

**31
SUPER
STRATEGIES
FOR
HOME SELLERS
&
HOME BUYERS**

By Bea Newhall

Why you should read this booklet.

Many years ago when someone bought a piece of property it was usually done with a handshake. Today it's done with contracts, disclosures, inspections, negotiations and loans.

The purpose of this booklet is to educate the buyer and seller of today and to simplify the process. Buying or selling a home is the biggest most important decision and investment anyone will make in their life. Real Estate is not difficult so with the right Realtor and this booklet the process should be simple.

Whether you are selling or buying for the first time or not, due to the constant changes in Real Estate, knowledge is the key. With the right knowledge and the right Realtor the process of selling or buying a home will go without a hitch!

After reading **31 Super Strategies For Home Sellers and Buyers** you will have a better understanding of how the Real Estate Market works and what it takes to sell or buy a home.

My Philosophy and Principles:

- 1. Commitment-** building the relationship that establishes the trust that is pivotal to the decision making process.
- 2. Clarity-** listening to determine the client's needs. Creating strategies to help the client make the right decisions.
- 3. Creativity-** matching you with the right property or buyer. Showing you how to get what works for you.
- 4. Communication-** listening to everyone involved, understanding their needs and responding professionally.

Congratulations Sellers!

Once you've made up your mind to sell your home you will need to find an agent who will work hard for you. Choose one who will research the fair market value of your home and market your home's attributes. Choose an agent who will communicate with other Realtors about the salability of your home, explain to you clearly the process of selling your home and negotiate on your behalf when the time comes.

Do you need a bigger home? Do you need to downsize or are you relocating to another area? If you are relocating your Realtor can give you a name of an agent in that location to assist you in finding a home. If you are buying bigger or smaller you will need to contact your Mortgage Broker. You will need to discuss your financials and get pre-approved before buying your new home. See Super Strategies for Home Buyers section in this booklet for more information.

15 Super Strategies For Home Sellers!

- 1. Getting the best possible price for your home is a team effort** between seller and agent.
- 2. Choosing when to put your home on the market** should be discussed with your agent. There are many factors that come into play in determining when to put your home on the market.
- 3. Curb appeal!** First impressions are the key to the successful sale of your home. Clean up debris in your front and back yard. Taking good care of your yard, potted plants and flowers is a smart idea.
- 4. Inside cleaning can enhance your home's best features.** Wash the windows so potential buyers can see that incredible view. Clean the carpets especially if you have any pets. Kitchen and bathrooms should be clean with only a few items on the counters

5. **Fix-it!** Repairs, replacing, painting should be something you discuss with your agent. Deciding what needs to be done and how long it will take can be the deciding factors as to when to put your home on the market and at what price.
 6. **Declutter it!** Clean and organized closets can appear to have more storage space. Rearranging furniture to make a particular area look bigger may seem to have a more finished look and can be appealing to prospective buyers.
 7. **Set the stage!** With the help of your agent you can stage your home to create a visual masterpiece that will wow prospective buyers.
 8. **Accessorize your home.** Fresh flowers add color and brightness to a room. Clean bathroom towels and new soap in the soap dish are great touches. Logs in the fireplace, curtains drawn open and lights on; these can provide your home an emotional inviting appeal to the prospective buyer.
 9. **A termite inspection is not always necessary but is an advantage for both seller and buyer.** With a termite inspection the seller will discover what kinds of problems may exist before putting their home up for sale. This inspection is for your peace of mind, as well as informs the buyer of the condition of the property. Discuss with your Realtor any or all issues prior to "setting the sale price".
 10. **Determining the sales price includes several factors.** All the tasks that you and your agent have completed will determine the fair market value. Your agent will provide you with a CMA (Comparative Market Analysis) of homes similar to yours in your neighborhood that sold within the last 6 months as well as what is currently available for sale. Whether the market is a buyer's market or seller's market this can also be a determining factor in the pricing of your home.
 11. **As a wise seller you will be previewing comparable open houses in your neighborhood.** Potential buyers will be looking at all the available houses in your neighborhood as well as looking at yours. Buyers today are smart and have been coached on how to buy a house.
 12. **Six marketing techniques for selling a house.**
 - a. A "For Sale" sign
 - b. **Lock Box-** makes your property easy to show.
 - c. **Multiple Listing Service** – This service is what Realtors use to look for properties and input listings. This is an Internet based system.
 - d. **Advertising-** local newspapers and Real Estate magazines.
 - e. **Brokers Open House-** A great way to get the word out to all other real estate agents about your property.
 - f. **Sunday Open House-** Another tool in exposing your house to the public, especially potential buyers who do not have a real estate agent.
- Hurray, you got an offer! The negotiations begin.**
13. **Master Negotiator** is what your agent should be in order for this offer to be a ratified contract and escrow opened. This should be a win-win situation for both seller and buyer in order for it to close and for you to walk away with the money. Once all contingencies and terms of the purchase contract have been met and removed, you can plan on calling the movers.
 14. **Scheduling Close of Escrow** on your home can occur on the average of between 30 to 90 days. At close of escrow the transferring of ownership takes place.
 15. **Moving dates are negotiable.** Moving dates and COE (Close of Escrow) may not coincide. If the seller can not move out at COE a Rent Back Clause maybe put into place. A Rent Back can be a portion of the buyer's actual cost of principle, interest, taxes and insurance (PITI).

Home Buyers!

Buying a home is going to be one of the most important decisions you will make in your life. Choosing the right Team, the best Realtor and Mortgage Broker you can find will make this process virtually painless.

Wherever the Real Estate market is, whether a buyer's market or a seller's market, your financial fitness is the key to your qualifications for buying a property. These **16 Super Strategies** are designed to help you understand the step-by-step process of purchasing a home.

Your Realtor should be someone you can get along with and trust, because you will be spending a lot of time together. They should be committed to you, explain everything clearly, show you some creative options to get what you want, listen to your needs and concerns, and respond professionally. Choosing the right home can be an emotional one and should be supported and helped by your Realtor.

Once you've answered the question "Is this the right time for me to buy a home" with a resounding YES! Then the following strategies are your next steps for you to take in order to get your piece of the American Dream.

16 Super Strategies For Home Buyers!

- 1. Determine your price range** by contacting a Mortgage Broker to define your affordability so that you can be pre-approved prior to making an offer on a property. Talk to your mortgage professional now about the different loan options available to you.
- 2. Finding a Mortgage Broker is easy.** Call your Realtor for a recommendation or ask a friend who recently purchased a home for the name of their Mortgage Broker.
- 3. Down payment** can be as little as 3%. But remember that if you put down less than 20% the lender will require PMI (Private Mortgage Insurance). You may qualify for a 100% loan, depending on your income and credit scores. Ask your mortgage professional to discuss options with you.
- 4. Closing costs** are various fees and expenses payable at time of Close of Escrow. You can expect to pay 2 to 3% of the purchase price. It can be incorporated with your down payment or paid separately depending on your type of loan. Discuss this with your Mortgage Broker.
- 5. Making a written offer** is the first of many steps in a real estate purchase contract. Here you will state financial terms, inspection terms, close of escrow date and determine a realistic offering price for that property. With the guidance of your agent all of these terms are negotiable at the time of presentation.
- 6. Time is of the essence** the minute the contract is ratified. The clock starts ticking and your time to perform according to the terms of the Purchase Contract starts now. Your agent will begin to contact your mortgage broker and a home inspector to start the process.
- 7. The Loan process begins** the moment the contract has been accepted. The Mortgage Broker contacts an appraiser and several lenders to see who has the best rate for the type of loan you want. You will want to be in constant communication with your Mortgage Broker from this moment on.

You've Found It!

**Your dream home.
You want to make an offer.**

- 8. A Home inspection** is one of the most important inspections in determining if there are any critical issues that can be of concern to the buyer. Being present at this inspection is a must. The inspector will send a written report within a few days after the inspection to the buyer and buyer's agent for review.
- 9. Review of the home inspection** is done immediately upon receipt of written report. You should review any critical concerns with your agent at this time. All issues are negotiable and your agent will assist you with these.
- 10. Removal of the inspection contingency** is the time when negotiations take place. At this time the buyer can decide to continue with the process of buying the property or to back out of the contract and not continue with the purchase.
- 11. Removal of the loan contingency** is when the lender has given the buyer the terms of the loan (interest rate, points and property appraisal) according to the purchase contract. If any one of the terms of the purchase contract has not been met the contract can be terminated.
- 12. If you are purchasing a condo or townhouse** the Homeowners Association will provide a document called the CC & R's. After reviewing them the buyer can then decide to go forward or to terminate the purchase contract.
- 13. Call the movers!** Once all contingencies have been removed you can rest assured that the house is going to be yours. Contact all utilities, phone, water, garbage and cable and let them know when the house will be in your possession.
- 14. Contact a homeowners insurance company.** The lender requires that the property be insured unless there is no loan or mortgage. Ask your Realtor for a recommendation, if you need one.
- 15. Five days before COE (Close Of Escrow)** you and your agent will do a walk through to make sure that the property is left in the same condition or better.
- 16. Close of escrow** is the act of transferring and recording the ownership of property from seller to buyer.

HURRAY!
It's yours!
Get ready to move in.

GLOSSARY:

Appraisal: A process of estimating property value. A licensed appraiser performs this function.

Close of Escrow: The transferring of ownership of a property from the seller to the buyer.

Closing Costs: Various fees and expenses payable by the seller and buyer at the time of a Real Estate transaction.

Comparative Market Analysis (CMA) An Estimate of the value of the property taken from the sales of comparable properties.

Contingencies: Are specific conditions or terms contained in the purchase agreement such as the loan contingency and the inspection contingency.

Covenants, Conditions & Restrictions (CCR's): Established by the homeowners association of the condominium to stipulate how the association handles maintenance and repairs as well as regulating what can or cannot be done to individual units and in condominium's common areas.

Credit Scores: Are a result of a credit report, which provides information on the borrowers creditworthiness to the lender.

Down Payment: An amount of cash which is a portion of the purchase price the buyer pays for the property in addition to the loan incurred.

Escrow: Is the holding by a neutral third party, an escrow office of a Title Company, of important documents and money related to the purchase of the property.

Fair Market Value: The amount that a property would command if it were available for sale.

Home Inspection: The evaluation, by a professional inspector, of the structural and mechanical condition of the property.

Homeowner's Association: An organization of the homeowners in a particular subdivision, planned unit development or condominium for the purpose of enforcing restrictions and managing the common elements of the development.

Mortgage Broker: Is someone who can assist you in finding the loan with the best possible interest rate and conditions that you qualify for.

Multiple Listing Service (MLS): Is a computer-based service accessible by licensed Realtors only. It contains descriptions of the available properties for sale.

Private Mortgage Insurance: When the down payment is less than 20% the lenders require an insurance policy that protects them in case the borrower defaults on his loan.

Pr-approval: A loan based on verified information on an individual regarding employment, income, debt and cash available on a purchase of a home.

Realtor: Is a licensed professional in real estate who subscribes to the strict Code of Ethics as a member of the local and state boards of the National Association of Realtors.

Rent Back Clause: This clause allows the seller to stay in their home and rent back from the buyer after the close of escrow and prior to buyer moving in. Usually the rent back payment is equal to the buyer's actual cost of their mortgage, taxes and insurance.

Do you know the right questions to ask when buying or selling your home? Are you getting all the right answers about buying or selling your home? The **31 Super Strategies For Home Sellers and Buyers** booklet will give you a better understanding of the process. It follows the most important strategies, step by step, for buying and selling your home. Buying or selling a home should be a process that is comfortable, easy to understand and successful when you use the right agent and this booklet.

Bea Newhall is a California licensed Realtor and has lived and raised her family in Marin County for over 30 years. Bea has facilitated many Real Estate Seminars for first time buyers, sellers and women divorced or separated.



Bea is involved in fundraising for several community organizations.

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