

Getting Started

Placing a “For Sale” sign in your yard is a big step. In addition to the obvious financial considerations, there may be emotional attachments that complicate the selling process even further.

That’s why it’s important to work with objective professionals who can help you sort through the many complex issues surrounding the home-selling process. Knowing what those issues are and how to address them is vitally important to ensuring a successful transaction.

It all starts with hiring an attorney...

Inside:

- When to hire an attorney
- How to choose a competent, reputable real estate agent
- Why discuss an offer on your home with your attorney
- What happens at the closing



Attend the closing.

The final step of the home selling process is the closing. If you have met with your attorney to review documents and fees, there should be no surprises. Remember to bring the house keys and garage door openers to the closing, and leave appliance warranties and instruction manuals in the home. At the closing, you will receive a settlement statement outlining all charges, copies of the documents you signed, and your proceeds check. Later, you will receive your cancelled note and mortgage, which you should keep with your other closing documents.



Rest assured your interests have been protected.

Educating yourself about the home-selling process ensures your peace of mind. By following these steps, you will be a participant in your home sale rather than a spectator. Your attention to the legal and financial details will be an investment in safeguarding your present and future financial interests.

This information was provided by the following agent of Attorneys’ Title Guaranty Fund, Inc.:



ATTORNEYS’ TITLE GUARANTY FUND, INC.

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Selling a Home



What You Need to Know



ATTORNEYS’ TITLE GUARANTY FUND, INC.



Select an experienced, knowledgeable real estate attorney.

That's right, we said *attorney*. Having your legal representation lined up ahead of time is a really good idea. There are several ways to find a qualified attorney:

- » Ask for recommendations from friends, business contacts, and others in your area;
- » Check with the state or local bar association to see if it offers a referral service; or
- » Contact a bar-related® title company like ATG.

Timing is key, and it's in your best interest to engage the services of an attorney before you sign a listing agreement. If you're considering selling your home without the services of a real estate agent, this is especially important. Your attorney can explain the terms and legal consequences of the sale and can make suggestions that will protect you and your investment.



Choose a competent, reputable real estate agent.

An experienced real estate agent brings a wealth of information to the home-selling process. He or she will advise you on market conditions, the pricing of your home, and repairs or improvements that attract buyers. It is important that you understand the agent's role so that your interests can be protected. When selecting an agent, talk with friends and neighbors about their experiences and recommendations. Consider the following before signing a listing agreement:

- » Is the agent a member of the local Multiple Listing Service (MLS)?
- » Has this agent sold homes in your neighborhood?
- » How does the agent advertise listings?
- » What is the fee?
- » Is the agent trying to sell you additional products, related to the transaction?

If you decide to sell without a real estate agent, call your attorney immediately.



Determine what services the attorney will provide and what the charges will be.

Once you've selected an attorney, set up a preliminary meeting or phone call to discuss the services and the fee structure. Some attorneys charge an hourly rate, while others establish set fees for specific real estate transactions. Remember: A good lawyer can save you many times his or her fee by protecting your investment and negotiating terms that are favorable to you. The more you know about what services and fees to expect, the more likely your real estate transaction will be a smooth one.



Have your attorney review the listing agreement before you sign it.

A listing agreement is a legal document that obligates you to do things and pay charges. Your attorney can review that important document in light of your specific circumstances and make recommendations that will safeguard your investment. In addition, your attorney can advise you on how to complete the seller disclosure form and other documents for prospective buyers.



When you receive an offer—call your attorney.

Once you receive an offer in the form of a contract for sale, contact your attorney to review it. This review process must take place during the attorney approval period, which is generally five business days. Be sure to clarify this with all parties.

As your legal advocate, your attorney will evaluate the offer and terms of the contract with your best interests in mind. If you have any questions or concerns, voice them now to avoid delays and misunderstandings later. Here are some common issues to resolve before signing a contract:

- » Home inspection contingencies;
- » Mortgage financing contingencies;
- » Items of personal property to be included in the sales agreement;

- » Closing and possession dates;
- » Amount of earnest money to be collected;
- » Contingency regarding sale of buyer's current residence;
- » Selection of a title insurer; and
- » Prorated expenses such as utility payments, property taxes, and association dues.

Remember that the contract for sale becomes the blueprint for the entire real estate transaction. Once signed by all parties, it is legally binding.



Schedule and plan for your closing; figure out your closing costs.

Ownership of the property is officially transferred at the real estate closing. There are many documents and fees associated with this transfer, and it's helpful to have an overall understanding before you get there. Your attorney is the best source for this information. He or she will review the documents and explain the financial aspects of the closing. For example, sellers are typically responsible for the following closing costs, which are deducted from the proceeds check:

- » Real estate agent's commission;
- » Attorney's fees;
- » Owner's title insurance policy;
- » Survey;
- » Termite inspection;
- » Homeowner's association fee;
- » Recording the mortgage release; and
- » Transfer tax (state, county, and possibly municipality).

Your attorney will explain each of these fees and the services you can expect to receive for them.