



guide to SELLING A HOME

COSTS OF SELLING YOUR HOME

Selling your home is typically about making a profit. However, that doesn't mean that it doesn't come without costs. Here is an overview of some of the major costs you'll be responsible for paying.

Mortgage Balance

This is the remaining balance on your original home loan. You will need to pay off your mortgage in its entirety when your home is sold.

Home Equity Loans (2nd, 3rd Mortgages)

Any loan against the value of your home will also need to be paid in full after the sale of your home.

Prepayment Penalties

The bank or lending institution that currently owns your mortgage title may assess a pre-payment penalty. You should speak to your lender now, ask if they plan on assessing a pre-payment penalty, and figure out exactly how much that amount is. You may be able to negotiate with your lender to reduce or waive the pre-payment penalty, if there is any.

You'll also want to submit a formal pre-payment notice to your lender.

Pre-sale Preparations

In most cases, it's not advisable to make major investments in your home right before a sale. There are however, a few things that can be done to increase your home's curb appeal, fix minor problems, and otherwise make your property more attractive. Together we can identify what items should be addressed and create a budget for these pre-sale preparations that are sure to show a significant return on investment.

Closing Costs

All closing costs associated with the sale of your home will be listed for you and for the home buyer in the following pages. The buyer is generally responsible for all of these closing costs which include:

- ✓ Home inspection & appraisal fees
- ✓ Loan fees for the buyer's home mortgage
- ✓ Insurance premiums
- ✓ Title costs (examination and insurance)
- ✓ Legal documents and services fees
- ✓ Recording/filing fees

In some cases, buyers make a request for you as the seller to cover their closing costs as a part their purchase offer. We will negotiate these requests if they are made and I will help you understand why it would be advantageous to cover the buyers closing costs (if it is) and what limitations we can set to make sure we know the exact net of your home sale before closing.

PROPERTY IMPROVEMENTS

When it comes to listing your home, there's no single set of black-and-white rules regarding potential property improvements that apply to every property and every seller. Any upgrade or change you make should only be considered if the change is likely to have an appreciable effect on the market value of your property in the minds of most buyers.

Below are some common suggestions on Do's and Don'ts on property improvements for your listing:

The Do's

Painting - A fresh coat of a neutral-toned paint could make the sale easier. Let's face it – we all like things fresh-looking.

Minor kitchen issues - Things like plumbing leaks should be fixed, and small updates like swapping out light fixtures can make a big difference. You might even consider sanding, staining or painting worn-looking cabinets. Replacing old cabinet hardware is a low-cost improvement that makes a big difference in appearance.

Floors - From fixing scratched wood floors, to replacing cracked tile, to cleaning dirty carpet, a little money spent on sprucing up floors can be well worth the investment.

The Don'ts

Major kitchen upgrades - Unless there are major structural issues, most new buyers would prefer to do something to their own taste.

Energy efficient windows - While adding new windows can be a major selling point, it's also a project that can quickly snowball in time and cost.

New gardens or ornamental landscaping - It's always a good idea to spruce up your outdoor space and make sure everything is orderly, but don't waste your time adding anything new. If the potential buyer is not horticulturally inclined, new plants and flowers won't add to the offering price. The same can be said for expensive fences and stone walls – they look nice, but buyers don't pay up for them.

2 other things you should keep in mind when you're selling your property!

1. Stay neutral in style:

No one wants to rip out home improvements that are obviously recent but don't meet their personal tastes. Any changes you make should play to the largest possible audience.

2. Consider your neighbors:

Keep in mind that your property is going to be judged directly to other comparable homes in your area. Take a look at homes near you that are listed around the same price as your property whenever you considering making changes to your home.

COPING WITH SELLER STRESS

Moving is an emotional process. It can represent growth and new beginnings, but the strain of making a life changing decision is often fraught with mixed emotions. This is especially true if you're moving as a family with younger children, or moving a long distance.

Here are a few ideas on how you and your family can help mitigate the stress of your move. (see the to-do list later in this booklet)

Understand that the jitters are normal.

You've just made a major commitment. Ask questions throughout the process. Part of my job is to provide you with information and keep you informed so that you are confident about your decisions.

Get better acquainted with the new place.

Let me help you ease the transition to your new environment. I can provide you with information on your new neighborhood, school districts, and more.

If you're moving with children, it's always a great idea to familiarize your kids with the new neighborhood a few times before moving day. Be sure to emphasize the positive aspects of the move and explain your reasons for relocating. You can also contact the school your child will be attending and arrange a time to visit.

Don't get blindsided by expenses.

The more you plan for your move, the less likely it is that you'll encounter unexpected and unbudgeted expenses. That being said, it's always a good idea to be ready for the unexpected. Keep an emergency fund for unexpected costs that may crop up during the move or as you set up your new household.

Don't wait until the last minute to pack.

Whether you're hiring a moving company or planning to do it all on your own, you should start to plan and pack for your move now.

You should look to book a moving company six to eight weeks before your move if at all possible. You'll also want to interview a few moving companies and ask lots of questions to make sure you understand all the potential costs.

As you're working on packing up your stuff, remember that one of the best ways to save your time and your money is to bring less. Remember that moving is a great opportunity to clear through the clutter, and anything that you don't need or don't want should be donated or disposed of now.

Make a moving plan for kids and/or pets.

Plan to have a friend or family member take care of younger children and/or pets on moving day. It will make the day much easier!