

Chatham-Kent Home Seller's Guide



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The Basics of Marketing Your Chatham, Ontario Home

There are a lot of things that a realtor considers before marketing a property in Chatham-Kent. Major considerations include how to advertise the property, showing the property, how long the house has been on the market, and whether the buyer is considering purchasing another home.

Real Estate Advertising and Promotion

Properties in Chatham-Kent are commonly advertised through real estate agent Web sites, Internet home search/listing services, classified advertising and real estate guides. Promotion efforts through office and MLS tours are a good way of getting other buyer agents to view your home and to promote it to the buyers they are working with.

Even with all these advertising avenues, "For Sale" signs on front lawns are still remarkably effective. Many realtors promote their Web sites on the sign and use brochure boxes with the signs to market the property. When appropriate, and with your permission, I may even send a mailing about your property to neighbours. You never know – one of them may have a friend or relative looking to relocated to the Chatham-Kent area. Believe it or not, traditional, word-of-mouth advertising still has far reaching benefits.

Showings and Open Houses

To prepare your home for viewing, make it as bright, clean, and cheerful as possible. Always look at your home from the buyer's point of view. Furthermore, if I suggest that you be absent for any viewings, please don't be offended – your presence could inhibit a potential buyers' actions and conversations. A buyer wouldn't feel comfortable opening closets, testing out the plumbing, and discuss general observations objectively if the home owner is standing nearby. It goes without saying that your children and pets should not be on the premises either.

It's also nice to notify the neighbours when you schedule an open house. They may be interested in dropping by or bringing friends along.

Quick Tips for Showings and Open Houses in Chatham, Ontario

- Clean or replace dirty or worn carpets.
- Open all curtains and blinds.
- Replace any burned out light bulbs and turn on all lights.
- Clear all clutter.
- Clear all countertops.
- Wash and put away any dirty dishes.
- Set the dining room or kitchen table if you have particularly nice linen or china.
- Simmer a few drops of vanilla on the stove.



- Put on soft music.
- Burn wood in the fireplace on cold days, otherwise, clean the fireplace.
- Put fresh towels in the bathroom.
- Take any laundry out of the washer and dryer.
- Leave the house so your realtor is free to deal with prospective buyers in a professional manner.
- Put pets in cages or take them to a neighbour.

How Long Has Your House Been on the Market?

Professional appraisers sum up their entire body of knowledge in three words: "Buyers make value." Your home is worth as much as a buyer will pay for it.

If your home has been on the Chatham, Ontario housing market for months, it's a clear message that the property may not be worth what you're asking for it. This is particularly true if there haven't been many prospects coming to see it. What you do at that point depends on whether you really need to sell, and whether you're working with a time limit.

If you're not really motivated to move soon, you can always wait - years if necessary - and hope inflation will catch up with the price you want. The problem is that in that time, your home begins to feel shopworn. Buyers become suspicious of a house that's been for sale for a long time.

If you really do need to sell, I would suggest discussing a schedule for gradually dropping your price until you find a level that attracts buyers. There's no point in saying, "We simply can't sell our house." Anything will sell if the price is right.

If You're Buying Another Home

You may wonder what will happen when you're selling one home and buying another – how will all the details work out? This is a common situation and realtors, lawyers, and title and escrow companies have plenty of experience in arranging contracts and loans so that the two transactions dovetail smoothly.

Should you sell your home first then buy, or buy first then sell? Ideally, it's best to find a home you like and make an offer subject to selling your current home. This generally works in a normal market. However, in a "hot" market most sellers will not accept a "subject to sale" offer. In this case you need to sell your current Chatham-Kent home first and then buy a new home in the interim period between selling and vacating your house.

If you find that you need to buy the next house before you've received the proceeds from the present one, lending institutions can sometimes make you a short-term "bridge" loan to tide you over between the two transactions. Make sure you fully understand the exposure and emotional investment before proceeding with this type of loan.



Get Your House Ready to Show to Buyers

Did you know a house that "sparkles" on the surface will sell faster than its shabby neighbor, even though both are structurally well maintained.

In my experience as a Chatham-Kent realtor, I've come to learn that a "well-polished" house appeals to more buyers and will sell faster than a poorly decorated home. Buyers often go under the assumption that a cosmetically appealing house is also a well maintained home. In readying your Chatham-Kent home for sale, consider:

1. How much should you spend to prepare your house for sale?
2. Does your home have exterior and curb appeal?
3. Is your home decorated tastefully, in a way that will appeal to most buyers?

Before putting your house on the Chatham-Kent real estate market, take as much time as necessary (and as little money as possible) to maximize your property's exterior and interior appeal.

How Much Should You Spend to Prepare Your House for Sale?

In preparing your home for the market, spend as little money as possible. Buyers will be impressed by a brand new roof, but they aren't likely to give you enough extra money to pay for the installation. There is a big difference between making minor changes and inexpensive upgrades to your house. Instead of doing extensive and costly renovations to your home, focus on simply fixes such as putting new knobs on cabinets and a fresh coat of neutral paint in bedrooms and living spaces. These small changes will help your home stand out from others in Chatham-Kent.

As an experienced Chatham, Ontario realtor, I am familiar with buyers' expectations in your neighbourhood and can advise you specifically on what improvements need to be made in order the biggest effective. Don't hesitate to ask me for advice.

Maximizing Exterior and Curb Appeal in your Chatham-Kent Property

Before putting your home up for sale, make sure that you stop and take a good look at the exterior appeal of your home. **Remember: if the outside, or "curb appeal" looks good, people will more than likely want to see what's on the inside.**

Here are some tips to enhance your Chatham-Kent property:

- Keep the lawn edged, cut and watered.
- Regularly trim hedges and weed lawns and flowerbeds.
- Be sure your front door area has a "Welcome" feeling.
- Paint the front door.
- In spring and summer, add a couple of pots of showy annuals near your front entrance.



- In snowy areas, keep walks neatly cleared of snow and ice.
- Check foundation, steps, walkways, walls and patios for cracks and deterioration, and fix any problem areas.
- Remove and repaint any peeling paint on doors and windows.
- Clean and align gutters.
- Inspect and clean the chimney.
- Repair and replace loose or damaged roof shingles.
- Repair and repaint loose siding and caulking.
- Reseal old asphalt.
- Keep the garage door closed.
- Store RVs and old cars elsewhere while the house is on the market.

Maximizing Interior Appeal

You want your home to look as spacious, bright and clean as possible. Your home should also have a neutral look and feel. Remove any personal or sentimental objects; your home should be clear of any brick-a-brack so buyers can begin to imagine living there.

Here are some tips to enhance your home's interior appeal to buyers:

- Give every room in the house a thorough cleaning and remove all clutter. This alone will make your house appear bigger and brighter. Some homeowners with crowded rooms actually rent storage garages and move half their furniture out, creating a sleeker, more spacious look.
- Use a professional cleaning service every few weeks while the house is on the market.
- Remove the less frequently used, and even daily-used items from kitchen counters, closets, basement and attic to make these areas more inviting.
- Make sure that table tops, dressers and closets are free of clutter.
- Pay special attention to the kitchen and bathrooms: they should look as modern, bright and fresh as possible. It is essential for them to be clean and odor free.
- Repair dripping faucets and showerheads. Buy showy new towels for the bathroom, and put them out only for showings. Spruce up a kitchen in need of more major remodeling by installing new curtains and cabinet knobs, or applying a fresh coat of neutral paint. Clean walls and doors of smudges and scuff marks.
- If necessary, repaint dingy, soiled or strongly-colored walls with a neutral shade of paint, such as off-white or beige. The same neutral scheme can be applied to carpets and linoleum.
- Check for cracks, leaks and signs of dampness in the attic and basement, and fix any problem areas.
- Seal basement walls if there are any signs of dampness or leakage.
- Repair cracks, holes or damage to plaster, wallboard, wallpaper, paint and tiles.
- Replace broken or cracked windowpanes, moldings and other woodwork.
- Inspect and repair the plumbing, heating, cooling and alarm systems.



How to Set a List Price for Your Chatham Home

Setting the list price for your home involves evaluating various market conditions and financial factors. As an experienced Chatham-Kent realtor, it is my job to help you set your list price based on:

- pricing considerations
- comparable sales
- market conditions
- offering incentives
- estimated net proceeds

Pricing Considerations – Find a Balance Between Too High and Too Low

When setting a list price for your home, you should be aware of a buyer's frame of mind. Consider the following pricing factors:

1. If you set the price too high, your house won't be picked for viewing, even though it may be much nicer than other homes on the street. Believe it or not, pricing your home above a neighbouring listing is one of the fastest way to scare Chatham-Kent buyers away.
2. If you price too low, you'll short-change yourself. Your house will sell promptly, yes, but you may make less on the sale than if you had set a higher price and waited for a buyer who was willing to pay it.

Tip: Never say "asking" price, which implies you don't expect to get it.

Price Against Comparable Sales in Your Neighbourhood

No matter how attractive and polished your house, buyers will be comparing its price with other comparable properties on the Chatham-Kent market.

Your best guide is a record of what the buying public has been willing to pay in the past few months for property in your neighbourhood. Realtors have unrestricted access to this information, and can furnish data on sales figures for comparable Chatham-Kent listings. While it is my job to guide you through the pricing process, the decision about how much to ask is always yours.

Competitive Market Analysis (CMA)

The list of comparable sales supplied by a realtor, along with data about other houses in your neighbourhood that are presently on the market, are used to formulate a "Comparative Market Analysis" (CMA). A CMA is useful for Chatham-Kent home sellers because the analysis also includes data on nearby houses that failed to sell in the past few months. This will help ensure that you avoid making the same pricing mistakes as these properties. A CMA differs from a formal appraisal in several ways. One major difference is that an appraisal will be based only on past sales. Also, an appraisal is done for a



fee while the CMA is provided by your realtor. For the average home sale, a CMA is a great tool for estimating the proper list price of your Chatham, Ontario home.

A formal written appraisal (which may cost a few hundred dollars) can be useful if you have unique property, if there hasn't been much activity in your area recently, if co-owners disagree about price, or if there is any other circumstance that makes it difficult to put a value on your home.

Tip: If you do order a market value appraisal, make it clear you don't need an elaborate, or full narrative report, i.e., the kind that's complete with photos of the house and neighbourhood. Floor plans and a site map is sufficient in most cases.

Market Conditions – Is it a Buyer's Market or a Seller's Market?

A CMA often includes a Days on the Market (DOM) value for each comparable house sold. When Chatham-Kent real estate is booming and prices are rising, houses may sell in a few days. Conversely, when the market slows down, average DOM can run into many months.

As an experienced realtor, I can tell you whether Chatham-Kent is currently in a buyer's market or a seller's market. In a seller's market, you can price a bit beyond what you really expect, just to see what the reaction will be. In a buyer's market, if you really need to sell promptly, offer an attractive bargain price.

If You Price High, Set a Schedule for Lowering the Price

Some sellers list at the rock-bottom price they'd really take, because they hate bargaining. Others add on thousands to the estimated market value "just to see what happens." If you want to try that, and if you have the luxury of enough time to feel out the market, I'd be happy to sit down with you and work out an advance schedule for lowering the price if need be.

If there haven't been many prospects viewing your home after three weeks, you may need to lower your list price. If that doesn't bring any prospective buyers, you may need to lower your list price again. Plan on doing that regularly until you find a level that attracts buyers. Make a written schedule in advance, before emotion takes over and you're tempted to dig your heels in.

Offering Incentives to Hasten a Sale

Sometimes cash incentives are as effective as lowering the price, especially in the lower price range where buyers may be "cash poor." You may offer to pay some or all of a buyer's closing costs and discount points required by the buyer's lending institution.



If you haven't had much traffic through your house and you're in a hurry to sell, you may want to add the offer of a bonus to the selling broker, in addition to their commission. An example of the wording for such an offer may be "to the broker who brings a successful offer before Christmas."

Estimating Net Proceeds

Once you've been given an estimate of market value by your Chatham-Kent realtor, you can get a rough idea of how much cash you might walk away with when the sale is completed. This can be particularly useful when you start looking for another home to buy.

To estimate your net proceeds, from the estimated sales amount, subtract the applicable costs in the three sections outlined below: seller's costs, buyer's/seller's costs and closing costs.

Seller's Costs

Subtract the following costs as applicable.

- payoff figure on your present loan(s)
- broker's commission
- prepayment penalty on your mortgage
- attorney's fees
- unpaid property taxes

Buyer's/Seller's Costs

Additionally, I can tell you whether local customs or rules dictate whether the buyer or seller pays for the items listed below. Subtract the following costs, as applicable.

- title insurance premium
- transfer taxes
- survey fees
- inspections and repairs for termites, etc.
- recording fees
- Homeowner Association transfer fees and document preparation
- home protection plan
- natural hazard disclosure report

Closing Costs

As far as closing costs are concerned, you and your eventual buyer may agree on any arrangement that suits you, no matter what local practice dictates. If you need help estimating these costs, please don't hesitate to ask me.



Why Use a Chatham-Kent Realtor When Selling a Home?

A Chatham-Kent real estate agent can help you understand everything you need to know about the home selling process. Not all real estate licensees are the same; only those who are members of the National Association of Realtors (NAR) are properly called “realtors”. They proudly display the Realtor “®” trademark on their business cards and other marketing and sales literature. Chatham-Kent realtors are committed to treat all parties to a transaction honestly. As a realtor, I subscribe to a strict Code of Ethics and am expected to maintain a higher level of knowledge of the process of buying and selling Chatham-Kent real estate.

Fact: An independent survey reported that 84% of home buyers would use the same realtor again.

If you're still not convinced of the value of working with an experienced realtor, here are more reasons to use one:

1. When selling your home, your realtor can give you up-to-date information on what is happening in the Chatham-Kent real estate marketplace as well as the price, financing, terms and condition of competing properties. These are key factors in getting your property sold at the best price, quickly and with minimum hassle.
2. Often, your realtor can recommend repairs or cosmetic work that will significantly enhance the salability of your property.
3. Your realtor markets your property to other real estate agents and the public. In many markets across the country, over half of real estate sales are cooperative sales; that is, a real estate agent other than yours brings in the buyer. Your realtor acts as the marketing coordinator, distributing information about your property to other real estate agents through a Multiple Listing Service (MLS) or other cooperative marketing networks, open houses for agents, etc. The Realtor Code of Ethics requires that a realtor utilize these cooperative relationships when they benefit their clients.
4. Your realtor will know when, where and how to advertise your Chatham property. There is a misconception that advertising sells real estate. NAR studies show that 82% of real estate sales are the result of agent contacts through previous clients, referrals, friends, family and personal contacts. When a property is marketed with the help of your realtor, you do not have to allow strangers into your home. Your realtor will generally pre-screen and accompany qualified prospects through your property.
5. Your realtor can help you objectively evaluate every buyer's proposal without compromising your marketing position. This initial agreement is only the beginning of a process of appraisals, inspections and financing – and a lot of possible pitfalls. Your Chatham realtor can help you write a legally binding, win-win agreement that will be more likely to make it through the process.
6. Your realtor can help close the sale of your home. Issues may arise between the initial sales agreement and closing (also called settlement or escrow), for example, unexpected repairs might be required to obtain financing or a title problem is discovered. The required paperwork alone is overwhelming for most sellers. Your realtor is the best person to objectively help you resolve these issues and move the transaction to closing.