

SHORE & COUNTRY

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A Guide and Overview of the
Typical Home Sale Process
Greenwich, Connecticut

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Typical Home Selling Process

(Greenwich, Connecticut)

The following is designed to demonstrate the typical steps a seller might take when selling their home in Greenwich, Connecticut. All items mentioned are not necessarily required for all home sales (e.g. underground storage tank removal, etc.) but intended as a guide.

Selecting a Real Estate Agent:

Choosing a Real Estate professional is the first step in the home selling process. You could start the search by asking your friends or attorney who might be a good candidate for you. Ask them for a few recommendations. Although a Real Estate company's reputation is important your relationship will be with the agent so the fit should be right. You should get three price opinions (often referred to in the Real Estate world as a "CMA"-Comparable Market Analysis). The Real Estate agent that you choose should be a full time agent with broad experience and total knowledge about the market. The agent usually comes to see the house with other agents and then will come back after doing their "homework" to give you a written report showing how the recommended price was obtained.

Preparing Your Home for Sale:

Everything in your home needs to be looked at through the "eyes" of the buyer. Your selected agent should be able to help you with this. She or he has vast experience in helping to stage a home for sale. It is not always easy to say to an owner "the kitchen needs updating, or the bathroom painted." This is why you need an honest relationship with the agent.

Building Inspection Prior to Listing:

Some owners like to hire a building inspector to inspect the property before it actually comes on the market. This can be a good tactic if the property has been lived in for a long time by the same owner. We often don't see our own flaws and property problems. Sometimes there is something wrong with the house that should be addressed before it is put on the market assuring that the problem will not interfere with the sale (after the potential buyers have their inspection).

Required Documentation:

When you do select an agent you will be requested to sign a listing contract, a Greenwich Multiple Listing Service data input form, a State of Connecticut "Residential Property Condition Disclosure Form", and a U.S. Environmental Protection Agency disclosure form regarding lead based paint hazards (for properties built prior to 1978). Review these documents with the agent, and if you care to seek legal advice then do so before signing. After the listing starts the agent will be busy with his/her work and the process should flow smoothly. Selling your house is disreputive and can be intrusive into your everyday life. The agent will work hard to minimize this.

Offer:

After someone becomes interested in your property, they make an offer to purchase through their agent. Your broker should be able to take you through this process. Some terms which may be included within the buyer's offer are:

- The Offer Price that the buyer is willing to pay.
- The Mortgage Contingency requirements, amount of mortgage they are seeking and the date by which they will receive a written commitment and thereby remove the contingency.
- The closing date upon which title and ownership of the property will be transferred to the buyer
- A list of the Inspection Contingencies and when they will be lifted.
- Other contingencies (e.g. sale of home, etc.).
- Inclusions and/or Exclusions of any "personal property" which may be a condition of the purchase.
- The date by which the contract will be signed and the buyer will provide 10% of the purchase price.

Pre-contract activities:

Once you and the buyer reach agreement on the 'terms and conditions' for the purchase, an 'Offer to Purchase' is prepared by your broker outlining the agreed upon terms. This document is then transmitted to the appropriate attorneys. The flow chart (below) will show you how a typical deal is done.

Contracting Process:

The seller is responsible for having his attorney draw the Contract for Sale which will include the agreed terms and conditions. The buyer will normally be expected to submit an escrow check (made out to the your attorney) with the signed contract, usually in the amount of ten percent of the total purchase price.

The Lifting of Contingencies:

After the contracts are signed and exchanged there might be a mortgage contingency or other contingency (such as a pool inspection or survey to be done). As soon as these contingencies are met it is the custom, in Greenwich Real Estate, that the 10% escrow is then released to the seller.

Pre-closing activities:

Your agent should remind you two weeks before the closing to call all of the necessary utility companies. You need to terminate your service with these companies and to tell them that the house has been sold. This process should be co-ordinated with the other broker so the new buyer has the utilities turned into his name. This way the service is not truly turned off which could be hard on the house (ie winter with no heat). The house needs to be "broom clean". This means that the house should be totally free of debris, including old firewood (if the new owners don't want it). The attic and basement should also be cleared, ask your broker for advice.

Your house will continue to be shown until all contingencies are lifted. This is important as you never know what can happen with a deal.

Costs associated with selling a home:

- Attorney's Fee
- Town of Greenwich Conveyance Tax
(\$2.50 per \$1,000 of Sale Price)
- State of Connecticut Conveyance Tax
(\$5.00 per thousand up to \$800,000, and \$10.00 per thousand over \$800,000)
- Survey Fee: If property has not been surveyed, the Lender or Title Insurance Company may require a registered survey or plot plan showing the location of the dwelling(s) and the boundaries of the property, as well as easements and rights of way. This might fall on the seller's shoulders.
- Adjustment costs paid to the seller at closing (where applicable):
 - Buyer's share of pre-paid property taxes.
 - Heating Oil or Gas remaining in tank(s).
 - Association Dues.
 - Sewer Service Charge.

Closing Day:

Near to the date of your closing, you and your real estate agent need to perform one last walk-through of the premises. Together you will look to insure that the property is in the condition that it was when you signed the Contract of Sale. You will verify that the items which were to be included are present. You want to make sure that the house and grounds are as they were specified within the contract ('broom clean, lawn and grounds maintained'). And most important, that there are no defects visible now which were previously hidden (such as a damaged floor which was previously hidden by carpeting, or a hole in a wall which was hidden by an entertainment center, etc.). If you find any of these you might need to be prepared to adjust for these costs at closing.

Lastly, you close on the property. You (or in your absence, your power-of-attorney) will attend the closing – primarily to sign appropriate documents and deliver checks for appropriate amounts. Between your real estate agent, your attorney you will be advised ahead of time of all the costs and fees associated with your closing insurance, attorney's fee, survey fee (if your responsibility) adjustment costs (gas, oil, property taxes), etc.).

Finally:

Hopefully your experience was a good one!

We at Shore & Country Properties trust that the above information proves helpful. To further assist you with all of your real estate needs – please give us a call **(203) 698-1234**.

Home Selling Process

