



INTRODUCTION

Real estate has changed dramatically over the past few years. The Internet has replaced, to a large extent, the traditional marketing vehicles such as newspapers and real estate magazines. Buyers are surfing the Internet on their own. It is now common practice for real estate agents to email current listings from our inventory with the information on the home, as well as interior and exterior pictures. It would be very unusual for someone to buy a house based solely on an Internet presentation but buyers will make the decision not to visit a home they might like because of inaccurate information and poor pictures. There for, preparing one's home for the market is an important step as well as working with your agent to establish an accurate value and price. Marketing the home to it's best advantage to potential buyers will help you achieve the best possible price.

While the real estate market experiences many changes and cycles, some things never change. Primarily the need for the highest ethics and level of service. Real estate transactions today are complex. They involve extensive paperwork encompassing legal, financial and other disclosure requirements that leave no margin for error. Whether you are buying your first home, upgrading/ downsizing or adding to your portfolio of investment properties, purchasing real estate provides not only the pride of ownership but also privacy, security and a base for building your financial security.

Giving my clients exactly what they want and deserve has been the cornerstone of my success. We are in a very fast paced market today and I feel it is extremely important to be available on as short a notice as possible for my buyers to visit new listings and to review daily activity for my sellers. First and foremost, I always work with my clients best interest in mind.

Please review this brochure at your convenience. I will be happy to meet with you to discuss your real estate needs when you are ready.

Jim Stovall

425-895-9199

jimstovall@comcast.net

www.ListWithJim.com

EIGHT STEPS OF PURCHASING A HOME

1. NEEDS ANALYSIS

Congratulations on your decision to purchase a home! Your first step toward purchasing will be to analyze your needs. By analyzing your needs, you will be able to get a clear picture of exactly what you want in a home and how it should function for you.

WRITE DOWN WHY YOU ARE LOOKING FOR A HOME

First, write down why you are looking for a home. For example, are you currently renting and would like to have a home so you can begin building equity? Maybe you recently married and have outgrown your current residence. Or, you have a career change which requires you to move to a new city. These factors will all have a bearing on how we approach your home search.

ESTABLISH A TIME FRAME

Second, establish a time frame. Depending on your reasons for wanting a new home and the current state of the market in the area you are looking to buy, you should be able to develop some time guidelines.

LIST OF FEATURES

Last, you most likely have a mental picture of what you would like your house to look like and the features you would like it to have. It is very important to write down these ideas to avoid ambiguity in your search. Develop two lists: one should be your dream home and the other, a list of features that you absolutely need. It is more than likely that you will end up blending the two lists, and prioritizing items as you progress through the buying process. This is typical, especially after we view several homes in your price range.

I can save you time by placing my expertise to work for you. I will be able to help you organize your wants and needs and show you homes that will meet your criteria.

2. PREAPPROVAL VS. PREQUALIFICATION

Now that you have your list of features, you will need to know your price range. You need to contact a mortgage company to begin the loan process. I will provide you with a list of highly recommended mortgage representatives.

There are some key differences between prequalification and preapproval for a loan.

Loan prequalification is a simple process. It takes into account very basic information regarding your financial status and provides an amount for which you may qualify. The prequalified amount is based solely on the information you provided to the lender. This information is not thoroughly substantiated at the time but will be during the application process.

A preapproval is an actual approval for a loan and for a specific amount. The preapproval is a very detailed process. The lender will take all pertinent information regarding your finances and perform an extensive check on your current financial status, request a detailed credit report and employment verification. You will need to provide to the lender the following:

- W-2 forms for 2 years
- Pay stubs and any additional income
- Federal income tax returns if self employed
- All account statements, "e.g." checking, savings, mutual funds, CDs, 401K or retirement accounts
- Current debts
- Other items requested by the lender

The type of mortgage you apply for will depend on many factors, but the majority of the decision will be based on your ability to pay the monthly installments. If you can afford a \$2,000 a month payment, you will not be preapproved for a \$400,000 home unless you have an adequate down payment. Financial planners recommend not to pay more than 28% of your gross income for housing (including principal, interest, taxes and insurance). Depending on your debt to net ratio, the percentage might change.

There are many first time buyer programs available. The most common loan programs are conventional and FHA (Federal Housing Administration).

Other programs include the following: Nehemiah, Neighborhood Gold Program, CHOC (Community Home Ownership Center), Homesight and AmeriDream. Your mortgage representative can help determine which program meets your needs.



EIGHT STEPS OF PURCHASING A HOME

3. NEIGHBORHOOD INFORMATION

Selecting the type of neighborhood is a very important criterion and listed below are just a few items to consider.

- Schools
- Convenient bus lines and commute to work
- Churches
- Parks and other recreational facilities
- Healthcare facilities
- Active community groups
- Child care services

Once I have an idea of your needs, I will be able to advise you on the community information and pull demographic information for your review. My experience in the local market is an invaluable resource during this step.

4. HOME SEARCH

At this point, we have a comprehensive idea of what price range, neighborhood and features you are looking for in a home.

As a member of the Northwest Multiple Listing Service, I will provide to you a list of homes currently on the market. If you have an e-mail address, I will e-mail or call you with complete listing information for your review. We will then proceed and schedule a tour of the homes that interest you. Typically weekends are the busiest days to show homes, so if you have an opportunity to take a day off during the week, we would have the luxury of viewing homes without too many interruptions. We will take our time and research your areas of interest, drive around and become familiar with certain neighborhoods and check with the local Chamber of Commerce for more community oriented information.

We will visit as many homes as you wish until we find a home that meets your needs.



Questions

Frequently asked by Buyers

How can I find out what homes are selling for in a given neighborhood?

As your real estate professional, it is my job to furnish you with a Comparative Market Analysis. This report provides a comprehensive view on recent home sales of similar size, age, number of bedrooms and bathrooms over the past six months.

How can I find out what my property tax bill will be?

The total amount of the previous year's property taxes is included in the listing information. I also have access to King County Tax Assessor's office for updated information. Property tax rates change each year so the previous tax year is a preliminary figure to work with for mortgage purposes.

When I start looking at homes, what should I be looking for the first time through?

A home is an excellent investment so most importantly it should fit your lifestyle with spaces and features that appeal to everyone in your family. As you look at each home, pay close attention to these important considerations:

- Is there enough room for you now and in the future?
- Look at the floor plan; does it meet all of your needs?
- Is there enough storage space?
- Will you need to replace any appliances?
- Will your furniture fit nicely in the rooms?
- Is the yard too small or too large? Low maintenance or high maintenance?
- Does it have potential with some improvements, i.e., paint, new deck, cabinetry, flooring, carpeting?

How many bedrooms should I be considering?

This is always a personal preference, however spare bedrooms and where they are located in the home are always good to have especially when friends or family come to stay, and useful for offices, library or retreat areas. Consider any extended family needs when answering this question.

Is an older home as good a value as a new home?

Both new and older homes offer distinct advantages, depending upon your unique taste and lifestyle. New homes generally have larger rooms, additional bedrooms or a family room. Some buyers are charmed by the elegance of an older home, i.e. Craftsman, Victorian or Contemporary style, but sometimes may be reluctant to purchase an older home because maintenance costs could be higher.

What do I need to bring when we look at homes?

I recommend a notebook, pen, tape measure, camera, and perhaps a flashlight. Be prepared to look around and please ask questions! You have the right to know. If you wish to go back to a particular property for a second, third or fourth look, I'll be happy to schedule the appointments.

EIGHT STEPS OF PURCHASING A HOME

5. WRITING AN OFFER

Once we have found the home you would like to purchase, it is time to write an offer. Taking into account the recent sales of homes in the area which are similar in size, quality, conveniences and amenities, I will assist you in positioning the right price as well as the terms and conditions.

The official contract, though not limited to this list should include the following:

- **Purchase & Sale Agreement:** Purchase price, legal description, closing date, amount of earnest money deposit.
- **Financing Addendum:** Down payment, financing arrangements, copy of preapproval letter from your lender.
- **Inspection addendum:** You have the right to an inspection by a certified home inspector and this will determine any possible repair allowances.
- **Related Addendums:** Any requests to sellers to leave appliances or furnishings, review resale certificates if purchasing a condominium, insurance addendums and other optional clauses.

The legalities of each document presented in our offer are extremely important. If you have any questions or concerns, we need to address them immediately. All offers are time sensitive and deadlines must be met. I will be able to professionally advise you through every step of the process.

6. NEGOTIATING THE PURCHASE

Once your offer is presented, often times it is not accepted the first time for various reasons. This is defined as a counter offer. There may be many steps during the negotiations before we reach "mutual acceptance." Keep in mind that everything in a purchase and sale is negotiable. Listed below are some issues that develop during the negotiating process.

- Price
- Financing
- Closing costs
- Repairs that need to be completed
- Appliances and furnishings
- Electrical, plumbing, fireplace, furnace
- Landscaping
- Occupancy time frame (closing & settlement date)

The key to successful negotiating is to keep in mind that the end results will please both the buyer and seller. Sellers often receive multiple offers and negative feelings may develop. I will represent your best interests and ensure your needs are met. I have the knowledge and expertise necessary to ensure your offer will be presented at the best price and terms.

7. VENDOR COORDINATION

After your offer has reached mutual acceptance, we will work closely with your lender. It is my responsibility to ensure your lender and escrow company receive copies of the purchase and sale agreement and related addendums. Our lender will initiate a call to an accredited appraiser and a formal appraisal will be conducted.

An inspection of the property will also be scheduled. Buyers hire and pay for an inspection. I have a list of highly recommended inspectors. This inspection must be completed to ensure the property meets your standards. If there are any issues or inconsistencies revealed as a result of the inspection, it may delay the closing date or terminate the purchase and sale agreement. The inspection contingency is time sensitive and having an inspection done in a timely manner is a must.



EIGHT STEPS OF PURCHASING A HOME

8. CLOSING PREPARATION

The term “closing” means ownership is legally transferred from the seller to the buyer. Closing is the signing of all legal documents, collection of prepaid and closing costs, disbursement of funds and legal recording at the King/Pierce or Snohomish County Tax Assessor’s Office.

The signing of your documents is usually held at escrow or your real estate attorney’s office. This process typically can take from 1 to 2 hours depending on the complexity of the contract and any questions you may have.

It is your lender’s responsibility to submit your loan package to escrow for preparation and closing information. Once your loan documents are received at escrow from your lender, you will be contacted by an escrow officer or your real estate attorney to schedule your signing appointment. Sometimes buyers or sellers are under a time constraint, so I can usually arrange a courtesy signing at our office, but only certain escrow companies offer this feature. Escrow will advise you on the amount of closing costs and any other fees associated with your loan. Please ask escrow to furnish a copy of your Settlement Statement and review it before you go in to sign. Please note that escrow companies only accept cashier’s checks for the amount due or electronic transfer of funds. If you decided on electronic transfer of funds, you will need to make arrangements with escrow and provide a copy of the routing numbers and any pertinent information relating to the transfer.

As you approach the closing date, it is your responsibility to contact your utility companies to advise them of your projected date to move and forwarding address. I will work with your closing/escrow officer as your consultant to ensure accuracy and a smooth closing.



Questions

Frequently asked by Buyers

What should I ask about each home that we preview?

As a rule of thumb, ask questions until you are satisfied. Ask about specific rooms and features. Pay particular attention to areas that you notice could be problematic, defects or areas that need repair. Sellers provide a “Sellers Disclosure Statement” on the property. Any known defects or maintenance issues must be disclosed to potential buyers. We will carefully review the disclosure form.

How many homes should I preview before I buy?

There is no set number of homes to preview before you decide to make an offer on one. Providing me with as many details as possible, I will narrow our search to your specific needs, areas and price range. The house hunting process should be fun. It will help you get a general feel for the homes in a particular community and to narrow your choices. If you are looking at more than one community, we will try to utilize our time appropriately by focusing on one community at a time.

How do I know I am receiving the best value for my money?

As mentioned in a previous question, I will prepare a Comparative Market Analysis for you. When you apply for a mortgage, your lender will contract with an accredited real estate appraiser to appraise your purchased property. A real estate appraisal is an unbiased report of the property’s value based on comps in the area, style, appearance, condition, and other qualitative factors. An appraisal is an integral part of the purchasing process because it protects you from paying more than a property’s appraised value.

What does a home inspector do?

I highly recommend a home inspection. A home inspector will check a home’s plumbing, electrical, structural and roof condition; the crawl space; heating system; appliances; pest infestation; the overall condition of the home. The buyer hires and pays for the inspection. Depending on the size of the home, an inspection will cost from \$275 - \$450. An inspector’s job is to make you aware of recommended repairs. Our offer will include an inspection contingency and we will negotiate the findings of the inspection with the seller. It is to your advantage to be present for the inspection which can last up to 3 hours. You will be able to ask the inspector questions about the condition and maintenance of the home.

Do I need an attorney to purchase a home?

The legal contracts involved in purchasing a home are complex and can be overwhelming for a first time buyer. You have the right to retain an attorney. Your attorney will review the terms of the agreement and can be present at closing. If you would like to retain a real estate attorney and don’t know one, ask me for recommendations.

THE FIVE FACTORS OF CREDIT SCORING

The following is a summary of the five main factors that affect credit scores according to MyFico.com and Credco credit report agencies.

1. **Payment History** has approximately a 35% impact on credit score. Your score takes into account items such as payment history, public records and collection items, details on delinquencies (i.e. how much, how late, etc.) and how many accounts show no late payments.
2. **Amounts owed** has approximately a 30% impact on your score. The ratio of outstanding balance to available credit is important. Having a 50% balance will give you a better score than maxing out a credit card. This also applies to how many accounts you have versus how many have balances. Closing accounts may have a negative impact if you carry debt on the remaining accounts left open; the debt ratio will go up and the number of seasoned lines will decrease. In general, closing an unused account that has a zero balance will not raise your score.
3. **Length of Credit History** has approximately a 15% impact on your score. The length of time a particular credit line has been opened is important. A seasoned borrower is considered a stronger borrower. Opening new credit accounts will decrease the average length and may negatively impact this portion of the score.
4. **New Credit** has approximately a 10% impact on your score. This portion of your score takes into account the following: how many new accounts you have and how long it has been since you opened a new account. It also takes into account whether you have a good recent credit history following past payment problems (i.e. re-establishing credit)
5. **Type of Credit** has approximately a 10% impact on your score. A mix of auto loans, credit cards and mortgages may have a more positive effect on your score, rather than a concentration in credit cards only.

***Inquiries also affect credit scores**, on average, by 5 points per inquiry. The maximum number of inquiries that will reduce the score is 10. Any inquiries beyond that in a six month period should have no further impact on the borrower's credit. Auto and mortgage inquiries receive special treatment. Multiple inquiries of this nature can be made in a 14 day period and be treated as only one inquiry.

Did you know? The maximum credit score anyone can have is 850 and the minimum is in the 300-350 range.



QUESTIONS ABOUT MORTGAGES

How do I know for sure how much of a home I can afford?

Affordability and comfort level is a major concern for first time buyers. There are many financing options available and some include low down payments and even 100% financing. Conventional loans are the most common with 20% down. However, FHA insured, VA, ARM (Adjustable Rate Mortgages) loans can minimize your down payment. Most ARM loans feature an interest rate that is often below the market for the first year or so and will rise gradually. I will refer you to a reputable mortgage representative to help you with the loan process. The mortgage representative will find a program with options that will fit your budget, and you might be surprised at just how much home you can afford.

How does renting compare to buying?

Renting offers a lifestyle that is maintenance free. This may appeal to you, but consider that renting does not offer equity, tax benefits or protection against regular rent increases. If your rent has averaged \$700 a month for the past 10 years, you have spent \$84,000 investing in your landlord's property instead of your own. These factors, along with the rising cost of land and materials, make a home purchase an excellent investment.

How much of a down payment will I need to buy a home?

The amount of your down payment depends on the loan-to-value ratio. The higher the sale price, the higher the down payment. A down payment of 20% has been the benchmark for conventional financing, but some loan programs require as little as 3% to 5% or even no down payment with excellent credit. Your mortgage expert will help you determine which program will fit your budget and needs.

What does rate protection mean? (available for purchase and refinance transaction)

This establishes the highest rate you will receive as long as the loan closes on or before its expiration date. You have the option to select a lower rate (one time only) during the rate cap period for a purchase transaction within 15 days of closing. The rate must be locked in no later than the 5th day prior to closing for both purchases and refinances. The advantage is that you benefit from a lower interest rate before possible rate increases. For additional details, consult with your mortgage representative.

How does the lender determine the maximum mortgage for my preapproval?

Your preapproval is based on monthly income, credit scores, financial liabilities, cash available for down payment, prepaid expenses and closing costs.

Most lenders feel a family should not spend more than 28% to 33% of its income on housing costs, including the mortgage, insurance and property taxes. Also, these housing costs plus other debts (car loans, student loans, etc.) should not exceed 36% of your gross income.

What are the steps in the loan process?

Completing your loan application and providing all the information that your lender requires. The loan process takes about 3 to 4 weeks. Once all of the verifications are completed, your lender will underwrite and approve the loan.

QUESTIONS ABOUT MORTGAGES

What does my monthly mortgage payment include?

For the first couple of years, your monthly mortgage payment is applied toward interest and a small percentage toward principle. Some lenders prefer to establish a reserve account (a percentage withheld from your mortgage payment) to cover your property taxes. Property taxes are due in April for the first half of the year and in October for the second half of the year. If a reserve account is established, your mortgage company will pay the property taxes for you.

How can I pay off my mortgage earlier?

- Save extra every month. With the interest you earn on a savings account, you can make an extra principal payment at the end of the year.
- Pay an extra 1/12 of your principal payment each month.
- Send whatever extra you can each month.

Whichever you choose, be sure to clearly indicate that the excess payment is to be applied to the principal.

What are points?

The 1% of the total mortgage amount equals one point. Your loan origination fee might be stated in terms of points. Many lenders will advise you to pay points to get a better rate of interest if you can afford it, especially if you plan to keep the house for more than a few years. Like interest, points are tax deductible.

What is a good faith estimate?

Your lender must provide you with a HUD (Dept. of Housing and Urban Development) booklet and a good faith estimate within 3 days of your application. This is a written document that shows all costs associated with your loan. This is an estimate and you should ask questions about any costs or fees that you don't understand.

What are typical closing costs?

- Appraisal fee
- Credit report
- Loan origination fee (covers the lender's administrative costs)
- Points (% of loan paid to get a lower interest rate)
- Documentation preparation
- Recording fees
- First year's premium on fire and hazard insurance
- Prorated property taxes and real estate taxes
- Interest - paid from the date of closing until your first mortgage payment
- Owner's title insurance premium (seller)
- Buyer's title insurance premium (based on the amount of the loan - to protect the lender)
- Real estate commission (seller)
- Reconveyance fees
- Payoff existing mortgage lender
- Prepayment penalties (if any for seller)
- Mortgage insurance (if applicable)
- FHA mortgage insurance (FHA loans only)
- VA guarantee fees (VA loans only)
- Excise tax (seller)
- Homeowners association assessments (prorated)
- Work orders if required by the contract
- Judgments or tax liens
- Home warranty (if in the contract)

TITLE INSURANCE AND ESCROW

What is title insurance?

The most accurate description of title is a bundle of rights in real property. A title search is the process of determining from public records just what these rights are and who owns them, and if the seller has a right to sell the property. Title insurance is an insured statement of the condition of title, or ownership rights, to real property, backed by an insurance policy. A title insurance policy outlines recorded restrictions or limitations affecting ownership as of the date of the policy, i.e., if you take ownership subject to existing liens or encumbrances or easements may have been granted to utility companies or adjacent property owners.

A policy of title insurance provides a statement as to the present condition of title plus insurance if the title is not as represented.

Do I have to pay an annual title insurance premium?

No - title insurance is paid just once at closing. Your policy is effective the date your deed is legally recorded until the day you sell your property.

Is title insurance an important protection when purchasing a home?

Yes - the title policy is insurance that the home you purchase and the land on which it is built are free of undisclosed liens, mortgages, easements and other anomalies resulting from prior owners. In the event that a lien is discovered and your rights of ownership are challenged, the policy provides legal defense as well as indemnity against loss up to the policy limits.

Who determines which title company issues the policy?

Usually the seller because they pay the costs. You will buy a policy which protects your lender and the premium will be based on the amount of your loan.

What happens in Escrow?

Escrow is an independent third party who serves as a neutral party between the buyer and seller. Escrow holds the earnest money deposit until the transaction closes, prepares escrow instructions, holds all legal documents, disburses funds on behalf of a buyer and seller, and distributes these funds according to the terms of the purchase and sale agreement.

Real estate transactions require a tremendous amount of technical experience and knowledge to proceed smoothly. An escrow officer has the authority to prepare certain legal documents, as well as coordinate and close real estate transactions.

Escrow responsibilities?

Escrow instructions are written documents, the purchase and sale agreement and related addendums received from our real estate transaction and loan documents from the lender. Escrow officers are responsible for the following:

- Authorization to disburse funds for recording, title insurance policy, real estate commissions and other related closing costs
- Pro-ration of insurance and taxes
- Payment of liens and charges against the property and distribution of the net sales proceeds
- Open the order for title insurance
- Prepares preliminary & final settlement statement for each party indicating amounts to be disbursed for fees and services
- Record deed and loan documents
- Keep all parties informed on the progress of escrow
- Respond to lender's requirements
- Maintaining security and accountability of funds owed
- Other documents may apply depending on the type of loan

BASIC FORMS TO SIGN AT CLOSING

- I.D required
- Review settlement charges to ensure accuracy
- Declaration of escrow services: indicates that escrow is not licensed to practice law and cannot give legal advice
- Funding and pre-closing instructions from your mortgage lender
- Property insurance requirements
- Title insurance requirements
- Adjustable rate note
- Deed of trust: grantor to grantee and legal description of the property
- Federal truth-in-lending disclosure
- Notice of right to cancel: three days to rescind, forfeit earnest money
- Affidavit of occupancy: primary, secondary, vacation, investment property
- Borrower certification: no judgments, name certifications, compliance agreement
- Impound agreement and authorization
- Appraisal disclosure: your right to a copy of the appraisal
- Flood hazard determination
- Taxpayer identification certification
- IRS form W9 taxpayer identification number (TIN)
- First payment coupon
- RESPA (Real Estate Settlement Procedures Act) The right to collect your mortgage
- Your mortgage application
- Mortgage privacy notice: directing your mortgage company not to disclose non-public personal information about you

EIGHT STEPS OF SELLING A HOME

1. NEEDS ANALYSIS

It is important to sit down and write the reasons that are motivating you to sell your current home. If you have a growing family and you need more space, you may be under less pressure to prepare your home for showing than if you are moving to a different city due to a career opportunity. Explore your short and long term goals. This will help you establish a time management path for selling your home. As your real estate professional, I can apply my expertise to your particular needs and help set a realistic time frame to place your home on the market.

2. PRICING STRATEGY

Our next objective is to determine the best possible price for your home. You will need to take into consideration the status of the economy, local market conditions and sales of comparable homes in the neighborhood. It is often hard to maintain a non-biased view of your property because it is your home and there is a lot of pride in ownership. Pricing your home must be reasonable and priced to sell. It would be in your best interest to set a fair market price rather than setting the price too high and having your home not sell. If a home is on the market too long, buyers will think it is overpriced or there is something wrong with it or the location. I can assist you on how to set the asking price for your home. I will prepare a Comparative Market Analysis which will analyze recent sales in the area and indicate the fair market value.

3. PROPERTY PREPARATION

How your home looks and shows will have an immense impact on how quickly it sells and whether or not you can get full market value for it. First impressions are very important. Determine what needs to be cleaned and changed. Prune trees and shrubs to give potential buyers a clear path to enter your home. The fewer obstacles between the buyer and the true appeal of your home, the better. Make your home look spacious by organizing your closets, kitchen cabinets, etc. If there are showings in the evenings, turn on the lights to create a warm and welcoming environment for prospective buyers. If there are showings during the day, pull back your curtains to create a bright and cheery home.

As your real estate professional, I will provide an objective and expert opinion on staging your home and marketing your home.

4. MARKETING STRATEGY

I will establish a comprehensive marketing plan for you. There are many ways to advertise your property: Internet marketing, yard signs, flyers, direct marketing pieces, local newspaper, open house, broker's open, and the best exposure - The Northwest Multiple Listing Service. Our marketing program will bring the most potential buyers and will meet or exceed your expectations. The first 2 to 3 weeks, we will receive a tremendous amount of activity because your home is new inventory. I will follow-up with every real estate agent that shows your home to determine interest levels and feedback. We will periodically review our marketing plan and level of activity.

5. RECEIVING AN OFFER

Once a buyer decides to purchase your home, an offer will be presented. The purchase and sale agreement should protect the best interest of all parties involved and should be comprehensive in nature. The contract, though not limited to this list, should include the following:

- Purchase and Sale Agreement: purchase price, legal description, closing date and the earnest money deposit.
- Financing Addendum: down payment and financing details.
- Inspection addendum: inspection procedure and possible repair allowance.
- Any other relevant addendum relating to other contingencies or terms of the agreement.

The legalities of an offer are very important. Any questions should be addressed immediately. Escrow will get their instruction from this agreement so all terms and conditions of the transaction must be defined. I will help you through this process. I have a fiduciary responsibility to you and will ensure that the terms of the contract will be satisfactory and meet your expectations.

EIGHT STEPS OF SELLING A HOME

6. NEGOTIATING THE SALE

Most offers to purchase your home will require some level of negotiating to reach mutual acceptance (a win-win situation for both parties). I will help you understand the basic legalities of the real estate contract including what each contract clause means to you and to the buyer, what you will net from the sale and what areas in the contract are most challenging or easiest to negotiate. Some things that are negotiable include the following:

- Price
- Closing costs
- Financing
- Repairs that need to be done
- Occupancy/closing date
- Appliances & furnishings that will be included

I will professionally represent you through the offer process, negotiations, and acceptance process. It is my responsibility to protect your best interest throughout these negotiations.

7. MUTUAL ACCEPTANCE

Once you have accepted an offer to sell your property, your property will be formally appraised and inspected. Depending on the items discovered by an inspector, be prepared to receive an inspection notice from the buyer of items that they would like to be repaired or replaced. If some of the repair or replacement requests are costly, the buyer may request a reduction of the purchase price or a credit at closing. Every aspect of the inspection process is negotiable. I will help advise you at every level during this process.

8. CLOSING PREPARATION

Depending on the terms of the inspection agreement, you will be required to have completed certain items before closing. Often times buyers, along with their agents, will conduct a final walk through to check that work has been completed. Also, be sure to contact your local utility companies (electricity, gas, cable, water and sewer) and provide a forwarding address and date to close. You will be contacted by an appointed escrow company to schedule a signing appointment.

Questions

Frequently asked by Sellers

When is the best time to list my home for sale?

As soon as you decide it is time to sell. It is in your best interest to allow enough time to make all of the necessary arrangements to move and organize your furnishings and belongings. The more time you allow, there will be more potential buyers and we will receive a better return for our marketing efforts. Spring and Fall are prime listing seasons and there will be more houses on the market, thus you will have more competition.

How long will it take to sell?

The average days on the market depend greatly upon price, location and the condition of the home - and of course, the market conditions.

Why can't I sell my home myself?

Sellers often look at the real estate commission and think they could save some money by selling their property themselves. It is best to work with a real estate professional who can give you maximum exposure for your property. I will know about market trends and accurately price your home, negotiate the terms and conditions of the real estate contract and coordinate all of the details needed to achieve a successful closing.

What are Open Houses and Broker's Opens and how do they work?

All of the above are part of the marketing process. Open houses are usually held either during the week or the weekend on a mutually agreed date. Open houses offer prospective buyers to "browse" at their leisure and not feel any pressure. I will provide feedback to you on the amount of activity through your home and will follow up with any prospective buyers. Broker's opens are for real estate agents and brokers and are held on a specific day during the week. The more real estate professionals who see your home, the more exposure you will receive from prospective buyers. Both open houses and broker's opens generate leads.

What are the typical seller's costs at closing?

The seller's major cost at closing is normally the payoff of any existing mortgage loans, broker's commissions, escrow fee, title insurance, prorated property taxes up to the date of closing, utilities up to closing and excise taxes which are considered a transfer tax. This is a tax levied on each sale of real property and range from 1.28% to 2.03%. In King County, the usual rate is 1.78% of the sale price. Depending on the terms of the purchase and sale agreement, the seller may also be responsible for paying buyer's closing costs, a credit toward repairs and other negotiable items. These would all be items agreed upon in the purchase and sale agreement.

NEW LISTING CHECK LIST

The following are items we complete to put your home on the market:

- Order preliminary title
- Prepare listing documents
- Get listing documents signed by client
- Get Seller Disclosure Statement (Form 17) signed by client
- Get legal description signed by client
- Order sign to be posted in front of the home
- Stage the home
- Photograph the home
- Create flyer, slide shows and Windermere Photo Gallery
- Create “silent sellers” if necessary
- Create listing files and organize
- Input listing and upload photos in MLS and Windermere.com
- Register keybox with Supra (this allows us to check showing activity online)
- Distribute flyer to other agents via the Internet
- Create a “Just Listed” postcard and mail to the neighborhood
- Schedule broker’s open
- Schedule first Sunday open and post on the Windermere web site
- Post flyer on the bulletin board in the office