

# SELLING YOUR HOME



WE DON'T WORK 8 TO 5, WE WORK  
**START TO FINISH!**<sup>®</sup>



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# TERMS TO KNOW

**AMENDMENTS:** A minor change or addition to an agreement which does not change the document's principal idea or essence.

**APPRAISAL:** An estimate/opinion of value of property resulting from analysis of facts about the property.

**ASSUMPTION:** Taking over another person's financial obligation. Taking title to a parcel of real property with the Buyer assuming liability for paying an existing note secured by a deed of trust against the real property.

**BENEFICIARY:** The recipient of benefits, usually the lender, from a deed of trust.

**CLOSE OF ESCROW:** Generally the date the documents are recorded and title passes from Seller to Buyer. On this date, the Buyer becomes the legal owner and title insurance becomes effective.

**COMPARABLE SALES/COMPS:** Sales that have similar characteristics as the subject real property, used for analysis in the appraisal.

**DEED OF TRUST:** An instrument used in many states in place of a mortgage.

**DEED RESTRICTIONS:** Limitations in the deed to a parcel of real property that dictate certain uses.

**EARNEST MONEY DEPOSIT:** The down payment made by a purchaser of real property as evidence of good faith.

**EASEMENT:** A right, privilege or interest limited to a specific purpose that one party has in the property of another.

**HAZARD INSURANCE:** Real Estate insurance protecting against fire, certain natural causes, vandalism, etc. Buyer often adds liability insurance and extended coverage for personal property.

**IMPOUNDS:** A type of trust account established by lenders for the accumulation of borrower's funds to meet periodic payments of taxes, mortgage insurance premiums and/or future insurance policy premiums.

**LEGAL DESCRIPTION:** A description of land recognized by law and based on government surveys, spelling out the exact boundaries of the entire parcel of land.

**LIEN:** A form of encumbrance that usually makes a specific parcel of real property the security for the payment of a debt or discharge of an obligation (ex. judgments, taxes, mortgages and deeds of trust).

**OPTION MONEY:** A payment that allows the Buyer the unrestricted right to cancel the contract in the time provided for in the contract, allowing the Buyer the opportunity for due diligence.

**PITI:** A payment that combines Principal, Interest, Taxes and Insurance.

**POWER OF ATTORNEY:** A written agreement that gives authority to an individual to act on behalf of another.

**PURCHASE AGREEMENT:** The purchase contract between the Buyer and Seller. It is usually completed by a Real Estate agent and is signed by the Buyer and Seller.

**QUITCLAIM DEED:** A deed operating as a release, transferring title, interest, or claim from the previous owner (grantor) to a new owner (grantee).

**RECORDING:** Documents filed with the County Recorder as a matter of public record.

# TIPS FOR SELLING YOUR HOME

## GENERAL

- Consider repainting interior/exterior as needed
- Use a neutral color scheme when making any decorating choices
- Avoid clutter...neatness makes a home look bigger
- Avoid too many personal items, such as family photos
- Make sure all closets and shelving units are straightened

## KITCHEN

- Make sure it is bright and attractive
- Consider new window treatments
- Replace flooring if badly worn
- Replace any cracked or loose tiles on counters and walls
- Remove any appliances or decorative items from counters

## LIVING AREAS AND BEDROOMS

- Repair cracks and nail holes in wall surfaces
- Replace window glass and torn screens as needed
- Wash the windows, both inside and outside
- Check for windows to open and close smoothly
- Check ceilings for leak stains
- Replace faded bedspreads or curtains
- Clean out fireplace and put in fresh logs, as needed
- Replace burned out light bulbs and make sure light switches work
- Clean floors and vacuum carpeting and rugs
- Repair any doors that stick
- Keep toys inside children's rooms in an orderly fashion

## BATHROOM

- Repair any dripping faucets
- Hang clean, fresh towels in the bathrooms
- Remove any stains from bathtubs, showers, sinks and toilets
- Update old fixtures to make a big difference
- Unclog bathtubs, showers or sinks that drain slowly

## GARAGE

- Clean out garage
- Check that the garage door opener is in good working condition

## OUTSIDE

- Make sure the front door and entry area are clean
- Repaint the front door if necessary
- Keep the lawn and shrubs trimmed and looking neat
- Proper landscaping can add an attractive and inviting touch
- Sweep driveways and walkways
- Check the roof and gutters for any repairs that may be needed

# STAGING YOUR HOME FOR SHOWING

First impressions have a major impact on potential Buyers. Try to imagine what potential Buyers will see when they approach your house for the first time and walk through each room. Ask your REALTOR® for advice. They know the marketplace and what sells a home. Here are some tips to present your home in a positive manner.

## Please review this list prior to each showing:

- Keep everything clean.** A cluttered or dirty home will cause prospective buyers to notice every flaw.
- Let the light in.** Raise shades, open blinds, pull back the curtains and turn on the lights.
- Get rid of odors** such as cooking, pets, tobacco, etc., but don't overdo air fresheners or potpourri. Fresh baked goods can make a positive impact.
- Send pets away or secure them** away from the house and be sure to clean up after them.
- Close the windows** to eliminate street noise.
- You and your children should be gone** while your home is being shown.
- Empty trash cans** and put them out of sight.
- Keep the garage door closed and the driveway clear.** Park autos and campers away from your home during showings.
- Stash or throw out** junk mail, newspapers and magazines.
- To make the best impression, **keep your home clean, neat, uncluttered and in good repair AT ALL TIMES.**



# THE MARKET VALUE OF YOUR HOME

## EVALUATE YOUR LISTING

### The market value of your home is not:

- What you have in it
- What you need to get out of it
- What it is appraised for
- What you heard your neighbor's house sold for
- What the tax office says it is worth
- Based on memories and treasures
- Based on the price of homes where you are moving

### The market value of your home is based on:

- Today's market
- Today's competition
- Today's financing
- Today's economic conditions
- The Buyer's perception of the property condition
- Location
- Normal market time

### As a seller, you control:

- The price
- Condition of the property
- Access to the property

### As a seller, you do not control:

- Market condition
- The motivation of competition
- Buyer's perception of value

## HOW TO EVALUATE MARKET RESPONSE TO YOUR LISTING

**If agents are not showing your home**, they have determined that the home may not meet their client's needs or that it may not be priced fairly for the market.

**If agents are bringing buyers, but no offers are coming in**, your home meets client's needs, but buyers may be finding better properties on the market for a comparable price.

In either case, this is an indication that your home may not be priced at current market value.

# SELLER'S CLOSING CHECKLIST

## PRIOR TO CLOSING

- Provide Frontier Title with current loan company information, so a payoff statement can be ordered from your lender. If your property is subject to dues to a Homeowner's Association, provide association's name and phone number.
- Provide documentation of any change in marital status (death, divorce, marriage, etc.) during current ownership.
- If you will not be present at closing to sign documents and intend to use a Power of Attorney (POA), the following must occur:
  - Frontier Title and your lender must approve the POA prior to closing
  - The original POA must be delivered to Frontier Title before closing to be recorded with the County Clerk's office.
  - Contact must be made with you via telephone on the day of closing to be certain you are alive and well and have not revoked the POA.

## REQUIRED AT CLOSING

- Valid Driver's License or other photo identification, such as passport
- Social Security Number
- Extra house keys, mail keys, instructions and garage door openers to give to the Buyer

## AVOID CLOSING DELAYS

- The lenders and title insurers require single owners who have married during the course of ownership of the property to have their spouse join in signing the documents at closing.

## AFTER CLOSING

- Cancel your homeowner's insurance with your insurance agent.
- Your lender will refund all money left in your escrow account approximately 15 to 30 business days after they receive the payoff funds. The lender will mail a package containing your original promissory note marked 'PAID' and other loan file documents. Retain these for future reference. They may also include a Release of Lien document. This document needs to be recorded with the County Clerk's office to remove the lien of record.
- Your closing statement serves as a substitute Form 1099 for tax purposes.



# TIPS FOR A GOOD INSPECTION

- Cut tree limbs away from house
- Wash brick and/or siding to remove discoloration or mildew
- Install splash blocks at downspouts
- Clean gutters and repair where necessary
- Repair all rotted wood and paint to match
- Remove any items stacked against the garage or house
- Repair and replace any damaged screens
- Clean chimney
- Clean and inspect heater
- Check A/C
- Check condensing unit and clean away debris, grass, leaves, etc.
- Test all smoke detectors and add new batteries if needed
- Check toilets for stability
- Check all showers and/or tubs for leaks
- Repair dripping faucets
- Repair all cracks in masonry



# • STEPS TO CLOSING •

## **FULLY EXECUTED CONTRACT**

Signed by all parties with Earnest Money check.  
Option fee sent to Seller.

1

## **ORDER SENT TO THE TITLE PLANT**

Guaranty file number assigned. Order sent to Frontier Title Plant.

2

3

## **ABSTRACT DEPARTMENT**

Copies made of all documents affecting title to the property and Seller's name checked.

5

## **TITLE INFORMATION COMPLETE**

Stored in computer and original file returned to closing office.

7

## **INSPECTIONS & REPAIRS**

Inspections and repairs complete. Buyer loan approved.

9

## **CLOSING DATE & TIME**

Agents set closing date and time.

10

## **FRONTIER TITLE COMPANY**

Prepares closing statement and sends to Lender for approval. Upon approval, settlement is sent to all parties for review.

12

## **FUNDING AUTHORIZATION/FUNDING NUMBER**

Frontier Title sends documents to Lender for review and funding authorization per closing instructions. Lender contacts Frontier Title with Funding Number and authorization to disburse funds. Legal documents are sent for recording with the appropriate county clerks. All parties notified the loan has funded.

14

15

## **CONTRACT RECEIPTED**

Contract and Earnest Money deposited with Frontier Title. Copies sent to all parties.

## **TITLE PLANT**

Order received at plant, legal checked, tax certificate ordered. File ready for Abstract Department.

## **TITLE EXAMINATION**

An examiner reviews the documents and issues a title report.

## **CLOSING TITLE OFFICE**

The Title Commitment is issued and sent to Lender with tax certificate and wiring instructions. Title Commitment and copies of all documents affecting title sent to Buyer. Title Commitment sent to Seller and Agents. Payoff and survey ordered. HOA contacted for resale certificate, if needed.

## **LENDER**

Issues closing instruction. Lender's attorney prepares documents and sends to Frontier Title for closing.

## **CLOSING DAY AT FRONTIER TITLE**

Buyer and Seller sign all documents and money is collected from Buyer.

## **TITLE COMPANY POLICY DEPARTMENT**

Frontier Title submits policy package of the pertinent documents. Owner's and Lender's Title Policies are prepared.

## **What does CLEAR TO CLOSE really mean?**

"Clear to Close" simply means that you have met all the requirements to close on your mortgage and that your lender has fully inspected and verified your documents. Don't rush to the closing table just yet! You can expect a buffer of **at least** 3 days between "Clear to Close" and your closing date.

# MOVING CHECKLIST

## ONE MONTH BEFORE MOVING

- Make arrangements to hire a mover or rent a truck.
- Collect or purchase all packing supplies: boxes, box cutters, bubble wrap, labels, markers, packing tape, scissors, wrapping paper, etc.
- Make babysitting and/or pet care arrangements for moving day.
- File a change of address form at the Post Office.
- Arrange for the transfer of all dental, medical and school records, as necessary.
- Transfer auto, home, and medical insurance.
- Keep all move related documents in one place.

## TWO WEEKS BEFORE MOVING

- Cancel or transfer all utilities (cable/satellite/internet service, electric, gas, telephone, water).
- Check with your provider about cell phone service in your new location.
- Transfer prescriptions to a pharmacy near your new location.
- Transfer bank accounts.
- Pack up items in attic, garage and storage areas.
- Confirm arrangements with movers or truck rental.

## ONE WEEK BEFORE MOVING

- Begin packing boxes, labeling each as you fill it.
- Empty, defrost and clean freezer and refrigerator.
- Pick up items, such as dry cleaning, prescriptions, etc.

## THE DAY BEFORE MOVING

- Do a final check of cabinets, closets and drawers.
- Take out all trash.
- Fully charge all cell phones.
- Confirm arrangements with movers or truck rental.

## THE DAY OF THE MOVE

- Exchange contact information with the movers in case you need to get in touch with them while en route.
- Keep jewelry and other valuables with you.
- Prepare a box of supplies that you will need right away on move in day, such as bath and bedding items, cell phone chargers, change of clothing, cleaning supplies, disposable dishes, eyeglasses, pet food, prescriptions, toilet paper, toiletries, trash bags, etc.
- Do a final check before locking the doors. Confirm that you have turned off the furnace/air conditioner, lawn sprinklers and light switches. Make sure you have given the keys, including mail key and instructions and garage door opener as your REALTOR® directs.



