



SINGAPORE ACCREDITED ESTATE AGENCIES (SAEA)

SELLERS GUIDE FOR PLEASANT EXPERIENCE



THINGS TO DO !!!

Before Putting Your Flat/Home on the Market

1. Have a pre-sale flat/home inspection.

Be proactive by arranging for a pre-sale home inspection. An inspector will be able to give you a good indication of the trouble areas that will stand out to potential buyers, and you'll be able to make repairs before open houses begin.

2. Organize and clean.

Pack up your least-used items, such as large blenders and other kitchen tools, out-of-season clothes, toys, and exercise equipment. Clean the windows, carpets, walls, lighting fixtures, and floor boards to make the house shine.

3. Get replacement estimates.

Do you have big-ticket items that are worn out or will need to be replaced soon, such as air conditioning or carpeting?

Get estimates on how much it would cost to replace them, even if you don't plan to do it yourself. The figures will help buyers determine if they can afford the home, and will be handy when negotiations begin.

4. Make available your warranties.

Gather up the warranties, guarantees, and user manuals for cooker hob and hood, washer and dryer, dishwasher, and any other items that will remain with the house.

5. Spruce up the home appeal.

Assuming you are a buyer and stand outside of your flat home. As you approach the front door, what is your impression of the property?

Does the home look neat and tidy? Is the flat/home free from cracks and impediments?

Why You Should Work With an Accredited Agent/Salesperson

Not all real estate practitioners are ACCREDITED. The term ACCREDITED is a trademark of SAEA that identifies a real estate professional who is a member of the SAEA (Agent or Salesperson) and subscribes to its strict Code of Conducts and Ethics.

Eight (8) reasons why it is important to work with an ACCREDITED Agent and/or Salesperson.

1. Navigating through a complicated process.

Buying or selling a home usually requires huge volume of documentation and paperwork to be executed and for HDB flat transactions, requirement for compliance of checklist that will ensure smooth process and experience. A knowledgeable expert will help you prepare the best deal, and avoid delays or costly mistakes.

2. Information and opinions.

ACCREDITED Agent and/or Salesperson can provide information on utilities, zoning, schools, and more. They will also be able to provide objective information about each property. A professional will be able to help you answer these two important questions: Will the property provide the environment I want for a home or investment? Next, will the property have resale value when I am ready to sell?

3. Best property Available.

Sometimes the property you are seeking is available but not actively advertised in the market, and it will take some investigation by your ACCREDITED Agent and/or Salesperson to find all available properties that suit your needs.

4. Tapping their Negotiating skills.

There are many negotiating factors, including but not limited to price, financing, terms, date of possession, and inclusion or exclusion of repairs, furnishings, or equipment. Your agent/salesperson can advise you as to which investigations and inspections on the property are recommended or required.

5. Property marketing power.

Real estate does not sell due to advertising alone. In fact, a large share of real estate sales comes as the result of a practitioner's contacts through

previous clients, referrals, friends, and family. When a property is marketed with the help of a ACCREDITED Agent and/or Salesperson, you do not have to allow strangers into your home. Your ACCREDITED Agent and/or Salesperson will generally prescreen and accompany qualified prospects through your property.

6. Speaking the language.

If you don't know a Comparative Market Analysis (CMA) from an ACCREDITED Agent and/or Salesperson, you can understand why it's important to work with a professional who is immersed in the industry and knows the real estate language.

7. Experience.

Most people buy and sell only a few homes in a lifetime, usually with quite a few years in between each purchase. And even if you've done it before, laws and regulations change.

ACCREDITED Agent and/or Salesperson, on the other hand, handle hundreds of real estate transactions over the course of their career.

Having an expert on your side is critical.

8. Objective comment.

A home often symbolizes family, rest, and security — it's not just four walls and a roof. Because of this, home buying and selling can be an emotional undertaking.

For most people, a home is the biggest purchase they will ever make.

Having a concerned, but objective, third party helps you stay focused on both the emotional and financial issues most important to you.

Questions to Ask When Choosing an Accredited Agent/Salesperson

Make sure you choose an Accredited Agent/Salesperson who will provide top-notch service and meet your unique needs.

Before you make your final buying or selling decision, you should have been guided by a professional. An accredited Agent/Salesperson can alert you to potential problems with a property and allow you to make an informed decision. Ask these questions to prospective agent/salesperson:

1. Is the services you rendered in line with industry standards meet the minimum recognized standards?

Ask whether the accredited agent's/salesperson's experience and qualifications meet all industry/statutory requirements and comply with a well-recognized standard of practice and code of ethics, such as the one adopted by the SAEA (Singapore Accredited Estate Agencies)

2. Do you belong to a professional association?

There are two associations for housing agency services providers.

Unfortunately, some groups confer questionable credentials or certifications in return for nothing more than a fee. Insist on members of reputable, nonprofit trade organizations.

3. How long have you been in residential real estate sales? Is it your full-time job?

While experience is no guarantee of skill, real estate — like many other professions — is mostly learned on the job.

4. How experienced are you?

Ask how long the agent/salesperson have been in the profession and how many real estate transactions they have completed. They should provide customer referrals on request. Agent/Salesperson also may be highly qualified, but they should describe their training and let you know whether they plan to work with a more experienced partner.

5. How do you keep your expertise up to date?

Agents and Salespersons' commitment to continuing education is a good measure of their professionalism and service. Advanced knowledge is especially important in cases in which a home is older or includes unique elements or new government policies/legislations requiring additional or updated training.

6. Do you focus on residential property segment?

Make sure the Agent/Salesperson has training and experience in the area of residential real estate agency, which is requiring different skill sets from those of commercial and industrial properties etc.. If you are buying a unique property, such as a conservation home, you may want to ask whether the Agent/Salesperson has experience with that type of property in particular.

7. What designations do you hold?

Designations such as Accredited Agent (CEHA qualified) or Accredited Salesperson (CES qualified) — which require that agents/salespersons to take additional, specialised real estate training.

8. How many HDB flats/homes did you sell and buy last year?

By asking this question, you will get a good idea of how much experience the practitioner has.

9. How many did it take you to sell the average HDB flats/home? How did that compare to the overall market?

The Accredited Agent/Salesperson you interview should have these facts on hand, and be able to present market statistics to provide a comparison.

10. How close to the initial asking prices of the HDB flats/ homes you sold were the final sale prices?

This is one indication of how skilled the Accredited Agent/Salesperson is at pricing homes and marketing to suitable buyers. Of course, other factors also may be at play, including an exceptionally hot or cool real estate market.

11. What types of specific marketing systems and approaches will you use to sell my home?

You do not want someone who is going to put a For Sale sign and hope for the best.

Look for someone who has aggressive and innovative approaches, and knows how to market your property competitively. Buyers today want information fast, so it's important that your Accredited Agent/Salesperson is responsive.

12. How long will be the period of your appointment?

The market standard for an agent/salesperson's exclusive appointment is for a period of three (3) months.

13. What's the cost?

Costs can vary, depending on the type of house (HDB or private), and the scope of services.

14. What type of advise do you provide?

Ask to see samples to determine whether you will understand the Agent/Salesperson CMA (Comparative Market Analysis) style.

15. Will you represent me exclusively, or will you represent both the buyer and the seller in the transaction?

While it is usually acceptable to represent both parties in a transaction, it is important to understand where the practitioner's obligations lie. Your Agent/Salesperson should explain his or her agency relationship to you and describe the rights of each party.

16. Can you recommend service providers who can help me obtain a mortgage, make home repairs, and help with other things I need done?

Because Agent/Salesperson are immersed in the industry, they are wonderful resources as you seek lenders, home improvement companies, and other home service providers.

Practitioners should generally recommend more than one provider and let you know if they have any special relationship with or receive compensation from any of the providers.

17. What type of support and supervision does your agency office provide to you?

Having resources such as in-house support staff, access to a real estate legal advise, and assistance with technology can help an agent /salesperson sell your home.

18. What is your business philosophy?

While there's no right answer to this question, the response will help you assess what is important to the agent/salesperson and determine how closely the Agent/Salesperson's goals and business emphasis mesh with your own.

19. How will you keep me informed about the progress of my transaction? What is the frequency?

Again, this is not a question with a correct answer, but it reflects your desires.

Do you want updates twice a week or do you not want to be bothered unless there's a hot prospect? Do you prefer phone, e-mail, or a personal visit?

20. Could you please give me the names and phone numbers of your three most recent clients?

Ask recent clients if they would work with this Agent/Salesperson again. Find out whether they were pleased with the communication style, follow-up, and work ethic of the Agent/Salesperson.

Ready for Moving Up or Making the MOVE?

These questions will help you decide whether you're ready for a home that's larger or in a more desirable location. If you answer yes to most of the questions, it implies that you may be ready to move.

1. Have you built substantial equity in your current HDB flat/home?

Have a look at your annual mortgage statement or call your lender to find out. Usually, you don't build up much equity in the first few years of your mortgage, as monthly payments are mostly interest, but if you've owned your home for five or more years, you may have significant, unrealized gains.

2. Has your income or financial situation improved?

If you are making more money, you may be able to afford higher mortgage payments and cover the costs of moving.

3. Have you outgrown your neighbourhood?

The neighbourhood you pick for your first home might not be the same neighborhood you want to settle down in for good. For example, you may have realized that you did like to be closer to your job or live in a better location near to better school.

4. Are there reasons why you cannot remodel or add on?

Sometimes you can create a bigger home by adding a new room or building up. But if your property is not large enough, or you're simply not interested in remodeling, then moving to a bigger home may be your best option.

5. Are you comfortable moving in the current housing market?

If your market is hot, your flat/home may sell quickly and for attractive dollar, but the flat/home you buy also will be more expensive. If your market is slow, finding a buyer may take longer, but you'll have more selection and better pricing as you seek your new flat/home.

6. Are interest rates attractive?

A low rate not only helps you buy a larger home, but also makes it easier to find a buyer.

Open House

An open house can be a great sales tool, but it also exposes you to numerous unfamiliar people for the first time.

Stay safe by practicing these 'Open House' guidelines.

- Check your cell phone's strength and signal prior to the open house. Have emergency numbers programmed on speed dial. Carry an extra, fully charged cell phone battery.
- Determine several "escape" routes that you can use in case of an emergency. Make sure all deadbolt locks are unlocked to facilitate a faster escape.
- Turn on the lights and open the curtains. These are not only sound safety procedures, but also great marketing tactics.
- When prospective buyers begin to arrive, jot down their car descriptions, license numbers and physical descriptions (if possible).
- When showing the house, always walk behind the prospect. Direct them; don't lead them. Say, for example, "The kitchen is on your left," and gesture for them to go ahead of you.
- Inform a neighbour that you will be showing the house and ask if he or she would keep an eye and ear open for anything out of the ordinary.

Getting an Offer on Your Flat/Home

1. Right Pricing

Set a price at the lower end of your property's realistic price range.

2. Preparation for visitors

Get your flat/home market ready at least two weeks before you begin showing it.

3. Be flexible about showings

It is often disruptive to have a flat/home ready to show at the spur of the moment. But the more amenable you can be about letting people see your flat/home, the sooner you will find a buyer.

4. Anticipating the possible offers

Decide in advance what price and terms you will find acceptable.

5. Consider Adjustment to Expected Asking Price

If your home has been on the market for more than 30 days without an offer, you should be prepared to at least consider lowering your asking price.

Moving Checklist for Sellers

- Provide the post office with your forwarding address two to four weeks ahead of the move.
- Notify your credit card companies, magazine subscriptions, and bank of your change of address.
- Create a list of friends, relatives, and business colleagues who need to be notified about your move.
- Arrange to disconnect utilities and have them connected at your new home.
- Cancel the newspaper, or change the address so it will arrive at your new home.
- Check insurance coverage for the items you're moving. Usually movers only cover what they pack.
- Clean out appliances and prepare them for moving, if applicable.
- Have a "first open" box with the things you will need most, such as toilet paper, soap, trash bags, scissors, hammer, screwdriver, pencils and paper, cups and plates, water, snacks, and toothpaste.

Further consideration hereinafter, if you're moving out of town, be sure to:

- Get copies of medical and dental records and prescriptions for your family and your pets.
- Get copies of children's school records for transfer.
- Ask friends for introductions to anyone they know in your new neighborhood overseas.
- Consider special needs for pets when traveling.
- Let a friend or relative know your route.
- Empty your safety deposit box.

Better Home Showings

1. Remove clutter and clear off counters.

Throw out stacks of newspapers and magazines and stow away most of your small decorative items. Put excess furniture in storage, and remove out-of-season clothing items that are cramping closet space. Don't forget to clean out the garage, too.

2. Wash your windows and screens.

This will help get more light into the interior of the flat/home.

3. Keep everything extra clean.

A clean house will make a strong first impression and send a message to buyers that the home has been well-maintained. Wash fingerprints from light switch plates, mop and wax floors, and clean the stove and refrigerator. Polish your doorknobs and address numbers. It's worth hiring a cleaning service if you can afford it.

4. Get rid of smells.

Clean carpeting and blinds to eliminate cooking odors, smoke, and pet smells. Open the windows to air out the house. Potpourri or scented candles will help.

5. Brighten your rooms.

Put higher wattage bulbs in light fixtures to brighten up rooms. Replace any burned-out bulbs in closets. Clean the walls, or better yet, brush on a fresh coat of neutral colour paint.

6. Do not disregard minor repairs.

Small problems such as sticky doors, torn screens, cracked caulking, or a dripping faucet may seem trivial, but they'll give buyers the impression that the flat/home is not well-maintained.

7. Patch holes.

Repair any holes in your unit and reapply sealant, if applicable.

8. Add a touch of color in the living room.

A coloured afghan or throw on the couch will jazz up a dull room. Buy new accent pillows for the sofa.

9. Make centerpieces for your tables.

Use brightly colored fruit or flowers.

10. Set the scene.

Set the table with fancy dishes and candles, and create other vignettes throughout the home to help buyers picture living there.

11. Replace heavy curtains with sheer ones that let in more light.

Show off the view if you have one.

12. Make the bathrooms feel luxurious.

Put away those old towels and toothbrushes. When buyers enter your bathroom, they should feel pampered. Add a new shower curtain, new towels, and fancy guest soaps. Make sure your personal toiletry items are out of sight.

13. Send your pets to a neighbor or take them outside.

If that's not possible, crate them or confine them to one room (ideally in the yard), and let the real estate practitioner know where they will be to eliminate surprises.

17. Lock up valuables, jewellery, and money.

While a real estate salesperson will be on site during the showing or open house, it is impossible to watch everyone all the time.

18. Leave the home.

It is usually best if the sellers are not at home. It is awkward for prospective buyers to look in your closets and express their opinions of your home with you there.

Engagement of an Accredited Renovation Contractor

1. Get at least three written quotations.
2. Check references. If possible, view earlier jobs the contractor completed.
3. Check with the local Renovation Contractors' Association for complaints.
4. Be sure the contract states exactly what is to be done and how variation orders will be handled.
5. Make as small of a down payment as possible so you won't lose a lot if the contractor fails to complete the job.
6. Be sure that the contractor has the necessary permits, licenses, and insurance.
7. Check that the contract states when the work will be completed and what recourse you have if it isn't.
8. Ask if the contractor's workers will do the entire job or whether subcontractors will be involved too.
9. Get the contractor to indemnify you if work does not meet any renovation/building legislations or regulations.
10. Be sure that the contract specifies the contractor will clean up after the job and be responsible for any damage.
11. Guarantee that the materials that will be used meet your specifications.
12. Don't make the final payment until you're satisfied with the work.

Items to be READY on Hand for the New Owners

- Owner's manuals and warranties for appliances left in the flat/home.
- Extra sets of house keys.
- A list of local service providers — the best dry cleaner, air conditioning maintenance service, plumber, etc.
- Code to the security alarm and phone number of the monitoring service if not discontinued.
- As a courtesy, you could provide numbers to the utility companies.

Is Your Buyer Qualified?

Unless the buyer who makes an offer on your flat/home has the resources to qualify for a mortgage, you may not really have a sale.

If possible, try to determine a buyer's financial status before signing the contract. Ask the following:

1. Has the buyer been prequalified or preapproved (even better) for a mortgage? Such buyers will be in a much better position to obtain a mortgage promptly.
2. Does the buyer have enough money to make a downpayment and cover transactional costs?
3. Is the buyer's income sufficient to afford your home?
4. Does your buyer have good credit?
5. Does the buyer have too much debt? If a buyer owes a great deal on car payments, credit cards, etc., he or she may not qualify for a mortgage.

Preparation for the Open House

- **Advertise your open house**

Ideally you should advertise both the weekend before and the weekend of the open house.

- **Create a property summary sheet.**

This sheet gives prospective buyers an overview of your home. Include dimensions for each room, copies of a property survey, summaries of utility costs and property taxes.

- **Develop a sign-in form for prospects' addresses.**

You will ideally want both phone numbers and e-mail addresses to follow up with prospective buyers.

- **Put up signs.**

One or two days before the open house, place directional signs at major intersections within

three to four blocks of your flat/home. Be sure you check on anti-sign regulations in your area.

- **Get your house ready.**

Remove clutter, clean your house, wash your windows, add flowers, turn on lights, open blinds, remove valuables and breakables, confine pets, turn on soft music, and set up a table for your property fact sheet near the entrance.

- **Develop a follow-up sheet.**

Getting feedback on your home from prospects who attended your open house will give you a better understanding of how to make your home more appealing to buyers.

Pricing Your Home Correctly

- **Consider comparables**

What have other flats/homes in your neighborhood sold for recently? How do they compare to yours in terms of size, upkeep, and amenities?

- **Consider competition**

How many other flats/homes are for sale in your area? Are you competing against new flats/homes?

- **Consider your contingencies**

Do you have special concerns that would affect the price you will receive? For example, do you want to be able to move in two months?

- **Get an appraisal**

For a few hundred dollars, a qualified appraiser can give you an estimate of your flat/home's value. Be sure to ask for a market-value appraisal. To locate appraisers, contact the Singapore Institute of Surveyors and Valuers

(www.sisv.org.sg) or ask your Accredited Agent/Salesperson for some recommendations in the case of private property.

- **Ask a lender**

Since most buyers will need a mortgage, it's important that a flat/home's sale price be in line with a lender's estimate of its value.

- **Be accurate**

Engaging a professional appraiser to ensure the accuracy of the judgement on the HDB flat/home's value is produced. For HDB flats, all values are provided through HDB panels of Valuers which are private professional appraising entities.

- **Know what you will take.**

It is critical to know what price you will accept before beginning a negotiation with a buyer.

What is Appraised Value (Valuation)?

- Valuers provide an objective opinion of value.
- For buying and selling purposes, valuers are usually based on market value — what the property could probably be sold for. Other types of value include insurance value, replacement value, and assessed value for property tax purposes.
- Appraised value is not a constant number. Changes in market conditions can dramatically alter the valuation figures.
- Valuation does not take into account special considerations, like the need to sell urgently.
- Banks/Finance Institutions usually use either the valuation figure or the sale price, whichever is less, to determine the amount of the mortgage they will offer.

Understand Agency Relationships

It is important to understand what legal duties and responsibilities your real estate agent/salesperson has to you and to other parties in the transaction. Ask what type of agency relationship your agent has with you:

Seller's representative (Listing agent or Seller's agent)

A seller's agent is hired by and represents the seller. All fiduciary duties are owed to the seller. The agency relationship usually is created by a listing contract.

Buyer's representative (Buyer's agent)

A buyer's agent is hired by prospective buyers to represent them in a real estate transaction. The buyer's representative works in the buyer's best interest throughout the transaction and owes fiduciary duties to the buyer. The buyer can pay the licensee directly through a negotiated fee, or the buyer's representative may be paid by the seller or through a commission split with the seller's agent (in the case of private property).

Subagent

A subagent owes the same fiduciary duties to the agent's customer as the agent does. Subagency usually arises when a cooperating sales associate

from another real estate agency, who is not the buyer's agent, shows property to a buyer.

In such a case, the subagent works with the buyer as a customer but owes fiduciary duties to the listing broker and the seller. Although a subagent cannot assist the buyer in any way that would be detrimental to the seller, a buyer-customer can expect to be treated honestly by the subagent. It is important that subagents fully explain their duties to buyers.

Disclosed dual agent

Dual agency is a relationship in which the real estate agency firm represents both the buyer and the seller in the same real estate transaction. Dual agency relationships do not carry with them all of the traditional fiduciary duties to clients. Instead, dual agents owe limited fiduciary duties. Because of the potential for conflicts of interest in a dual-agency relationship, it is vital that all parties give their informed consent. It is recommended that this consent be in writing.



Secretariat for Singapore Accredited Estate Agencies

20 Maxwell Road #10-09B Maxwell House, Singapore 069113

Tel: (65) 6222 3030

Fax: (65) 6225 2453

Email: info@saea.org.sg Website: www.saea.org.sg