

# home sellers guide



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# home sellers guide

Our Home Sellers Guide is designed to help you understand the selling process before you put your home on the market, and it will help you make smart decisions every step of the way.

For answers to questions about your specific situation, we encourage you to consult one of our real estate agents.

Every advantage is yours when you do business with us.



# for sale

## Putting Your House On The Market

At your listing appointment, you will meet with a real estate agent at your home. It's important to understand everyone's roles in the process and how agents may cooperate to sell your house.

**Listing broker or listing agent.** An individual real estate broker whom the seller hires to represent the seller through a contract called a listing agreement. The listing agent (sales associate) is associated with the listing broker (the real estate company). The listing broker is directly paid the listing commission and then splits the commission with the listing agent. (Although the broker and agent may be two different individuals, the term "broker" is used throughout the guide for simplicity.)

**Buyer's broker or buyer's agent.** In a cooperative sale, the house is listed by one broker and a buyer is provided by another broker. The buyer's broker receives the buyer's side of the commission. If the listing broker also produces the buyer, then the listing broker receives both the listing and buying sides of the commission. A buyer's broker may have a signed buyer representation agreement with a buyer and, therefore, represents the buyer and not the seller. If the buyer's agent is a Long & Foster sales associate, Long & Foster becomes a disclosed dual agent with the consent of both the buyer and seller. Note that in the multiple listing service, or MLS, you may see the buyer's agent referred to as the "selling agent".

## A Little Homework

Before the listing appointment, the home seller should collect a list of documents requested by the broker. The listing broker will review recent neighborhood sales of homes comparable to yours and comparable homes currently for sale.

## There's No Place Like Home

At the listing appointment, the listing broker will want to inspect your house and grounds to become familiar with its unique features.

Your listing broker will want to tell prospective buyers about the special features of your home and neighborhood. Be specific about schools, daycare, nearby public transportation and other desirable community features, as well as home features not readily apparent. Tell your listing broker why yours is special — from any home remodeling you've done to afternoon winter sunshine.





## Property Profile Folder

For the listing broker to prepare a folder of information on the property, the home seller needs to provide a variety of documents and information specific to the home's location and jurisdiction.

✓ **Pay Off Notice.** A letter signed by the home seller and mailed to the lender by the listing broker to notify the lender of the intention to pay off the mortgage to minimize prepayment of interest penalties to the seller. The home seller should provide the broker with the lender's address, loan balance, assumability, years remaining on present mortgage, P.I.T.I. (Principal, Interest, Taxes & Insurance) and interest rate.

✓ **Well and Septic Inspection.** If the property is on septic system and/or well, current inspections by local health authorities are required while the home is occupied. The listing broker will usually arrange for the inspection after the contract is ratified.

✓ **Lender Appraisal.** Lenders require an appraisal to ensure that the property is adequate collateral for a loan and will order an appraisal through an approved vendor.

✓ **Assessments/Easements.** The listing broker will ask the home seller if any tax assessments or easements exist on the property that must be paid or included in the purchase contract and passed with the land when sold.

✓ **Property Taxes and Homeowner's/Condo Association Fees.**

The home seller provides a record of property tax or condominium fee payments that the buyer will reimburse a pro-rata share to the home seller at settlement.

✓ **Inspections.** Most lenders of new mortgages require a termite inspection certificate that shows the house is free of infestation. The listing or selling broker will arrange inspection at the seller's expense if there is none. A home inspection and radon testing may also be ordered. The seller should also disclose the physical condition of the property, such as the presence of fire retardant plywood.

✓ **Utilities.** Seller should provide a record of the past 12 months' utility bills, including gas, electric, sewer, water and trash.

✓ **Additional Documents.** Seller should provide the listing broker with the deed, house location survey, condominium bylaws or homeowners' association documents, subdivision map, floor plan, previous title search abstracts, legal description of property (subdivision, section and lot), home warranties on major systems and a copy of the homeowners insurance.



# for sale

## Demand Sets Price

After conferring with the listing broker on market conditions and comparable nearby sales and properties on the market, the home seller will set the listing, or asking, price for the house.

A common definition of market value is, “what a ready, willing and able buyer will pay, at a price a seller will accept.” Buyers are sophisticated—when they see your home, they’ll be comparing features and financing.

A rule of thumb says a house priced more than 5 percent over market value discourages offers. Buyers who can afford the price can get more home for their money elsewhere. Buyers who cannot afford the price simply won’t look.

A fair market value will be determined by comparing the property with similar properties that have recently sold and are currently on the market.

## Sample Net Sheet

Based on this sales price, the listing broker will complete a worksheet that estimates the net cash from the sale. This exercise subtracts anticipated charges paid by the seller from the sales price. A copy of the net sheet is provided to the home seller.

## Financing Strategy

Most sales cannot be completed without financing. That is why it is generally to the home sellers advantage to appeal to the greatest number of home buyers by accepting the greatest range of financing plans.

## What Is A Point?

A point is one percent of the amount of the buyer’s mortgage loan. For example, if a loan is \$300,000, one point is \$3,000. On all loans, the home buyer and home seller may share the charges by mutual agreement.

## What Conveys With the Home?

The home seller must be ready to supply the listing broker with a specific list of the personal property that is included in the real estate property for sale. Examples of items to “convey” may include draperies, drapery rods, remaining heating oil, firewood, washer, dryer, refrigerator, stove, microwave, disposal, swimming pool chemicals, awnings, storm doors and windows, screens, venetian blinds, shutters and window air conditioners, among similar items. The home seller should tag or remove items that do not convey.

## Listing Agreement

When the home seller is ready to put the house on the market, a listing agreement is completed, indicating a specific period of time the agreement is in effect (also known as the listing period), and this is signed by the seller. You’ve now hired a listing broker and listing agent.







# getting ready

## Clean Up, Fix Up, Or Toss Out

Today, the home that stands out among similarly priced houses is the home that sells. Why? Because it makes a good first impression that lasts right to the settlement table.

**Exterior.** Curb appeal starts here. Make sure you have a trimmed lawn and well-proportioned shrubs. Remove garden hoses, lawn tools, the dog house and toys from the yard. Check for flat-fitting roof shingles, straight lines on gutters, shutters, windows and siding, and solid caulking around frames and seams. Paint wherever needed, and keep walks and steps free of snow and ice if selling in the winter.

**Front hall.** Its atmosphere gives a hint of what's inside. Lighting is key. For evening showings, turn on every light in the house for a welcoming glow. Make sure the house smells fresh and clean, woodwork is unmarred and carpeting spotless. A fresh coat of paint in a neutral tone is a good investment. Remove worn rugs.

**Living room.** Strive for a lived-in, cozy feeling. Discard chipped or frayed furniture. Open curtains. Furnishings throughout the house should be well placed and in good condition. Set out fresh flowers and put a drop of bath oil or vanilla on light bulbs for a subtle scent.

**Kitchen.** Many buyers judge the house by the way the oven and stove are kept. Appliances should be spotless and in perfect working condition. Replace or repair anything that sticks, squeaks or drips. Counters, cabinets and eating spaces should be kept uncluttered without countertop appliances. Clean the butcher's block. Floors and walls should be painted in inviting, light colors.

**Master bedroom.** This is the second-most appealing room to the buyer. Keep furnishings uncluttered and define areas (for example, sleeping, dressing and sitting) by furniture arrangement. Show the true size of closets by removing or packing items that can be stored.

**Bathrooms.** Practicality combines with attractiveness. Your sink, toilet, bathtub, tile and shower curtains should be immaculate. Fix leaky faucets and repair caulking and grouting. Light should be soft (no harsh fluorescents) but bright. Use a scented warmer for a pleasant scent.

**Rec room.** An atmosphere of relaxation, fun and activity should pervade. The space should be open to accommodate an assortment of activities. Make sure the fireplace or wood stove is clean with fresh logs.

**Garage.** The perfect garage holds only cars in an uncluttered space. Sell, give away or toss unnecessary articles. Clean the cement floor. Have strong overhead lighting. Make sure any storage area is orderly and the workbench is tidy.

**Basement.** Organize, hang tools on peg boards and put items on shelves. Clean the water heater outside, change the furnace filter and make inspection access easy. Brighten the basement by painting walls.

**Attic.** Tidy it up and light it up. Pack anything you're going to move. Get rid of the rest. Be sure your energy-saving insulation is apparent and the air vent works.





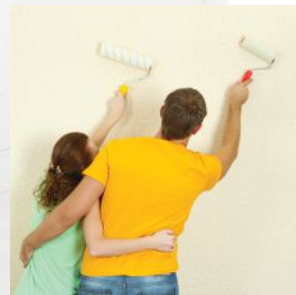
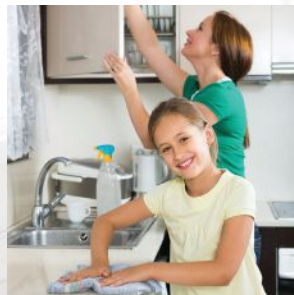
## Frequently Asked Questions

**Q: Should we redecorate?** It is very difficult to anticipate the tastes of strangers, so redecorating is not necessarily recommended. Instead, stick to fresh paint in neutral colors and present a sparkling clean house without the redecorating expense.

**Q: Is it possible to over-improve a home?** Yes. Your landscaping may be divine. You may have the only cabana and swimming pool in the neighborhood, but it may be difficult to sell a \$450,000 home in an area of \$420,000 homes. Consult your listing broker to determine if added improvement means added marketability.

**Q: Are expenses to fix up my home tax deductible?** You can reduce your taxable capital gain by fixing up but only under strict guidelines. Check with your tax consultant for details.

Many states now require that sellers provide buyers with either a residential property disclosure or a disclaimer statement, though what information sellers are required to disclose varies state-by-state.



# showing your home

## Leave The Selling To Us

While the home seller is actively getting the house ready to show, the listing broker is actively spreading the word that the property is available. The listing is generally promoted to two groups: the real estate community and the buying public.

About 47 percent of all buyers come from referrals between brokers and their vast network of contacts or from a real estate professional that was used previously. Around 42 percent of buyers come from inquiries from websites. The remaining 11 percent of buyers come from a combination of the real estate company's reputation and image, open houses, for sale signs, advertising or other promotional efforts.

## Multiple Listing Service (MLS)

The listing broker enters a profile of your house on the multiple listing service (MLS). This profile often includes location, price, number of bedrooms and bathrooms, house style, heating system type, special features and showing instructions, among other details. Now your house description is instantly available to the entire MLS membership. (MLS is a membership service available exclusively to brokers belonging to the Board/Association of Realtors®.)

In addition, your listing broker announces the listing at his or her regular office sales meetings and points out noteworthy features to fellow real estate agents. At Long & Foster, your listing agent's office, as well as other Long & Foster offices, may tour the property. In addition, other real estate companies may also ask to tour your home.

## Advertising

The yard sign provides exposure to the neighborhood and prospects touring the area. Signs often create high-quality inquiries because prospects like the area and house and want to get a closer look inside. Your home, as well as homes similar to yours, also may be advertised in major metropolitan and community newspapers and online for mass reach. Direct mail cards may be used to target specific neighborhoods.

Long & Foster also advertises nationally and internationally for potential relocation buyers for your home in military and foreign service publications.

We also have a relocation division, which receives over 15,000 leads annually, largely from broker referrals and corporate transferees. Those are individuals who are moving to the Mid-Atlantic and Northeast and are shopping for homes like yours.

## Show Time

With all this activity, your listing broker and other buyer's brokers will be bringing prospective buyers to see your house. Brokers will make an appointment with the home seller and give you as much advance notice as possible. That will give you time to tidy up, make beds, light dark areas and perhaps pop something sweet smelling in the oven. Make every effort to accept all appointments—you never know when your buyer will walk through the front door. Additionally, have the property brochure available with recent utility bills, MLS profile, house location survey and other helpful documents.







# showing your home

## If You're Home

If you're home when would-be buyers stop by, greet the prospects at the door but then politely excuse yourself. That way, you can leave the selling to the real estate brokers. Here are a few ways to make things easier for your sales associate and prospective buyers.

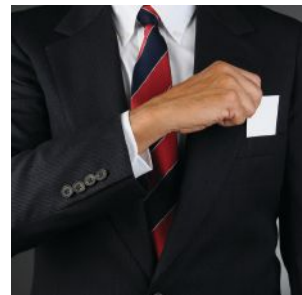
- ✔ Too many people present during a showing may make the potential buyer feel like an intruder, which makes it difficult for the buyer and the buyer's broker to be at ease.
- ✔ It's better that you and your children busy yourselves in one part of the house or outside, rather than tagging along. The broker knows the buyer's desires and can better emphasize your home's features.
- ✔ Quiet is the ideal environment. Noise is distracting, so don't have the radio or TV on—the broker and the buyer need to hear each other.
- ✔ It's better to keep pets out of the house. Buyers may be timid around an unfamiliar animal.
- ✔ Chatting with a potential buyer may dilute the broker's ability to present your home's features in the best light. If asked a question, respond honestly, but diplomatically and refer questions to the broker.
- ✔ The lived-in appearance makes it a home. There's no need to apologize for its appearance. Let the trained broker answer any objections.
- ✔ Many sales have been lost by trying to dispose of furniture and furnishings to the potential buyer. Wait until after the sale is made.
- ✔ Your listing broker is most qualified to bring negotiations to a favorable conclusion.
- ✔ Do not discuss price, terms, possession or other factors with a potential buyer.

## If You're Not Home

- ✔ Have the house ready and crate pets in the basement, garage or backyard.
- ✔ Buyer's brokers may leave their business cards or register at the listing broker's office, depending on local custom. Be sure to keep any cards and give them to your listing broker as soon as possible for follow-up.
- ✔ When an open house is scheduled, plan to be away for the afternoon. Make the house accessible to the listing broker and be sure to leave word on how to contact you.

## Seller And Broker Team

During the listing period, the listing broker will periodically update the home seller on the mortgage market, new competitive listings and sales in the area and progress in selling the home. The feedback between the broker and seller is vital to exchange selling suggestions and maintain maximum marketability. The listing broker will follow up with buyer's brokers and provide their feedback to the seller. This mutual teamwork becomes especially important later when negotiating offers to purchase.





## Frequently Asked Questions

**Q: Should I let anyone in to see the house?** If a prospective buyer calls or comes by unexpectedly without a broker, get their name and phone number. Do not show the home. Explain that it is not a convenient time. Call your listing broker so that the buyer can be qualified and identified prior to showing. This is for your benefit and protection.

**Q: If an offer is imminent, should we still show the house?** A property is either sold or available—there is no in between. However, if there is an accepted contract that contains a contingency and backup contracts are invited, then this must be made clear and the house should be shown. Refer the buyer's agent to your listing agent for details.



# offers & contracts

## Signing On The Dotted Line

A buyer makes an offer by submitting a written and signed offer to purchase, which will become the sales contract when ratified by everyone's signature. Once the seller and buyer sign the paper, they are bound by the contract conditions.

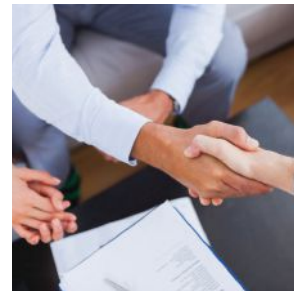
The presentation of a contract begins when the buyer's broker registers the offer with the broker's own office and notifies the listing broker of the offer. The listing broker then presents the offer to the home seller. In some areas, the buyer's broker is included in the presentation, though the buyer is not.

Either the buyer's broker or the listing broker presents the terms of the offer, depending on local customs. The listing broker acts as the home sellers advisor. Part of the presentation is determining that the buyer is qualified financially to make the purchase. Should either the seller or buyer be out of town, the contract is presented via telephone and confirmed later electronically or by fax.

## Content Of Presentation

Once the contract is signed, it becomes the binding guideline for the transaction. Description of the offer will include, but is not limited to:

- ✓ Date, name and address of the buyer and seller and the legal description of the property.
- ✓ Amount of earnest money deposit, which will be held in an escrow account by the broker, unless otherwise noted.
- ✓ Sale price.
- ✓ Size of down payment, and how the remainder of purchase price is to be financed. The offer should indicate the maximum interest rate the buyer is willing to pay and the right to cancel without penalty if such financing proves unavailable.
- ✓ Proposed settlement and occupancy date, and daily rent provision for post-settlement occupancy if the seller cannot vacate and becomes the temporary tenant of the buyer.
- ✓ Contingencies, if any, such as satisfactory review by attorney, structural inspection, appraisal or sale of the buyer's present house.
- ✓ Other important provisions, including a list of items that convey with the sale, stipulation that title must be insured and who is to pay various settlement costs.



accommodating difference agreement  
bargain competing strategy purpose  
goal **Negotiation** avoiding  
compromise condition of course part  
collaborating dialog understanding  
benefit consideration debate gain  
tactic advantage principle alternative





# the home-selling process

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Find a Buyer

1 Negotiated Contract

2 Ratified Sales Contract

3 Earnest Money Deposit



7 Contingency Completions

6 Settlement Attorneys

5 Survey

4 Buyer Financing



8 Appraisals



9 Various Inspections

10 Title Work

11 Condo/HOA Documentation



15 Occupancy Arrangements



14 Notification to Sellers' Lenders

13 Settlement Date Arrangement

12 Insurance



16 Home Warranty



17 Documentation Recordation

18 Settlement & Check Presentation  
Seller Receives Net Proceeds of Sale



Home Sold!

# offers & contracts

## Seller's Net Sheet

The sample net sheet reduces the offer taken all together to dollars and cents. The estimated outcome is determined, which allows the home seller to consider the bottom line.

## Seller's Action

A decision on an offer should be made when it's presented, if possible. A home seller has three possible options.

1. Accept the offer as written.
2. Make a counter offer on unacceptable aspects. Counters are written in the margin of the contract or in addenda and initialed by the home seller. A purchase offer with counters is not a ratified contract until the home buyer accepts and initials the counters. Buyers can withdraw, accept or counter the counter offer.

3. Reject the offer if it is unacceptable in its entirety. Outright rejection, without a counter, should be a last resort.

A contract exists when all terms, including changes, are ratified by initials of all principals. When the contingencies are satisfied, the contract becomes enforceable.

## Multiple Offers

All offers registered must be presented to the home seller in the order registered. The home seller should hear each offer completely and ask questions. No action is necessary until all offers are heard. If more than one offer is accepted or countered, an order of precedence must be established, such as primary, first back-up offer and second back-up offer. Be careful not to sell the home twice.



## Questions And Answers

**Q: Is it best to turn down the first offers?** When your reasonably priced house is put up for sale, the very first lookers may make an offer to buy. That doesn't mean that you've priced your home too low. It means qualified buyers and their brokers have been looking for the right house to come on the market at just the right price. Your listing broker will advise you on all offers.

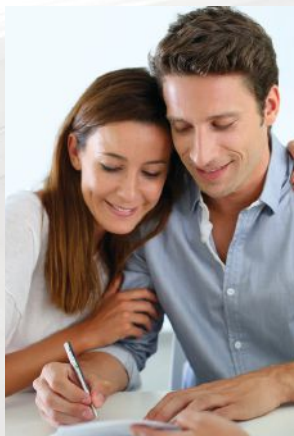
**Q: Does the sale of a condominium or a property within a homeowners association (HOA) require any special action?** The purchase offer for a condo sale or homeowners' association property will contain, in compliance with the law, a requirement that the seller furnish the buyer with certain disclosure information and documents. Ask about condo and homeowners' association resale procedures in your area.

**Q: Do buyers ever offer more than the listing price?** Sometimes, they offer "above list" if they believe it makes their offer more acceptable than other competing offers. For the protection of all parties, it is best to include a separate statement signed by the buyer, indicating the buyer's awareness of the list price and their reasons for the higher offer.

**Q: What do you do if the property doesn't sell?** The first step is to go over carefully with the listing broker why the property has not sold. Usually price and property condition are the key. Study and analyze what has sold in your area and at what price. Then re-list the house after adjusting for shortcomings. Another option is to withdraw from the market and rent until the market improves, or simultaneously offer for sale or rent.

**Q: When will the yard sign be removed?** Placing a sign in the yard is always done by mutual agreement between the listing broker and home seller. The law in Maryland, Virginia and Washington, D.C., allows the sign to remain in the yard after contract ratification, even though "for sale" is changed to "sold" after contract acceptance. However, ask your listing broker about local sign ordinances.

**Q: If a buyer forfeits the deposit, who gets the money?** If the buyer fails to make full settlement, the deposited earnest money may be forfeited only after a release is signed by all parties. In the event of forfeiture, the deposit will be divided equally between the seller and the real estate brokers, but not to exceed the amount of the commission or according to the sales contract.





# paperwork

## Processing The Case

The listing or buyer's broker (depending on local custom) oversees a contract through to closing and helps to place the financing, process the case, arrange various inspections and review financing and points.

At this stage, all contingencies will be satisfied and removed. The buyer will select a settlement and/or a title company and the listing or buyer's broker will notify those firms and provide the vital information.

A number of professionals come into the home-selling process during this period, including a home inspector (if requested by the buyer), well and septic inspectors, termite inspector, appraiser and attorneys. A mortgage approval can be made at application in many cases subject to verification of the information provided. However, on the chance that the financing falls through, the seller should keep the property in showable condition.

## Termite Inspection

Termite inspections are required by most lenders and specified in the contract (not usually required for high-rise condominiums). It is ordered by the buyer's or listing broker and the seller is responsible for payment of the inspection, removal of any infestation if required and repair of damage if needed.



## Loan Processing

Your listing broker will keep you informed about the buyer's loan approval progress. They will follow the loan application process to ensure that the buyer has obtained an approved mortgage before closing. Most contracts require the buyer to make a loan application immediately after contract ratification.

The lender's mortgage consultant takes the buyer's application. A property appraisal is ordered to confirm that the property is adequate security for the mortgage. The lender verifies the buyer's employment, income, deposits, credit rating and debts.

Upon receipt of any information requested, including the appraisal, the lender issues final approval of the mortgage application. The Department of Veterans Affairs (VA), Federal Housing Administration (FHA) and, occasionally, a conventional lender may specify requirements, such as repairs, that must be met before the loan will be made. When the loan is approved, a commitment is issued to the buyer. Many contracts require loan commitment from the lender within a specified time-period.

## After Loan Approval

After the buyer receives written loan approval, the buyer's and listing brokers will coordinate a settlement date. Your listing broker will confirm the date, place and time and give you a checklist of everything you need to bring to settlement. Your listing broker will let you know when you should notify utility companies to transfer accounts and when you can make definite moving plans.



# walk-through

## Buyer's Final Inspection

The purpose of the walk-through inspection is to determine if conditions in the contract are satisfied. The time for the buyer to inspect and note defects for correction by the seller is during the contract negotiation, following a home inspection and/or prior to signing the sales agreement. Depending on the area in which you're selling a home, repair or replacement items should be noted in the contract or listed as contingent on a home inspection, otherwise, most resale homes are sold in "as is" condition.

It is up to the buyer to perform the inspection, not the seller who may or may not be present. The buyer should be accompanied by the buyer's broker and/or the listing broker. The seller should be sure utilities are on so that equipment can be operated.

## Room-by-Room

Expect the buyer to try all lights and switches, turn all faucets on and off, run shower and flush toilets, and turn on furnace and central air conditioning (in off-season, the buyer may hire a professional to certify proper function). They will also likely test all stove burners, as well as the oven at bake and broil, run ice cubes through the disposal to test the blades, run the dishwasher, washer and dryer through complete cycles, and open and close all windows and doors. In short, the buyer should try everything, including the keys and the fireplace flue.

All deficiencies should be noted. If the seller does not correct problems prior to settlement, funds may be withheld by the settlement attorney for repairs. The buyer's broker will coordinate with the listing broker and seller to make repairs before settlement, if possible. Upon receipt of bills and notification that repairs are complete, the attorney will release the balance of funds to the seller, if money is escrowed for needed repairs.

## Anticipating the Move

Now that settlement is scheduled, here are a number of tasks a seller might consider completing, depending on the distance of the move:

- ✓ Begin to use food in your freezer.
- ✓ Throw away items you won't be moving.
- ✓ Check with your insurance agency if you want to purchase full coverage on items you're moving. Make sure your family car and household goods are adequately protected while en route and initially after arrival. If the seller plans to vacate the house more than 30 days before settlement, be sure hazard insurance covers risk during that period and until the deed is recorded.
- ✓ Obtain transcripts of children's school records.
- ✓ Have birth records made of all family members.
- ✓ Secure medical, dental and optometry records for the family.

The buyer's broker will remind the buyer to arrange for insurance coverage in at least the amount of the mortgage as of closing and to bring a certified or cashier's check made out to the settlement attorney or title company.

Unless otherwise provided in the contract, the buyer gets possession at settlement. The seller should make plans to clean, remove trash and vacate the day prior to settlement or no later than settlement day. All appliances should be in good working order in time for the buyer's final walk-through inspection.







# settlement

## Signing Papers And Transferring Keys

The big day is here! Tonight you can celebrate, but today there will be a lot of paper signing and a poignant passing of the keys (don't forget mail keys, garage keys and electric door openers).

At settlement, there will be an attorney or title company representative, the buyers, listing and selling brokers and all owners, though in some locations the buyers and sellers can schedule separate settlement appointments. The seller should bring all warranties on equipment (or leave them in the house) and any instructions on equipment maintenance or operation.

The attorney or escrow/title company will have searched the title and obtained old and new lender instructions. First, all unresolved walk-through deficiencies are resolved.

With the buyer, the attorney explains the deed of trust or mortgage, the deed of trust note or mortgage note, VA, FHA or lender forms, and settlement sheets. The buyer signs all these and pays the balance of the down payment and the buyer's closing costs with a cashier or certified check.

With the seller, the attorney explains the deed and settlement sheets and gets the seller's signature on them. The seller pays appropriate closing costs.

## Disbursement

The attorney or title company will disburse funds after all funds are in hand, checks have cleared, the new lender has reviewed papers, the title has been re-checked and the deed recorded. The seller should not plan to receive funds for up to four days, although they may be disbursed the same day in some localities.

The house has now been sold, settled and funds disbursed.

## Seller's Settlement Costs

Closing costs for the seller may include:

- ✓ Attorney's fees (preparation of the deed, settlement fee and any release fees)
- ✓ Lender's inspection fee
- ✓ Appraisal
- ✓ Broker's commission
- ✓ State deed transfer tax or recordation fee
- ✓ Condominium or homeowners' association packet fees
- ✓ Water escrow (to reduce, bring canceled check and last bill; amount prorated at settlement)
- ✓ Termite inspection
- ✓ Loan discount fee (points based on loan amount)
- ✓ Interest up to the date trusts are paid off

If the seller's taxes or insurance have been escrowed, the seller will receive any money accumulated in the account for bills not yet due. Additionally, the seller will be reimbursed for any money paid in advance and not used, such as property taxes. The seller will receive these refunds at or after settlement, depending on the locality. Taxes and homeowners' association dues or condominium fees will be prorated on a daily basis. The seller, buyer and brokers are supplied a copy of settlement sheets for their records. The house keys are transferred to the new owners.





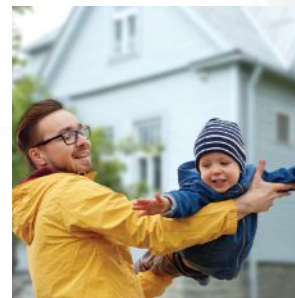
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