



Home Seller Handbook

Brought to you by:

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How To Prepare Your Home For A Sale

Staging doesn't have to be costly or time consuming. These simple tips will put you ahead of the competition in attracting potential buyers.

De-clutter!

- You want to let potential buyers know the home has been well-cared for, and the best way to make that first impression is with a clean appearance.
 - Box up and store any items you won't need in the next 1-3 months.
 - Tidy up any "catch-all" areas.
 - Store toys and other miscellaneous items in attractive bins.
 - Consider a yard sale, a donation truck or a hauling company for larger items.

De-personalize

- Buyers can't envision themselves in a home where they see too many personal affects that belong to someone else.
 - Clear refrigerator doors, countertops, windows, etc. of pictures, art projects, etc.
 - Tastefully select only a few personal photos and hanging art to keep displayed.

Neutralize

- It's also harder for buyers to imagine themselves in a space that has been decorated for someone else.
 - Paint any brightly colored walls. A fresh coat of paint in general goes a long way.
 - Replace necessary accent pieces (rugs, throw pillows, etc.) with inexpensive neutral options.

Landscape

- No professional needed! Just ensure you have a neat and tidy curb appeal to make a great first impression.
 - Tidy up the lawn – rake, mow, weed, edge, etc.
 - Trim back any bushes and tidy up flower beds.
 - Sweep surfaces such as patios and decks.
 - Remove or consolidate clutter such as bicycles, toys, etc.

Touch-up

- When buyers notice small maintenance items, they wonder what else might be wrong with the house.
 - Fix ripped or dented screens.
 - Fix cracks, dents or chipped paint on walls.
 - Clean or replace worn carpeting.
 - Consider refinishing worn hardwood floors.

Importance of Pricing

Selecting the right price for your home is the most important part of the listing process. Understanding these points will help you set the price that will position your home to sell.

- The most critical time of a home's marketing is the first 1-2 weeks when it is the "shiny" new property on the market. This is the time when the most interest and traffic will be generated.
- The first people who see a new listing when it comes on the market are the buyers who are serious, qualified, and have been searching for some time. These are the buyers most likely to purchase the home.
- Testing the market in the beginning by pricing a home higher than the market dictates means it won't receive the interest necessary to get a fair offer or a serious buyer. Those buyers will have already moved on to the newer, more appropriately priced listings and the remaining time will be spent chasing the market.
- An overpriced home accrues time on the market. More time on the market gives buyers more incentive to negotiate down, which results in the seller getting less than if the home had been priced appropriately from the beginning.
- Buyers in today's market are very savvy and informed. They know what is available and how much it is worth. A general consumer will not pay more than market value for a product, and homebuyers are no different.
- The appraisal process is a required part of almost all contracts. It is in place to prevent homes from being overpriced and inflating the market. If a home is priced too high and a buyer does happen to agree to that amount, it likely will not appraise. This puts the contract in jeopardy as the difference in the appraisal amount and the contract amount must be compensated for.
- Keep in mind that market dictates price, not updates or improvements. If a home is listed at a price that the market cannot sustain, it will not sell, no matter how much has been done to the home.
- In a particularly active market, conditions can change weekly and even daily in ways no one can predict. Price adjustments are not uncommon and should be considered. The first two weeks the home is on the market are the most critical. If the home receives many showings and no offers, or little to no showings in that time frame, it means it is overpriced. Adjustments may be necessary at this time to ensure the home stays relevant, competitive and priced to sell.

What To Expect When Listing Your Home

Once your home is listed for sale, there is a flurry of activity that may feel intrusive if you are unprepared. Below are some of the things you can expect during the process:

Once the listing is signed:

- HOA disclosure documents will need to be ordered; They may require payment upfront
- A combo lock will be placed on your door to allow access for the photographer

A few days before going on the market:

- A photographer will take pictures (may take up to an hour but you may remain in the house; please be sure house is tidy and all lights are on)
- A sign will be installed in your front yard

A day before going on the market:

- The combo lock will be replaced with a lockbox that will give only licensed Realtors access to show the home
- Brochures will be placed inside the home

Once you are on the market:

- Agents will call the number you provided in the listing to schedule showings
- Agents will leave a voicemail if they do not get in touch with you, but they will assume their requested showing times are acceptable unless they hear otherwise
- Typical showing times are 10am-7pm, all days
- It is customary for you to leave the home during the timeframe that a potential buyer is expected to view it
- Ensure home is tidy (beds made, counters clean, etc.) on all lights are turned on before each showing
- Ensure cash, small valuables, medication and personal documents are not in open view
- I will follow up with the agents who show the home and I will inform you of their feedback. Please let me know when agents leave cards.
- An agent-hosted open house will be held once the home is on the market, typically on a Sunday from 1-4pm. Plan to leave the home from 12:30-4:30pm.
- ***Do not let anyone in your home who is not accompanied by an agent!***

What To Expect When Your Home Goes Under Contract

Once an offer on your home is received and accepted, the adventure has just begun! Below are the important milestones to expect during the contract-to-closing period:

- HOA documents are delivered to the purchaser. They have 3 days from the time of receipt to walk away from the contract based on the HOA documents per the Residential Property Disclosure Act.
- If there are HOA violations, you will be required to remediate them before settlement.
- If there is a home inspection contingency, a home inspection is performed by the purchaser. This can take anywhere from 2-4 hours depending on the size of your home and it is customary for you to leave the house during the inspection.
- If there is a radon contingency, a radon test will be done at the home inspection. If radon is found, you may be asked to remediate it.
- A list of requested home inspection items is submitted by the purchaser. The buyer may ask for items to be repaired or for a monetary credit. These items are negotiated and agreed upon by both parties.
- The work for any home inspection items is scheduled.
- A termite inspection is performed. This takes place within 30 days before settlement and lasts 15-30 min. You may remain in the house during this inspection.
- If termites or pests are found, you will be responsible for treatment.
- If there is an appraisal contingency, an appraiser will come to your home. This usually takes up to 30 min. and you may remain in the house during the appraisal.
- If there is a financing contingency, you will be notified once it has been removed. Once the last contingency is removed (usually within 21 days of contract ratification), the purchaser has no more opportunities to back out of the contract without defaulting and you are clear to close!
- When cancelling utilities, be sure they remain in your name *through* the day of closing.
- It is advisable to keep your homeowner insurance active until the deed has been

recorded and you have received your proceeds from settlement.

- A settlement time and walk-through time will be scheduled.
- A draft settlement statement will be sent to you a few days before closing. This itemizes the amount you can expect to receive at closing.
 - Common closing costs include:
 - Remaining mortgage payoff
 - Commission
 - Transportation tax (\$2.50 per \$1,000)
 - Grantors tax (\$1.00 per \$1,000)
 - Home warranty (~\$500)
 - Title company fee (~\$500)
 - Deed preparation fee (~\$200)
 - Deed release fee (~\$100)
 - HOA resale package (~\$200)
 - Termite inspection (~\$50)
 - Property taxes or HOA dues (prorated)
- The sign and lockbox will be removed after the walk-through is complete, typically the day before or day of settlement.
- You may wish to be present for the walk-through if there are certain things about the home you'd like to point out to the purchaser. However, the home must be completely vacant and cleaned by the walk-through.
- The house must be in substantially the same condition for the walk-through as it was at the time of the home inspection. If any issues are found, they will be addressed at settlement.
- Settlement is typically held at the title company listed in the contract. Please bring a photo ID and a voided check if you would like the settlement proceeds wired.
- You can expect confirmation of the deed recordation and wire transfer completion within 1-2 business days of settlement.
- If there is a post-occupancy agreement, another walk-through will be performed after you vacate. Your security deposit will be released after the walk-through is deemed satisfactory.

Common Real Estate Terms

As-Is – Indicates that you must assume ownership of the home in its current state, without asking for home inspection repairs or work to be done. Common with short sales and foreclosures.

Contingency – A part of the contract that protects the buyer. Common contingencies are home inspection, appraisal and financing. Ultimately allows the buyer to walk away from the contract at no penalty within a certain timeframe in certain situations.

Conveyances – Specific items in the home that will remain once the purchaser takes ownership. Common conveyance examples are appliances, window treatments and light fixtures.

Deed – The document serving as proof of ownership of a property.

EMD – Earnest money deposit. Usually equal to around 1-2% of the sales price, it is a check submitted with an offer. If the offer is accepted, the EMD is deposited in an escrow account and applied to your down payment at closing.

HOA – Homeowners association. The governing body of a community.

Post-occupancy – Also called a “rentback.” An arrangement when the seller needs to remain in the home for a short time (usually up to a month) after closing. They pay rent to the new owner at a rate equal to the new owner’s mortgage.

Ratified – The same thing as “under contract.” When both buyer and seller agree to all terms and sign all parts of the contract.

Settlement vs. Closing – These terms are used interchangeably but mean exactly the same thing. Settlement, or closing, is typically held at the title company’s office. A title company is also referred to as a settlement company.

Settlement Statement – Summarizes all the costs associated with the transaction. It spells out what both buyer and seller owe and/or will gain in proceeds.

Subsidy – Also referred to as a “closing cost credit” or “concessions.”

Title – A buyer’s legal interest in the ownership of a property.

About Palmer Harned

Palmer specializes in the Northern Virginia real estate market, where she has lived her entire life. She attended South Lakes High School and then Virginia Tech, where she minored in Real Estate in anticipation of making it her lifelong career. She enjoys working with first-time home sellers and buyers, but she has experience in everything from new construction to short sales. She believes in the full-service approach to every transaction, and she works with her clients every step of the way to ensure they fully understand the process and all of its moving parts. Palmer delivers the most up-to-date expertise and best-in-class service in a calm, no-nonsense manner. Her eye for detail and distinguished reputation result in stable and trustworthy guidance throughout the process. Her primary goal is to make each transaction as stress-free as possible. Palmer stays active in the community as a member of Preservation Virginia and the Virginia Tech Alumni Association. A portion of the proceeds from each of her transactions goes towards the Animal Welfare League of Arlington.

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