



 **RAMSEY TRUSTED™**

Home Sellers

GUIDE





Your home is your biggest asset. You invest a lot into it over the years —whether it's time, money or just plain emotion.

So when it comes time to sell, you want to get it right. The problem is there's a lot that can go wrong. You've worked too hard to let that happen!

That's why we created this guide. You deserve to be armed with the right knowledge for your home-selling decisions. So we're breaking the process down into basics. From deciding if selling your home is a good idea in the first place to walking away from the closing table with a big check in your hand, you'll learn a simple, step-by-step process that'll steer you toward a successful home deal.



SELLING PROCESS: START TO FINISH

Before we get started, let's cover a bird's-eye view of the entire home-selling process. Use this quick summary for reference as you move through each step:

1. **Make sure you're ready to sell.** Selling your house is hard work. Ask yourself if this is the right season of life to manage a complicated process that could last a month or two.
2. **Work with an experienced real estate agent.** You want an agent who cares about your financial goals and offers guidance at every step of the home-selling process—like the RamseyTrusted agents in our Endorsed Local Providers (ELP) program.
3. **Set the right price.** Your agent should be able to gather local data to compare your home to recently sold homes that are similar to yours. This allows you to set a fair price from the start.
4. **Stage your home.** Consider getting a home inspection before listing to make sure everything is in tip-top shape. Declutter, depersonalize, and do whatever it takes to make your home feel fresh and new. This could help it sell faster and for more money.
5. **Show your home.** A great agent will get your home listed in places where active buyers will see it. Plus, they'll help you manage home showings so you don't miss a beat.
6. **Choose the right offer.** Work with your agent to make sure you don't pick a dud offer. Remember, you can always negotiate the contract to reach a deal where everyone wins.
7. **Tackle contingencies.** These are conditions listed in a contract that must be met to finish a home sale. They could include things like the results of a home inspection or an appraisal and final mortgage approval.
8. **Close the sale.** As you wait for your buyer to finalize their financing (and to collect your check!), plan your move. For a moving and storage company you can trust—check out our friends at PODS.



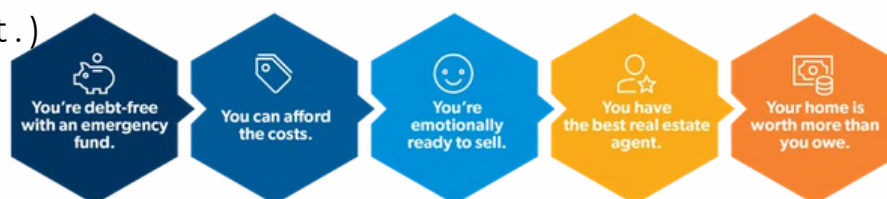
MAKE SURE YOU'RE READY TO SELL

Anytime the housing market heats up, it might be tempting to list your home. After all, if homes near you are selling like hot cakes—and for top dollar—maybe yours will too! But you shouldn't base your decision to sell your home on market conditions—only your personal situation and finances should do that. What does that mean exactly? We'll show you!

TOP SIGNS YOU MAY BE READY TO SELL

- **You're debt-free with an emergency fund.** If you're selling your home, you're probably buying a new one. If you've paid off all your debt and have three to six months of expenses in your emergency fund, that's a good sign you're financially secure enough to buy a home again.
- **You can afford the costs.** First, set aside enough money to get your home ready for staging. Next, consider the costs of your next home. Whether you're sizing up or down, make sure you can pay for your new house in cash or find a mortgage that fits your budget. If you're going the mortgage route, stick to a 15-year fixed-rate conventional one (it has the lowest total cost) with a monthly payment that's 25% or less of your monthly take-home pay. And don't forget about closing costs and moving expenses!
- **You're emotionally ready to sell.** Check your emotions. Are you ready to leave the place where your family made memories? Are you committed to keeping your home ready to show for weeks or even months? Are you ready to hear the harsh reasons why potential buyers think your home isn't perfect? If you can answer yes to these questions, then emotions won't hold you back from selling your
- **You^{home} have the best real estate agent.** Selling your home by yourself or with an inexperienced agent could mean missing out on thousands of dollars (or worse). If you want to sell with confidence and for the right price, connect with a RamseyTrusted agent through our free Endorsed Local Providers (ELP) program. We make it easy to find the best real estate agents in your area who share your values.

- Your home is worth more than you owe. Selling a home that's worth less than you owe is a lousy deal. Breaking even on your home sale is better, but it's still not ideal. If you're in either situation, don't sell unless you need to avoid bankruptcy or foreclosure. (Not sure if your home is worth more than you owe? We'll help you figure that out next.)



HOW TO KNOW WHAT YOUR HOME IS WORTH

Okay, obviously you'd like to know if your home will sell for enough money before planting a "for sale" sign in your yard. So, let's do a little math to figure out how much you can expect to make by selling your home.

First, determine how much equity you have. Equity is how much of your home you actually own, as opposed to what your lender owns. To calculate equity, simply subtract your mortgage balance from the current market value of your home. If your home is worth \$200,000 and you owe \$120,000 on your mortgage, you'd have \$80,000 in equity.

$$\text{MARKET VALUE (\$200,000) - MORTGAGE BALANCE (\$120,000) = HOME EQUITY (\$80,000)}$$

Now we need to factor closing costs into the equation since they also cut into your proceeds—aka the money you get to keep from the home sale. The biggest closing cost sellers pay is the agent commission, which is usually 6% of the home's sale price. That commission gets split between the seller's agent and buyer's agent (it's standard for the seller to cover both). On top of the agent commission fee, the seller also pays another 1–3% of the home's sale price to cover the cost of taxes, transferring the title, and an attorney—or whoever helped the seller complete the sale.¹

If we continue with our example, that means you might have to subtract as much as \$18,000 from your proceeds to cover agent commissions and closing costs. That would leave you with \$62,000, which you could put toward your next house.

$$\text{HOME EQUITY (\$80,000) - AGENT COMMISSIONS AND CLOSING COSTS (\$18,000) = SALE PROCEEDS (\$62,000)}$$

That's a pretty solid down payment for your next house. But you don't want to work off a rough guess. Figuring out how much your home is worth is a job that calls for a pro!

A real estate agent knows firsthand what buyers are paying for similar homes in your area. Ask an experienced real estate agent for a free comparative market analysis (CMA) to make sure you're working with accurate numbers. Hint: That's not the only reason you'll want to work with an agent—as you'll find out next!

WORK WITH AN EXPERIENCED AGENT

Now that you know for sure you're ready to sell, your next step is to find an excellent real estate agent. Wait a sec! Couldn't you save money by skipping the agent and selling the house by yourself? It's true that selling solo, or doing For Sale by Owner (FSBO—as it's known in the real estate biz), means you don't have to pay an agent commission. But trust us—you're going to want an agent.



WHY NOT SELL YOUR HOME BY YOURSELF?

There are three heavy risks you could face if you choose the FSBO route and try to sell your home without an agent:

- **Lower Profit:** Every year, data shows how FSBO homes sell for way less money than agent-assisted homes.¹ Some might scoff at this fact thinking you lose that extra profit to agent commissions. Not true. Really good agents know how to help you sell your home for more money than you could selling solo—even after you factor in the agent commission! Plus, selling FSBO doesn't guarantee that you won't end up paying for the buyer's agent commission.
- **Limited Exposure:** If you really want to sell your home, you need buyers—and lots of them! An experienced real estate agent exposes your home to thousands of potential buyers. They have exclusive access to a large network of other agents who are working with active buyers—that's better than sitting around waiting for someone to find your online post.
- **Unintentional Mishaps:** We're all about being an independent go-getter. But your home is your largest asset. Even small mistakes can cost you big. Let's face it. An experienced agent probably sold more homes last week than you've sold in a lifetime. They've seen everything and can navigate through pitfalls and paperwork you never saw coming. That kind of expertise is worth its weight in gold.

The downside to FSBO is no secret to sellers. In fact, every year only a very small percentage of sellers choose to sell solo. Don't make that mistake

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HOW TO FIND THE RIGHT AGENT

It's easy to see that working with a real estate agent is the best way to sell your home. But how do you find an agent you can trust? It may be tempting to hire the first agent you talk to or someone you already know—even if they just got their real estate license. But you'll be

paying your agent thousands of dollars to get your home sold. Don't give that kind of dough to just anyone! Interview multiple agents before you decide which one is worth the money.

Ask the Right Questions

To find the right agent, you need to ask the right questions. To do this, download our Real Estate Agent Interview Worksheet. This simple tool gives you the best questions to ask and makes it easy to compare notes and select the agent who's right for you.

Look for Excellence

When interviewing real estate agents, make sure the one you choose can be described with these characteristics:

- **Communicator:** Your first contact with an agent will tell you a lot. An agent who wants your business will return your call immediately—possibly within minutes. Waiting days to hear back? That's a clear sign that excellent service isn't a priority.
- **Coach:** Selling a home may be complex, but that's no reason to shut off your brain while your agent handles all of the decisions. It's your money on the line! The right agent takes time to explain the process in plain English so you can make an informed decision at every step.
- **Confidence booster:** An agent should be able to back up any recommendation with real-life data. If your agent tries to bully you into following their advice or gives in to all of your demands, that's when you say, "Bye-bye."
- **Closer:** Your agent should be the top closer in your market. For perspective, the average real estate agent closes several to a dozen or so home transactions each year.³ But you don't want average. You want an agent who closes at least 35 homes a year—or more than 90% of the agents in their area.

Find Your Agent Now

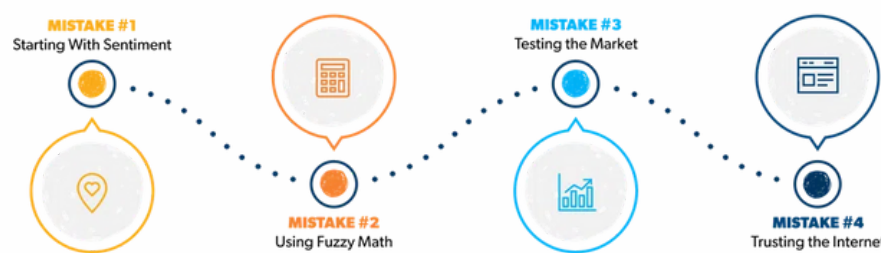
You don't have to search hard to find agents who demonstrate the characteristics listed here. We already found them for you! Our team handpicks agents around the country who hold to our high standard for excellence—that's why we call them RamseyTrusted. For a fast and easy way to get connected with these agents, try our free Endorsed Local Providers (ELP) program.

SET THE RIGHT PRICE

After you choose your agent, you need to work together to price your home. Don't worry: Your agent will walk you through the pricing strategy they recommend. But ultimately, the final number is up to you.

Pricing Mistakes to Avoid

So, how do you make sure you don't get it wrong? Here are some common pricing mistakes to watch out for—and how to price to win.



Mistake #1: Starting With Sentiment

Nothing tugs at the heartstrings quite like selling a home. How do you put a price on all those years of warm, fuzzy memories? The answer is easy: You don't. We hate to burst your bubble, but buyers are no more attached to your place than any other home on the market. Price it too high and you can count on sending buyers running the other direction.

Mistake #2: Using Fuzzy Math

Be careful not to base your sale price solely on how much money you need to buy your next home—that gets sketchy real fast. Leave your bottom line out of it and you'll have a better chance of landing on a price that makes sense with the market.

Mistake #3: Testing the Market

When the market's hot, it's tempting to shoot for the stars to see just how much money you can get. After all, you can always negotiate it down or drop the price if buyers don't bite. But that's a bad approach. Here's why: Buyers don't waste time on overpriced homes, much less make offers on them. And the longer your listing stays on the market, the more money it costs you in the end.

Mistake #4: Trusting the Internet

These days, you can find oodles of home values online. Sounds great—until you actually dig into the data. Three different sites show three different values. How do you know which one is right? The truth is, you don't—and neither does a computer programmed to pull numbers from the shelf. This job calls for a real, live expert with personal experience in your market.

GET A COMPARATIVE MARKET ANALYSIS (CMA)

Let's face it, your home is worth what someone is willing to pay for it. The best way to get an idea about that number is to compare recent sales of homes like yours in your area. Your real estate agent has access to all of this information and can provide a CMA to help you get every dollar your home is worth in the least amount of time.

What's a Comparative Market Analysis?

A comparative market analysis is a detailed report that compares your home to nearby homes that are on the market or were recently sold. The goal is to find homes that are most like yours. This helps your agent to better predict what buyers will pay for your home.

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For example, if you live in a 2,000-square-foot home with three bedrooms, your agent won't pull a list of 3,000-square-foot homes with four bedrooms. Why? Because that wouldn't be a fair comparison. In the same way, homes that are just like yours but located across

town in a highly desirable school district also won't get you any closer to your home's market value.

Your CMA will offer pages and pages of information and will usually feature photos and a location map of all the properties. A true pro will take time to walk you through the results so you understand exactly how your home stacks up to the competition. With this information in hand, you can work with your agent to set a competitive price based on facts, not emotions.

STAGE YOUR HOME

Look at you go! Now you're ready to get your home looking its best to appeal to potential buyers. Sure, you can dust your shelves and vacuum your carpets. But is that enough? Probably not. What you really need to do is stage your home.

Staging is the art of giving your home a makeover. Okay, maybe not a full makeover—but it should look fresh and new. You do this by highlighting the positives, downplaying the negatives, making rooms look bigger, and giving your home a high-end feel.

Why Stage?

Many real estate agents emphasize that staging a home has a dramatic impact on getting it sold faster. Some studies have shown how staging can even increase how much money buyers offer. And it makes sense, right? Who wants to buy a house that's in shambles and smells weird?

If your house looks its absolute best, buyers will be more motivated to shower you with competitive offers.

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Get a Home Inspection

Wait a sec. Why should you (the seller) get a home inspection? Isn't that a task for buyers who want to avoid a bad deal? Actually, it's a worthwhile tool for home sellers too. A pre-listing inspection might cost a few hundred dollars, but it's money well spent.

Why? First, it can help you find any hidden issues before you put your home on the market. Hidden issues are not a surprise you want in the middle of the home sale, right? It also keeps buyers from demanding big bucks at the negotiation table or, worse, from skipping out on the deal at the last minute.

What's Included in a Home Inspection?

A home inspection usually includes:

- Electrical, plumbing, heating and cooling systems
- Walls, ceilings, floors, windows and doors
- Roof, attic and visible insulation
- Foundation, basement and structural components

How to Find a Home Inspector

To find a good home inspector, you can get recommendations from your real estate agent or family and friends. You can even run a simple search online through the American Society of Home Inspectors.

Whatever you do, make sure your inspector has plenty of experience and is someone you feel you can trust.

The home inspection will give you a heads-up about any major repairs you need to handle before listing. If you don't want to deal with the repairs yourself, you can notify buyers of whatever issues come up and adjust your listing price accordingly.

How It Works

A home inspection is like a medical checkup for your house—minus the hospital gown and stethoscope. A qualified home inspector will examine every access point of your home to see if there are any health and safety issues. Afterwards, you'll receive a detailed report outlining what works, what doesn't, and recommendations for maintenance and repair.

Don't worry about checking every single to-do off your list, but do pay attention to big-ticket issues. Your agent can help you sort through

the findings, but the roof and electrical, plumbing and HVAC systems typically take priority. If you have room in your budget, take care of those before planting the "for sale" sign in your yard.

Staging Tips for Every Budget

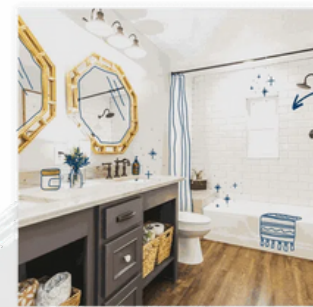
The visual impact of your home has the power to attract buyers or immediately turn them away. Let's focus on how to make your home look as appealing as possible.

Must-Do's for Every Room

Before you dig into the details, you have a little housekeeping to do. Clear the slate with these heavy-hitting tasks:

- Scrub every surface until it shines.
- Minimize clutter to maximize space.
- Pay a pro to deep clean rugs and carpets

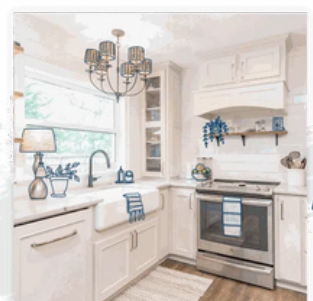
To really make rooms look their best, apply a fresh coat of paint.



make it spotless



maximize space



add fresh paint + hardware

Where to Focus Your Staging Wow Factor

Once you've tackled those housekeeping items, decide where to invest the majority of your staging budget. Of course, where to spend all comes down to how much of a staging budget you have (we'll cover a budget range from zero to max), but these three areas are usually the best places to focus on:

- Living room
- Master bedroom and bath
- Kitchen and dining room

Zero Budget

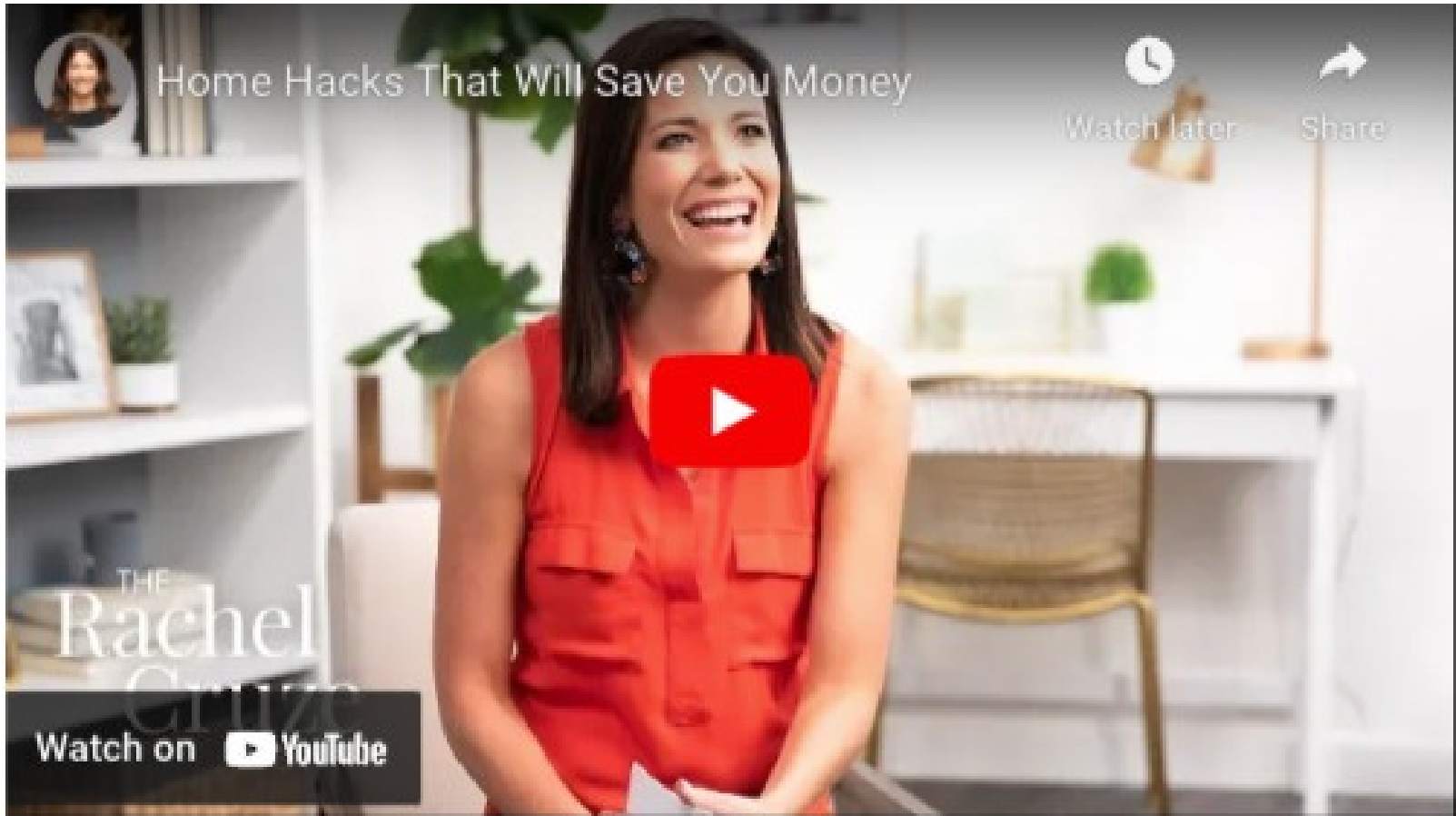
- **Living room:** Arrange seating with conversation—not channel surfing—in mind. Borrow pieces from other rooms if needed.
- **Master bedroom and bath:** Go minimal by storing bulky furniture. (That means you, treadmill!) In the bathroom, straighten up your linen closet and hide the hamper.
- **Kitchen and dining room:** Clear off the countertops. Set the table with your best dishes, flatware and linens.

Mini Budget

- **Living room:** Add a colorful vase of flowers to your mantle or coffee table. Update lighting fixtures. Buy new throw pillows for your sofa.
- **Master bedroom and bath:** Create a spa-like feel with fresh new bedding and throw pillows. Showcase the bathroom with fluffy new towels and update the faucets and cabinet handles.
- **Kitchen and dining room:** Refresh cabinets with new paint and handles. Install an entry-level backsplash. Paint brass light fixtures with an updated color.

Max Budget

- **Living room:** Bring worn-out flooring up to standard with the rest of the neighborhood. Replace tired furniture or freshen it up with a tasteful slipcover.
- **Master bedroom and bath:** Add window treatments. Hire a pro to organize your closet. Upgrade the bathroom with granite countertops and ceramic tile flooring.
- **Kitchen and dining room:** Upgrade to stainless appliances and natural stone countertops. Buy a statement light fixture to hang over your dining table.



Budget for Improvements

Those are just some ideas. Keep in mind that every home is unique and what works for one home may not work for yours. Before you get to work, sit down with your agent and come up with a plan. (And by plan, we mean budget.) Then download the Home Improvement Worksheet to keep your budget on track.

SHOW YOUR HOME

After you've addressed the major repairs and aesthetics of your home, you're ready to show it off. But remember: You have to keep your home looking sharp—even during the busyness of your day-to-day. Otherwise, you'll trip up potential buyers.

You're marketing a house! It's time to treat your home like it's their home. Get everyone in your household on board. Tell them your house is now a fancy bed-and-breakfast.

If you want to breathe easy when showing your home, we'll show you how.

Prepare for the Photo Shoot

Let's start with the photo shoot. These days, listing photos matter a ton since most buyers search for homes online. But good lighting and a wide-angle lens can only do so much. You've also got work to do. Get your home ready for the big shoot with these tips:

- **Put everything in its place.** Counters and bathrooms should look spacious. Shut the lids on your toilets and throw your personal items in a drawer to keep them out of sight (that includes toys and pet stuff).
- **Add extra touches.** Breathe life into your home with just a few accessories. Think simple but warm. Maybe it's a pair of colorful pillows on the sofa or a super-soft throw draped over the corner of the bed.
- **Let there be light.** Bright rooms make your home look bigger. So throw back the curtains, pull up the blinds, and let the sunshine in! Just be sure to wash your windows until they sparkle first.
- **Hire a pro to take the pictures.** If your home looks dull or lifeless in photos, you'll lose buyer interest before they ever pull up to the curb. That's why it pays to put a pro behind the camera. Thankfully, the right agent should have a good photographer on speed dial so you don't have to round one up.

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Stress-Free Survival Tactics for Showing Your Home

With the photo shoot done, it's time to prepare for the open house. Whether your home is bare bones or filled with kids running around, home showings are hard to juggle. Whatever your situation, these handy tips can help you stay sane and get your home sold.

If Your Home Is Vacant

Make it easy for buyers to see the possibilities.

Breathe life into empty spaces. Most buyers need help in the imagination department. Give them a hand by lightly staging the most important rooms. Can't afford to stage your whole home? No problem! Focus your efforts on the living room and master bedroom, then add a few accessories to your master bath and kitchen counters.

- **Hire a few helping hands.** Nothing's worse than a home that screams "nobody lives here" because the grass is knee-high and there's dust everywhere. Budget for basics like lawn and cleaning services while you're away to ensure your home looks like it's getting the TLC it deserves.

If Your Home Is Occupied

Strike a balance between "at home" and "for sale." Even if you're having at least one open house, it's best to be prepared for the unexpected.

Make a daily to-do list. Surprise showings always seem to happen when your home's a complete wreck. Reduce last-minute panic by putting things away as soon as you're done with them and creating a checklist of simple tasks to knock out before you leave every morning. That way, you're always ready for guests.

- **Pack up the pets.** Man's best friend can be your home deal's worst enemy. Take the dogs or cats for a joyride or send them to Grandma's house so buyers can focus on your home's best features.

- **Give buyers some space.** Separating yourself from the place you've called home can be hard. But if you want to make a deal, you've got to give buyers time and space to fall in love with your home. Be flexible about scheduling showings and don't make buyers step around you—or your feelings—when they visit.
- **Tackle the toys.** If you have kiddos, ask them to temporarily choose a few favorite toys to keep in their room, then store the rest in plastic bins. If they get bored with their selections, you can always rotate toys in and out.
- **Enlist help from the kids.** Give Junior a job to do! It's a great way to teach the value of hard work. Have a little fun and build big motivation by running timed practice drills. And don't forget to recognize a job well done.

Try Your Best . . . but Be Human

There'll be days you just can't get everything put away and make it out the door on time. If you get a call for a showing, tell your agent what happened so they can prepare the buyer ahead of time. Just don't miss an opportunity to get your home seen.

Get Started

And there you have it, folks! That's everything you need to know to get your home ready for showings. To help you get started, we've separated your to-do list into bite-sized sections in our Home Selling Checklist. Download the checklist so you can show off the best of your home and score the perfect offer.

CHOOSE THE RIGHT OFFER

Congrats! Your open house was the talk of the neighborhood. You did such an awesome job staging that multiple buyers fell in love with your home and made you offers.

Now what?

By the time you finally get an offer, it's tempting to sit back and coast through the contract stage. But that's a bad idea. You worked too hard to blow it all now!

You don't want to get stuck with a delayed closing date or worse—get less money than you deserve for your home. You need to choose the right offer.

Here's what to focus on once someone says yes to your home sweet home.

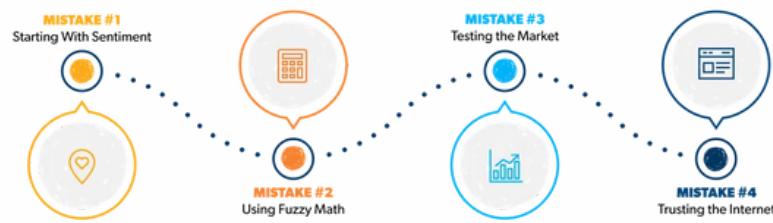
What to Look For in an Offer

The purchase agreement kicks off the offer stage and sets the tone for the rest of the process. Your agent should explain the offer to you in simple terms so you understand what you're agreeing to before you sign on the dotted line.

Pay close attention to these items:

Purchase price: Don't be surprised if you get offers that are lower than your asking price. Later we'll share why sometimes a lower offer might turn out to be an overall better deal compared to other offers. And don't forget, you can always negotiate.

- **Closing date:** Be sure the buyer's offer you choose doesn't list a closing date that conflicts with your future plans. You don't want to be in a rush to move or have to wait so long to collect the money from your sale that it delays the purchase of your next home.
- **Contingencies:** We'll cover more on contingencies later. But for now, be aware that some offers may include a way for the buyer to legally back out of the deal if certain conditions aren't met—like the sale of the buyer's current home or the results of a home inspection. Contingencies aren't a bad thing—but don't agree to any you're not comfortable with.



WEIGHING YOUR OFFERS

Remember, it's important to look beyond the purchase price and take the whole package into account. For example, say your asking price is \$250,000. A buyer offers to pay your full asking price but wants you to pay all of their closing costs plus throw in your washer and dryer. This part of the deal is usually described as seller concessions. Let's say these seller concessions cost you \$10,000. That means you'd net \$240,000 from the deal.

Meanwhile, a second buyer offers \$5,000 under your asking price without making any other special requests. This offer would net you \$245,000—which turns out to be more money than the first offer.

Think of it this way: Even a low offer is an opportunity to get your home sold, so don't take it personally. With some skillful negotiating, you can turn a disappointing offer into a deal where both sides win.

And whatever you do, be sure to read the contracts thoroughly. You don't want to accidentally sign off on selling your brand-new washing machine and dryer with your house. Imagine doing that without realizing it and moving the machines to your new home. You'd end up having to pay to move them back to your previous home and buy new machines. That'd be really frustrating, and you'd have no one to blame but yourself. We don't want that for you!

Even a low offer is an opportunity to get your home sold, so don't take it personally. With some skillful negotiating, you can turn a disappointing offer into a deal where both sides win.

Trust Your Agent to Help You Negotiate

As you sort through your offers, don't feel discouraged if buyers want to knock down your asking price. Trust your real estate agent to help you negotiate the best deal. Your agent will also have a better reading on whether a potential buyer could get you tangled up in contingencies or give you a smooth path toward closing. We've got more about contingencies coming up next.

TACKLE CONTINGENCIES

This is getting real. You accepted an offer on your house. But stay focused. Now you have to tackle contingencies.

Contingencies refer to the things that need to happen before your home sale can be finalized. If contingencies aren't met by closing day, you or your buyer are legally allowed to back out of the deal—fair and square. As the seller, you'll mainly want to pay attention to contingencies like these:

- Home
- inspection
- Appraisal
- Financing

We'll cover what you need to know about each one so you can have peace of mind as you approach the finish line of your home sale.

Home Inspection

Even if you paid for an inspection before you listed your home, your buyer will likely want to get an inspection of their own. Hopefully, there won't be any big surprises. But don't panic if the buyer's home inspector uncovers a few issues yours didn't.

If new issues do pop up, how do you decide what needs to be fixed to close the deal? Your real estate agent can help you make the call. In some cases, you can offer cash at closing or a discount on the sales price to cover the cost of repairs. In other cases, the buyer's appraiser may require certain repairs for the sale to go through based on the buyer's loan and the value of your home.

If a major fix does rear its ugly head, your agent can help you gather a few professional quotes for the repair. That way you have an accurate dollar amount to work with as you negotiate a solution that makes everybody happy.

Pro tip: Even if you're confident you can fix whatever the home inspection finds, hire a professional to do it—or discount the selling price. You may be the do-it-yourself type who can fix the issue correctly and to code, but that probably won't be good enough in the buyer's eyes.

Appraisal

The appraisal can be a real nail-biter. After all, the buyer's ability to finance the purchase depends on it. That's why one of the first steps is to price your home according to the market. But it's also important to do everything you can to make sure the appraisal accurately represents your home.

Here's how to improve your appraisal odds:

- Leave your home sparkling clean so the appraiser knows your home has been well-maintained.
- Make a detailed list of any improvements you've made to the home and try to include invoices or receipts.
- Ask your agent to provide a well-researched list of houses similar to yours to support your sales price.

Give yourself plenty of time to deal with appraisal issues before closing day. You don't want to be packed up and ready to move only to find out you have to start back at square one.

Financing

The ball may be in the buyer's court at this stage, but it's no time to sit on the sidelines. No one wins if the deal falls apart in the final seconds. That's why you need a real estate agent who's willing to carry the ball to get you to the goal.

An excellent agent supports you during this waiting period by:

Maintaining a clear stream of communication

Contacting the buyer's lender to push the approval process through on time

Actively investigating red flags that could put your deal in danger

Connecting the buyer with an alternate lender if the original one falls through

So how do you keep a lack of financing from killing your deal? Look for a buyer who's already been preapproved for a mortgage. That means they've submitted the required paperwork and the lender has verified exactly how much they're willing to fund.

Just know it's not bulletproof. Buyers lose jobs, open credit cards, and take out new car loans—all of which can throw a wrench into the final approval. If that happens, an experienced agent will help you make the best of a bad situation.

How to Handle Last-Minute Deal Breakers

Nothing's more frustrating than working hard to sell a home only to have the deal crash and burn. Here are common pitfalls that can put your home deal at risk and ways to bring it back from the brink.

- **A title search uncovers an open lien on your property.** Open liens (and any other title issues that give someone else the right to take possession of your house) must be cleared before you can close the deal. If the lien in question is covered under your title insurance policy, that should make it go away. If not, you'll have to resolve or pay the lien before you can close.
- **The home inspection identifies a big-ticket repair.** This means another round of negotiation with the buyer—and the potential for more money out of your pocket. With an expert negotiator in your corner, you should have no trouble moving forward with your deal. You just may need to be willing to meet the buyer in the middle to address the issue.
- **Your buyer's financing falls through.** Without financing, your buyer likely won't have the cash to close on the home. Unless your buyer secures another lender before closing day, you can pretty much count on going back to square one to find a buyer who can afford your home. Again, look for a buyer who is already preapproved—or paying in cash!
- **An issue comes up in the final walk-through.** Last-minute surprises in your home's condition must be handled before closing. Follow the Golden Rule by leaving the home the way you'd want someone to leave it for you.
- **Your home is appraised for less than the sale price.** For the deal to go through, someone has to shell out more money to bridge the gap. Odds of recovery depend on how big the gap is between the appraisal value and the sales price. You and the buyer may have to split the difference.

Appraisal Too Low? Here Are Some Options:

- Your agent can dispute a questionable appraisal.
- You can drop your contract price.
- The buyer can bring the difference in cash.
- You and the buyer can meet somewhere in the
- middle. Both parties can call the deal quits.

Now you're armed and ready to handle contingencies with confidence. If you keep these tips in mind, you'll be well on your way to closing the deal and getting the money you deserve for your biggest asset!

CLOSE THE SALE

Closing is the last step before your house is finally freakin' sold! Your closing date is the day you legally transfer ownership of your house to the buyer—and get paid!

There's no getting around the fact that the week leading up to closing can send your stress level soaring. Between juggling your own move

and making sure you leave your home in tip-top shape, the struggle is real. The good news is, you'll get through it.

Here's how to close the sale and keep a smile on your face.

Expect the Best . . . but Prepare for the Worst

You won't be able to close the deal until your buyer's lender finalizes their loan documents—which takes a month or two on average. Sound ridiculous? Well, if you want to save your sanity, get used to the fact that delays will happen. The trick is keeping your head on straight when the unexpected smacks you in the face. Rolling with the punches is a lot easier when your agent is a pro at navigating the home-selling process. A real expert will handle last-minute surprises so you can close with confidence.

You won't be able to close the deal until your buyer's lender finalizes their loan documents—which takes a month or two, on average.

Review Your Closing Disclosure

A closing disclosure outlines everything that needs to be paid on closing day. You list-makers out there will be happy to know that buyers aren't the only ones who get a closing disclosure—sellers get one too. Yours will pretty much be the same as your buyer's. But pay attention to the parts that show your share of the fees (real estate agent commissions), your mortgage payoff amount and any portion of the buyer's closing costs you agreed to pay (seller concessions).

Uphold Your End of the Bargain

If you agree to fix something as part of the contract, then do it! Aside from being a legal obligation, it's just the right thing to do. Also, be sure to leave warranty documents and appliance manuals behind for the next homeowners. And as you make plans to pack up and move out, keep your buyer in the loop. They have stuff to move, too! If you run into a snag, tell your agent so they can prepare the buyer. Sometimes good communication is all it takes to keep everyone happy.

Be Ready for Closing Day

Your closing day to-do list will depend on where you live. Some states do everything electronically while others require in-person signings. Either way, your agent should tell you how to prepare. Here's a rundown of what sellers can usually expect on closing day:

- **What to bring:** If you gather around a table for closing, you'll need your photo ID, the keys to your home, a check for closing costs and other documents depending on your sales agreement.
- **Where to go:** For your closing appointment, you'll likely meet at the title company's office. This is where you'll legally transfer ownership of your house to the buyer.
- **Who will be there:** Again, this depends on where you live, but those at your closing appointment might include you (the seller), the buyer, the escrow or closing agent, the attorney (who might also be the closing agent), a title company representative, the mortgage lender and the real estate agents. But if you pre-signed the deed
- **What to do:** Get ready for your phone by downloading the RamseyTrusted app. On closing day, you'll pay any remaining closing costs (you can find this info in your closing disclosure). You'll also sign the deed and any other documents needed to transfer property ownership.

Congrats!

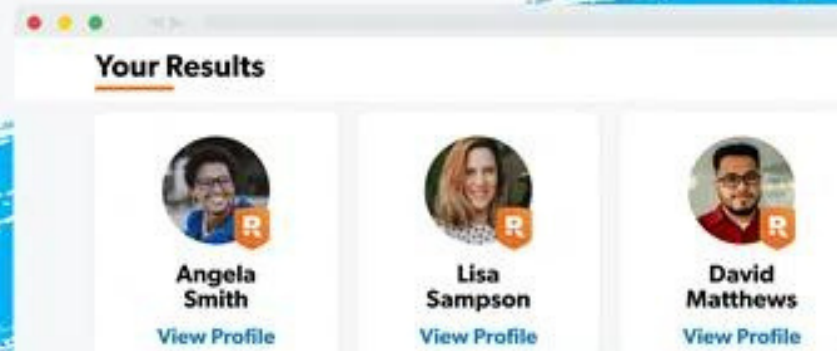
You now know the best path to take to get all the way to closing day. When you're ready to get started, partner with an expert real estate agent—like one who's earned the right to be called RamseyTrusted.

For a free way to find a RamseyTrusted agent, try our Endorsed Local Providers (ELP) program. We only recommend agents who have a proven track record of great communication, results and service. Best of all, you can trust these agents to give you the same helpful advice we teach. Why? Because RamseyTrusted agents share our financial values—and yours too.




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TOTAL SELLING COSTS

Okay, we have one last tip for you to help tie everything together. If you know anything about us at Ramsey, you won't be surprised that our final tip is to consider your budget. Some sellers may not realize the amount of money they could pour into their home sale until it smacks them in the face at the closing table. But that won't be you!

Instead, plan ahead by thinking through all your potential home-selling expenses first. Of course, every seller's budget will look different. But let's walk through what one could look like to give you an idea of how to prepare your finances for the home sale.

Here's an example of what a home-selling budget might look like:

Selling Costs (\$400,000 Home)	Dollar Amount
Mortgage Payoff	\$200,000
Agent Commissions	\$24,000
Closing Costs	\$12,000
Home Repairs	\$4,000
Home Staging	\$1,800
Moving Expenses	\$1,850
Pre-Listing Home Inspection	\$350
Total	\$244,000

In this example, you're forking over \$244,000 to sell a \$400,000 house. Pretty crazy, right? But don't worry—you can knock out the larger expenses (mortgage payoff, agent commissions and closing costs) by using the money you make from your sale (the proceeds). Here, those larger expenses total \$236,000.

Meanwhile, the costs you'll have to save up for ahead of time include the pre-listing home inspection, home repair needs that are found after the inspection, home staging, and moving expenses. In this example, those costs add up to \$8,000. Keep in mind, your own presale expenses may be way less or more than that. So do your research and hunt for deals from professionals you trust.

Saving for that \$8,000 before you start the home-selling process protects you from throwing off your other financial goals. And then after selling your \$400,000 house and paying for your larger post-sale expenses, you'll walk away with \$164,000 to use toward your next home—cha-ching!

Home Price (\$400,000) - Mortgage Payoff, Agent Commissions and Closing Costs (\$236,000) = \$164,000

THE END

Blast the confetti—you did it! You're done. You now know how to sell your home the Ramsey way. If you follow this guide on your home-selling journey, you'll avoid common money mistakes and continue building wealth that'll help you leave a legacy.

