

## Steps for Selling your home

### Cost of selling your home

Selling a home requires paying for some things before it goes on the market as well as costs at closing of the escrow. Most sellers can expect to pay between 3-7% of the final purchase price in costs and fees.

- 1) Before putting your home up on the market, your listing agent should walk through the home with you and make educated recommendations about what you should fix and suggest possible upgrades to maximize the potential value of your home. Essentially any home that goes up for sale requires some fixing, your agent should be able to tell you what is necessary and what is not.
- 2) Staging your home gives you an edge over other homes in the market. You may be concerned about another payment toward marketing your home, but you will likely be able to gain more and better offers on your home when selling it staged compared to empty. While not a requirement to sell your home, studies have shown that staging is often worth the extra cost.
- 3) Landscape Your home should be as presentable as possible when it goes up on the market and buyers are becoming increasingly drawn to well-maintenance gardens and lawns. New plants, green grass, and trimmed trees are all part of having the ideal curb appeal. An investment in landscapers before you list the home will only add to the value buyers see in your home.
- 4) Inspection: A professional inspection is required for almost all home purchases and the reports often reveal wear and tear to a home that the sellers were genuinely unaware of. Having your home inspected for pest and structural damage could save you and your future buyers from unwelcome and unexpected revelations about the property. If you have lived in the home for more than a few years, a pre-inspection by a professional is highly advisable.
- 5) Commission: Buyers pay a good amount in closing costs (i.e. inspection, appraisal, lending fees etc...), but sellers pay agent commissions to both the listing and buying agent. You and your agent will negotiate the commission, usually between 3% and 6% of the sale price, before you sign the listing contract.

- 6) Closing cost: The offer you accept will come with terms from the buyer. Sometimes buyers will try to negotiate a home warranty or part of closing costs to be paid by the seller. These terms are normal and you may find their higher offer price to be worth the cost of paying part of the closing costs or other fees.
- 7) Home warrantee: Whether it is negotiated in the contract or the seller wants to give the buyer peace of mind to help them complete the purchase, sellers often pay for the buyer's first year of a home warranty.
- 8) Capital gain tax: You will have to pay between 1-9% of your sale as a capital gains tax. However, you can exclude \$250,000 on your home sale (\$500,000 if filing jointly with a spouse) if the home had been your primary residence.
- 9) Moving cost: Paying professional movers may be worth the cost for many, but even doing it yourself requires a rental truck and buying lunch for your helpful friends.