

HOME SELLING EXPERIENCE



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Your property is not something you sell every day. For most people, their home is their largest asset. A house is a very complex to market and the process needs to be well organized. A plan is needed.

Here's a step-by-step map of the selling process. Keep in mind that you have control over the speed we move forward. Each transaction is unique, so it is important that we analyze your situation and answer any questions that you may have. We will be with you every step of the way.

As the largest real estate brokerage on Vancouver Island, Royal LePage understands the local market and is fully equipped to represent your property in the most effective way. Our commitment is to provide you a superior level of service and expertise as we market here and globally.



DECIDE TO SELL

So, should you sell your house? Truthfully, there isn't a right answer, or any 'one size fits all' answer. It will vary across different situations and you have to do a little bit of thinking and planning to determine what makes the most sense for you.

Why sell?

Your real estate agent is probably going to ask you why you are selling. In fact, anyone looking at your house will probably ask this question. Many people have a need to sell such as a job change, or necessary relocation. Others just want a new house. You might think your reasons are obvious, but you would do well to consider the implications of each option for your family's lifestyle, opportunities and finances. Being clear about your intentions for selling will make it easier for your REALTOR® to determine the most appropriate option for your specified goals.

The point is really evaluating the necessity of selling. There is a lot to consider and it can be a stressful time if not well planned. So, before you put the sign in the front yard because the bathroom isn't the right colour, clarify your motivations and draw up a basic time frame for the selling process.

Decide when to sell

You should immediately establish your time frame for selling. If you need to sell quickly, an experienced agent may have more urgent marketing solutions for you. If there's no pressing need to sell immediately, you can sit down with your REALTOR® to thoroughly review the current market conditions and find the most favourable time to sell.

Understanding the Market

When you work with Royal LePage, you can be sure that you'll have a knowledgeable REALTOR®, with the skills to work with you to arrive at the best market prices and terms. We'll keep you up-to-date on what is happening in the marketplace with the price, location and conditions of competing properties.



IF YOU ARE ALSO BUYING A HOME

What if you're also buying a home?

If you sell your existing home for a 'low' price, you're probably also buying at a 'low' price.

If you are upgrading to a larger home, this actually works to your advantage.

To buy first or sell first?

Generally speaking, under most market conditions, real estate professionals advise listing your present home and then shopping for your new home after accepting a suitable offer. Most people are unable to buy before they sell their existing home, but are able to time their sale and purchase so they happen on the same "closing date". Your REALTOR® can provide advice to assist you with making the right decision for your needs.

Many people are able to time their sale and purchase so they happen on the same "closing date". As a buyer, you can make your offer "conditional" on the sale of your existing home to make sure you're not left paying for two homes. As a seller, you can try to extend the "closing period" to give yourself more time to find your next home. A REALTOR® can provide advice and counsel during these kind of negotiations.

Getting Pre-Approved

If you apply for a pre-approved mortgage before starting your new home search, you can define your price range and focus on homes that fit that scope. Lenders will guarantee a certain amount of financing and the best rate available, based on your situation, for a set time period (usually 90-120 days) while you locate your dream home.

A mortgage pre-approval removes one of the uncertainties in buying a home. If several buyers are interested in the same property that you are, being pre-approved can give you the advantage. Sellers are more likely to accept an offer from a buyer who has been pre-approved over a buyer who has no guarantee that they can attain the financing for the amount they offered.

It is always wise to still include a "subject to financing" clause in your real estate offer, to protect yourself against unforeseen issues, such as a bank request for a home appraisal.

What if you find your new dream home before you've started to sell your old one?

Talk to your existing mortgage lender about "Bridge Financing". This is when your lender (the bank) agrees to lend you the down payment for your new dream home, while you still cover the mortgage on your existing property.



MARKET VALUE

Selling a home can be both a stressful and exciting time for you and your family. At Royal LePage our goal is to not simply sell your house, but help you realize the best price obtainable for your property.

Understand the market.

In real estate markets home prices vary frequently and suddenly. Our team of proven professionals has valuable experience and local market knowledge. Deciphering local market fluctuations can help you, as a seller, prepare your home for sale.

Price it right

If you set your selling price too high, you risk limited viewing from potential buyers. Price it too low and you may sell it more quickly, but at the possibility of making less money on the sale.

No matter how beautiful your home may be, buyers will compare it to other homes for sale in the market at that time. Therefore, pricing your home correctly is one of the most important factors in getting your home sold. To properly set your price, and your expectations, you will want to examine the record of home sales in your neighbourhood over the past several months.

Comparative market analysis

The CMA will provide data regarding recent home sales (size, price and number of days on the market) as well as information about homes that have not yet sold. It allows you to view trends and other critical information that can be beneficial as you set a competitive price.

During the market analysis presentation, your REALTOR* will explain every aspect of the selling process to you. You've thought about it, explored all the options (that is, renovating, renting it out, refinancing etc.), and you're ready to act.

The relationship between you and your REALTOR* is the key to the successful sale of your home. Your home and your needs are unique; your REALTOR* may not use a pre-designed plan to sell your property. They will listen to your goals, address your concerns, and use his or her knowledge and experience to create a custom plan that will effectively result in a sale.



CHOOSE A REALTOR®

Selling a home is one of the largest decisions of your life. The first thing to do is to find a REALTOR® you are comfortable with and that you trust.

The term REALTOR® is a trademark identifying real estate licensees in Canada who are members of The Canadian Real Estate Association. REALTORS® adhere to a strict Code of Ethics and Standards of Business Practice. The code of ethics is a firm set of rules, describing what kind of performance you have a right to expect from a REALTOR®. It's your guarantee of professional conduct and the best in service.

How to evaluate a REALTOR®.

Without any obligation, you can invite local REALTORS® to visit your home and give you a “listing presentation” demonstrating why they are the best ones to market it for you. A listing presentation includes the REALTOR® reviewing with you the reasons why you should list with that particular individual, and providing you with information that will assist you in making initial decisions about selling your home.

Experienced REALTORS® at Royal LePage, pride themselves on giving you an advantage in your local market. They can help you prepare your home for sale by facilitating pricing, physically preparing a home for sale, navigating negotiations and much more. The REALTORS® at Royal LePage have knowledge of how to best market your home, and employ an array of marketing strategies to attract potential buyers.

Our REALTORS® are full time real estate professionals who are adept and experienced in working with other professionals including home inspectors, home appraisers, mortgage bankers, title companies. They can guide you through the entire real estate process from selling a current home to purchasing a new one.

You will be working closely with your REALTOR®, so it is vital to find someone you can communicate easily with. You need to feel secure that you will get the best result for your property.

After you choose a REALTOR®, the next step will be to sign a listing agreement - the contract that allows a REALTOR® to market and sell your home during a given period.



THE AGENCY RELATIONSHIP

Working with a REALTOR®.

DESIGNATED AGENCY

REALTORS® work within a legal relationship called agency. The agency relationship is between you as client or principal, and the individual licensee designated as your sole agent. The essence of the agency relationship is that your REALTOR® has the authority to represent you in dealings with others.

Specifically, the Designated Agent has the following duties:

- Undivided loyalty . .
- To obey all lawful instructions of the principal.
- An obligation to keep the confidences of the principal.
- To exercise reasonable care and skill in performing all assigned duties.
- To account for all money and property placed in a Designated Agent's hands while acting for the principal.

Both buyer and seller can be represented by their own Designated Agents in a single transaction.

DUAL AGENCY

Dual agency occurs when a Designated Agent is representing both the buyer and the seller in the same transaction. Since the Designated Agent has promised a duty of confidentiality, loyalty and full disclosure to both parties simultaneously, it is necessary to limit these duties in this situation. If you find yourself involved in a dual agency relationship, before making or receiving an offer, both you and the other party will be asked to consent, in writing, to this new limited agency relationship.

This relationship involves the following limitations:

- The Designated Agent will deal with the buyer and the seller impartially;
- The Designated Agent will have a duty of disclosure to both the buyer and the seller except that:
- the Designated Agent will not disclose that the buyer is willing to pay a price or agree to terms other than those contained in the offer, or that the seller is willing to accept a price or terms other than those contained in the listing;
- the Designated Agent will not disclose the motivation of the buyer to buy or lease or the seller to sell or lease unless authorized by the buyer or the seller;
- the Designated Agent will not disclose personal information, not otherwise necessarily disclosed in the transaction documentation, about the buy or seller to the other party unless authorized in writing.

The Designated Agent will disclose to the buyer defects about physical condition of the property known to the Designated Agent.

This page contains excerpts from BCREA's "Working with a REALTOR®" brochure.



THE LISTING CONTRACT

Multiple Listing Contract

The first formal step in marketing your property is to enter into a listing agreement - a standard form provided by our provincial real estate association, which contains a term authorizing the listing brokerage to post the listing and allow cooperating member brokerages to access the property. The Multiple Listing Service® Listing Contract outlines the terms of the listing contract, including the length of time for the listing, the price, the commission to be paid, all the parties to the listing, the address and the legal description of the property to be sold, how the seller is to be paid, the preferred possession date, the financial obligations, list of chattels included or excluded. You want a period that's long enough to motivate your REALTOR® to advertise your home and respond to buyers, and reflective of current market conditions. Remember that the listing agreement is a contract. You should get a copy for your records. Your REALTOR® is bound to the terms just as you are.

Property Disclosure Statement

A property disclosure statement is just that, a disclosure of information filled out by the seller of the home that indicates to the best of the seller's knowledge, the details, and to an extent, the state of repair of the home. The seller is legally responsible for the accuracy of the information which appears on the property disclosure statement.

The buyer will rely on this information when the buyer contracts to purchase the premises. The buyer must still make the buyer's own inquiries after receiving the property disclosure statement. The buyer can hire an independent, licensed inspector

Documents

This is also a good time to gather the following documents, if available, to help your REALTOR® in marketing your property:

- Survey Certificate: A survey of your property that outlines the lot size and location of buildings as well as details of encroachments from neighbouring properties.
- Mortgage Verification: It is a good time to check with your lender on any financing you currently have on the property including the amount you currently owe. Pay attention to any payout penalties.
- Permits: Building Permits, Finals or Occupancy Permits, Owner Builder Declarations, 3rd party warranties, if applicable
- Title Notations: easements, rights of way, restrictive covenant, building schemes, easements, etc. that you may have
- Other Documentation: This may include, but not limited to, annual heating, electrical and water expenses, as well as any repairs or recent home improvement costs. If your property is serviced by its own well or septic, documentation as to the services and any available inspection reports should be available.



SHOWINGS

When the marketing plan is put in place, the activity on your property will begin. Your listing REALTOR®, along with REALTORS® from many real estate firms, will want to show your home. We will make an agreed upon protocol for making appointments for the viewings, providing you as much advance notice as possible. You may wish to consider how your REALTOR® and others will gain access to the home for showings. Providing a key, or having a lockbox installed on your door, will help increase your odds for a sale by allowing more qualified buyers to easily see your home. You do not want to miss an opportunity because your home was not able to be shown.

Most REALTORS® do try to arrive within the scheduled showing time, but occasionally there are delays. Buyers might arrive late for their appointment. Trying to be flexible and understanding is valuable.

When you leave the house, please leave it as if you know it is going to be shown. You never know when the right person is going to look at it!

During a showing:

- Open all draperies and window shades during daylight hours.
- The kitchen and bathroom should sparkle.
- Beds should be made and clothes picked up. Bathrooms should be clean, with towels folded and toilet lid down.
- Open windows one half hour before showing to circulate fresh air.
- Open all the doors between rooms to give an inviting feeling.
- Place fresh flowers on kitchen table and/or in the living room.
- If possible, bake cookies or bread to add an inviting aroma.
- Turn on all lights and replace bulbs with high wattage bulbs where needed.
- Pets should be confined or restricted from view. Eliminate pet odors. Not everyone may share your love of animals. Some people may be allergic to them.
- All jewelry and small valuables should be stored in a safety deposit box or in a locked closet.
- If any items are not included, as per the listing contract, consider replacing them, if that's your ultimate intention, or remove them.

While all of these suggestions may seem like common sense and predictable, you might be surprised by how much something so simple can set you apart from the house next door - successful showings are the result of good preparation.



THE OFFER

Evaluating an offer

When you have your home on the market, there are several factors to consider when evaluating a sales offer. Obviously you want a good price, but closing dates and other conditions can be just as important. Here are just some of the factors to consider:

PRICE. It's important to know how an offer compares to the recent sale price of homes/properties in your area. A list of the recent sales in the area, can help establish this, along with considering the competition in the current inventory.

TIMING. A closing date that meets your requirements, your need or want to sell right away, might make the closing date worth more to you than the highest price. Alternately, if you have the leisure of time ... your personal circumstances will determine what's right for you! Typically the completion date represents the day the title of the property is legally transferred and the transaction of funds finalized unless otherwise stated. In British Columbia, the Possession Date is typically a day after the closing.

WHO PAYS FOR WHAT. An offer that requires the buyer to pay for expenses you, as the seller, might normally cover, such as reports, surveys investigations, inspections, etc. could add up to more dollars in your pocket than an offer with a higher price.

ITEMS INCLUDED IN THE SALE. Most buyers expect you to include everything permanently installed or attached to your property, such as light fixtures or a built-in dishwasher. These might also include appliances and certain fixtures or decorative items, such as window coverings and mirrors.

SIZE OF DEPOSIT. The deposit shows the buyer's good faith. Typically the deposit is held in trust by the Buyers brokerage until the closing date and will be applied against the purchase price of the home when the sale closes. The amount of the deposit can range drastically, depending on the value of the real estate being sold - a higher deposit may indicate a higher commitment on the part of the buyer. Your REALTOR® can advise you on the suitability of the amount of the deposit being offered.

INSPECTIONS. It is common to have an offer that is conditional upon a home inspection, appraisal, septic investigations, water tests, geo-technical assessments, surveys, etc. It offers reassurance that your home's/properties structure is sound and that the other systems are functioning as intended. Homes &/or properties that sell "as is" usually go for a lower price or can take longer to sell than homes that those that have been inspected.

MARKET CONDITIONS. Analysing current real estate market conditions will help you to understand whether the offered price is acceptable or not. If you are in a rising market and there are not many other houses for buyers to choose from, the fair market value of your home or property can be a little bit higher than similar recent sales. However, if you are in a softer market and there are many properties for sale, your fair market value will likely be lower than similar properties which have sold recently.



THE OFFER

When an offer is presented, your REAL TOR* will advise and help you to obtain the best possible price and terms. Understanding the standard forms and the many transactional issues is a key ingredient to negotiating the best terms to meet your individual needs. It is important that you remain in close contact with your REAL TOR* during the negotiation process so that proposed changes can be reviewed and responded to quickly.

You have three options:

1. ACCEPT THE OFFER EXACTLY AS IT IS.

If you decide that you would like to accept an offer, your REALTOR® will make sure you know the precise meaning of each term in the written offer BEFORE you sign the document.

Once you, the seller, sign a Contract of Purchase and Sale agreeing to its terms, and your acceptance has been communicated to the buyer, it becomes a legally binding contract. Legally binding means both you and the buyer will be bound by the terms of the contract and must perform your respective obligations as stated. Your performance can be enforced in a court of law.

If you are uncertain about any of the clauses contained in the offer, you may wish to consult a lawyer before signing the contract; however, keep the expiry date of the offer in mind if you decide to postpone acceptance.

2. MAKE A COUNTER OFFER.

If the offer is not acceptable to you, further negotiations may be necessary to reach terms agreeable to both you and the buyer. If you change anything at all in the original offer, you are considered to have rejected that offer and to be making a new offer from you to the buyer. This new offer is usually referred to as a “counter-offer.” The only risk in making a counter-offer is that if the buyer has changed his or her mind and rejects the counter-offer, you do not have the option to return to the original offer and accept it. But, the buyer may decide to make another counter-offer back to you and the process of counter-offers could continue until an agreement is reached.

3. REJECT THE OFFER.

You are under no obligation to accept any offer or to make a counter-offer. If, however, you reject an offer which exactly meets all the terms you agreed to in the Listing Contract which you signed with your listing agent, you could be legally obligated to pay the real estate commission. Your REALTOR® brings invaluable knowledge and expertise to the home-selling experience, and is dedicated to your needs every step of the way.



BETWEEN CONTRACT & CLOSING

You have an Acceptable Offer.

Congratulations! At this time you have entered into a contract of purchase and sale, agreed to a sale price and are ready to sell your home.

If the contract contained contingencies, also referred as conditions or subjects, these will need to be accomplished during the period specified. The purpose of a subject clause contained in an offer to purchase is to set out a specific condition that must be fulfilled before the sale can go through. Timing is critical at this stage, so ensuring access for the inspections, appraisals and surveys is a priority.

The buyer must make their best efforts to fulfill their conditions. However, if one of the conditions contained in a subject clause cannot be met after every reasonable effort has been made to do so, the contract ends and there is no legal obligation to complete.

Alternatively, where the conditions are removed on time and, when no other conditions remain, you now have an unconditional contract that will proceed to completion.

Next, you're going to want a lawyer or notary, preferably one who specializes in real estate conveyancing. At Royal LePage, we have an established network of local lawyers and notaries, and can assist you by making some recommendations which will help you find one that best suits your needs. Once we have lawyers or notaries names for both parties, we will send them a copy of your contract. A few days before completion, the lawyer will be in touch with you to make an appointment.

Possession

Unless otherwise noted in the sales contract, the home shall be in substantially the same condition as on the date the Buyer viewed the home. It is the Seller's responsibility to ensure that there are no materials changes. Just a reminder...all fixtures that are not specifically excluded from the sale must remain in the home.

The Buyer is likely to move into their new home on the date of possession, so it is always considerate to leave the home in a condition that you, yourself, would be happy to move into.



COMPLETION OF THE SALE

The real estate closing is also referred to as completion. The two terms are interchangeable, though 'closing' is the more common usage. This is the final step in a real estate purchase transaction. It's when property ownership is transferred from the seller to the buyer.

In the last week prior to completion you, the seller, will have an appointment with your lawyer or notary to review and sign the necessary documents in preparation for closing. At closing, the buyer will also sign a number of documents, including those for the mortgage if they are obtaining financing to facilitate the purchase. Once the mortgage documents are signed by the buyer, the lender will release the loan proceeds cheques. In exchange for these loan and additional buyer proceeds, the Seller's lawyer or notary, provides the title and ancillary documents. The title, mortgage and ancillary documents are then registered, to officially transfer the ownership to the buyer.

There will also be a final distribution of funds on closing day. As the seller, you will receive any proceeds you have earned from the sale, once the mortgage balance and closing costs have been paid out. Your lawyer or notary will make arrangements for the distribution of the proceeds of the sale.

Finally, the REALTOR® will make arrangements to provide keys to the buyer on possession date.

Congratulations will be in order on the successful sale of your home!



MOVING CHECKLIST

6 WEEKS BEFORE MOVE

- Get estimates and hire a mover. Here are several questions to ask:
 - Are on site estimates offered?
 - Will the movers pack items? (if so, additional cost?)
 - What additional charges may arise?
 - How is pricing determined?
 - What insurance is included?
- Or, call and get an estimate on renting a moving van.
- Get all estimates in writing and request signed copies.
- Contact your insurance company for additional coverage (optional).
- Create a binder to hold all move-related paperwork (checklist, contracts, receipts).
- _____

5 WEEKS BEFORE MOVE

- Conduct a room-by-room survey. Sort items to keep, donate, discard and sell.
- Organize and hold a garage sale, if desired.
- Have valuable items appraised. Photograph or videotape - note any damage.
- Phone to arrange for transfer of homeowners/rental insurance.
- Locate health practitioners in the community you are moving to, to make arrangements to have standing prescriptions at a pharmacy near your new home.
- _____

4 WEEKS BEFORE MOVE

- Gather packing supplies, including:
- Boxes (various sizes, wardrobe and specialty boxes)
 - Box cutters
 - Tape (packing, masking, blue painters)
 - Tape dispensers
 - Wrapping materials (bubble, plastic, tissue paper)
 - Labels
 - Fill out any change of address with post office.
 - Send friends and family a we're moving announcement.
 - _____



MOVING CHECKLIST

3 WEEKS BEFORE MOVE

- Pack contents of garage, attic and storage areas, as well as other infrequently used items.
- Mark boxes and furniture with appropriate labels.
- Label and number each box. Keep a master inventory list with contents of each box.
- Make arrangements to have; electricity, phone, gas, water, sewer, garbage/recycling, cable/satellite disconnected in your old home the day you leave and installed in the new home the day before you arrive.
- Call a locksmith to have your new home's locks changed on moving day or shortly thereafter.
- Arrange to have a cleaning company prepare the new home before you arrive, if desired.
- _____

2 WEEKS BEFORE MOVE

- Pack the bulk of your items.
- Notify magazines, newspapers, banks and credit card companies of your new address.
- _____

1 WEEK BEFORE MOVE

- Print an information sheet for the movers. Include new address, directions and your cell phone number
- Finish packing. Set aside enough clothing for the week ahead plus a suitcase to pack.
- Place small valuable and important documents in a box/bag. Ask a friend to hold onto it until you're settled, or keep it in a safe place on moving day.
- Discard any hazardous materials that cannot be moved in the moving truck.
- Create a last out, first in box with all day to day necessities, including any of the following that are applicable:
 - Bedding • Toilet paper • Medications
 - Towels • Basic tools • Snacks
 - Toiletries • Cleaning supplies • A few dishes
- Consider hiring a cleaning company to come in and do a quick clean after the movers leave, or schedule a day that you will come back and make sure everything is in place for the new occupants.
- _____
- _____



MOVING CHECKLIST

MOVING DAY

- Do a walk through before movers arrive to make sure everything is packed.
- Make sure there are no items left behind.
- Give keys to the REALTOR® or property manager.
- Arrange for someone to direct the movers at your new home.
- Read all the registers and record the readings.
- _____

MOVING INTO YOUR NEW HOME

- Arrange for someone to direct the movers at your new home. Ensure they have a copy of the master packing list and are taking inventory as boxes are unloaded.
- Inspect for damage. Photograph any relevant items before signing the release.
- Test faucets, toilets, utilities, smoke detectors and phone systems.
- Begin to unpack.
- Flatten boxes. Set them out for recycling or store for future use.
- Enjoy your new home!
- _____
- _____

WITHIN 30 DAYS OF YOUR MOVE

- Pick up mail being held at the local post office.
- Change of address.
 - Driver's License
 - Voter's Registration
 - Auto Registration
- Contact Welcome Wagon, if you desire!
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- _____
- _____



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