phone: 321-506-1009  
Email: [info@AnchorREPM.com](mailto:info@AnchorREPM.com)  
[www.AnchorREPM.com](http://www.AnchorREPM.com)

### **Setting a Price**

As you interview REALTORS®, they may suggest a listing price on your home. Only you can decide what price to set, but you want it to be realistic. A REALTOR® can develop a comparative market analysis. This analysis will describe homes in your area that have recently withdrawn from the market. The analysis may compare specific features of your home to others ... the value of a corner lot, a city view, or an extra bedroom, for example. If you do not have a good idea, based on reliable data, of what price your home can generate, you may decide to set a higher price thinking that if it doesn't sell at first, you can come down. However, if you set it too high, you may keep away buyers who are looking at comparable homes with lower prices. Lowering the price later sometime gives your home a negative image. On the other hand, you don't want to set the price too low. You may be tempted to set a low price because you feel the pressure of transferring to another town, or you're afraid that your worn carpet will turn away buyers.

The listing price is critical. Set it too high, and you may not find a buyer. Set it too low and you cheat yourself out of money.

Be realistic and get advice from your REALTOR®.

### **Net Proceeds**

Once you have decided on a price range, the REALTOR® may help you calculate an estimated amount you might net from the sale. If you have owned your home for several years, you may have built up a sizable equity. Equity is the difference between the value of your home and the balance on your mortgage after subtracting what you owe on your mortgage. Ask your REALTOR® what costs you will incur at closing. These may include title fees, taxes, brokerage commission, and charges for preparing and recording documents.

### **The Offer**

When a buyer makes an offer to purchase your home, your REALTOR® will contact you promptly. The REALTOR® will scrutinize the document, review it with you carefully, and answer your questions. The written offer is important because it lays out all the terms of the proposed transaction and will become a binding contract if you sign it. The offer states the price the buyer is willing to pay and the financing terms, such as assuming your loan or arranging a new loan.

The offer may be contingent on the buyer's selling a home first, or obtaining an inspection. Ask the REALTOR® how these terms affect you and whether the offer is reasonable and in line with the market. The offer describes the property, states who pays for which closing costs, and specifies dates of closing and possession. Along with making the offer, the buyer may place some earnest money with the escrow agent as a sign of good faith. The earnest money will be kept in an escrow account and applied to the buyer's down payment or closing costs when the sale closes.



2160 Capeview St.  
Merritt Island, FL 32952  
Phone: 321-506-1009  
Email: [info@AnchorREPM.com](mailto:info@AnchorREPM.com)  
[www.AnchorREPM.com](http://www.AnchorREPM.com)

## **Your Options**

In reviewing the offer, you have three options: accept, reject, or make a counter offer. A counter offer is a rejection of a buyer's offer with a simultaneous offer from you to the buyer. In making your decision, carefully review the figures compiled earlier to determine your net proceeds. Because the terms and estimated closing costs may be quite different from earlier calculations, you will want to discuss the possibilities with your REALTOR®.

## **Seller's Disclosure**

In most residential sales, a seller will deliver a Seller's Disclosure Notice to a buyer on or before the effective date of a contract to purchase the property. The notice is required by law to be delivered. It provides important information about the seller's knowledge of the condition of the property. Complete the notice to the best of your knowledge and belief. Your REALTOR® will most likely ask that you complete the notice at the time the listing is first taken. Copies of the completed notice will be made available to the prospects looking at your property.

## **Lead Based Paint Disclosure**

If your property was built before 1978, federal law requires that before a buyer is obligated under a contract to buy the property, the seller shall 1) provide the buyer with a lead hazard information pamphlet (as prescribed by EPA), 2) disclose the presence of any known lead-based paint or hazard, 3) provide the buyer with a lead hazard evaluation report or records available to the seller, and 4) permit the buyer to conduct a risk assessment or inspection for the presence of lead-based paint or hazards. A contract for the sale of property built before 1978 must contain a statutorily prescribed Lead Warning Statement to the buyer. Your REALTOR® will provide you with the forms necessary to comply with their law and will suggest procedures to follow in order to comply.

## **Accepting the Offer**

Once you and the buyer agree on terms and sign the contract, the buyer will generally have to find a lender and apply for a loan. Your REALTOR® may monitor the loan process, which could last several weeks. During this time, your REALTOR® will also be busy coordinating other arrangements to prepare for the final sale.

## **Title Search**

As part of the process, the title company may order a survey of your property and research the title to your home, making sure the chain of title is clear. Clearing the title may require paying off liens...that is any monetary claim...against your property. Examples are mechanic's liens, unpaid state and federal tax liens, and court judgments. The product of the title search can be in the form of title insurance, abstract of title, or certificate of title, depending on what is commonly used in your area.



---

2160 Capeview St.  
Merritt Island, FL 32952  
Phone: 321-506-1009  
Email: [info@AnchorREPM.com](mailto:info@AnchorREPM.com)  
[www.AnchorREPM.com](http://www.AnchorREPM.com)

### **Inspection and Repairs**

If the buyer requires inspections of your home, your REALTOR® may coordinate the scheduling of inspectors. A buyer may hire an inspector to review many items in the property such as the structural components, mechanical items, electrical systems, and plumbing systems. The inspector will report to the buyer the items that the inspector finds to be in need of repair. Most likely the buyer will provide a copy of the inspection report to you and may ask you to complete certain repairs. Do not be surprised when the inspection notes some items in need of repair. An inspector is trained to see items and defects that are not obvious to you and your REALTOR®, no matter how new or well maintained a home is.