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The Steps to Selling Your House

1. SIGN THE PURCHASE CONTRACT. The Purchaser will make the offer and their agent (or perhaps your listing agent, if they were the one who showed them the house –See New York State Agency Disclosure) will prepare it for presentation to you. You may accept, reject or counter the offer. Several counters back and forth are possible, as you negotiate the price and what items are included in the sale. Make sure you agree with all of the terms in the contract: price, deposit, closing date*, inclusions/exclusions, etc. If it is NOT in WRITING, it isn't part of the deal.

*Do not expect your closing to take place exactly on the date specified in your Contract. The Closing Date is APPROXIMATE! The process toward Closing is complicated, as you will see as you continue to read through these steps.

2. ATTORNEY APPROVAL. Once the contract is Fully Executed (all items signed and agreed by both Seller and Purchaser), attorneys for both Seller and Purchaser have 3 business days to approve or reject the contract. The attorneys may make special notes about conditions to their approval. The attorneys send letters to both Seller and Purchaser respectively, and the Listing and Selling Agents respectively.

3. HOME INSPECTION: After the Contract is Fully Executed, the Purchaser typically has 7 days to order/complete their home inspection. The contract may stipulate a different time period, if the Purchaser is from out of town and needs more time to arrange/attend the home inspection. Your Realtor will work with the Purchaser's Realtor to set up the time for the inspection and arrange for the home inspector to gain access to your home. As a Seller, it is best for you not to be present during the home inspection, but that is up to you. Realtors do not typically attend the home inspection, but the Purchaser may want to be present to understand the process. The Purchaser pays for the home inspection, and the inspector provides a detailed report to the Purchaser to review. The Purchaser will then sign a form stating that they are either satisfied with the results of the home inspection, or that there are items they want you, the Seller, to address prior to Closing. The Purchaser may try to negotiate money off of the purchase price or ask for a credit at closing for items they agree to repair on their own after closing.

4. MORTGAGE: If the Purchaser is paying cash for your property, this step does not apply. If the Purchaser is seeking financing, you have to wait until their bank issues a Mortgage Commitment, which means the bank is definitely loaning them the money to purchase your property. The bank may have more conditions the Purchaser will have to address in order to obtain their Mortgage Commitment. This process can take a month or longer, and it may require both the Seller and Buyer to sign a form allowing for more time for the Purchaser to obtain the Mortgage Commitment. Once the Mortgage Commitment is issued, the bank will send it to your attorney.

5. UPDATING SEARCH & SURVEY: When the Purchaser's Mortgage Commitment is received by your attorney, your attorney must then start the process of updating the Search and Survey. You will need to provide your attorney with these documents as soon as possible. If you can't find the documents (hopefully you saved them from the time when you purchased your property), it may take several weeks to order and obtain a new Search and Survey. If the Search is available and only needs updating, it may take a couple of weeks to complete that process. If you can't find your Search, it may cost up to \$800 to replace it. If your Survey is old, you typically have to have to pay for an updated Survey. This could cost \$600 or more, depending on your property. The Purchaser may accept an existing Survey with an Affidavit of No Change.

6. ORDERING TITLE INSURANCE: Once the Search and Survey are updated, your attorney will forward them to the Purchaser's attorney. The Purchaser's attorney will then order Title Insurance to protect the buyer and bank from any liens or claims against your property. It takes about one to two weeks for the title company to prepare the preliminary title report.

7. PRELIMINARY TITLE REPORT: The title company sends the preliminary title report to your attorney when it's complete. This will disclose a list of items that the attorneys must gather in order to insure that the title to the property is clear. These items will include mortgages, judgments, liens, etc. Your attorney will gather the items on the list and will schedule the closing after receiving all of the required items. If you have a mortgage(s) on the property, you will need to call your attorney with the contact information for your bank, your mortgage loan number, and your Social Security Number in order to order a payoff(s) prior to closing.

8. SIGNING THE CLOSING DOCUMENTS: Once title is clear, your attorney will prepare the deed and other closing documents for you to sign before the closing. You will need to sign some of these documents in the presence of a Notary Public. You can go to your attorney's office to sign the documents, or your attorney can mail them to you to sign on your own and return them to your attorney.

9. SCHEDULE THE CLOSING: Your attorney will be able to schedule the Closing after all of the above steps are successfully completed. The banks usually need 3 business days from the completion of the above steps to schedule the Closing. Your attorney will coordinate the date, time and location of the Closing with the Purchaser's attorney and the Purchaser's bank's attorney (if applicable.) You do not need to attend the Closing.

10. THE CLOSING STATEMENT: Once the Closing date is established, your attorney prepares a Closing Statement which itemizes the amount due to you from the sale of your property. The Closing Statement will show the purchase price, a credit for the Purchaser's down payment, a credit for any items on the home inspection, rent adjustments and security deposits –if any, and adjustments for taxes. Because the seller pays the taxes for the entire year, taxes are adjusted because the Purchaser will own the property for part of that year. So the Purchaser must reimburse you for the number of days that you already paid for the taxes.

Your attorney will send the Closing Statement to the bank's attorney, who will then prepare a HUD-1 closing statement.

11. RECORDING THE SALE: Your attorney will record certain documents from the sale with the County.

12. AFTER THE CLOSING: Your attorney will mail you your checks along with a copy of the HUD-1 Closing Statement. **KEEP THE HUD-1 CLOSING STATEMENT IN A SAFE PLACE BECAUSE YOU WILL NEED IT WHEN YOU FILE YOUR INCOME TAXES.**