



SELLER GUIDE



Sasha Shyshyn
780-884-3309



Getting ready to sell

Step 1: Do Your Homework

Before you list your home for sale, there are things you can do to get ready:

1. Have your documents:

- **Real Property Report** - in Alberta, unless the buyer agrees otherwise (eg. Title Insurance), the seller must provide a Real Property Report (RPR) with evidence of municipal compliance to the buyer prior to the deal closing. An RPR is a legal document prepared by an Alberta Land Surveyor that shows property boundaries and improvements (structures) relative to the property's boundaries. Evidence of municipal compliance confirms that property improvements comply with the municipality's Bylaws and Regulations.
- **Condominium Documents** - if you are selling a condominium, the buyer will likely want to review condominium documents, and may include a condominium document review as a condition of the purchase.

2. Get a sense of market conditions:

- **buyer's market** - where property supply is strong and buyer demand is weak. In a buyer's market, you're more likely to hear buyers think they received a good deal.
- **seller's market** - where buyer demand is strong and property supply is weak. A buyer in a seller's market may worry they're paying too much for a property because they're competing with other buyers for a limited supply of properties.
- **balanced market** - where demand from buyers is keeping pace with the supply of properties for sale.

3. **Tenant's rights** - you need to give tenants 24-hours-notice before anyone enters the property. Additionally, you need to think about the terms of your tenant's lease. Is it a fixed-term? Is it ending soon? If it's a fixed-term, and you plan to sell the property before the end of the term, you need to provide your tenants with three months' notice.

4. **Current Mortgage** - if you currently have a mortgage on your property, review the terms. Is it portable? Is it assumable? You can bring a portable mortgage to another property, including the rate. If you're not porting the mortgage to a new property, and your current mortgage term isn't finished, there will be a payout penalty. Payout penalties can be substantial, sometimes thousands of dollars. To avoid surprises, get a payout statement from your lender and find out the expiry date of that statement. The amount can change significantly if the statement expires and, for example, interest rates have changed. If you pay out your mortgage before finishing the term, ensure you have enough money to cover the payout penalty.

5. **Tax implications** - if your property is not your principal residence as defined by the Canada Revenue Agency, there could be significant tax implications. Your best bet is to speak with a tax professional or an accountant to find out what effect the sale will have on your tax situation. Additionally, beginning in the 2016 tax year, Canadians have to report the sale of their principal residence on their income taxes.

6. **Current contracts** - determine if you have any current contracts for home-related services, for example a home alarm system or rented hot water heater. For each contract, you need to think about the effect the contract will have on potential buyers. Can they assume your contract? Is the contract transferable in the event you buy and move to a new place? At the very least, you need to disclose to buyers the existence of and details for each contract.

7. **Dower rights** - in Alberta, if you are married, but your spouse is not a registered owner on your property title, you may need their consent in order to sell the property. Dower rights can give the spouse who is not on title the ability to prevent the sale of the property. The seller representation agreement refers to spousal consent, and I can provide you with more information in that regard.

Step 2: Professionals to Work With

Once you're ready to sell your home, your likely next step is to contact a professional to assist you:

- Mortgage broker
- Real estate agent
- Insurance broker
- Home inspector
- Condo management company (if applicable)
- Real estate lawyer

Step 3: Working with a Real Estate Professional

An agent is someone who acts on your behalf with your permission. I work with my **Clients** exclusively - this is called a designated agency relationship. In order to start working together we need to review, discuss, understand and sign a **Consumer Relationship Guide** and **Exclusive Seller Representation Agreement**. These documents help you understand your legal relationship with me as your real estate agent and explain our mutual responsibilities, obligations and duties. You have a legal right to get independent advice from a lawyer before signing this agreement. One more form to fill out is called **Individual Identification Information Record** and is required by the Proceeds of Crime (Money Laundering) and Terrorist Financing Act. As your agent I need to record your occupation and the information from your **valid Government-Issued Photo ID**.

Exclusive Seller Representation Agreement - a listing agreement that includes the details of the listing, including listing price, Residential Measurement Standard, attached/unattached goods, inclusions/exclusions, Dower rights, Material latent defects, possession date, and lists your responsibilities and obligations as well as those of mine.

Setting your **listing price** is important. While you likely have a number in mind, maybe because of similar houses on your street or because you know how much you need to sell for in order to purchase your next property, I have additional tools and information to help you set an appropriate price.

Conflicts of interests - In rare situations, you may run into a conflict of interest. A conflict of interest arises when there is a real or apparent incompatibility between my and your interests. I have an obligation to avoid, and disclose any conflicts of interests to you as soon as they arise.

Step 4: Get your property ready for showings

1. **Do a thorough clean of your house** - you do not have to hire professional cleaners but the house should go through a **deep clean**.
2. **Replace broken, damaged or outdated items** - new kitchen cabinets hardware, light fixtures or light switch covers will improve the overall look.
3. **De-personalize** - perspective buyers should not see your family photos or memorabilia. They should be able to picture themselves living in this house. You also do not want to reveal too much information about your family or reasons for a sale.
4. **Organize the space** - even though the buyers should not open open any drawers or cabinets, having a tidy kitchen or a bedroom goes a long way.
5. **Improve curb appeal** - make sure that the front lawn is tidy, porch is clean and well lit, snow is removed from the pathways.
6. **Check all the systems in the house** - have the furnace, hot water tank, water filtration and HVAC systems serviced. Make sure windows and doors operate properly. Check plumbing for leaks.
7. **First impression is very important** - pleasant light, smell and sight will definitely improve buyers' experience at a showing.

Step 5: Marketing

Days of printed materials are almost gone. Most of home buyers are now searching for available properties online and your home needs to stand out. That is why it is so important for us to have all the marketing materials done professionally. Before I put your property on MLS, I need access to your house for about 2 hours in order to prepare all the required materials:

1. **Measurements** - property size is an important factor for most buyers. As a licensed agent, I have to follow Residential Measurement Standard. Only "above grade" dimensions are included in RMS, but I prefer to include the size of "below grade" finished areas in my marketing as an addition. This shows the overall size of the property, not just RMS.
2. **Professional photography** - crisp staged photos that will be used for online marketing enhance the look of your listing.
3. **Drone/aerial video** - small but so valuable part of the presentation as it shows the location of your property in the neighborhood.
4. **3D tour** - if desired, you can eliminate some of the in-person showings by using a 3D tour. Perspective buyers can walk your property virtually.
5. **Social media marketing video** - social media platforms are a great tool to use in marketing.
6. **Staging** - I will give you my advise and suggestions on how to stage vacant properties to attract more attention from the buyers and their agents.
7. **Description** - I need to record all the details about your property in order to write up great description and not to miss crucial information.



Step 6: Showings

Before your listing goes live online, we will discuss the details I will be providing to buyers' agents. Those might include times or days that the property is not available for showings or a minimum notice required (eg. 2 hours) for any showing requests in order to give you sufficient time to tidy up the home, turn the lights on, hide valuables, pack up your children or pets. You will need to have a plan for what to do during the showings.

Usual showing does not last for more than 30 minutes. We can also limit showing duration and availability to specific days or times in case you work from home. If the property is occupied by tenants, we will come up with a plan to contact them and give sufficient notice. Once the house has been listed, please be **showing-ready at all times** - have the lawn mowed and snow cleared up, make sure the porch is clean and easily accessible, turn the outside lights on so that the address and "For Sale" signs are clearly visible.

I always reach out to the buyers' agent for feedback. We definitely want to know how the showing went and what the buyers think about our listing. I always share this information with you - that agent might tell me that the Offer is coming our way!

My stats show that on average for every 10 showings there is one Offer. Clearly, all the listings are unique and there are a lot of factors that affect that number.

Offers and Negotiations

Step 7: Considering Offers

In an ideal world, your home will sell quickly, for the price you want, with the terms you prefer. However, before that sale happens, there will be offer(s) and, likely, negotiations. I will guide you through this process but you need to be familiar with some of the aspects.

Terms - a term is a detail in the purchase contract that the buyer and seller agree to. If the buyer includes a term in the Offer to Purchase, and you accept their Offer to Purchase, you accept its terms. Common terms include:

1. Possession date - the date on which the buyer will take possession of the property. Typically, possession occurs around noon on possession day. The buyer will expect vacant possession. It's a good idea to avoid Fridays and holidays.
2. Inclusions and exclusions - inclusions are those items the buyer wants included in their purchase, typically appliances, security systems, etc., and exclusions are those items excluded from the purchase.
3. Time for acceptance/expiry of offer - if the buyers put an expiry date/time on their Offer to Purchase, make sure you provide a response or a counter-offer before that day/time.
4. Pre-possession inspection - a pre-possession inspection term gives the buyer the opportunity to view the property, with their real estate professional, prior to possession. Such an inspection can help the buyer confirm the property is in substantially the same condition as it was when they viewed it and made their offer.

Conditions - buyers often place conditions like financing, home inspection, condo documents review or Sale of buyer's property in their Offers to Purchase in order to protect their interests. When the buyer writes a conditional Offer to Purchase, it means they want to buy the property but before making it a firm sale, they want the ability and time to review or confirm information.

All conditions need to have an expiry date. The buyer will want to include expiry dates that provide them with enough time to satisfy those conditions – or, enough time to determine that they will not be waiving the conditions.

Deposits - a buyer should provide a deposit with their offer. Deposits in certified funds are held in trust account of my brokerage or your lawyer. An Offer to Purchase may also include a second deposit at some point prior to possession day, typically upon the buyer waiving conditions. This can be additional protection for you in the event the buyer pulls out of the deal at the last minute.

Holdbacks - a holdback is when a buyer holds back some of the purchase price until the seller completes certain items or tasks. Common reasons for a buyer to propose a holdback include:

- the seller is in the process of renovating a room in the property, but the renovations are not complete when the buyer makes an offer. The buyer includes a holdback in their Offer to Purchase to ensure the seller completes the work by a certain day
- the seller indicates plans to have the roof replaced before possession day. The buyer includes a holdback in their Offer to Purchase to ensure the seller replaces the roof, at their expense, before possession
- the seller provides an RPR that shows an encroachment and there is no encroachment agreement in place. The buyer may include a holdback until there is a signed encroachment agreement registered on title.

Step 8: Negotiations

You can **accept or reject** the buyer's offer, make a counter offer, or ignore the offer completely:

- if you accept the offer and it's unconditional, congratulations! You've sold your home.
- if you accept the offer and it contained conditions, the buyer's real estate agent will work with their clients to satisfy and waive conditions by the condition(s) expiry date
- if you reject the offer, it's up to the buyers to decide what they want to do next – they can submit a new Offer to Purchase or look elsewhere.
- if you want to make a counter offer, discuss with your real estate professional the terms with which you were unhappy (price, possession date, inclusions, etc.). Provide a counter offer with the terms you want.
- if you choose to ignore the offer, it's essentially the same as rejecting it. If the buyer didn't include an expiry date in their Offer to Purchase, the offer remains open for you to consider later unless it is formally withdrawn.

Multiple Offers

It's also your decision how to proceed in the event of multiple offers. A multiple offer situation is when multiple buyers submit an Offer to Purchase on the same property, at the same time. As the seller, you determine the process to follow, including whether you want to disclose the multiple offer situation to potential buyers and whether you want to disclose the terms and conditions of offers you receive to the other potential buyers unless buyers include a term in their offer that prevents you, as the seller, from disclosing the details of their offer.

Step 9: Finalizing a Purchase and Preparing for Possession

Once the buyer waives their conditions, congratulations! We sold your home and now it is just a matter of waiting for possession day. As I said before, you need to hire a real estate lawyer to finalize the transaction. To ensure all of your documents are in order, I recommend contacting a lawyer well before the possession date. This will give the lawyer time to review and prepare the documentation.

About a week before possession you will meet with your lawyer to go over all of the legal documents you, discuss title transfer, closing costs and disbursements, mortgage payout (if applicable), and sign the documents to transfer the property's title to the buyer after they advance the purchase funds.

After meeting with your lawyer it is really just a matter of waiting for the possession date. During the waiting period you can:

- arrange for your **mail** to be forwarded to your new address through Canada Post
- arrange for your **utilities** to be disconnected (electricity, gas, cable, etc.)
- hire a **moving company**, etc.
- notify financial institutions, health professionals, current employer and government services about an **address change**.

While waiting for possession day, your responsibilities as a homeowner continue. You need to keep maintaining the home, cutting the grass, shoveling the sidewalks, and do not stop your home insurance coverage. As the seller, you are responsible for insuring the property until possession day. Even if you vacate the property prior to the buyer taking possession, you need to continue your insurance coverage. If you will not be living in the home during some of this time, speak with your insurance company.

I recommend for you and I to meet at the property one last time just to make sure that it is in substantially the same condition and all the terms of the contract are met - attached/unattached goods, cleanliness, no new damage to the property caused by moving out, etc. On Possession day your lawyer will inform us about the funds transfer, usually around 12 pm. Then I will be able to release the keys to the buyer's agent and the **home is SOLD!**

Last step - plan the next chapter!



Bio

Born and raised in Ukraine, Edmonton has become my new home in 2008. I am happily married for almost 13 years now and have a beautiful 7 year old daughter. I hold a bachelor degree in philology, I am an English teacher. My family and I love camping, fishing, gardening and traveling.

After years in construction management, real estate was a logic next step for me. I became a real estate agent because I prefer to have the flexibility in my life - time with family, my own schedule, new connections, adventures and challenges on daily basis!

Real estate is my passion and a full-time job. My clients' needs are always a priority for me and I strive to provide remarkable service in every transaction!

Positive client experience is crucial to me. That's why my friends become my clients and my clients become my friends. Punctuality, dedication, hard work and robust life experience are the things that set me apart from competition!

I look forward to becoming an essential part of your team!





Oleksandr Sasha Shyshyn
REALTOR®

Licensed Real Estate Professional

Shyshyn Real Estate

The E Group Real Estate

shyshyn.sasha@gmail.com

780-884-3309





THE E GROUP

REAL ESTATE

