



Selling Your Bothell Home

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10 Things You Need to Know Before You Sell Your Bothell Home

One of our listings in Spring 2019

Whether you are moving to Bothell, or moving away to start a new journey. We are here for you. Bothell's Real Estate source, **for a lifetime.**

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10 things you need to know before you sell your Bothell area home

1. Zillow does not know what your home is worth
2. The right time to sell may not be when you think it is
3. Preparing for multiple offers and escalations
4. Pre-inspections and why buyers are doing them
5. Full disclosure to potential buyers
6. First impressions and cleanliness
7. Don't get sued – Write a proper contract
8. Extended closing dates
9. Choosing the right Realtor® – Your finances are at stake
10. Over 95% of buyers find their home online – where is your agent?

Bothell's real estate source, **for a lifetime**

BothellHomes.com is the premiere Real Estate service in the Bothell community. Utilizing the best Real Estate practices, paired with cutting edge technology, you can be sure to be represented in the best way possible. We look forward to helping you.

Let us help you prepare to sell your home!

- Before you decide on selling, find out what your home is really worth. Get a free Comparative Marketing Analysis (CMA) on your home with the most accurate data.
- Free, no obligation in home consultation to assess any new upgrades, remodels, or condition changes that could affect your home's value.
- See new listings as fast as we do. Sign up on our website www.bothellhomes.com which is connected to the local MLS. No more falling in love with already sold homes!
- When you sign up, you can also receive instant emails notifying you of sold homes in your area so you can keep up to date with the local real estate market.

****We are happy to answer any questions you have, even if you are not yet ready to sell.****

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Zillow **does not know** what your home is really worth

Every homeowner wants to know what their home is worth, for refinancing purposes, wanting to sell, or just curiosity. What you need to know is Zillow is always wrong. They may accidentally spit out an accurate number, but it isn't because they actually know it, it's just a plain old guess. Other websites you will find like Redfin, Trulia, and HouseValues.com are alternatives that will give you the same bogus numbers. As a quick note: you can inquire on our site, BothellHomes.com, or send us an email, and we can help you get your homes real value.

Why these websites are **always** wrong:

- They don't know the current condition of your home.
- They have no clue if you have done any updates.
- They cannot measure how hot your market is and intelligently decide what your house could really sell for given *local* conditions.
- The way they calculate your home's value is based on a reckless algorithm that pulls "incomparable" homes. No two homes are the same.

Let's put it this way. If a bunch of homes nearby your home have the same amount of bedrooms and square footage, they could be used as a comparable to determine your homes worth. Zillow doesn't take in consideration the good or the bad of either home. They can't tell that your roof needs to be replaced, if you have a new kitchen, obstructed views, etc.

Zillow is usually 7% off in value in our area with all homes, and with the Bothell areas average sales price of \$603,000 (April 2018), that could potentially lose you \$42,210 if you sold based on their numbers. That is way too much money to risk. The estimates are a good starting point, but you will need a comprehensive assessment that is properly executed.

You and your real estate agent will sit down, pull a list of comparable properties, omit ones that don't fit, assess the condition of the subjects, differences, and similarities. The goal of this is to price your home to today's current market value. Essentially, this is what people are willing to pay for your home, right now.

The **right time to sell** may not be when you think it is

The biggest thing to realize when you are selling your home is that you are selling to one buyer. One, perfect, buyer. One transaction. That's it.

If you want to sell your home, you may be wondering whether it is better to wait until spring or summer. Statistically, your ability to sell doesn't change whether it is summer or winter. Sometimes the right buyer won't come along during the summer, but will come during the winter when there are less homes on the market. It really all depends, but just know your chances do not decline because of the time of year. It obviously needs to be marketed right as well, but we will get to that.

Why winter (and virtually any time of the year) is a great time to sell

- Fact: The number of homes sold during the winter have increased year over year in the last decade.
- Homes listed during the winter statistically sell faster than any other time of the year. They also sell at a higher price in our area during this time of the year. It's all about supply and demand, and demand is astronomically high right now – while supply is extremely low – record setting low.
- A large majority of home buyers (95%+) are searching online for homes. Local sites like ours draw in thousands of home buyers that are searching year round, and this is helping keep buyers in the loop and prevent a slower real estate market during the winter.
- Buyers are getting home alerts instantly no matter where they are. If one of our home buyers is on Christmas vacation in Europe and see a home they like, we can write them an offer from back home here in Bothell and have them sign it with e-signature technology. This is contributing to a more active winter real estate market.

In our current market, buyers have to compete with many other offers. If you list during the winter, you could find a very motivated buyer that had no luck during the summer because of the competition, and you will find that a lot of them will be very aggressive and will do anything to buy your home. Our advice: sell your home when it works best for you. Even though Winter is the best time currently in our market, the right buyer will be out there all times of the year.

Preparing for **multiple offers** and escalation clauses

Our real estate market is constantly changing. The inventory of homes on the market are historically low, and the interest rates are at a record low as well. This is creating a demand for real estate that we haven't seen before.

Obviously as a home seller, this works to your advantage, but don't get carried away. In order to get top dollar and avoid issues, you will need to manage the transaction properly and make strategic decisions to ensure a smooth transaction. You need to pick the right buyer.

- The best type of buyer is, shockingly, the cash buyer. The chances of the deal closing is higher, and the speed of which it can close is usually faster.
- Many buyers are losing out on other homes that have multiple offers, so they are usually more motivated.
- Escalation clauses: you can net more money if a buyer adds this into their offer.
- Good faith deposit – also called earnest money. The larger amount of earnest money you get, the more confidence you can have that the deal will close.
- Waived inspections can decrease your time of closing by ten days, and is done more frequently in our market by more motivated buyers.

In order to take full advantage of our hot real estate market, we need to hit the ground running the very second it gets listed. This means excellent real estate photography, strategic staging, all contracts and paperwork ready to go, title and escrow set up, and of course, stellar marketing. Most well marketed properties will sell in the first week. The first week is when your home will get the most viewings regardless of poor quality photos or marketing – the first impression is extremely vital to getting you the best buyers and top dollar. If you are prepared, this can be much less stressful than you thought.

We do all of the above, plus blast our listings to every single possible website with the best marketing plan that works for your home.

Pre-inspections and why buyers are doing them

Most real estate transactions will involve your buyer executing a home inspection after you, the seller, accept their offer.

But with how hot this market is, buyers are looking for any possible competitive advantage to win in a bidding war. Because of this, you might run into buyers doing pre-inspections on your home before making an offer. The reason this makes the buyer more attractive to you is because they will usually waive the opportunity to make an inspection during the transaction because they already made one. The likelihood of the deal closing will go up, and they automatically look like a much more solid deal since they were motivated enough to pay for an inspection before you accepted their offer! Inspections can range from \$250-\$700, depending on the size of your home.

What buyers may do to make their offer more attractive to you

1. Give you more money (a lot of times, over asking price).
2. Paying with all cash, which usually shortens the timeline.
3. Waive all contingencies.
4. Increase their good faith deposit (earnest money).
5. Shorten timelines on inspections, financing, etc.
6. Write a personal letter to you.

Waiving contingencies are huge, because a buyer can't back out and say "I'm not interested anymore." If they try to do that, you might be able to keep their earnest money. They are stating that they don't care about the condition of the home and that they will guarantee to close. Look for buyers writing personal letters as well. We try to have our buyers write a personal letter to the seller in order to "sweeten" the offer, since a lot of other buyers we are in competition with will have similar offers and will not include a letter. As a buyer you will never know what other buyers are offering, so you will want have all ducks in a row to make the most attractive offer.

As a seller, your agent will present offers to you in the order they came in. Take these points above into consideration when you are choosing the buyer for your home, and you should be able to avoid issues.

Full disclosure to potential buyers

Honesty is the best policy, and not just because you want to be a good person: You want to make sure your deal doesn't go south because of something that wasn't disclosed.

Was there a flood a couple years ago in your basement? Termite infestation? An easement that runs through your property?

Whatever you can fix, you should definitely fix it to increase value and buyer appeal. But if you can't fix it, you should definitely disclose everything. If you don't know the answer, you can say you don't know as well. Be honest.

Why you should disclose everything

- So you don't get sued. Example: If you don't disclose that there is black mold in a bedroom and you hide it behind furniture to conceal it from the buyer, you could be in serious trouble if they get sick. It's not worth the risk.
- You will instill confidence and trust in your buyers. Easier to deal with buyers at the end of the day.

There are so many positives to fully disclosing everything you know. You would think it would negatively impact buyer motivation, but it likely will do the opposite. For one, buyers know that no home is perfect, so they are expecting your home to have some issues here and there. So when they see you are upfront and communicative they will have a sense of relief that the deal won't have any surprises. If a buyer still decides to make an offer that you like, you know it's with them knowing the issues to your knowledge.

This is also crucial in the negotiation phase of a transaction after an inspection is made. The buyer can't come to you and say there are issues with the backyard deck if you already disclosed this. By being completely upfront you gain the negotiating edge during an inspection response period so you don't get nickel and dimed.

First impressions and cleanliness

Just like going on a first date, you will want to make sure your home is as clean as possible, smells fresh, and makes a great first impression at first sight.

Just like a great relationship, you want to sustain these great traits every single day and not take these things for granted, or else it could fall apart.

For everyday your home is on the market, you are going to want to make sure the home is as de-cluttered as possible, and is making a potential buyer feel at home. It will need to smell good, have a good realization of space, good lighting, and just feel “homey” in general. Once we decide to list your home, we will usually give you a week or two to prepare.

Tips to make the best first impression

- Pull out weeds from the front yard and make the front view of the home as clean and visible as possible, or else some buyers won't even come inside to look at your house!
- Box up unnecessary goods and put them away. This includes items you won't need until you move again. It's totally fine if your garage is full of your stuff, people will understand you put an effort to showcase your home nicely.
- Remove paintings and wall decorations to avoid distractions from a home viewing.
- Make the home smell great. Don't cook intense smelling foods. Plug air fresheners throughout the home and air the place out. A classic trick to make it smell just like home is baking a pie before an open house.
- Before you leave home every day pick up everything.
- Keep the kitchen counters clutter free and spotless, this is huge!

Discuss with your agent how you can make your home more inviting. Don't allow emotional attachments to your home distract you from seeing through the eyes of a potential buyer. Is your home filled with as much light as possible? Do the living spaces feel open? This is where you will contribute closely to the successful sale of your home. We have some more awesome tips as well.

It's the little things. You would be amazed at why some buyers will be sold on your home. This is an emotional sale – and smell, sight, and feelings contribute immensely to it.

Don't get sued, write a proper contract

Sellers nowadays have to disclose more than they ever have before due to new laws. If you haven't bought or sold a home in the last couple years, you may be surprised at all the contingencies and addenda that you will need to add to the contract.

Contracts are constantly being updated. Real estate attorneys are doing this to keep both you, the consumer, and us, the real estate agents, safe and out of trouble. We are all trying to protect ourselves and everyone's interests, whilst properly representing you as a seller to ensure top dollar and a smooth transaction. It's a big balancing act, *but it must be done*.

Every transaction is different. Some may require additional contingencies on inspection problems, financing, and even disputes between the buyer and seller.

A well written contract is a must, and a nice sit down with your agent about all the possible obstacles and paperwork need to be discussed. Think of this whole thing as an insurance to you, and each piece is further protecting you and your interests.

When you work with us, we will make the process as simple as possible with e-signature technology, and full disclosure on all the paperwork and what each piece means. All paperwork will need to be the most updated versions of documentation, so make sure your agent is using all necessary documents, such as a purchase and sale contract, seller disclosure, and providing proper title and legal descriptions of the home.

Extended closing dates

If you have bought a home in the past, you may be used to a typical real estate transaction being in the neighborhood of 30 days.

Not anymore.

Because of a new law, a typical real estate transaction could take **40-45 days** to close.

The government introduced something called **TRID** recently that requires lenders to give much more information than before to buyers during a mortgage application process. During this process, the loan could have extended dates if all paperwork isn't properly delivered, and all signings include a 3 day waiting period.

Because of all these new laws, as agents we are told to extend the closing dates in order for escrow and lenders to have time to close. We want to close and avoid having to extend the closing date, which could get messy.

You don't need to do anything here. We have a fiduciary duty to make sure the buyer is getting all necessary paperwork to their lender and that the agent on the other side is being diligent. Everything needs to be done on time with a sense of urgency in order to close on time. There is a good chance that your home can close in under 40 days, but in our industry, we like to under promise and over deliver, and set good expectations to help keep everyone calm and collected.

Choosing the right real estate agent

Chances are, you know someone who is a real estate agent. Most people will go with someone they already know, or know through someone else. They have a business card and are with a good company, of course!

This is a *terrible* way of going about it. You do not want to just choose any real estate agent, even if you know them and want to give them your business. Let us explain why: You're not getting a haircut from them, buying a car from them, or getting remodeling done. An inexperienced or part-time agent could cost you **immense amounts of money and serious liability**.

This is where you could potentially lose thousands of dollars if a deal goes south, paired with a newly awkward and tension filled relationship. Avoid this at all costs.

This is where you want to find a professional, but more importantly, a **REALTOR**. Not everyone who is a licensed real estate professional is a REALTOR, and they may not follow the rules and code of ethics of one that is. We do want to point out that there is no cookie cutter approach to choosing the right agent. There are a bunch of guides online telling you what to look for, but what really makes for a successful transaction is the following:

1. Do you trust and get along with the agent? *This is extremely crucial during a high pressure transaction*, where only trust and rapport can carry the deal to the next steps.
2. Your agent needs to be doing this as a full time professional. This can't be a side gig, where they only do it part time. Do you really want someone "partially" committing themselves to the biggest transaction of your life? It is an *asinine* thought, but a lot of agents do this.
3. They need to know the local real estate market and how to sell homes given the current state of the local market. Every market is different, just because an agent was a top agent for 20 years doesn't mean they have the resources or the traits necessary to be successful in our current market.

On top of all this, the very best agent will act as your therapist, best friend, coach, and will not be afraid to tell it like it is, even if it costs them the sale. You should be able to really trust this person, and feel confident putting your finances in their hands.

95% of buyers find their home online – where is your agent?

You are going to run into this scenario even with the **best agents**.

The average age of a real estate agent is about 55 years old, and many of them haven't made the transition into our world of technology and innovative marketing practices.

We are constantly cultivating buyers through our search website and striving to create more content that keeps them coming back. Why does this matter? Because if you are looking to sell your home, it's pretty much given that *the source of your buyer lead for your home will be from online*. And if your agent is not anywhere online, you have less avenues where your listing can show, which means your home could sit on the market for a long time.

Every single agent in the whole Puget Sound area can put your listing on portals like Zillow, Trulia, Realtor.com, and Redfin. It is so easy to do this, you have no idea. In the Seattle market, it is likely that 99.99% of buyers will find your home online.

You need your homes listing to be in front of as many eyes as humanely possible. This is why we focus so hard on delivering guides and material like this – to attract tons of people looking for homes! We also go above and beyond to create boutique level service:

- We use Instagram to grow our brand and solidify a pool of buyers and sellers with visually appealing pictures and back linking to our site. We have 9,000+ followers across all of our platforms. This means more access to buyers than **anyone** can give you.
- We use Facebook to keep up to date and provide valuable content to friends and clients.
- Kevin uses LinkedIn to keep connected with real estate professionals and 1000s of other professionals for your own benefit. Need a roofer? No problem. Staying connected helps immensely in our industry, and helps you when you need a contractor for a job, or anything!

Your life becomes *so much easier* when you find an agent that is online and is utilizing technology. This isn't necessary to execute a real estate transaction successfully, but boy, does it make it **stress free**. Your home is much more likely to sell faster with a tech savvy agent these days, so find one!

Selling

Your Bothell Home

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Thank you for reading our Bothell home selling guide.

For more, please visit: www.BothellHomes.com

When you are ready to sell, let's talk! Selling your home is not a small task so it is important to hire a full time, professional, tech savvy, honest representation through the whole process! Even if you are not yet ready to sell, we would love to answer any of your questions, and are happy to speak to you at any time.