

“For Sale” or “Sold” or “Settled”?

At *any* given time there are a number of houses available “For Sale” *or* “Sold” (under contract *or* pending). Every house will not sell; many that go “under contract” will go “back on the market” for a variety of reasons. There is a lot to do before going from “Sold” to “Settled” (closed). Based on my experience, I have developed a list of Real Estate “truths” that makes a lot of sense and puts the process into *perspective*:

- there are “**Five Steps**” to selling, buying and *settling* any house or property: *none* can be skipped.
- the primary purpose of an “asking price” is to *generate* buyer interest. Sellers set the price while buyers determine the *value*. Price should relate to the location, features and condition. Know the competition.
- Price is a critical aspect of *marketing* (one the “**4 P’s**”): marketing creates *exposure*, exposure creates *competition* and competition often leads to a *higher* selling price and better terms (supply and demand).
- an “Agreement of Sale” is like an “engagement period”: each side has *several* opportunities to decide whether or how they should proceed with their plans. One party is generally *happier* than the other.
- accepting an “Agreement of Sale” typically ends the *marketing* period. Then the *real work* begins! What happens between then and the proposed settlement date will determine *whether* the sale “closes” (“settles”) or the house goes “back on the market” to restart the process.
- it is **NEVER** over *until* the seller has the buyer’s money and the buyer has the keys to the property!

Here is a list of what *may* take place after you accept a *residential* Agreement of Sale (Step #4 of the “Five Steps to Selling/ Buying Real Estate”) in order to close the sale (Step #5). Your sale may not include all of these or you may have other “contingencies”. **NOTE:** where it says seller/ buyer I am referring to them *or* their agents.

- the buyer must make a formal, written mortgage application to secure financing
- the buyer must obtain Homeowner’s Property Insurance if they are using a mortgage
- the buyer orders a Property Inspection or certifications of the major systems (“due diligence”)
- depending on the location, the buyer may order a Water Service Inspection (such as for well water) and/ or an On-Lot Sewage Disposal Inspection (such as for septic systems)
- the buyer orders a Wood Infestation Inspection (termites are only one aspect of this)
- the buyer orders a Radon Test/ Inspection
- the buyer orders a Lead-Based Paint Test/ Inspection
- the buyer orders a Mold Test/ Air Quality Inspection
- the seller orders a Municipal/ Borough Inspection (Re-Sale/ Use and Occupancy certification)
- the buyer verifies the lease information (for investment units)
- the buyer verifies the zoning classification (unless assumed “residential”)
- the buyer reviews the Condominium/ Planned Community re-sale documents
- the buyer makes additional deposits if required
- the lender orders the mortgage appraisal and related inspection (FHA or VA)
- the lender provides the mortgage commitment/ approval for the buyer’s loan
- the buyer orders a title report to ensure that the house can be transferred into their name
- the seller obtains tax certifications to ensure that all property taxes are paid and up-to-date
- the seller obtains a mortgage/ lien payoff for their house if applicable
- the buyer schedules closing (this includes the buyer bringing closing funds to the settlement table and signing the mortgage papers) and ordering the transfer of the utilities into their name
- the buyer conducts one or two “pre-settlement” “walk-throughs”/ inspections of the property to see that any repairs were done properly and that “personal property” remains if included or was removed.
- closing/ settlement occurs. Hopefully, there are no “loose ends”!

If you are considering hiring your first or changing Real Estate agents, *which* Professional do you want “on *your* side” of the settlement table? Call me and let us get started today.

There is no time for inexperience, empty promises *or* false expectations!

HIRE WISELY: We are not “all the same”!