



SURREALTY

California Homeseller's Guide



All You Need To Know About The Home Selling Process


It is not easy to sell a house even in the best real estate markets in the world. This guide seeks to cover the essentials to selling your house in the demanding California real estate market.

However, before we embark on the essentials of selling your home, we need to evaluate why 2017 is the best time to sell your house.

Why You Should Sell Your Home in 2017

Demand is high - The real estate market is growing quite fast. The latest data from the National Association of Realtors (NAR) shows that the real estate market is experiencing a boom.

The process of selling your house is faster - With all the advancements in technology, real estate professionals are now empowered to sell your home faster and for more money. Over the past decade, it has been difficult for buyers to get a loan but lenders have loosened their conditions, proving the process of approving mortgages is much faster.

A photograph of a window on a dark grey wooden wall. The window has a white frame and is divided into four panes. Below the window is a red flower box filled with a variety of colorful flowers, including red, yellow, and purple blooms. The flower box is mounted on a white ledge.


The prices are projected to shoot upwards - If your aim is to move to a larger and a more spacious house, then the time is now. Real estate prices are projected to keep with the upward trend during 2017. The value of homes is projected to increase by 5.2% in 2017. The real estate market is most likely to continue with the same trend in the following years.

It is time to move on with your life - People move forward in their lives when they implement their resolutions. Look at the reasons why you decided to sell your house in the first place and then determine if it is worth waiting. Maybe you wanted a spacious house for your expanding family? Or it could even be that you wanted to move to another city or state?

Define Your Goals

The first and the most important step is to define your goals. You need to have precise goals before putting your house on the market.

For instance, do you have a deadline for moving out? If you have a job transfer or any other urgent issue, you may need to put your house up for quick sale. Once you have your goals in place,



then you may consider taking the next steps. Can you afford to sell or move into a new home? Will remodeling your home fit your needs?

Selling Expenses

A good rule of thumb is to set aside about 10% of the home's sale price for closing costs including commissions, transfer taxes and prorated property taxes. Preparation is key in a smooth home-selling process. Take into consideration many costs including:

- Cost of living in a new location
- Moving expenses
- Marketing expenses
- Capital gains tax
- Home inspection
- Mortgage related costs

In addition to calculating selling expenses, make a list of repairs and projects that will be needed to have your home in selling condition.

Attracting Homebuyers

As you may have realized, preparing your house ready for sale is one of the crucial factors in attracting potential homebuyers. They say that you can never have a second chance of creating the first impression and that couldn't be truer when selling your home. The appearance of your home is the key

to creating a positive impression to potential homebuyers as they tour your property.

Showing your home for the first time to potential buyers can be divided into two main sections; the exterior and the interior of the house. Not surprising, homeowners spend a lot of their time cleaning the house interior and they forget about the exterior of the house.

Managing the Interior

Most of the real estate agents will advise any home seller to de-clutter and de-personalize their home before selling. There are three kinds of home improvements to consider:

- De-cluttering
- Small upgrades and repair
- Maintenance and Renovations

De-cluttering - It's no secret that homebuyers are attracted to homes that are cleaner and appear that they require less work to be done to them. Clutter free homes appear brighter and more spacious.

Clean up all the non-essential items and leave only those items that add value to your house. In addition to de-cluttering, your agent may ask you to also to de-personalize your house (remove family photos on the wall and other photos visible around the house).





Some practical tips:

- Remove excess furniture
- Keep the sink clean and organize kitchen countertops including removing small appliances
- Pre-pack and store away rarely used clothes, appliances and such that you won't need for awhile
- Clear out stacks of magazines and book piles
- Put away children's toys to avoid potential homebuyers stepping over them

Small Upgrades and Repair - They can go a long way in increasing the aesthetic value of your home. Create a good first impression since homebuyers will take note of neglect so going the extra mile to make all the necessary repairs definitely helps.

Some quick fixes:

- Patch cracks and holes in walls and ceilings or brighten the interior with a fresh coat of paint, preferably neutral colors
- Fix or replace cracked floors, and leaking taps in the kitchen, bathroom and in the toilets
- Repair squeaky door hinges, lighting, toilet seats, kitchen sinks and all other hardware
- Replace broken windows, electrical switches and outlet plates
- Replace worn carpeting or shampoo the carpet and rugs if needed
- Ensure that all the major appliances and the HVAC



system in the house are in operating condition

- Reorganize your closets and shelves so that they appear more spacious


Bonus Tip: Highlight the best features of your home and use rooms for their intended purpose.

Renovating the house interior - Most homeowners fail to renovate their homes because they fear that they will not recoup the cost of renovations in the sales price. What most people don't realize is that even the smallest renovations bring a world of difference to the house. A real estate professional can help find any home-related services you need and help determine what renovations will best fit your goals and budget.

Some of the important areas to consider when renovating your house for sale include:

Kitchen - Minor kitchen renovations such as new flooring, installation of cabinets, counter tops, new paint job and other renovations can pay off

Bathrooms - Simple renovations such as installation of larger mirrors, new paint job, new shower heads and good lighting can go a step further to attract potential buyers

A photograph of a living room. In the center is a white fireplace mantel with a colorful abstract painting above it. To the right is a tall white bookshelf filled with books and a blue vase. A blue and white striped sofa is on the right. In the foreground, there is a wooden coffee table with a vase of white flowers. A brown leather armchair is on the left. The ceiling has recessed lighting.

Living Room - Some renovation options include your window curtains, installation of good lighting system and a new paint job

It's crucial not to over-renovate your home, but energy-efficient improvements and tech friendly upgrades are popular options that deliver an extra touch.

Managing the Exterior

The importance of a home's curb appeal can not be stressed enough. It can be the difference not only in the selling price but the length of time it takes to sell your home. Some of the basics include:

- Water your lawn, trim weeds and hedges if needed
- Remove unnecessary items from the exterior
- Replace or repair the roof if needed
- Improve the driveway if there are noticeable flaws and cracks
- Power wash the exterior including windows, porch, siding, deck and patio
- An updated trim, a freshly painted door and new door knob
- Fix or upgrade broken fences and gates
- Ensure your pool is clean and functioning

Hire a Professional to Inspect Your House

In most cases, house inspections are carried out before closing the deal with the potential buyer. It is advisable to have your house inspected before listing it for sale. Hiring a professional to inspect your house may reveal issues such as foundation and other structural problems. Generally, a house inspection covers four major areas. They include:


- Tests for radon gas
- Structural and mechanical evaluations
- Tests for wood destroying pests.
- Basic foundation structure and roof safety checks

Planning Your Selling Strategy

Pricing your home is one of the main pieces of your selling strategy. It is imperative to do a thorough research and price your house accordingly. Keep in mind that the value of a house is dependent on several variables.

A real estate professional is a good resource for further information and proper pricing of your home. A real estate professional's knowledge and exper-



A white and brown bulldog puppy is lying on a grey shag rug in a living room. The puppy is looking towards the camera with a calm expression. The background shows a dimly lit room with a television and some furniture.

tise will help you:

- Determine the best asking price
- Find home-related services as needed
- Market your home extensively
- Prepare and show your home to potential buyers
- Prequalify potential home buyers
- Negotiate offers in your interest
- Manage the real estate transaction process including contracts, title and escrow
- Assist in moving and relocation

Bonus tip: Have tax or legal questions? Work with an accountant or attorney to figure it out before you decide to sell your home.

Finding a Good Real Estate Agent

Sourcing the services of a good real estate agent can go a long way in getting your home sold quickly. This is where research begins. Interview at least three real estate agents and also visit their websites.

Tips to consider when looking for a real estate agent:

- Local market knowledge
- Professional qualifications
- Marketing strategies
- Use of modern technology
- Customer testimonials



- Other home-related services

Determining the appropriate price for your home is not easy, in fact it is both an art and science. There are four basic factors that determine the value of any property:

- The condition of the property
- The location of the property
- Asking price of the property
- Market conditions

The listing price of the house is the starting point. It should be determined by your motivation to sell the house but it is imperative to price it correctly from the start. If you price it too high, you may turn off potential buyers. And if you price it too low, it will attract a lot of interest but possibly low ball offers. Keep in mind that the majority of potential homebuyers have already done their research online.

When determining the price of your house, consider the following:

Be objective – As previously mentioned, selling your home is no easy task. Not all home upgrades and features necessarily pay off. Do not make the sell of your home a personal one otherwise you may be offended by the offers and demands of potential buyers. It all depends on market conditions and the urgency to sell your house.

Do your research thoroughly – There are many websites to help homeowners conduct thorough research on the local market and similar properties. Even better, contact a real estate professional for a free market evaluation or Comparative Market Analysis (CMA), a report that documents the pricing, property details and photos of similar homes.

Bonus Tip: Homes usually attract the most interest among buyer prospect during the second to fifth weeks on the market.

Marketing Your Home

Homesellers are at a great advantage today since the Internet has completely revolutionized the real estate industry. In the past, traditional marketing methods such as Open Houses, advertising in local newspapers, the Multiple Listing Service (MLS), word of mouth, and a yard sign were the only options to market a home.

Now with social media, live streaming, and mobile apps, there are more ways to attract prospects. It is important to ensure that your real estate professional is well equipped with Internet marketing strategies that will showcase your house to a host of potential homeowners.

Set your home apart from the rest with these tips:

- Several property photos, especially ones that highlight





the best attributes

- A great description with detailed information
- Video tour of the home
- Neighborhood and community information

Maximizing exposure garners more interest for your home from potential buyers so never hesitate to take advantage of both traditional and digital marketing strategies when selling your home. Some tips to keep in mind when showing your home:

- Lock away and hide cash, jewelry and other valuables
- Light the whole house
- Use potpourri to give your home a nice aroma
- Open drapes and shades during the daytime
- Keep pet areas clean and odor-free
- Floors should be clean and vacuum rugs and carpets
- Tidy up the rooms by ensuring the beds are made and toys are put away
- Remove clutter in the kitchen and bathrooms

In addition to showing your home, these tips will also come in handy for photos and video.

Bonus Tip: Empty Home? There are virtual staging tools that give buyers an idea of how the home will look furnished.



Negotiating a Price for Your House



This is one of the most crucial stages when selling your house to a potential buyer and especially why it is important to seek the services of a real estate professional who will drive the negotiation process.

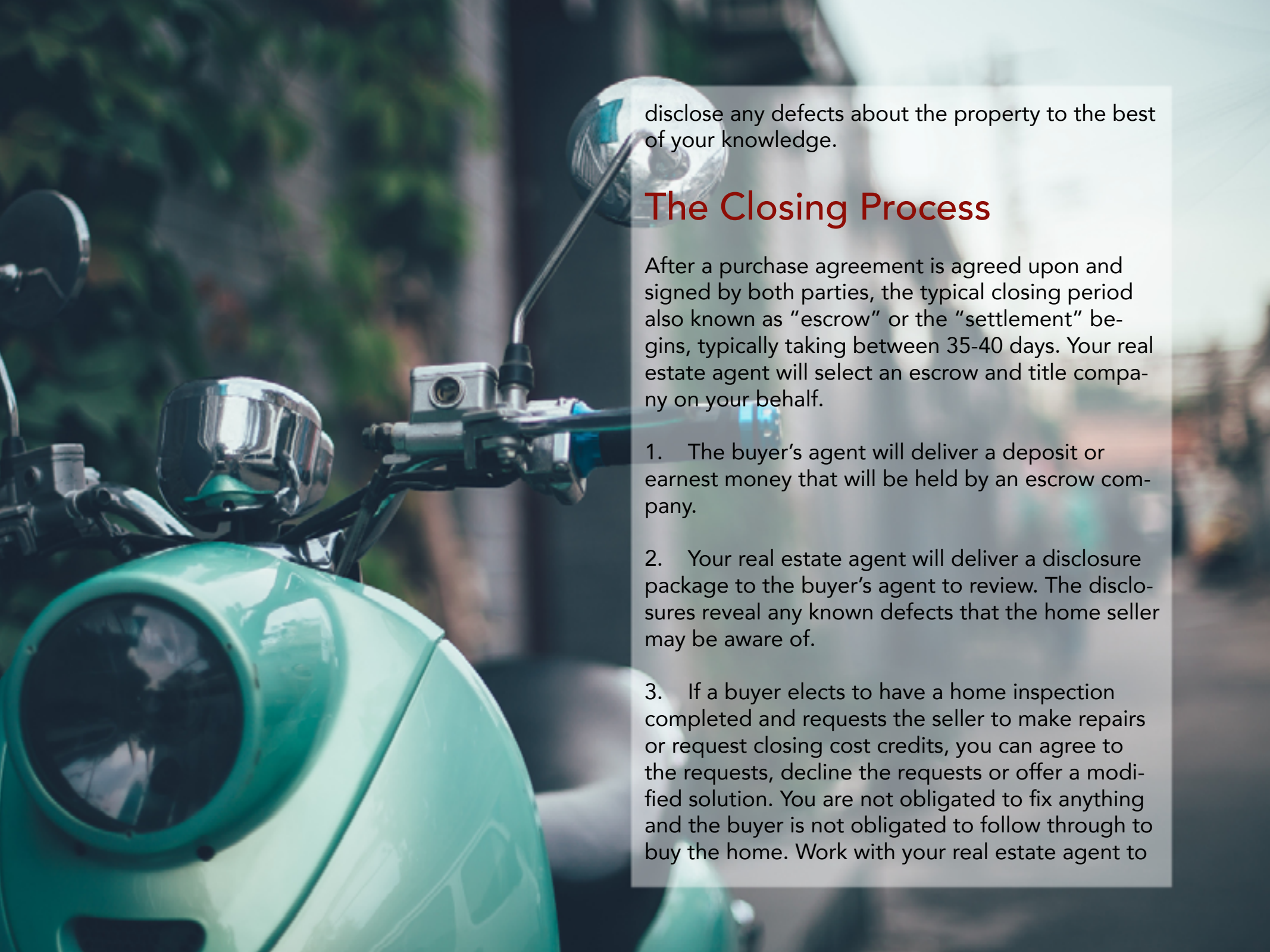
The buyer with the help of a real estate agent will present their offer in terms of prepared documents indicating various conditions of the contract. Your agent will normally have a process in place to review multiple offers. The purchase agreement will usually include a copy of the check for the earnest money deposit and a pre-approval letter from the buyer's lender. The most important parts of the contract include:

- Evaluating the financial parts of the offer
- Evaluating offer contingencies and terms

During the negotiation process, it is typical for both parties to exchange counteroffers until a mutually satisfactory agreement is reached. Some basic tips for a successful negotiation:

- Remember your priorities but be open to compromises
- Respond swiftly with offers since potential buyers may change their minds when there are delays
- Your real estate agent represents your best interests so communicate often

At the negotiating table, disclose all the necessary information to the buyer. You may win the trust of the buyer if you

A close-up photograph of a teal motorcycle's front section, including the headlight, handlebars, and mirrors. The background is a blurred outdoor setting with greenery and a building.

disclose any defects about the property to the best of your knowledge.

The Closing Process

After a purchase agreement is agreed upon and signed by both parties, the typical closing period also known as “escrow” or the “settlement” begins, typically taking between 35-40 days. Your real estate agent will select an escrow and title company on your behalf.

1. The buyer’s agent will deliver a deposit or earnest money that will be held by an escrow company.
2. Your real estate agent will deliver a disclosure package to the buyer’s agent to review. The disclosures reveal any known defects that the home seller may be aware of.
3. If a buyer elects to have a home inspection completed and requests the seller to make repairs or request closing cost credits, you can agree to the requests, decline the requests or offer a modified solution. You are not obligated to fix anything and the buyer is not obligated to follow through to buy the home. Work with your real estate agent to

create a formal plan to handle home repairs.

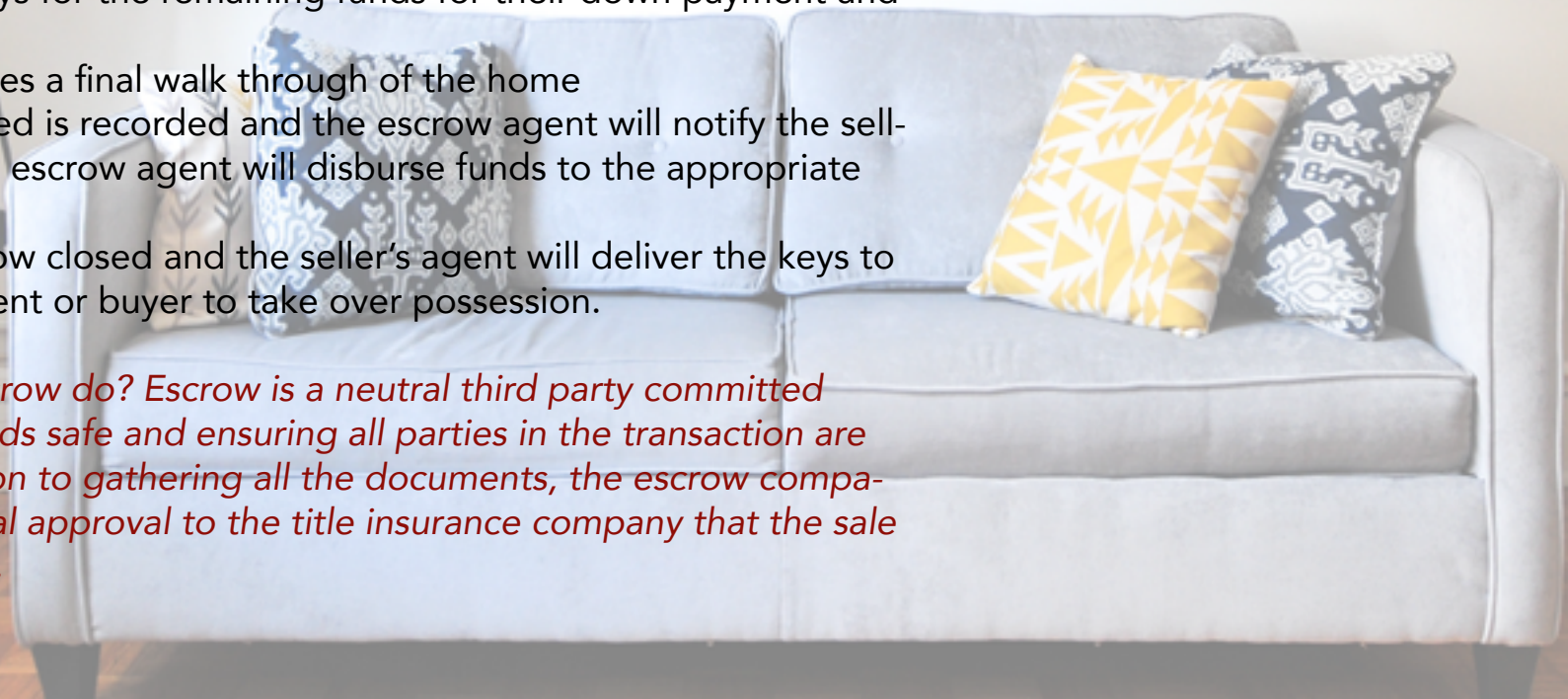
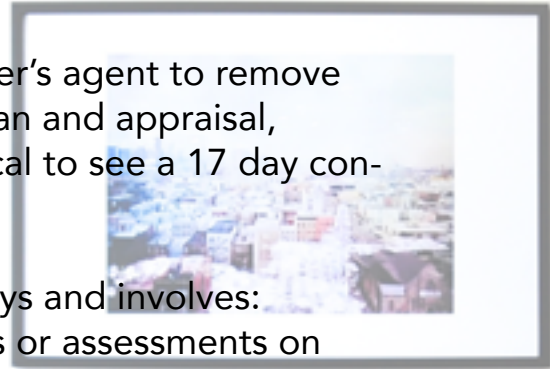
4. During this time frame, if it is not a full cash offer, the buyer will commit to securing a loan that usually requires an appraisal. While in escrow, make sure your home is available for the buyer, home inspector and appraiser.

5. Your real estate agent will request the buyer's agent to remove their contingencies, typically the inspection, loan and appraisal, based upon the purchase agreement. It is typical to see a 17 day contingency period for due diligence.

6. The closing process usually spans a few days and involves:


- A final title search to ensure there are no liens or assessments on the title
- The buyer's lender sends final loan documents to the escrow agent
- The buyer signs all closing documents
- The buyer pays for the remaining funds for their down payment and closing costs
- The buyer does a final walk through of the home
- The grant deed is recorded and the escrow agent will notify the seller's agent. The escrow agent will disburse funds to the appropriate parties
- The deal is now closed and the seller's agent will deliver the keys to the buyer's agent or buyer to take over possession.

What does escrow do? Escrow is a neutral third party committed to keeping funds safe and ensuring all parties in the transaction are paid. In addition to gathering all the documents, the escrow company will give final approval to the title insurance company that the sale can take place.





Thunderbird



What is Title? The Title Insurance Company will check county records, tax collectors records, and other property records to ensure a property title is legitimate and can transfer over to the new owner obtaining new financing. The cost of Title insurance depends on the size of the loan.

Congratulations!

Congrats, you made it! A buyer will normally take possession of the house within a few days of the Closing Date unless otherwise specified in the purchase agreement. Keep copies of your real estate documents for tax reporting.

Closing Documents to Keep

- Listing Agreement
- Purchase Agreement and addendums
- Requests for Repair and Inspection Reports
- Escrow instructions
- Any completion certificates
- Final closing instructions and statment of closing costs
- HUD-1 settlement statement
- Loan payoff documents
- Insurance Policy
- Certificate of Title
- Grant Deed



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