



FALAYA

**THE
HOME SELLER'S
GUIDE**

Preparing to List



- **Fixing Repairs**

Buyers often look for homes that require few repairs, and no one wants a deal to fall apart because the home inspector found an issue the buyers can't stomach. Here are some of the most important things you should consider repairing before selling your home.

- ✓ Kitchen appliances
- ✓ Cabinets
- ✓ Sinks and faucets
- ✓ Walls and ceilings
- ✓ Flooring
- ✓ Electrical panel and circuit breakers
- ✓ Roof
- ✓ Foundation

- **De-cluttering**

Less is more when it comes to getting your house ready to show.

- ✓ Do a clean sweep of counters, windowsills, tables, and all other visible areas.
- ✓ Take your excess stuff and donate it or pack it up to be stored off-site.
- ✓ Remove papers and unnecessary items.
- ✓ Reorganize and clean out your garage.
- ✓ Organize, straighten, and coordinate your hanging space.
- ✓ Remove all valuable items and safely store medications and guns

- **Exterior Preparations**

By investing some effort in relatively easy fixes, like planting colorful flowers and repainting your front door, the outside of your house can beckon prospective buyers to come on in.

- ✓ Find your green thumb. Potted plants and flowers will make your home look beautiful and tell a buyer you care about your home.
- ✓ If you live in a single-family home with a front yard make sure the lawn is cut, weeds are pulled, and ground covers look fresh so that your attention to detail shows.

List with Falaya and you'll get help with all this and more.

- **Preparing for photos**

The fourth step in preparing your home for listing is the Photography Appointment. The Internet photographs of your home are very important, because they usually create a buyer's first impression.

Our professional photographers at Falaya work to show your home in the best condition for online viewers. Here are some tips to prepare your home for the photography appointment:

- ✓ If you have grass in your front yard, mow it the day before and clean up trimmings and weeds. Trim hedges.
- ✓ Organize any toys and other items in your front and backyards.
- ✓ If needed, touch up the paint on your front door.
- ✓ Clear off tables and countertops as much as possible.
- ✓ Remove all pets and pet-related items, such as food bowls, leashes, and toys.
- ✓ Open all curtains and blinds. Turn on all lights. Let in as much natural light as possible.

FSBO vs. Realtor



Price for the Home

Realtor	FSBO
You generally get more money from a sale of a home with a realtor, according to the National Association of Realtors.	Sellers must do all negotiation themselves.

Why Choose Falaya?

Falaya offers plans starting at \$399 this access to the MLS, so you get the best of both worlds. If you want full service, we offer full-service realtor listing services at 1% still saving you thousands.

Marketing the Home

Realtor	FSBO
A realtor has access to the multi-listing service where thousand of buyers can look at your home.	Sellers cannot get their homes on the MLS. They must pay out of pocket to market their home.

Why Choose Falaya?

Falaya gives the best of both worlds by listing your house on the MLS, Zillow, Trulia, Realtor.com and many more sites for plans starting at \$399 with access to seamless scheduling, push button offers and many other platform features.

Time

Realtor	FSBO
A realtor dedicates his time and energy on selling the home, hosting open houses, and providing walkthroughs.	Sellers usually have a hard time giving up enough time to show the house to all potential buyers.

Why Choose Falaya?

Falaya has automated the appointment request process saving you time while protecting your personal phone number and email from telemarketers and agents trying to get your business.

Negotiation

Realtor	FSBO
Realtors become the middleman between buyer’s agents, escrow and title companies.	Sellers must do all negotiation themselves.

Why Choose Falaya?

Falaya allows you to book an appointment with a licensed Real Estate Agent to help you at a low flat fee per service. Now you can control the costs of selling your house while still getting the support you need

Legal Help

Realtor	FSBO
A real estate agent knows the legal ins and outs of home selling and can help you make sure you don’t end up with a lawsuit on your hands	Unless you’re well versed in legal documents, you could end up overlooking a required form or disclosure and end up with a lawsuit

Why Choose Falaya?

Falaya has automated the listing documents, property disclosures and purchase agreement process between a buyer and selling making it easy for anyone to execute the necessary legal documents. If you feel like you need extra support at any point, just book an appointment with a licensed agent.

How Falaya Solves this Problem

Even if you are selling your home in perfect market conditions, with lots of buyers looking for a home just like yours, the FSBO process isn't easy. You will have a lot to do to make sure everything goes smoothly during the sale if you are going it alone.

With Falaya, you will be able to,

- Judge the right price
- Get your home ready
- Write your listing
- Market your property on the MLS, Zillow, Realtor.com and more
- Deal with inquiries via our chat feature
- Negotiate purchase agreements with ease via our push button offers
- Be walked through the inspection and appraisal process with our automated updates
- Make sure all the documentation is correct for a smooth sale

With our program, you can sell your house yourself with the tools once only available to the pros. So, you will have the best of both worlds: all the advantages of hiring a full-time agent while saving money!

Pricing your Home



Home sellers generally want to sell their house for the highest price possible – and hopefully as quickly as possible.

Keep in mind that ultimately buyers, not you, will decide your home's value.

So, what do you need to price your home for an ideal sale?

Do not overprice

Sellers often think that it's OK to overprice. Price your house for what you can actually expect to get from your buyer.

Our real estate agents at Falaya can help you evaluate the market and advise you to go against overpricing – or even underpricing.

Improve the condition of your house

Here's what you need to do to improve the selling price of your home:

- **Handle any deferred maintenance**

Cracked floors should be replaced and patch any holes in the walls.

Fix broken doorknobs, latches, cabinets, cracked or chipped sinks, and leaking taps in your bathrooms and kitchen to make them squeaky clean and new.

- **Clean thoroughly**

Don't let bad smells, dirty floors, or dusty surfaces leave a bad impression on potential buyers.

Hire a professional photographer

A professional photographer will help you bring out the best features in your house. Falaya can help you streamline this process, by booking an appointment with one of our premier partner photographers.

Review comparable listings

To determine the price of your property, you should consider reviewing three similar properties that have sold within the previous six months and are similar to your property.

Falaya offers the best advice for CMA in real estate! Just book an appointment online, and we will take care of the rest.

Keep the price negotiable but don't go too far

There are numerous markets where sellers will be asked to give the buyers some closing cost support out of the purchase price. Offering to cover closing costs while sticking to a slightly higher asking price just might help seal the deal.

Decide your house sale strategy

Your estate agent will have experience of what works locally, and you should certainly listen to their advice – but you should not feel compelled to accept it.

A big factor though is how quickly you want to sell.

Is it ever smart to underprice?

Pricing a home that's below market value usually isn't preferable because you may be losing money. If time is more important than money and you need a faster-than-average sale, you may consider setting a bargain price to attract the greatest number of prospects.

Whenever you're ready to sell your home, check out our services and book a Realtor price assessment through Falaya for \$300 ONL

Preparing for tours

Here is our quick and easy six steps house tour checklist:



1. Clean and declutter

Before you start on house tours, be sure to clean your home to make it squeaky clean.

- ✓ Leave tabletops, counters, and other flat surfaces in your kitchen, living room, or bathrooms clear and tastefully styled with a vase or other home decor items.
- ✓ Clean off cobwebs and dirt from blades of ceiling fans or in unused corners.
- ✓ Get your light fixtures checked out as well for any dead bugs.
- ✓ Steam clean and vacuum the carpets to get rid of any lingering dirt or smell.

2. Light up your interiors

- ✓ Make sure all light fixtures are working properly and the rooms are lit well.
- ✓ If any areas in the house do not have enough lighting, add lights in the way of lamps into that space.
- ✓ Replace light bulbs that are dim or flickering or bulbs with different shades

3. Improve the condition walls and floors

- ✓ Repair defects such as warped floors, cracks in the walls, and watermarks.
- ✓ Fix any leaks to avoid water damage or flooding.

4. Provide Additional Information

- ✓ Historical details
For instance, if you have an antique chandelier in your living room, put a card out that discloses its age and other important details that might add to its significance.
- ✓ Safety precautions
If your basement stairs are too steep, attach a card to the railing that warns buyers to be cautious.

Top Five Real Estate Negotiation Strategies



Get Your Home Inspected

Some of the things you'll learn in a home inspection include:

An inspection will help you learn about the state of your home's structure, electrical, and heating systems, and any possible safety hazards that might crop up as a nasty surprise during the negotiation phase.

Why Getting Your Home Inspected Will Help You Negotiate?

Getting your home inspected ensures that you know exactly what is and isn't wrong with your home long before the buyer, and it arms you with all the information you need to have a straightforward sale. Once you're armed with this report in hand, get any problematic items fixed.

Offer A Home Warranty

Be prepared to offer some affordable solutions to your frugal buyer. One of the top buyer strategies used today is to point out the age of certain home features as a bargaining chip. The best way to get around this type of depreciation-negotiation is to simply be ready with a home warranty.

Why Offering a Home Warranty Will Help You Negotiate?

By being prepared to offer a warranty you can maintain your high asking price and won't need to stand there with a calculator offering your buyer half the price of a new furnace (that may or may not go down anytime soon).

Price Ahead of The Market

To price your home ahead of the market, work with your realtor to understand local market trends, and what your home will be worth in the coming weeks. If done well, you'll save a ton of time by selling your home at a price that's in-line with current market trends.

Why Pricing Ahead of the Market Will Help You Negotiate

If you know what market you're currently negotiating in, this gives you a better idea of how much negotiating power you have vs. your buyer. Pricing ahead of the market will give the best chance to have your home sold at a fair price, and you're also minimizing the amount of haggling by basing this pricing on current trends.

Why Creating Competition Will Help You Negotiate?

Potential buyers will expect to be in competition and may place higher offers as a result. You might only get one offer, but the buyer won't know that. On the other hand, if you get multiple offers, you can go back to the top bidders and ask for their highest and best offers.

Make A Timeline, and Stick to It

In the interest of selling your home quickly, consider putting a short expiration time on your counteroffer. This strategy compels the buyer to decide so you can either get your home under contract or move on.

Why Making a Timeline Will Help You Negotiate?

If buyers like your home enough, a timeline might just be the difference between them taking two weeks to ultimately walk away or pulling the trigger in a few days out of fear of losing the opportunity.

At Falaya, our team focuses on a result that allows both parties to walk away with a feeling of success. We aim to obtain the most feasible solution on behalf of our clients for one low flat fee as this is what we are expected to deliver.

Preparing for a Home Inspection



What to expect?

A home inspector will look at a house's HVAC system, interior plumbing and electrical systems, roof, attic, floors, windows and doors, foundation, basement and structural components, then provide a written report with results.

A home inspection generally takes two to four hours but may take more time depending on the size of the house. Attend the inspection so you can explore your new home in detail and ask questions as you go. This process can give you much more information than the report alone.

This is a big day for both the sellers and buyers of the property, and stress can run high. Both parties should remember that no house is perfect. There will be compromises by both parties during this process. This is where most deals fall apart, so both parties should take a deep breath and try to look at the house objectively.

Buyers should always attend the inspection, and sellers should give the buyers the space to look at the house privately. There will be things that come up and the buyers will need to process them. Buyers can explore the new home in detail and ask questions as they go. This process can give you much more information than the report alone.

If you are the home seller, here is how to prepare.

- Leave all keys and label them (electric panel, garages, closets, etc.)
- Make sure all pilot lights are on for fireplaces and furnaces, so the inspector can check heating and other appliances
- Tidy your basement/attic spaces. There needs to be an unobstructed path down the steps and through to your furnace/HVAC unit/water heater and anything else that needs inspecting.
- Clean up key areas in your yard, so the inspector won't need a machete to get to your crawl space, drainage access points or septic tank.

Who pays for a home inspection?

The buyer usually pays for the home inspection. However, everything is negotiable.

How do I negotiate the inspection repairs request from a buyer?

When you negotiate the home inspection results before closing, the good news is you've got options as the seller. With every request the buyer makes you can choose to:

- Give them the money to complete the repair
- Hire a contractor to fix the problem
- Reject the repair request and negotiate from there

The trick is knowing the best response for different types of requests and when to walk away if there is no common ground. You can hire a Falaya Agent to help you navigate but let's dig a little deeper into each one of your choices.

Offer a credit for repairs that would delay closing

Typically, if a repair doesn't need to be completed before the closing, and especially if it's a significant or big-ticket item, the seller shouldn't volunteer to arrange and oversee the work. In these scenarios, it's better to offer the buyer a credit for the cost of the job. Another advantage to this strategy: you won't field later complaints that the job wasn't performed properly.

To provide an accurate credit, you need to secure an estimate from a licensed, reliable contractor and then negotiate the amount offered to the buyer at closing. Then, the seller would follow through with the credit either with a check to the buyer at closing or by reducing the sale price by the credit dollar amount.

Appraisal



What is an appraisal on a home?

An appraisal is a professional report that helps gauge a home's value. Any homeowner can get a home appraisal at any time. They are typically done when a house is sold or refinanced, but a seller can get one at any time and can get a pre-listing appraisal to help price their home if they request one.

How much is a home appraisal?

Home appraisals typically cost between \$300 and \$600, and they're ordered by the lender and paid for by the buyer.

What is a home appraisal contingency during a home purchase?

Appraisals are a standard part of the home-buying process, and they protect the buyer's lender from offering too much money for a home that isn't worth the cost. While this may seem like a formality, in hot real estate markets, bidding wars can drive home sale prices well above the true value, which is a red flag for lenders.

A home appraisal contingency is an addendum to the offer contract a buyer submits. It states that if the appraisal comes back low, the buyer has the option to back out of the deal and get their deposit or earnest money back.

Possible Outcomes

Appraisal is greater than offer: If the home appraises for more than the agreed-upon sale price, you're in the clear!

Appraisal is lower than the offer: If the home appraises for less than the agreed-upon sale price, the lender won't approve the loan. In this situation, buyers and sellers need to come to a mutually beneficial solution that will hold the deal together — more on that later.

Do buyers ever waive the appraisal contingency?

Some all-cash buyers who are home shopping in a competitive sellers' market will waive the appraisal contingency to make their offer more attractive for the seller. Cash buyers may decide to skip an appraisal altogether, they might have an appraisal done just for their own knowledge, or they may still submit an appraisal contingency, just as a non-cash buyer would do. It's up to the individual cash buyer.

How is a house appraised?

In a home purchase, appraisals are completed by a third-party licensed appraiser who is hired by the lender. The appraiser is typically chosen at random and can't be connected to the transaction in any way or have any relationship with the buyer or seller. The appraisal happens sometime between the time the home goes under contract and the projected close date.

During the appraisal, the appraiser walks the property — both the interior and exterior — taking photos and notes. After the on-site evaluation, the appraiser writes a report, combining their notes on the home's condition with local valuation information. The result is a final document that identifies the appraised value of the home.

Here's what appraisers are looking at:

- Age or condition of the home: Newer homes sell for more.
- Size and square footage: An appraiser will determine a price per square foot of usable or livable space.
- Completed upgrades or improvements: A value will be attached to the enhancements you've done on the home.
- Needed repairs that impact value: If your home needs major repairs — damaged roof or basement water damage, for example — those will be taken into consideration.
- Amenities or special features: They'll pay attention to valuable features, like a pool, home theater or mother-in-law suite.
- Construction details: The appraiser will see if the home has modern materials, up-to-date insulation or energy-efficient windows that will impact the home's value.
- Lot size or zoning: Lot size can affect the value of the home, as can zoning restrictions or opportunities.
- Comparable: The appraiser will run comps just like a real estate agent would when doing a comparative market analysis on your home. They'll look at recent sales of homes that are similar to the one you're looking for to help determine value.
- Location: They'll look for school district ratings, nearby amenities, and proximity to major metro areas and public transportation.
- Local housing market: An appraiser will take the state of your local real estate market into consideration. Are home values rising or declining? Is it a seller or a buyers' market? How long are homes taking to sell?

What happens after an appraisal comes in low?

If the house appraisal comes back lower than the purchase price, the sellers and buyers have a few options to keep the deal alive.

Make up the difference in cash

The buyer can increase their down payment to make up the difference. For example, if the buyer needed the appraisal to come in at \$300,000 but it comes in at \$290,000, the buyer can pay the \$10,000 difference in cash. What the lender is concerned about is the ratio of the loan to the appraised value of the home, not necessarily the purchase price.

Shift some down payment to make up the difference

Let's say the buyer was planning on putting \$60,000 down on a \$300,000 home (a 20 percent down payment). If the appraisal comes in \$10,000 low, the buyer could shift \$10,000 of the money they've set aside for their down payment to make up the difference.

The downside is that they'll be putting less than 20 percent down and will have to pay private mortgage insurance (PMI) every month until their equity in the home's loan-to-value ratio is 20 percent. Of course, this arrangement is subject to the buyer's lender approving the smaller down payment and greater loan amount.

Seller could lower the purchase price

If the buyer is unable to come up with the difference, then the seller can always agree to take a lower purchase price at the appraised value to get the deal done and the house sold.

Appeal the appraisal

As the person who paid for the appraisal, the buyer can ask their lender to challenge the appraisal if they believe the appraiser used incorrect information or bad comps, or if they weren't familiar enough with the area.

Cancel the contract

Not an ideal situation for you or the buyer, but if the buyer signed an appraisal contingency, they can cancel the contract and walk away from the deal.

Closing



Congrats! You made it here. Now comes the fun part of moving and getting settled into your new place. We put together a list of things to remember to make the transition as smooth as possible. Falaya has a list of Premier Partners that can help with every step of the process. Our movers, cable, insurance, contractors, and title companies can make this process smooth and easy. Give reach out to us today to book your providers!

- Set your closing date with the title company, buyers, and lender
- Book the movers
- Transfer utilities, cable, security system, and internet — arrange for services in your old home to be disconnected the day after your move. Contact service providers in your new house to have utilities running in your new home on move-in day.
- Contact your moving company and confirm that everything is going according to plan!

- Finish packing — leave out only a few items you can't do without during the last couple of days in your old home, and the cleaning supplies you're going to need to clean the place before leaving it for the last time.
- Defrost and clean your fridge and get all your household appliances ready to move — empty them, clean them, and make sure they're fully dry and safely wrapped for transportation.
- Disassemble large furniture pieces and pack them for shipment.
- Make sure you have all valuables and important documents with you.
- Remove all your possessions from the property unless they're specified to stay under the contract. Major appliances, for instance, are sometimes negotiated into a deal.
- Make any repairs you have agreed to make and bring documentation to the closing.
- Clean the home right before the closing. A good rule of thumb is to leave it as clean as you'd like to find it if you were the buyer.
- Notify subscription services, creditors and acquaintances of your new address and set up mail forwarding.
- Collect any manuals and warranties you have for items in the home, such as the HVAC system and any appliances you're leaving behind. Leave them on the kitchen counter for the buyer, along with any spare keys and garage door openers.
- Shut off water valves to prevent any leaks between the time the buyer takes possession and the time they move in.
- Have a good night's rest and get up early in the morning to have enough time for last-minute moving tasks.
- Double-check your home for forgotten items.
- Lock the house up safely and bid it farewell. The time has come to get on the road to your new life!
- Bring your driver's license and pen to the closing title office.
- You did it... Congrats on the Sale!