

# The Woodrow Group | Royal LePage in the Comox Valley

## Guide to Selling Your Home

**Understanding Market Conditions:** The real estate market is always changing. It helps to understand how market conditions can affect your position as a seller.

MARKET CONDITIONS	CHARACTERISTICS	IMPLICATIONS
Buyer's Market: The supply of homes on the market exceeds demand.	High inventory of homes. Few buyers compared to availability. Homes on the market longer. Prices tend to drop in this type of market.	Your home may take longer to sell. Less negotiating leverage in terms of selling price.
Seller's Market: The number of buyers wanting exceeds the supply or number of homes on the market.	Smaller inventory of homes. Many buyers. Homes sell quickly. Prices usually increase.	You may have more negotiating leverage and obtain a higher selling price for your property.
Balanced Market: The number of homes on the market is equal to the demand or number of buyers.	Demand equals supply. Homes sell within an acceptable time period. Prices generally stable.	More relaxed atmosphere. Buyers have a reasonable number of homes to choose from.

### PRICING YOUR PROPERTY

- The single most important decision you will make with your real estate professional is determining the right asking price for your property.
- Once you have achieved a realistic sale price, you can count on your property being professionally marketed and promoted to bring more buyers to your door. You can also expect to sell your home for the best possible price in the least amount of time.

### The Benefits Of Pricing Right

1. Your property sells faster because it is exposed to more qualified buyers
2. Your home does not lose its "marketability".
3. The closer to market value, the higher the offers.
4. A well-priced property can generate competing offers.

### Determining the Value of Your Home

- The market ultimately determines the true value of your property
- Before you compare your home to similar properties and establish a competitive list price, the following points should be considered:
  1. Location
  2. Size
  3. Style
  4. Condition
  5. Community Amenities
  6. Buyer Supply
  7. Financing Options

## Getting to Know your Market

- A comparative market analysis is an indicator of what today's buyers are willing to pay for a home. It compares the market activity of homes similar to yours in your neighbourhood. Those that have recently sold represent what buyers are prepared to pay. The homes currently listed for sale represent the price sellers hope to obtain. And those listings that have expired were generally overpriced or poorly marketed.
- We will prepare a comparative market analysis for your home based on the most current market information. Together, we will establish the proper list price for your home.

## Understanding the Factors that Influence Overpricing

1. Extensive renovations/hidden costs
2. Desire to purchase in a higher-priced area
3. Original cost of the home was too high
4. Lack of real market information
5. Building in "bargaining room"
6. Perceived emotional value

## The Result of Overpricing

- Many sellers believe that if they price their home high initially, they can lower it later.
- Often, when a home is priced too high, it experiences little activity. Gradually the price will come down to market value, but by that time it's been for sale too long and some buyers will be wary and reject the property.
- On occasion, the price is dropped below market value because the seller runs out of time. The property sells for less than it's worth.

## Missing the Right Buyer

- You may think that the interested buyers "can always make an offer", but if the home is over-priced, potential buyers looking in a lower price range will never see it.
- Those who can afford a home at your asking price will soon recognize that they can get better value elsewhere.

## SIGNING A LISTING AGREEMENT

- The first formal step in marketing your property is to enter into a Listing Agreement - a contract that commits Royal LePage to actively market your home for a specified period of time. It also commits you to a pre-established marketing fee that is to be paid upon the successful closing of the sale.
- Should you decide to list with us we may require the following documents:
  - Plan of survey or location certificate: A survey of your property which outlines the lot size and location of buildings as well as the details of encroachments from neighbouring properties. This may be required in certain areas to complete the sale of your home. Your legal professional may recommend that you obtain a survey, especially if significant changes have been made to your property.
  - Property Tax Receipts: Most Listing Agreements require that the current annual property tax assessments be shown.
  - Mortgage Verification: Few homeowners know the exact balance on their mortgage as it is paid down. You will be asked to authorize your mortgage lender to provide the figures required.
  - Deed or Title Search: This document is a legal description of your property and proof that you own it.
  - Other Documentation: In some instances, it may help the sale of your property if you can provide prospective buyers with information on such items as annual heating, electrical, and water expenses, as well as any recent home improvement costs.

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## **PREPARING TO SHOW YOUR HOME TO POTENTIAL BUYERS**

First impressions are lasting impressions. You will want to make sure that buyers looking at your home are left with the best possible impression. We can help you achieve this goal.

### **EXTERIOR**

- House exterior in good repair and house number easy to read
- Eaves troughs, down spouts, and soffits in good repair
- Garage/car port, and porch/foyer clean and tidy
- Cracked or broken window panes replaced
- Lawns and hedges cut and trimmed, garden weeded and edged
- Walks shovelled and salted, doorbell and hardware in good repair

### **INTERIOR**

- Chipped plaster and paint touched up and repaired
- Leaky taps, toilets, drains etc. repaired
- Replace any burnt out light bulbs or broken fixtures
- Clean floors, carpets, appliances etc.
- Inside cupboards and closets are neat and tidy
- Ensure adequate temperature in home to make people feel comfortable
- Pets absent, where possible, or contained during showing, and litter boxes clean