

Seller Phase 1-FAQ's

Any tips on filling out the Seller disclosure statement?

There are 4 things I want you to remember as you fill out the seller disclosure questionnaire.

1. Read every question. This might seem obvious but there are some questions that yes is an appropriate answer...like the first question. Do you have legal authority to sell this property?
2. Answer every question. I can only imagine there will be questions that don't apply to you. In those cases, please use N/A.
3. Stay away from Don't know as an answer. If you don't think the problem exists, then the answer is no (to the best of your current knowledge).
4. Explain any yes answers if the question is stated. If the roof leaked in the last 5 years, then mark yes to the question and then, in the white space next to the question, write a sentence or 2 (not a book!) explaining what happened. You might write, "In 2018, had a small roof leak above master bedroom. Had professional patch missing shingles. No problem since."

Q: How is my home's market value determined?

There are many differing opinions about what a home's sales price should be (zillow, tax assessor, real estate agents, history of how much you paid to buy/improve the home). Ultimately though, the home's actual market value is based on only 2 opinions—the buyer and that buyer's appraiser.

The buyer will look at your home in comparison to others on the market. When buyer's shop for a home, they start off looking at pictures of homes in their general area within their price range with the minimum size needs. As they start to narrow down the field, they tend to look at layout/size for the money, relative location, then condition/major finishes (i.e. roof, wiring, kitchens, floors, etc) and then bonuses to find the right home for them.

The buyer's appraiser will then compare your home to others that sold in your area with similar size, condition and functionality to make sure the bank doesn't over lend on the home.

Q: How do things like extra deep closets or an outdoor patio affect the price?

This starts to get into buyer's preferences. If everything else is the same (see question above), bonuses of any sort can tip the scale of one house vs. the other. Generally, bonuses will get you a faster sale but not generally more money.

Seller Phase 1-FAQ's Continued

Q: What do you recommend we do to prepare the home for sale?

In order to make the best first impression, we want the photos and showings to make the home look clean, well maintained, well lit, and uncluttered. That means all flat surfaces (counters, tables, etc) are clear, bookcases and closets are ½ empty and rooms are not filled with big furniture.

Q: Once the home gets an offer, how long does it take to close and get our money?

Typically, closing takes about 6 weeks from when everything is agreed upon. At the same time, I've seen homes close in 21 days and as long as 3 months (depending on what buyer and seller agree to do).

Q: What kind of marketing do you use to sell homes?

Our goal is to sell your home, not wait for another agent to do it for us. This is why we spend a lot of energy trying to get buyers interested in your home to call us and set up an appointment to see your home.

We are very active marketers. There are a number of ways we use to get buyers to call on your home. We begin by getting professional photos taken of your home and writing compelling copy.

Then we start by giving your home a very active presence on the internet including Realtor.com, Redfin.com, Zillow.com, as well as social media sites. Then, when the buyers call, we are very responsive in getting out to your home to show it to them.

Needless to say, we are expert marketers and take that part of our job very seriously.

Seller Phase 2-FAQ's

Q: Now that the home is listed, what should we expect in terms of activity?

- We continue to prospect daily seeking buyers for our listings as well as maintaining contact with our clients and other agents
- Follow up with agents who have shown the property
- Respond to feedback accordingly
- Provide you with a weekly market update until you accept an offer
- Price adjustment discussion as required by activity
- Revise websites as changes occur

Q: When agents call to set up appointments, are there any topics you'd recommend we don't talk about with the agents?

They should be asking only about availability. If they start asking about things like: other offers, why you are selling, your time frame, etc, I'd recommend you direct them back to me. A great line is, "I don't know and I bet Zach would...would you like his number?"

While these questions seem harmless enough, they can potentially weaken your negotiating position.

Q- Is there anything we need to do when someone wants to show our home?

Clean up and leave. Our goal is for the buyer to see themselves living in the home so we want it to feel like a model home. When polled, buyers have said a model home feels light, clean, and de-cluttered. With those words as our guide, open the blinds, turn on all the lights, clean off any flat surfaces (counters etc).

We also strongly recommend you leave during the showing so the buyer and their agent have the ability to talk candidly about your home. Know that when a buyer says what they don't like about your home and what they would change, that's them starting to envision themselves in your home. If you are there, most buyers would feel like they are being disrespectful and will move on to the next home.

If you have special considerations like young children, pets or lack of mobility, make sure we have a conversation about that.

Q: Who are the members of the team and what do they each do?

-- Zach Entwistle — zach@zachentwistle.com - 253-820-9808, Team Lead, Lead Negotiator

-- Manny Cepriano — manny@zachentwistle.com — 253-273-8680, Showing Assistant

-- Laura Olivares — support@zachentwistle.com — 253-432-9406, Director of Operations

Seller Phase 2-FAQ's Continued

Q: What are normal for offers? What's better from my perspective?

- Earnest Money—Somewhere between 1,000 and 1% of purchase price (More is better)
- Inspection—10 days (Less is better)
- Closing/Possession—45 days (If vacant home, less is better...if occupied, it depends)
- Included Items—Normal to ask for whatever's in the home
- Contingencies—Financing, Utilities, Optional Clauses, Title, Inspection (Less is better)

Q: Why am I paying for the buyer's closing costs? Isn't that theirs to pay?

Instead of thinking about paying their closing costs, consider that they are simply financing them into the offer. In the above example, whether they offered \$100K with no closing costs or 103-3, it's still a \$100K offer.

Q: What can we negotiate?

Anything. It's all fair game. In terms of price though, many buyers need their closing costs financed in order to buy a home because of their cash position. Therefore, depending on the buyer, it may be better to raise the price or lower the closing costs.

Seller Phase 3-FAQ's

Q- Is there anything we need to do during the inspection?

Yes, 3 things.

- First, make sure the home is show ready. Even though the inspectors are supposed to be impartial, a warm inviting home can influence them.
- Secondly, you'll want to make sure the major systems are easy to get to. This includes the electrical panel, the attic access and the crawl space. We want to make things easy on the inspector so they give us the most favorable report possible.
- Third, you'll want to take off during the inspection. Be aware that some inspectors show up to inspect the outside of the home 1 hour before the scheduled time so be prepared then.

Since they will be talking about what needs to be done to the home, it is very awkward for the seller to be lingering around. Some sellers will say that they want to be there in case of questions. Just know that if there are questions, they'll let us know.

Inspections can take up to 3 hours and the last thing we want is for the buyer to feel rushed by you being there. I understand it's inconvenient and yet by making yourself scarce, I promise it'll pay dividends later on.

Q: On what grounds can the buyers walk away from the deal and keep their earnest money?

Until the inspection contingency is waived, the buyers can walk away for any reason (and in fact, no reason) at all. They can simply have changed their mind.

They can also walk away if they are unable to get the loan. Those are the 2 biggest ways.

Q: What are the possible responses after the inspection?

They have 4 possible responses.

- 1) Take home as is and waive the inspection contingency.
- 2) Walk away and keep their earnest money. They can do this for no reason at all.
- 3) Ask for additional inspections (if the inspector specifically recommended that in their report).
- 4) Negotiate either the homes condition, or some financial equivalent.

Q- If the buyer asks for a lot of work, what are our options?

You have a lot of options. The only thing you can't say is the buyer may not buy your home anymore.

Your answer is a tradeoff between maximizing your gross offer price and lowering the risk of having the buyer walk away. Here are your options from highest price/ highest risk to lowest price/lowest risk.

- 1) You could say no, we will do no work or give any credit.
- 2) Agree to some work or alternative solutions (as in instead of you doing the work, you give them a financial credit).
3. Agree to do all the work requested.

Seller Phase 4-FAQ's

Q: How does escrow signing work?

Escrow will be scheduling you to come in and sign papers. If you have any logistical issues with being available, please let us know ASAP.

Normally, people treat this just like a doctor's appointment. Sometimes that's not possible so we may have to coordinate a courtesy signing on the weekend or during the evenings (which usually costs you roughly \$100).

You'll want to make sure you bring your ID, and your reading glasses, if necessary. There is a lot of loan paperwork you'll be signing so if you have any specific questions, your lender will have the best information for you.

Q-We are planning on having our trash company pick up a lot of trash. When should I knock this out?

Many trash companies require at least 2 week notice to free hauling coordination. You don't want to get all the way to closing and still have a lot of trash in the home. Buyers have the ability to walk away from the deal based on trash left in the house so do this as soon as possible.

Q-We will not be living in the home when it closes. Is there anything we need to do?

The purchase and sales agreement says that the property and grounds will be maintained in the same condition as when it was on the market. Typically, the main thing vacant homes need is for the yard to be mowed and taken care of just prior to closing. Please be sure to make arrangements or let us know so we can help you find a landscaper to do the work.

Q-We agreed to do some work to the home before closing. When does it need to be finished? Anything we need to report once the work is done?

When you agree to do the work, you are saying it will be done in a workman like manner within 5 days prior to closing. The buyer retains the right to reinspect the home a few days before closing to verify all work was done correctly. Now I know this is a bad time since you are packing. Just know that it's normal and the buyers aren't trying to be nitpickers. Expect that they may be there up to 30 minutes taking a look around. Feel free to stay in the home and continue packing.

Many times, sellers will have the work done professionally. If you do, please give us copy of any receipts. Also, if they do the work yourself, we ask for before and after photos. This way, we can show we took a proactive stance in getting the work done.

Seller Phase 4-FAQ's Continued

Q-As we are packing up, what do we do with extra house keys?

Just put them in a kitchen drawer along with anything else the new buyer may need including: appliance manuals, garage door openers, garage/gate/security system codes, contractors who perform regular maintenance on the home, the trash/recycling days, and any other info you think of.

If you would have found it helpful, include it. The more info, the better and the less chance that the buyers will complain if something goes wrong later.

Q- When do we hand over the keys?

The new buyer gets the keys on the closing day which means the documents are recorded at the county and the sale proceeds are available to the seller—which all happens around 4:30pm on the closing day. Remember, this is generally different from the day you sign at escrow.

Then, per the agreement, they get to start moving in at 9pm on the possession date (which is often the same as the closing date).

Q: When should we contact the utility company?

Now (after the appraisal is done), tell them when you expect to close and that you want them to shut off on that date (unless the buyer calls to transfer the accounts). You don't want to continue to be responsible for their utilities because you didn't call the company.

This includes internet, TV, yard service, alarm service as well as the basics (water, sewer, gas, electric, trash).