



**Austin Title**



home sellers guide

# Assistance

## *In Selling Your Home*

This pamphlet has been designed to help you sell your home at the optimum sales price, in the shortest amount of time and with the least possible inconvenience. It will also give you helpful hints to avoid mistakes.

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# Mistakes to Avoid

## **Pricing Incorrectly**

Don't allow emotional ties to influence pricing rather than market conditions. The first 2-4 weeks are when you will see the most action. If your home is not competitively priced, you could miss an opportunity to sell.

## **Failing to “Showcase” the Home**

Pet, cigarette odors and cracking paint do NOT make good first impressions. The fewer problems buyers see, the easier it is for them to picture themselves as the new owners.

## **Using the “Hard Sell” During Showings**

Do NOT follow potential buyers around pointing out improvements and great features. People want to view the house on their own.

## **Not Knowing Your Rights and Obligations**

The contract for sale and purchase is a legally binding document. An improperly written contract can cause the sale to fall through, or cost you thousands in repairs and inspections. Know which repairs and closing costs are your responsibilities.

## **Limiting the Marketing and Exposure of the Property**

The two most obvious marketing tools (open house and classified ads) are only moderately effective. Homes are generally sold by using these mediums - less than 1 percent from open houses; less than 3 percent for ads. You need a broad spectrum marketing plan.

# Setting the Price

## **Understand the Market**

To set the right price on a home, combine an objective evaluation of your property with a realistic assessment of market conditions. You are more likely to benefit by determining a fair value and sticking close to it than you are by asking an unrealistic price. However, under pricing can deprive you of money that's rightfully yours. Unless you are in a hurry, aim for full market value.

## **Study the Comparables**

You run the risk of either overpricing or under pricing if you rely on less-than-solid information. Know your competition. Learn the offering and selling prices of similar properties. Find out how long each took to sell. Your real estate agent should be able to provide you with this information.

# Preparing Your Home

## What A Dump

This is not the first impression, you want to give potential buyers the first time they see your house. Start with a curb-to-door cleanup. Prune shrubs and tree branches, edge the lawn and keep it mowed. If the season permits, add a show of color with hanging plants or annual bedding plants. Paint the front door and put out a new welcome mat.

## Wide Open Spaces

Inside, make your home look as spacious as possible and eliminate clutter. Organize closets and if, necessary, rent a storage unit.

## Distractions

Reduce distraction, tuck away family pictures and depersonalize your space. This will help potential buyers to visualize making it their own. A home stamped indelibly with your personality and style can be harder to sell.

## You're A What?!

Remove obvious clues about your political, religious and social views. Store away banners and biased literature, including magazines.

# Check List

EXTERIOR	YES	NO	NEEDS WORK
Does the house need painting?			
Are there any holes or cracks?			
Are the walks & porches clean and in good repair?			
Does the front of the home give a "Welcome" appearance?			
<b>LANDSCAPING</b>			
Does the yard look well groomed?			
Trees & bushes trimmed?			
Lawn mowed & edged?			
Is it free of weeds?			
Are the decks & patios clean?			

<b>EXTERIOR</b>	YES	NO	NEEDS WORK
<b>ROOF</b>			
Does it leak?			
Are any shingles or tiles missing?			
Does it sag?			
Is the chimney in good shape?			
<b>INTERIOR</b>	YES	NO	NEEDS WORK
<b>WALLS</b>			
Any cracks or holes?			
Do they need painting?			
What about the wallpaper?			
Is the chimney in good shape?			
<b>KITCHEN</b>			
Are the appliances clean & in working order?			
Are the cabinets in good condition & tidy?			
Is the tile grout clean?			
Is the sink stained, chipped or in need of recaulking?			
<b>CEILINGS</b>			
Are there any water stains?			
Cracks or peeling?			
Do they need painting?			
<b>CARPETS</b>			
Are they clean?			
Worn?			
Do they need stretching?			
Are there spots or faded areas?			

<b>INTERIOR</b>	<b>YES</b>	<b>NO</b>	<b>NEEDS WORK</b>
<b>BATHROOMS</b>			
Do the faucets drip?			
Do the sinks drain freely?			
Are the toilets in good shape?			
Are the shower doors clean?			
Do the tubs need caulking?			
Is the floor in good condition?			
Are the vanities & mirrors in good condition?			
<b>WINDOWS</b>			
Are the drapes, shutters, or shades in working order?			
Are they clean & attractive?			
Do they all have screens that are in good repair?			
Do the windows open & close with ease?			
Are the window sills clean?			
Is there any rot or rust?			
<b>DOORS</b>			
Are they in good condition?			
No sagging or sticking?			
Do the locks work?			
Paint in good condition?			
Do the doors seal tightly?			
Do the storm doors need to be replaced?			
<b>FIREPLACE</b>			
Is it clean? Is the screen in good shape?			
Does it make an attractive display?			

INTERIOR	YES	NO	NEEDS WORK
<b>GARAGE</b>			
Is it organized & free of clutter?			
Is there sufficient lighting?			
Is the floor swept?			
Are there oil spots or other stains on the concrete?			

## Showing Your Home

### Emotion is a Key Factor

When buyer's decide to purchase a home, they do it emotionally. The feeling they get from a house and the way they picture themselves enjoying the home are two of the most important factors in the decision to buy.

### Shows Like a Model

- Prior to the showing, open drapes, blinds or shutters.
- Turn on the lights, even the ones in the closets.
- Turn on soft background music and turn off the television.
- Put the dog outside.
- Keep the home the appropriate temperature for the season, cool in summer & warm in the winter.
- Try not to interact with potential buyers, but DO answer any questions when asked and keep the answer direct and to the point.
- Try to stay out of sight, stay in one room and excuse yourself when that room is being previewed.

## The Offer

### Price and Terms

If a low offer is made, remain cool until you have examined the terms. Nothing evokes a more emotional response than a low bid. Be realistic and objective because many properties don't bring full asking price. Don't use price alone as a reason not to counter or negotiate an offer. A first offer may reveal what's most important - price or terms - to this particular buyer, giving you the key to begin bargaining.

## Condition of Home and Inspection

Be sure to include all mandatory and voluntary disclosure statements concerning the property's condition, such as known defects in the contract. The potential buyer should have your home inspected for soundness of construction and state of repair. All repairs made prior to the inspection will save time and aggravation.

Be careful what you guarantee. You cannot be sure the roof won't leak, the air conditioning system won't go out or any number of other such assurances. Once the property is sold, you are no longer responsible for any repairs that need to be done.

## Response Deadlines

You may be asked to respond to an offer within a specific amount of time. Try to get as long of a response time as possible. Other offers may come up and you'll want to buy time to consider them all and perhaps use one offer to increase another.

## Settlement Date and Occupancy

If you are selling your home because another is under contract, seek a settlement date that will enable you to take your sales profits to the next closing. Be realistic, the buyer of your home will probably need at least 30 to 50 days to arrange financing and closing.

## Finalizing

Everything in the contract is negotiable. When everyone has agreed to the terms, initialed the changes and signed the contracts, you have an agreement binding all parties. All that remains is removing contingency clauses, arranging financing and clearing title.

# Preparing for Closing

*As the seller, you have relatively little to do at this point. By keeping abreast of progress on both sides, you can avoid common glitches. (See Avoiding Closing Delays.)*

## Papers You Will Need

- A copy of the sales contract and documentation showing that any contingencies have been removed or satisfied.
- All documents needed to complete the transfer of title. This may include certificate of title, deed, correcting affidavits, quiet claim deeds, survey and title insurance policy or binder.
- Homeowner's insurance policy. When the buyer plans to take over the unused portion of your hazard insurance, you'll need to make arrangements in advance for all paperwork to be completed on time.

- Prorations for ongoing expenses such as insurance premiums, property taxes, accrued interest on assumed loans and utilities (if not shut off between owners).
- Receipts showing payment of latest water, electric and gas bills.
- A certificate from your lender indicating the mortgage balance and the date to which interest has been prepaid.

## **Other Items to Bring to Closing**

- Picture Identification; (Driver's License, Military ID, etc.)
- Social Security Card; (The sale must be reported to the IRS.)
- Extra house keys, garage door openers, security access or gate card keys/codes.
- Any operating guides for any appliance that will remain in the house.
- Also if you have extra wallpaper or paint that was used on the house, leave these materials for the new owners-they may need to paint or wallpaper touch-up after they move in.

# Avoiding Closing Delays

*Prior planning prevents inconvenience. Awareness of the following will help to insure a smooth closing.*

## **Loan Payoffs**

Provide Austin Title with your current loan information so that they may order your payoff in time for closing. They will need the lender's name, address, and/or telephone number, your loan number and when you made your last payment.

## **Delinquent Taxes**

Most title companies prefer to collect delinquent property taxes at closing. If you do pay them prior to closing, you must furnish an original tax receipt prior to closing, otherwise these monies will be withheld from your sales proceeds until payment of these taxes can be confirmed.

## **Escrow Refunds**

Any escrow reserves held by your lender will not be netted from your payoff at closing. Your lender will refund these monies after your payoff has cleared and an analysis of your escrow account has been completed.

## **Common Names**

If you have a common surname, please complete a Confidential Information Statement and return it to Austin Title prior to closing.

## Power of Attorney

*If either party intends to use a Power of Attorney at closing; i.e., will not be there to sign:*

- Austin Title must approve the Power of Attorney prior to closing.
- The original Power of Attorney must be delivered to Austin Title prior to closing, as the original must be recorded with the County Clerk ahead of all other closing documents.
- Land America Austin Title must be able to contact you via telephone on the day of closing to be certain you are alive and well and have not revoked the Power of Attorney.

## Out of Town Mail-outs

*If any documents must be mailed out for signatures:*

- All documents must be signed exactly as requested.
- All documents must have proper notarization.
- Any documents mailed out of the country must be notarized in English.

## Marital Status

- Texas is a community property state. If you purchased your property when you were single and you have married, Austin Title will require that your spouse join in the signing of the deed at closing.
- If you are divorced and your divorce proceeding was handled in a county other than Harris, Fort Bend or Galveston County, please have a certified copy of the Divorce Decree delivered to Austin Title prior to closing.

# Estimated Closing Costs

Your closing costs are the total of the charges generally paid by the seller to close the transaction. These vary by transaction and some are negotiable between the buyer and seller. Following is a schedule of Seller's Estimated Charges:

# Seller's Estimated Charges

	Conv	VA	FHA	Cash
Attorney's Fee	\$140+	\$300+	\$140+	Up to \$100
Commission	Per Contract			
Discount Points	Negotiable	All	Negotiable	
Escrow Fee	\$275	\$275	\$275	\$200
Interest				Prorated
Title Messenger Fee	~\$25	~\$25	~\$25	~\$25
Owner's Title Policy	Per Rate Schedule			
Recording Fee	~\$20	~\$20	~\$20	~\$20
Repairs	Per Contract			Actual
Taxes	Prorated	Prorated	Prorated	Prorated
Tax Certificates	\$42.31	\$42.31	\$42.31	\$42.31
Tax Service Fee		\$100+	\$100+	
Termite Inspection		\$75-		
Underwriting Fee		\$350+		
Admin. Fee		Per Lender		
Processing Fee		\$200+		
Wire Transfer Fee		\$35-		
HOA Resale Certificate	Per HOA	Per HOA	Per HOA	Per HOA

\* A veteran may not pay attorney fees, escrow fees, pest inspection fee, processing or underwriting fee, courier fee, or tax service fee if the veteran is paying a 1% origination fee.

Due to fluctuations in cost associated with mortgage loans, these charges are subject to change. Information is available through your loan officer.

## Net Proceeds

***“How much will I get from the sale of my home?”***

Your real estate agent can help you calculate this figure. You will need to provide your agent the following :

- Your Anticipated Sales Price
- The Interest Rate on Your Current Loan and approximate unpaid principal balance.
- Your Estimated Closing Costs and Credits.



# Austin Title

Visit Any of Our Convenient Locations:

**Westlake Office**

3520 Bee Caves, #250  
Austin, Texas 78746  
306-0988 phone  
306-0989 fax

**Georgetown Office**

800 S. Austin Avenue, Suite E  
Georgetown, TX 78626  
948-9494 phone  
2948-9495 fax

**Spicewood Springs Office**

3708 Spicewood Springs Rd, #100  
Austin, Texas 78759  
346-4020 phone  
346-4993 fax

**South Office**

3815 Capital of TX Hwy. S., #140  
Austin, Texas 78704  
492-8909 phone  
492-8718 fax

**Round Rock Office**

101 E. Old Settlers, #100  
Round Rock, TX 78664  
238-8999 phone  
238-8622 fax