

FSBO Guide Instructions

Camera ready copy of the following"

- 101 Ways to Sell Your Home Faster and For More Money! (11 Pages)*
- Calculating Your Equity*
- Checklist for Moving*
- Cover Page*
- Facts about Title Insurance*
- Hints to Sellers for a Smoother Settlement*
- Home Selling Complex, Sometimes Scary*
- Pets on the Move*
- Plants on the Move*
- Sample Introduction Letter with Service Pledge*
- Sample Introduction Letters—choose one that you like*
- Service pledge*
- Settlement Control Sheet*
- Survival Kit for Moving Day*
- Tips for the For Sale By Owner*
- Transaction Control Sheet*

Refer to the dialogue and checklists to use with the FSBO Guide

- Keep these copies as a master for printing
- Use a document binder to bind the pages together (Doc Binders or IBCO binders can be purchased from most discount office supply stores.)
- Covers can be purchased from office supply stores or you can use your company folder (cut off the left hand edge)
- Add your picture to any of the pages as appropriate
- Use the kit early and often.

Effective Use

Make as many copies of the kit as you think you will use in a year. Bind them and store half of them in your car. Whenever you drive by a For Sale By Owner, drop one off. If they are not home, leave the kit with a note. In either case, follow up with the video "[How to Get Your House Sold!](#)" and stay in touch for 8 weeks, or until they list or sell, whichever comes first.

FSBO Guide Content Checklist

This checklist contains various element you may wish to include in your FSBO Guide. Review the following pages and ad, delete, or modify them to suit your needs.

- FSBO Cover Sheet
- FSBO Guide Checklist
- FSBO Follow-up: Calculating Your Equity
- Checklist for Moving
- 101 ways to sell your home faster and for more money!
- What is Title Insurance
- Hints to Seller's for a Smoother Settlement
- Pets on the Move
- Plants on the Move
- What are Points
- Problems from Contract-to-Close
- Service Pledge
- Settlement (closing or escrow) Checklist
- Survival Kit for Moving Day
- Transaction Checklist
- Tips for the For-Sale-By-Owner
- Home Selling Complex, Sometimes Scary

Checklist for Moving

Prior to your moving date, it will be necessary for you to notify a number of people of your pending change of address. Use this list as a guide to make sure all of the right people have been notified.

Utilities

- Electric
- Gas
- Water
- Telephone
- Fuel
- Garbage and refuse

Publications—Notice requires several weeks

- Newspapers and Magazines

Government and public offices

- State motor vehicle bureau
- Social Security administration
- Post office

Insurance

- Life
- Auto
- Home
- Health
- Fire
- Other

Professional Services

- Doctor / Dentist
- Certified Public Accountant
- Lawyer
- Broker

Established Business Accounts

- Dry cleaner
- Drug store
- Diaper Service
- Dry cleaning/laundry service
- Water softener service
- Credit cards

Miscellaneous

- Relatives, friends
- Book & record club
- Organizations and clubs
- School / Church
- Landlord if you are a tenant
- Tenants, if you are a landlord

Before the move

- Empty freezer; plan use of foods
- Defrost freezer, refrigerator
- Remember arrangements for TV and antennae
- Clean rugs or clothing before moving

Order a final reading of:

- Gas
- Electric
- Water
- Heating Fuel

Discontinue service on:

- Route deliveries
- Newspaper
- Cleaning
- Safety deposit box
- Telephone
- Arrange for child care if necessary

On moving day

- Carry currency, jewelry, & important documents with you. Bring a small tool kit! Double check closets, drawers, shelves to be sure they are empty

For out-of-town purchasers

Let a close friend or relative know your route and schedule. Transfer insurance on household goods and personal possessions to ensure coverage enroute. If your car or other possessions are not paid for, notify creditors and obtain permission to take property out of state. Have your appliances serviced for the trip. Notify the school about the intended move. Gather records or have transcripts forwarded. Obtain:

- Medical / Dental records
- Medical prescriptions
- Inoculation records
- Birth / baptism records
- Eyeglass prescriptions

Gather professional recommendations for new location, and return all borrowed books, etc.

101 Ways to Sell Your Home Faster

Of all the things homeowners control when selling their home, the condition of the property is one of the most important.

A crucial part of marketing any product is the presentation of the product. Corporations and retail businesses understand this concept, and they pay millions of dollars each year to advertising and marketing consultants for the best advice possible.

The same is true of real property. In order to compete effectively with other sellers, homeowners must present their homes to the marketplace in an attractive, desirable condition. When you bought your home, you probably comparison shopped. Well, buyers are still doing that today. According to the National Association of REALTORS, the average purchaser looks at 18 properties prior to purchasing a home. Regardless of how many properties are on the market, available buyers will always seek the best priced property that is in the best condition.

Think like a buyer!

You are not just selling a house, you are selling shelter, security, a lifestyle, and dreams. People always want the best for themselves and your home should represent the buyer's answer to this goal. Put yourself in the buyer's shoes! Remember, they arrive at your front door wanting to find the right home. Don't make them search somewhere else for it. If you have done your homework, every room in your home will create a desire for the buyer to stay.

Start making a list

Walk outside and take a look at the property through the critical eyes of a buyer. Is there anything that needs repairing, looks worn, or is outdated? Start writing these items down on your list. Walk through the interior, and do the same thing. Ask for the assistance of everyone in your family. After all, a shorter sales time will benefit everybody in the family!

Why did you purchase this property?

You know this home better than anyone else. Think back to when you first walked in this house. What attracted you to this property? These features should be among the first that you enhance. Ask your spouse and your children to add their own special positive reactions. Your teenager may remember how she fell in love with your home years ago because of the "climbing" tree in the backyard. Listen carefully to your children's perceptions.

Tour every room, the attic, the basement, the garage, and the yard. Note at least one positive feature in each. Include the items that attracted you and those desirable features you have added.

Do everything before you put your home on the market!

The longer a house is on the market, the more likely prospective purchasers are to suspect that something is wrong with the house. Remember back to all the times you have looked at properties during a home search. Chances are that whenever you came across a property that had been on the market for a while, the first thought that went through your mind was, "I wonder what is wrong? Why isn't this property sold?". Don't let that happen to you! Complete all of your repairs, improvements, and enhancements prior to your first showing.

The following pages will guide you step by step through the process of preparing your home for sale to achieve the highest possible sale price in the least amount of time. Your concentration will be in six areas: repairing, cleaning, neutralizing, space management, atmosphere, and staging. None of these activities are fun to do, but all are an extremely important part of marketing your home

Focus on 6 key points!

Repairs

1. The rule of thumb is, if something needs repair, fix it! There are probably many things in your home that you have simply become used to over time, things that you have been "promising yourself" you will attend to. Well, now is the time. The buyer will mentally add up the cost of repairing all those minor flaws and end up with an amount that is generally much higher than what it would cost you to do the repairs.

You might be saying to yourself, "These repairs aren't any big deal." The buyer, however, is thinking, "If the owners didn't take care of these little items, then what about the roof or the furnace?"

Small needed repairs and perceived owner neglect will either lower the purchase price or lengthen the time required to sell.

2. Check all walls for peeling paint and loose wallpaper.
3. Large repairs. In today's climate of open disclosure and vigilant professional home inspections, the rule is: treat a buyer as you would treat yourself. Repair any problems with major systems or offer an allowance for the buyer to make repairs after closing. Always disclose anything that you know about the property. Having been a consumer yourself, you know that buyers will more readily make a purchase decision with someone whom they can trust.

Cleaning

4. Every area of the home must sparkle and shine! Each hour spent will be well worth it. Would you rather buy a clean car or a dirty one? Would you hurry to buy a pair of shoes with mud on them?
5. Clean all of the windows, including attics and basements.
6. Clean all wall-to-wall carpeting and area rugs. Clean and polish linoleum, tile, and wooden floors. Consider refinishing wood floors if necessary.
7. Clean and polish all woodwork if necessary. Pay particular attention to the kitchen and bath cabinets.
8. Clean and polish all the light fixtures.

Neutralizing

9. Be cautious about selecting colors when painting or replacing carpeting. Your objective is to

make your home appeal to the largest possible buying segment. Ask yourself, "How many of the available buyers would be able to move into my house with their own furniture and not have to replace the carpeting?" Position your home on the market to be as livable to as many people as possible and to allow the buyer to mentally picture the home as theirs.

10. Forget your personal taste—the market is always demand driven! The average buyer will have a hard time looking beyond blue carpeting and bold wallpapers. Consider replacing unusual or bold colors with neutral tones. Two coats of off-white paint may be the best investment you have ever make.

Space Management

This involves creating the illusion of more space.

11. Arrange furniture to give the rooms as spacious a feeling as possible. Consider removing furniture from rooms that are crowded. If necessary, store large furniture.
12. Pack up collectibles—both to protect them and to give the room a more spacious feel. Leave just enough accessories to give the home a personal touch. Dispose of unneeded items.
13. Remove all clutter and make it a habit to pick up clothing, shoes, and personal possessions each day for possible showings.
14. Empty closets of off-season clothing and pack for the move. Organize the closets to demonstrate the most efficient use of space. Leave as few items on the floor or shelves as possible.
15. Use light to create a sense of space. All drapes should be open. Turn on all of the lights throughout the home.

Atmosphere

When placing yourself in the potential buyer's shoes, you will want to consider the overall atmosphere of your home. Keep in mind your sense of smell as you go through this checklist. Present the atmosphere of your home as a shelter, a place that is safe, warm, and in good condition.

16. A clean-smelling house creates a positive image in the buyer's mind. Be aware of any odors from cooking, cigarettes, pets, etc., that may have adverse effects on potential buyers. Remember that some people are much more sensitive to odors than others. Smokers rarely notice the odor of tobacco that fills their homes, and pet owners may be oblivious to objectionable doggy odor.
17. You can use products like carpet deodorizers, air fresheners, and room deodorizers; but the best strategy is to remove the source of the smell rather than to cover it up.
18. Unfortunately, often the only way to remove the smell of pet urine from flooring is to rip up the carpeting, padding, and underlayment, and to replace them. If this is preventing the sale of your home, don't hesitate to make this investment.
19. If smoking and cooking odors have permeated your home, have your carpets and furniture cleaned, and air out or dry-clean your drapes.
20. Mildew odors are another no-no. Don't allow wet towels to accumulate in hampers, or dirty laundry to pile up in closets.
21. Once offensive odors are removed, consider adding delightful ones. Recent studies have shown that humans have strong, positive responses to certain smells. Cinnamon, fresh flowers, breads baking in the oven are all excellent ways to enhance your property for sale.

Staging

This part of preparing your home for sale is the most fun and involves the use of color, lighting, and accessories to emphasize the best features of your home.

22. Study magazine ads or furniture showrooms to see how small details can make rooms more attractive and appealing. The effect of a vase of flowers, an open book on the coffee table, a basket of birch logs by the fireplace, etc., can make the difference in a room. Be careful not to create distracting clutter.
23. The use of a brightly colored pillow in a wing chair or a throw blanket on a couch can add dimension to a sterile room.
24. Soften potentially offending views, but always let light into your rooms. Replace heavy curtains with sheer white panels. Never apologize for things you cannot change. The buyer will either decide to accept or reject the property regardless of the words you say. Just present the home in the best way possible with complete honesty.
25. Go through your photo albums and select pictures of your house and yard during all four seasons. If hung at eye level in a well-lighted area, the pictures will speak for themselves and give you yet another selling edge.
26. Take advantage of natural light as much as possible by cleaning windows, opening shades and drapes, etc. Add lamps and lighting where necessary. Be sure that all fixtures are clean and have functioning bulbs. Increase the wattage of the bulbs in the basement area.

The Exterior

Check your home for any needed maintenance, just as a buyer would. Repaint or touch up as necessary. You can't make a better investment when you are selling your house! Don't let the outside turn buyers off before the inside turns them on.

27. Color has the power to attract. A tub of geraniums, a pot of petunias, or a basket of impatiens on the front steps is a welcoming touch.
28. If you are selling during the winter months, consider using a wreath of dried flowers on the front door, or an attractive milk can on the porch.
29. If you have a porch or deck, set the stage with pots of flowers and attractively arranged furniture.
30. Check to see that all doors and windows are in good working order. Give special attention to your home's exterior doors and front entry. Clean and paint doors if necessary. Remember, first impressions are likely to color the remainder of the house tour.
31. Replace any broken or cracked window panes.
32. Screens should be free of any tears or holes.
33. Inspect all locks to ensure that they are functioning properly.
34. Check for loose or missing shingles. Clean out gutters and down spouts. Touch up peeling areas on gutters.
35. Invest in a new doormat that says "Welcome."

The Yard

36. Make sure the yard is neatly mowed, raked, and edged.
37. Prune and shape shrubbery and trees to compliment your house.

38. Consider adding seasonal flowers along the walks or in the planting areas. Place the plants into a well-placed wheelbarrow or an old-fashioned washtub. Such standbys as nasturtiums, petunias, impatiens, and verbena are easy to maintain if you remember to water them regularly. Try a row of sweet smelling alyssum to line a short sidewalk or some perky dwarf marigolds to form a cheerful oasis of color in your yard.
39. Add an inch or two of bark mulch around your shrubs and trees.
40. Set up your old badminton or volleyball net—suggest a scene of family fun!
41. It is important to devote at least one area of your yard to outdoor living. Buyers will recognize a scene set with picnic table and chairs and they will respond positively to it. Cover your picnic table with a fringed, red-and-white checked cloth, set out some plastic plates and glasses, and bring out the barbecuing equipment. Buyers will almost smell the hot dogs cooking!

The Driveway

42. The driveway is no place for children's toys. Not only are such things dangerous, the clutter is unsightly.
43. The surface of your driveway should be beyond reproach; after all, it's one of the first things a buyer will see when he drives up. Sweep and wash the driveway and walks to remove debris, dirt, and stains. Repair and patch any cracks, edge the sides and pull up any weeds.

ROOM-BY-ROOM ANALYSIS

The Front Entry

Whether a graciously proportioned center-hall or a small space just large enough for a coat rack and tiny table, this part of your home deserves your particular attention.

44. Study your entry hall and ask yourself what kind of impression it makes of your home. Dried flowers or a small plant can make a striking focal point on a hall table any time of the year.
45. Virtually any entry hall will benefit from a well-placed mirror to enlarge the area.
46. Your entry hall's flooring will be observed carefully by the prospective buyer. Make sure the surface is spotless and add a small rug to protect the area during showings.
47. The entry hall closet is the first one inspected. Make it appear roomy. Add a few extra hangers. Hang a bag of cedar chips or a pomander ball to give a pleasant, fresh scent. Remove all off-season clothing.

Living Areas

Think of these areas as if they were furniture showrooms. Your job is to make each room generate a positive response. Add touches that make a room look truly inviting.

48. Sweep and clean the fireplace. Place a few logs on the grate to create an attractive appearance. You are welcome to have a fire going for showings during the winter months. It creates a great atmosphere.
49. Place something colorful on the mantel, but don't make it look like a country craft store.
50. Improve the traffic flow by removing excess furniture. Have easy traffic flow patterns. Be sure that all doors open fully and easily.
51. Draw attention to exposed beams or a cathedral ceiling with special lighting. Be sure to

remove any cobwebs and dust.

52. Remove oversized television sets if they dominate the room. If necessary, substitute with a smaller one until you move.

The Dining Room

Avoid going overboard. To be effective, any stage setting that you create should reflect the character of your entire home appropriately.

53. Set the scene by setting the table with an attractive arrangement. Add fresh or silk flowers as a centerpiece.
54. Visually enlarge a small dining area. If your dining table has extra leaves, take one or two out. Consider placing your dining table against a wall. Remove any extra "company" chairs. Consider putting oversized pieces in storage until your house is sold.

The Kitchen

Pay particular attention to your kitchen—this room continues to be the "heart of the home." A pleasant, working kitchen is near the top of most buyer's list of priorities and is a room that buyers always scrutinize closely.

55. Avoid clutter! Clean counters of small appliances and store whenever possible to maximize the appearance of work space.
56. Check the counter top around your sink, and remove any detergent or cleanser, etc., that may be cluttering the area.
57. Sinks, cabinets, appliances, and counter tops should be clean and fresh.
58. All appliances should be absolutely clean, bright, sparkling, and shiny!!
59. Clean off the top of the refrigerator! If you must use that space for storage, use baskets and bowls to camouflage the items kept there.
60. Set the scene with an open cookbook, a basket filled with fruit, a basket of silk flowers, or a ceramic mixing bowl and wire whisk.
61. Create the aromas associated with happy homes! Bake some cookies from pre-mixed, refrigerated cookie dough, start baking a loaf of refrigerated bread dough, or pop a frozen apple pie in the oven. A delightful kitchen aroma can be created with commercial potpourri preparations or you can mix up a batch from scratch on top of your stove:

Cinnamon Potpourri

*1 T grated nutmeg
5 cinnamon sticks
1 tablespoon whole allspice
1/2 tablespoon whole cloves*

Add all ingredients to 2 1/2 cups of water in a saucepan.
Bring to a boil, then lower to simmer.

62. In the heat of summer, place a bowl of lemons or limes on the counter to provide a fresh and pleasant aroma.
63. Clean and organize all storage space. If your cabinets, drawers, and closets are crowded and overflowing, buyers assume that your storage space is inadequate. Give away items you don't use, storing seldom-used items elsewhere, and reorganize the shelves. Neat, organized shelves and drawers look larger and more adequate for prospective buyers' needs.

64. Large, cheerful kitchen windows are an advantage and should be highlighted as a special feature of your home. Take a critical look at the window treatment—is it clean, sharp and up-to-date? Do the curtains need washing or the blinds need cleaning. Would the window area look better without any window treatment?
65. If you have a counter top eating area, set two attractive place settings with coordinating napkins and placemats, and place cushions on the stools.
66. Set the table for an informal meal with bright place mats and a generous bowl of fruit as a centerpiece.

Laundry Room

A separate laundry room is a true asset and is one of the most frequent requests that buyers make during a home search. Don't hide this treasure behind closed doors. Spruce up the room and open the door proudly for inspection.

67. Add a fresh coat of paint or put up cheerful wallpaper.
68. Organize all closets and storage areas.
69. Remove all dirty laundry. Keep current with your laundry or store all dirty laundry in a closed container.
70. Clean and polish the washer and dryer.
71. Consider adding an attractive, coordinated throw rug.

Stairways

Stairways should provide an attractive transition from one level of your home to another.

72. Make sure the stairs are safe! Stair lighting should be more than adequate, stairs must be clutter free, stair railings tight and secure, and runners or carpeting tacked securely. Remove any items from the surface of the stairs and store elsewhere. Check the condition of the walls, and paint or re-wallpaper if necessary.
73. If the stairs are a focal point of the main living areas, carefully choose accents to improve the visual appeal. If you have a wide, gracious staircase, emphasize this feature by hanging a few pictures along the wall. Draw attention to a handsome lighting fixture by polishing the brass and dusting each small light bulb or crystal prism. Any stair landing should also have an attractive focal point, be it a fern on a plant stand, a dramatic poster, a chiming clock, or a special chair on a large stair landing. If the staircase is narrow, fool the eye by minimizing clutter.

Bedrooms

Imagine for a moment that you're in the "bed-and-breakfast" business. How would you change your home's bedrooms to appeal to a paying lodger? Naturally you'd make up the beds with your prettiest sheets and comforters. Maybe you'd add a vase of flowers on the dressing table or a cozy armchair in the corner. Every bedroom in your home should invite prospective buyers to settle right in.

74. Large master bedrooms are particularly popular among today's home buyers. Make your bedroom larger. Paint the room a light color, remove one of the bureaus if the room is crowded and minimize clutter to maximize spaciousness. Aim for a restful, subdued "look".
75. A private bathroom off the master bedroom is a real sales plus. Decorate to coordinate with the color scheme of your bedroom, creating the "suite" effect.
76. Virtually all buyers are looking for a house with plenty of closet space. Try to make what you

have appear generous and well planned. Remove and store all out of season clothing. Remove any items from the floor area—this will make a closet seem more spacious. Arrange all shelves to maximize the use of space.

77. Make sure all articles in the closet are fresh and clean smelling. When prospective buyers open your closet door, they should be greeted with a whiff of fresh smelling air.
78. Make sure all closet lights have adequate wattage and are operating. Add battery operated lights to those closets that lack them. Lighted closets look bigger, are more attractive, and allow buyers to inspect the interiors easily.
79. Take the time to explain the importance of marketing to your children. Encourage them to participate in preparing your home for showing; particularly the principle of appealing to the widest possible market segment. Ask your children's cooperation in making their beds and picking up their rooms prior to showings. Consider promising a special reward if they willingly participate in your house-selling goals.
80. Have children pack up any items that are not currently in use and dispose of unused possessions.
81. Remove any crowded, unusual, or personal wall hangings (such as posters) and store them until your home is sold.

Bathrooms

Wise sellers take special pains with preparing their bathroom(s) for scrutiny by strangers. The bathroom is a room after all, and a very personal one. Prospects will inspect yours carefully, so be sure it is immaculate. Cleanliness is the key! Make sure that all surfaces are spotless.

82. Replace worn or dirty shower curtains, clean and repair caulking, and remove non-skid bath surface decals that are in poor condition.
83. Clear off counter tops and store all personal care products out of sight.
84. Repair any faucets that leak or do not function properly. Clean off mineral deposits with vinegar or commercial products.
85. Clean and organize all cabinets and drawers. Don't forget the medicine cabinet: dispose of old prescriptions and polish the shelves. The same goes for the storage cabinet under the sink.
86. Remember to appeal to a wide range of buyers. Play down dominant colors with contrasting neutral colored towels and accessories. If your bathroom is mostly white or neutral, add a few cheerful accents of color: use towels in the popular new shades. Don't hesitate to buy a few new towels and a rug; you'll be taking them with you to your new home.
87. Scrub and wax an old floor. Cover the largest area you can with a freshly washed scatter rug.
88. Decorate and personalize. Create a pleasing, individual look. Consider bringing out your best towels and perfumed guest soaps. Add a plant for color and freshness.
89. A gentle hint of fragrance in the air is fine, but keep it subtle.

Basement

90. Clean and organize the basement. Be sure that the stairs are cleared and well lit and that the handrail is secure. Remove and dispose of any items that you will not be taking with you. Pack other items in boxes and arrange them neatly in the center of the room so that basement walls can be inspected.
91. Make sure your major systems, such as the furnace and electrical service are operating

properly. If appropriate, vacuum out the furnace and install a clean filter.

92. A dark, damp-smelling basement will have trouble selling. Clean up mildew stains, throw out any upholstered furniture that retains that musty smell, and check the basement walls for high water marks. Many basements are a turnoff simply because they're too dark. Increase the wattage of your existing light bulbs, and if needed, install a few more lights. Be sure, however, to disclose any problems with your basement drainage system. Most states require that adverse defects of material significance be noted as exceptions to the seller's warranties.
93. As a final touch, take a damp cloth and wipe off any dust and grime from the surface of your water heater and furnace. Apply a coat of wax when you are finished.

Garage

94. Sweep and wash the floor to remove dirt and stains. Organize tools, garden equipment, bicycles, etc. A clean, organized garage appears larger.
95. If the area is dark, add more light. If it is small and accommodates only one car, remove your car before buyers visit. An empty garage always looks larger. If it is a two-car garage with very little extra room, remove one of your cars so that buyers can make their inspection in comfort.
96. If the basement is appropriate to use as a recreation area, set up your ping pong table (with balls and paddles as props), hang some bright posters, put down an area rug, and you've transformed the place into a teen retreat. Your setting does not need to be complete and shouldn't cost a large amount. It's meant to suggest further possibilities to buyers.
97. Clear off and organize the workbench in your basement and draw attention to it as a sales feature. Make sure the lighting is excellent and stage the area as a comfortable place in which to work. Add a throw rug as cushioning against the cement flooring.

Attic

Whether a high-ceiling room or a crawl space under the eaves for storage, your attic area will be examined and should not detract from the well-kept appearance of your house.

98. If your attic is reached by a steep flight of stairs, be sure the stairs are clear of objects and well lit. If your attic space is reached by a folding set of stairs that you pull from the ceiling, be sure the mechanism is well oiled and there is adequate lighting.
99. Spruce up your attic space, hide the mousetraps, and install bright lights. If your attic does have windows, be sure to clean off the grime and let in as much light as possible. Clean as needed.
- 100 Get rid of anything that you don't plan to move to your new home. Place remaining stored material neatly in boxes and trunks, and then position away from the walls.
- 101 If the attic is windowed and can be expanded under the current municipal building codes, be sure to inform your prospective buyers of this potential. Be sure to verify this information first.

SOME FINAL TIPS

Showings

- ♦ The more people who see your home, the more likely you are to sell it quickly. Yes, it's an inconvenience to show your home at dinner time, but if the people end up buying, it's worth the effort.
- ♦ Prepare for inevitable, unexpected showings with a family game plan. Work out an effective plan in writing with your family so that everyone knows what to do if you sound the alarm.

- ♦ There shouldn't be any major housecleaning at this point. The kinds of tasks you ought to be concerned with now are simple ones; making the beds, stuffing last night's dirty pans in the dishwasher, picking up loose newspapers, etc. Even young children can participate by cleaning their rooms.
- ♦ If the season is appropriate, open the windows in each room and let in some fresh air. Stale air isn't appealing, particularly in a home with smokers or pets.
- ♦ Keep your thermostat at a comfortable temperature.
- ♦ Turn on all of the lights for every showing before prospective buyers arrive. This also gives you an opportunity to select the lighting effects you want for each room. Be sure not to overlook areas like your attic and basement where light switches are often difficult to locate. No area of your home should be dark.
- ♦ Turn off the television and turn on light, background music.
- ♦ Arrange for pets and children to be at a neighbor's. Perhaps it's unfair to lump children with pets, but young children can distract buyers from their purpose. Keep pets away from buyers.
- ♦ Don't try to "sell" the house with words! By this time you have prepared the house for sale so let it sell itself. Buyers' buy on emotion—theirs, not yours. Keep your emotions under control.
- ♦ Never misrepresent!
- ♦ Today's consumer protection laws are very specific.
- ♦ Prepare property information
- ♦ Prepare a book of complete information about the property. Include data about the neighborhood, distance to shopping, drive time from the airport, names and ages of the neighborhood children, places of local interest, etc.
- ♦ Assemble utility expense records, such as total yearly heating costs or monthly budgets, for the buyers' inspection.
- ♦ If you are including any appliances in the sale price of your home, you should keep warranties and instruction booklets in this same file.
- ♦ Have information about the major systems of the house available.

Miscellaneous

- ♦ Consider hiring a surveyor to mark the boundaries of your property. This will not only show consideration, it will be an effective sales tool. Caution! If you are not exactly sure of the boundary lines, do not attempt to represent their location to the buyer!

Items not included in the sale

- ♦ Remove (and replace if applicable) any items that will not be included in the sale of the property (such as light fixtures, etc.).

What is Title Insurance

Q: What is the need for title insurance?

A. Title insurance provides protections against such unforeseen elements as claims against the title of your home that weren't revealed during the title search. Most title hazards will show up during a title company's investigation of public records, but even the most exhaustive search may not bring all problems to light. Title insurance is written to provide protection against most undisclosed risks. Other factors that are researched are:

- ♦ Easements of record
- ♦ Restrictions, covenants and conditions
- ♦ Verification of legal description
- ♦ Liens or judgments

Q. What are some examples?

A. One would be a claim by a missing heir or a previous owner. Other possible claims can include liens by laborers for unpaid work, a deed conveyed by a married person purporting to be single, boundary disputes or forged deeds. When claims are made, the title insurance company is responsible for satisfying legitimate insured claims or for defending the interests of the policy holder in court.

Q. Are different kinds of title policies available?

A. Yes, generally there are two forms. The first is lender's title insurance. It is usually written in the amount of the home loan and protects the lending institution from losses resulting from defective titles. Lending institutions often will refuse to make a loan unless a lender's policy is purchased. Because lender's insurance expires when the mortgage loan is repaid, it does not protect the home buyer from title defects. For this, you need a form of title insurance called an owner's policy. It usually is written in the amount of the real estate purchase price. Coverage continues as long as a property owner, his heirs or persons to whom he may bequeath it, retain an interest in the property.

Hints to Sellers for a Smoother Settlement

There are about 60 people involved in the settlement of a real estate transaction. The following are some tips to make the process run smoothly:

- Call your lender for advice about making your mortgage payment during the month of closing.

NOTE: If you make a payment after the payoff amount is determined, the closing/escrow statement will have to be changed, and your lender may charge a fee for updating the documents to reflect the new payout amount.

- If you currently have an FHA mortgage, 30 day advance notice of mortgage payoff may have to be given to avoid an additional charge of one month's interest (some lenders charge a per diem rate, others charge 30 day's interest).
- You should be aware that it is common practice to add several day's interest to the amount due as of settlement on your mortgage payoff. Your lender considers the actual payout date to be the day the funds are received. If you have a local lender, it may be possible to hand carry the payoff check to save any extra charges for daily interest. Check with your title company about their policy.
- Lien waivers must be provided at closing for all work done to the property in the previous six months. A lien waiver is a standard form provided by contractors or other workman verifying that they have been paid in full and cannot place a mechanics lien against the property.
- Be sure to make arrangements to transfer all utilities out of your name as of the date of occupancy. If your home is heated by oil, it may be considered to be personal property and, as such, will be purchased by the buyer at the time of settlement. Please arrange for your vendor to measure the amount of remaining oil and to give you a written statement as to its current value. Bring that statement to closing or escrow.
- Water and Sewer Bills (if applicable) will be prorated on the closing statement. If you have a bill coming due near the date of settlement, please inform your closing/escrow agent as to whether or not you have paid it.
- The following items are usually pro-rated on the closing/escrow statement:
 - ◆ *Water/Sewer*
 - ◆ *Homeowner's Association Fees*
 - ◆ *Condominium Association Fees*
 - ◆ *Current Taxes*
 - ◆ *Rents (If applicable)*
- If you will be unable to attend the closing/escrow, all documents may be pre-signed.
- Some lending institutions have a policy of not releasing real estate tax escrows until after a loan is paid off in full. This may cause a temporary cash flow problem if all your proceeds of sale are needed immediately upon settlement. Call your lender and ask if the tax escrow will be fully credited on the payout statement.

Pets on the Move

Your pets need unique care and handling to get to their new home. The following are some suggestions for arranging their move:

Cats and Dogs

Small pets such as cats and dogs can be either shipped by air or taken along in the family car. There are also commercial services available for the shipment of pets. Look in your local yellow pages or call your moving company. If you are flying to your new destination, your cat or dog can ride in the baggage compartment. The following is a checklist to follow if you plan on using this method.

- You must provide the airline with a current certificate of health from your veterinarian.
- Call the airline in advance to find out about special shipping containers they may provide.
- If you are going to provide the shipping container, make sure it complies with the airline's regulations.
- Obtain some tranquilizers from your veterinarian, and administer them just before the flight.
- Put an old blanket or article of worn clothing with your scent on it to give your pet some comfort and a feeling of familiarity.

If you aren't flying with your pet, but are having it shipped separately by air, make sure someone is on the other end to pick it up at the airport and care for it until you arrive. If you do not know anyone in the destination location, arrange for a local kennel do it for you . This service can also be provided in the origination location. Some kennels can board the pet several days before you move (keeping it out of your way), package the pet according to airline regulations, take it to the airport and arrange to have a kennel on the other end pick it up and provide care until you arrive.

If you plan on taking your dog or cat with you on a long cross-country trip, take special precautions. Animals get car-sick easily and being restricted in a car all day can make them nervous and upset. Be sure to provide for frequent rest stops. Bring along their water dish, leash and favorite toy.

Some motels and hotels have regulations against pets. Others have special facilities for handling travelers' pets. Call in advance and check out the available literature on hotels along your route. National chains usually publish such information.

Smaller Animals

Hamsters, birds, and similar pets can be transported in the family car fairly easily. Make sure they have enough food and water in their cages and are out of drafts or extreme temperatures. Cover cages with a cloth to keep them quiet.

Fish

Fish should not be moved in their aquarium. A gallon of water weighs 8 pounds. A better arrangement would be to give the fish away and restock the aquarium when you arrive at your new home.

Plants on the Move

Plants can be moved fairly easily in your car, if room is available. It is not recommended that plants be placed on moving vans due to the extreme temperatures that the plants may be subjected to. The following are some suggestions for moving your household plants.

- Call your local U.S. Department of Agriculture to check on regulations if moving from one state to another. Many states have restrictions on certain kinds of plants to prevent importing bugs or pests that can destroy valuable cash crops in that state.
- Three weeks before the move, prune plants back as much as possible to make them hardier and less bulky for the move
- Two weeks before the move, place the plants in a black plastic bag with a bug/pest strip or pest control powder. Close the bag and place in a cool area overnight. This will kill any pests on the plant or in the soil.
- The day before your move, place the plants in their travel containers (Cardboard is preferable). Secure the plants by packing dampened newspaper or packing paper around them. Use more paper to cushion the leaves and place a final layer of wet paper on top to keep them moist. Water the plants normally in summer, a little less in winter.
- On the day of your move, set the boxes aside and mark "Do Not Load" so they won't be taken on the moving van.
- On the day of the move, close boxes, punch air holes in the top and load them in your car.
- While traveling, be careful not to leave the plants in extreme temperatures when parking the car.
- Unpack the plants as soon as you can after arriving. Remove plants through the bottom of the box in order to avoid breaking the stems. Expose the plants to sunlight gradually to reduce shock.
- If you must leave your plants behind, then take cuttings. Put them in a plastic bag with wet paper towels around them.

What are Points

Whether called points, discount points, loan brokerage fee, or new loan fee, they are all the same. Points are such a vital part of buying or selling in today's market that an understanding of them is important.

What exactly are points?

Points are the money paid to the lender that allow the lender to make loans at a regulated, lower than market interest rate and still obtain the desired rate of return.

Why not just raise the interest rate?

In order to allow more people to buy their own home, the U.S. government established the FHA and VA loan programs. The VA program was established to assist our war veterans, and later all veterans, by eliminating the required down payment. The FHA program was developed to assist low to medium income families to purchase a home by reducing the required down payment. The FHA program is regulated by the government which established the maximum interest that a lender may charge. This maximum rate is often slightly below the going rate for mortgage money and thus the need for points to supplement the difference. In addition, points are being used by lenders of conventional mortgages for the same purpose.

How are points figured?

One point is one percent (1%) of the loan amount. 5 points on a \$60,000 loan would be 5% of \$60,000 or \$3,000.

Who can pay the points?

All points can be paid by either the buyer or seller.

In general, the decision to pay fewer points and get a low interest rate, or pay more points and get a lower interest rate is a function of how long you plan to keep the home. If you are only stay in the home for a few years, consider looking for a zero point loan with a higher interest rate.

If you plan on keeping the home for 7 years or more, you may choose to pay more points and get a lower rate. Over time the money you save on your monthly mortgage payment will more than cover the cost of the additional points you paid at closing.

If you would like to compare different rate and point combinations and how their financial impact over the years, ask me to prepare one for you.

Problems from Contract to Close

The time between the sale of your home and the closing or settlement can be challenging. The following partial list is provided to illustrate some of some of the problems that can occur in a real estate transaction.

- Acts of God such as windstorm, fire, or flooding
- Purchaser does not obtain insurance in a timely manner
- Family members oppose the purchase
- Home inspection reveals defects that seller is unwilling to repair.
- Home inspection reveals defects that the purchaser is unwilling to accept
- Home inspection reveals unknown defects
- Liens are discovered just prior to closing/settlement
- Loan institution raises rates, points, or costs prior to closing
- Loan institution requires a second appraisal
- Loan institution requires property repaired prior to closing
- Purchaser becomes critical regarding condition
- Purchaser did not tell the truth at time of loan application
- Purchaser does not deliver earnest money according to the terms of the contract
- Purchaser does not execute paperwork in punctual manner.
- Purchaser does not qualify because of omitted information
- Purchaser experiences change in employment, illness, divorce, or financial difficulty
- Purchaser source of down payment changes
- Purchaser submits incorrect tax returns to Loan institution
- Purchasers motivation to purchase the property changes
- Seller did not own 100% of property as previously disclosed
- Seller does not disclose known defects that are subsequently discovered
- Seller has difficulty obtaining signatures of co-owners
- Seller is unable to clear up problems or liens
- Seller leaves town without giving power of attorney to anyone
- Seller removes property from the premises the purchaser believed was included
- The appraisal is late
- The property does appraise to the loan institution's satisfaction
- The property inspection report alarms the purchaser
- The property inspection report infuriates the seller
- The property inspection report is delayed
- The property inspection report is incorrect
- The property inspection report reveals radon, asbestos, abandoned wells, etc.
- The purchaser does not like the terms of the loan

These are the issues a real estate agent deals with on a daily basis. Please call me if you have any questions regarding any of these items.

Service Pledge

Once a decision has been made to sell a house, you will need an experienced, professional real estate agent to insure that the sale is executed quickly and profitably. To assist you with this goal, I will do the following:

1. Meet you and get to know you, and offer loyalty to you in every aspect of selling your property.
2. Review your property.
3. Review tax and special assessment information, loan information, utility costs, history of the property, etc.
4. Put together a detailed report which will include the following:
 - My marketing program to sell your home to prospective buyers and to other Realtors®.
 - Information about my company.
 - Recommendations regarding price and terms.
 - Current financing information.
 - An estimate of selling costs.
5. Prepare the actual paperwork to present your home to the market.
6. Guidance in preparing the property to show to its greatest advantage.
7. To MARKET your home I will:
 - Contact other Realtors® with pending prospective buyers.
 - Submit detailed facts, highlighting your property's best features, to other area brokers, sales associates and serious prospective buyers.
 - Report your property to Multiple Listing Service immediately, which will expose your property to all Realtors® within the MLS system.
 - Place a large "for sale" sign in your yard to attract "drive-by" prospects.
 - Call local Real Estate offices to give them advance information.
 - Present your property at our Sales meetings.
 - Advertise locally (this or like properties).
 - Prepare an attractive feature sheet to highlight the benefits and amenities of your property.
 - Contact neighbors for potential buyers (with your permission).
 - Send direct mail listing announcements to surrounding communities and neighborhoods. (with your permission)
 - If appropriate, hold your house open.
 - Follow up enthusiastically after Open House to all people who have shown interest.
 - Distribute feature sheets to my "top agent list."
 - Prepare financing packages of possible ways for buyers to buy your home

8. COMMUNICATE REGULARLY with you during the marketing of your property:
 - Monthly marketing report.
 - Weekly Showing reports.
 - Notify you (in advance when possible) of any request to show your house.
 - Provide you with a written copy of any documents you may sign.
 - Assist you through the entire closing process.
9. In SHOWING your house I will:
 - Consider all serious prospective buyers, screen and qualify them in advance (when possible) and counsel them in every available financial alternative.
 - Carefully follow-up on anyone who previews your house.
10. Present all purchase agreements made on your home.
11. Counsel you on all offers and negotiate the best possible price for you.
12. Negotiate and follow through with the completion of all major contingencies.
13. Make certain that loans are processed promptly.
14. Follow-up on closing procedures and title processing.
15. Close and deliver your net proceeds.
16. Assist you in finding a new home.
17. Contact a cooperating broker, if you are moving to a new area, coordinating the sale here with the buying of your new home there.

My pledge of quality

The sale of your home will be my prime responsibility, supported by my entire organization. I will work for you full-time, as your professional sales associate, to sell your house for the highest possible price, in the least amount of time, using my expertise to make this a smooth and pleasant transaction.

I don't want to list your home, I will sell it!

Settlement Checklist

Settlement Procedures

- Occupancy permit _____/____/____
- Survey _____/____/____
- Home Warranty Application _____/____/____
- Oil Letter _____/____/____
- Special Agreements _____/____/____
- Amendments _____/____/____
- Escrow agreements _____/____/____
- Lien Waivers _____/____/____
- City Letters _____/____/____
- Title Policy _____/____/____
- Closing/escrow statement _____/____/____
- Affidavits _____/____/____
- Authorization to deliver deed _____/____/____
- Insurance Binder _____/____/____
- Schedule Closing _____/____/____
- Other _____/____/____
- Other _____/____/____

One week prior to settlement

- De-winterize if vacant _____/____/____
- Home appliance documents _____/____/____
- Transfer utilities _____/____/____
- Check keys _____/____/____
- Check garage door openers _____/____/____
- Schedule walk-through _____/____/____
- Other _____/____/____

Survival Kit for Moving Day

Set aside the items that you may need immediately upon arrival at your new home. Pack all these items separately and mark the boxes by content.

Cleaning Supplies

- Detergent
- Dish towels
- Dish cloth
- Sponge
- Kitchen cleanser
- Paper towels
- Steel wool pads
- Glass cleaner

Kitchen Supplies

- Plastic wrap
- Aluminum foil
- Plastic knives, forks, spoons
- Small saucepan
- Trash bags
- Paper plates, cups, napkins
- Plastic pitcher
- Serving spoons

Bathroom

- Razor
- Toilet tissue
- Shower curtain
- Soap
- Aspirin
- Facial tissue
- Bath towel
- Face cloth
- First-aid kit

Food

- Instant coffee, tea, chocolate
- Fresh Fruit
- Sandwich spreads
- Package of crackers
- Dry soup mix
- Raisins
- 6 Pack of Pudding
- Jars of cheese
- Instant creamer, sugar, salt
- Boxes of dry cereals

Children

- Video
- Favorite toys
- Puzzles
- Coloring books and crayons
- Books
- Blanket

Miscellaneous

- Tool box
- Flashlight
- String or twine
- Laundry Detergent
- Several light bulbs
- Extra batteries
- Old Newspaper

Transaction Checklist

- | | | |
|---------------------------------------------------|-------------|------------|
| <input type="checkbox"/> Original earnest money | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Additional earnest money | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Contingencies satisfied | Due ___/___ | In ___/___ |

Loan processing Procedures

- | | | |
|---------------------------------------------------|-------------|------------|
| <input type="checkbox"/> Loan Commitment | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Credit report | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Appraisal | Due ___/___ | In ___/___ |
| <input type="checkbox"/> VOE | Due ___/___ | In ___/___ |
| <input type="checkbox"/> VOA | Due ___/___ | In ___/___ |
| <input type="checkbox"/> PMI | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Submitted to underwriter | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Verbal approval | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Written approval | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Need to amend contract | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Other | Due ___/___ | In ___/___ |

Inspections

- | | | |
|---------------------------------------------|-------------|------------|
| <input type="checkbox"/> Radon | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Lead | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Asbestos | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Termite/Rodent | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Basement | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Structural | Due ___/___ | In ___/___ |
| <input type="checkbox"/> General Premises | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Subsoil Conditions | Due ___/___ | In ___/___ |

Other Contingencies

- | | | |
|----------------------------------------------------|-------------|------------|
| <input type="checkbox"/> Property condition report | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Safe Water Report | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Septic System Report | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Code Compliance | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Energy Inspection | Due ___/___ | In ___/___ |
| <input type="checkbox"/> Repairs per contract | Due ___/___ | In ___/___ |

Tips for the For-Sale-by-Owner

Trying to sell your house yourself can bring substantive rewards or unmitigated frustrations. Here are a few tips to smooth the process:

- ♦ Decide the date when, if unsuccessful, you will give the listing to a broker or take the home off the market.
- ♦ Before advertising, allow time to tidy up the yard, clean up the interior, de-clutter the closets and clean out the garage.
- ♦ Paint your own yard sign? Don't even think about it. Buy one at a hardware store or pay a sign company to make one. Lock the house when you're not home.
- ♦ Newspaper ads should begin with the words "By Owner." Also give the address, asking price, the number of rooms, and special details such as a marble floor in the foyer. Include day and evening phone numbers. Buy or rent an answering machine.
- ♦ Price the house realistically. Brokers interested in getting your listing might offer to do a free, no-obligation market analysis of comparable home sales in your area. Let them. It's a great tool to help set your asking price and a good way to establish contact with brokers. You might need one later.
- ♦ Prepare an information sheet for prospective buyers. Include details about each room, appliances, special assets, lot size, neighborhood, school districts, taxes, and the like. Include a photo of the home's exterior taken when the yard is at its prettiest. Work up a seller's condition report stipulating your knowledge of the condition of the home's structure, and its mechanical, electrical and plumbing systems.
- ♦ During the open house, hide all valuables and "farm out" children and pets. If the weather is inclement, put a floor mat and umbrella stand in the front hall. Turn on all the lights, bake bread or muffins for a delicious scent, and put out fresh flowers and new towels. Don't let people wander around alone; accompany them to each room and point out amenities.
- ♦ Get names and phone numbers from everyone who looks at your home. Offer to make them exclusions to any broker's contract you might enter into later. A day or so after someone sees your home, phone to ask if he has any questions. If you reduce the asking price or receive an offer, phone everyone who has seen the house to alert them to these new developments.
- ♦ Negotiate the price of the house dispassionately and bargain creatively. For example, to get your way on the closing date, offer to include the refrigerator. If you want to take the parlor chandelier, offer to leave the swing set. Be wary of offering a land contract, or help with seller-financing, to strapped buyers. Require interested bidders to divulge their occupation and employer, household income, major debts, and proposed down payment. Do a credit check on them.
- ♦ Hire a lawyer to guide you through the closing process.

house and property and looking at recent comparable sales in the area. The agent likely will advise the seller to hire an appraiser and recommend a list of competent appraisers.

The agent provides an eye-appealing yard sign, a legal description of the property including a lot size and tax information, and an information sheet on the house including photograph. He also determines whether the property conforms to local codes, and helps the seller determine what steps to take to get the house ready to sell.

The agent can provide a contract for a home warranty plan, and acts as a liaison between buyer, seller and the home warranty company. In the final phases of the sale, the agent gets together the title or abstract, collects tax information, oversees home inspection schedules and keeps the seller informed as to how the buyers are working through the financing process.

Q: *Why do people try to sell on their own?*

A: Independence, spawned by fear they will be pressured by a broker. Or they feel they can successfully market the house and save the broker's commission. According to nationally-syndicated real estate columnist Edith Lank, fewer than 1 in 10 homes nationwide sells without a broker.

Q: *How do you find a good real estate agent?*

A: Look for a person compatible to your own personality, someone with training, experience, enthusiasm and a professional demeanor, someone referred by friends who have sold a home recently or who specializes in your area of town.

Q: *How much should I do to the house to get it ready for sale?*

A: Give it good road appeal by tidying up the lawn and planting flowers. Touch up exterior paint. Make sure the inside is spotless and uncluttered. Ask a friend or relative to store the excess from closets, attic, basement.

Repair small items such as silent doorbells, sticky doors, drippy faucets. If major items such as the roof, carpeting or basement walls need substantial and costly repairs, get written estimates and have these available for buyers to read. Bargain accordingly.

Q: *What's the best way to negotiate?*

A: If an offer meets your financial expectations and timing requirements, accept it. If the price is right but other details are wrong, counter the offer and keep the lines of communication open.