

1. Prepare your property like a pro

Now that you've decided to put your home on the market, what, if any, improvements should you tackle or should you just leave it all to the new homeowner?

There are two ways to look at pre-sale home improvements. You can either improve the curb appeal or the home's outward appearance with quick and often low-cost improvements, or you can make some higher-dollar changes with the goal of adding value to the home and increasing your asking price. The reality is that all houses benefit from a little "spiffing up" before being shown to buyers and smart home sellers will take the time and effort to do so.

If you are selling a home that requires a major repair for recent damages, consider contacting a public adjuster to determine if the loss is covered by insurance. If so, the resulting repairs could significantly boost your home's resale value at little or no cost to you.

View your home with a critical eye

Great curb appeal with immaculate landscaping, fresh paint, tidy closets and cabinets, spotless windows and a clutter-free feeling are essential to make a home really stand out. Impressing potential buyers is often a one-shot deal, so take the time to make some minor improvements that can lead to a faster sale and a higher offer.

Assume the role of a homebuyer. Give your home a critical look for dirt, flaws and cramped spaces. Then imagine the work ahead of you if you were to make this your new home. Think of your house as a commodity to be sold for top dollar, and you'll soon be eager to make needed improvements.

Drive around and notice well-cared-for homes. Yards are groomed, paint is fresh and entrances are neat and welcoming. Then take an honest look at your home, and roll your sleeves up to tackle the tasks below: Pressure-clean rust, mold and mildew off exterior walls, sidewalks, decks, the roof and the driveway.

- Clean smudged windows and unclog gutters.
- Sweep sidewalks and driveways – and keep them clean.
- Edge sidewalks and remove weeds along the house and in the garden.
- Mow the lawn regularly.
- Trim back trees and shrubs that block the street view of your house for a more inviting appearance.
- Rake and remove leaves regularly.
- Trim tree limbs that are near or touching the roof.
- If you lack outdoor lighting, add a front porch light fixture and keep it turned on. Buyers often cruise by after dark to check out homes.
- Keep lights that are visible through front windows on for a warm appearance.
- If it's in your budget, fresh exterior paint makes a house look like new.

- An attractive front door, perhaps with leaded glass inserts, creates a great first impression. But if you can't afford a new door, replace worn handles and locks and apply a fresh coat of paint or stain.
- Clean carpets to remove odors and stains

Indoor re-dos

1. Every room, even the garage, should be spotless. Hiring a cleaning service is worth the minor investment if you are unable to give your home the once-over yourself. Clean major appliances, inside closets and do not forget to polish bathrooms.
2. Eliminate offensive odors – cigarette smoke and pet odor are permanent turnoffs and kill a sale. Send smokers outdoors, keep pets groomed and their bedding clean and out of the way and vacuum daily.
3. Make inexpensive repairs that greatly improve aesthetic appeal, such as repairing cracked grout, screwing in a loose shelf and replacing a cracked bath tile.
4. Remove clutter. Potential homebuyers can't envision themselves and their belongings in your home if they can't see past all your stuff. A rule of thumb is to eliminate at least one-third of your belongings from each room. If needed, invest in a storage space for your extraneous belongings while showing your home. Other clutter cutters: Store small kitchen appliances and other items off countertops and tables; Remove photographs and knick knacks from tables; and organize closets, pantry and cabinets.

Tips for vacant homes

Your home should be welcoming to buyers even if it is vacant. Keep your empty home inviting with the following tips:

- Vacant homes accumulate stale or mildew-laden air. Leave the heat or air conditioning running (depending on the season) to cut down odors. Set up a few softly fragranced air fresheners.
- Keep the lawn and landscaping groomed, even if you have to hire a service.
- Put a few lights on a timer switch to come on throughout the day.

Improvements that are worth your time

While you don't want to take on a major renovation project that could cost thousands right before you sell creating chaos and delaying your listing date, you should examine the list of improvements you might have done if you weren't selling. Weigh whether it is worth your while – and the potential boost to your selling price – to go ahead with the improvements. Here are some tips to add value to your home:

- Complete half-finished projects. No one will pay full price for a home that has half-painted rooms or a partially re-tiled bathroom. Now that you're selling, it's time to complete those projects you thought you could knock out yourself but never seem to have time to complete.
- Focus on the kitchen. Kitchens, centrally located in many homes, are critical to most buyers. An outdated kitchen can lower the value of your home, and something as simple as repainting cabinets and changing hardware can provide a modern update that can increase your home's value. Add new cabinets and replace countertops and you could add thousands to your asking price.
- Paint the interior. Whether you have just a few too many smudges and dings, or your color scheme is too "1980s," it can be well worth the dollar to transform interior walls with a few coats of neutral color. Get bids for the best deal and you'll be surprised by how much better your home looks.
- Update or repair light fixtures. You can be sure that during a walk-through all lights will be switched on and questions will arise if a switch yields nothing but darkness.
- Repair appliances. Repair any appliances listed with the home or you can expect to not get your full list price.

Don't bother

You might think adding a pool would increase your return on value but the truth is, most buyers aren't willing to give you the full price you paid for installation. Other major projects, such as adding a new story to your home, adding a master suite or installing carpeting may not give you the return at the sale that you were hoping for. Skip the project and let the buyer perform the projects he or she wants to do. If you need a new roof, you might consider splitting the cost with the buyer. Many buyers are willing to meet you half way on major repair projects, since they will be benefiting from the repairs for years to come.

Ready, set, go!

Whether you choose to make lower-cost improvements or higher-dollar renovations that can raise your home's asking price, it's a proven fact that real estate listings in great shape typically sell for more than those that are in only passable condition. Time and again, sellers who prep their homes for sale in advance reap the benefits with a faster sale and a higher sale price.

2. Price it right

There is not a single owner that does not believe his or her property is worth more than what it is valued by others. Pricing your property is the most difficult task you will face in selling your home. From the early days of real estate, property valuation has been a delicate combination of art and science. In the digital age, the process remains somewhat subjective and inexact, but it's essential to

seller success. Perhaps the biggest reason independent sellers fail is by pricing their properties unrealistically.

There's really no mystery to setting a realistic asking price that reflects current markets, but the process requires some research. No one knows your home better than you, and combining your unique knowledge with objective information from a number of sources will enable you to establish a fair selling price. Here are four keys followed by Homekeys in the process of creating an objective property valuation before selling:

- Check recent sales of comparable properties in your neighborhood. Try to find homes of roughly the same age, architectural style, square footage and bedrooms/baths.
- Check comparable listings (properties currently on the market that have not yet sold) to see if prices are trending up or down.
- Get an objective estimate of your property's value. You can hire an appraiser or estimate the value of your home online using an automated valuation model (AVM) technology.
- After you compare a property's value with comparable listings and sales, it's time to make some individual adjustments. Since no one knows your property better, it's up to you to customize your valuation results. Be brutally honest. If your home needs extensive maintenance or repairs, prepare to adjust your selling price downward. Upgrades that are particularly attractive to sellers include roofs, floors, kitchens, bathrooms and pools. Also adjust your value upward for features like an oversized lot, water or golf views. Be sure to evaluate upgrades on a realistic scale. For example, a \$30,000 remodeled kitchen may add only \$15,000 to the value of your home.

A lot of work? Not for our clients. Our Realtors will develop and review comparable sales and active listings and get an objective estimate of value of your home.

3. List property

Now the real marketing begins – It's time to list your property and start showing it.

With Homekeys, independent sellers can effectively market their own properties at a fraction of the cost of full-commission real estate transactions. Sellers can save on traditional commissions, or choose full service and let an experienced Homekeys Realtor® take care of all the details.

- For greater exposure, Homekeys can list your property on the Multiple Listing Service [MLS] for a flat fee and you can still retain the right to sell by owner. The MLS is the nation's largest and most comprehensive database of properties for sale. MLS properties are available to agents and brokers worldwide, and appear on consumer Web sites such as Realtor.com, AOL, MSN and Yahoo!

4. Show and sell

Whether you have decided to sell by owner or you have listed on the MLS, you will now start answering inquiries, setting appointments and showing your home. Once your appointments are set, you're ready to meet prospective buyers and show your property (If you choose full service, your Homekeys Network Realtor® will take care of everything).

Keys to showing your property effectively

- When making appointments, ask if buyers are pre-approved. Pre-approvals are provided for a specific amount, so you will know if buyers can afford your property. Write down names, addresses and contact numbers when making appointments.
- Make sure your property is clean and inviting when you greet buyers. If possible, move children and pets outside when showing your home to avoid distractions.
- Consider offering a Home Warranty with your property to make it more attractive to buyers. Buyers like the fact that appliances and systems are covered for a year, and some sellers find the cost of coverage more than pays for itself at the sale.
- Print flyers to remind buyers of property details and enable them to easily share information. Some sellers even include sheets of blank paper and encourage buyers to make notes.
- Greet buyers cordially and offer to answer any questions. Then, stand back and let them explore a little. You can point out some of the home's attractive features, but you can probably tell where their interests lie just by watching.
- Follow reasonable safety precautions. Avoid showing your property when you are alone, or after dark. Remove all valuables such as jewelry to a safe deposit box or leave them with a friend or relative.

5. Review offers

The largest expense in traditional real estate transactions is the agent/broker commission. Without the "overhead" of a 5-6 percent commission, both buyer and seller have more negotiating room to reach a mutually acceptable agreement. Independent sellers should take advantage of this fact and pursue what's sometimes called cooperative bargaining. Unlike competitive bargaining, cooperative bargaining calls for a more relaxed exchange of information, objective criteria and a mutual search for common ground. Here are some tips for sellers to keep in mind when pursuing a more enlightened real estate transaction:

Objective information strengthens your case

Buyers and sellers can come to negotiations with any figures they dream up, but some objective documentation will bolster your credibility and bargaining power. For example, an informed seller who has

- Performed an automated valuation or traditional appraisal.

- Documented recent comparable sales
- Researched current asking prices
- Kept receipts for recent improvements

will always have more leverage than sellers who have not done their homework. Ideally, both buyer and seller have access to the same knowledge, tools and information, enabling them to at least begin negotiations in the same ballpark.

Set realistic priorities.

When selling, be sure to outline realistic goals before negotiations begin. If you've decided that you need to sell your home at a specific price, expect to have very different negotiations than if your goal is to sell within a specific time. If money is your primary concern, be prepared to turn down some offers as you wait for the right buyer. If time is more important to you than money, be sure to include some flexibility in your asking price and tell prospective buyers why you've chosen to price your property aggressively.

Ultimately, the market sets the price.

Set your price too high and your house may sit on the market, becoming less attractive to buyers (some sources estimate a monthly decline of 1.5 percent). Price too low, and you've got less room to negotiate and may be leaving money on the table. If you prefer our full service offerings, Homekeys' can quickly help you to determine your preferred asking price. Another option is to hire a professional property appraiser prior to listing. You may find the cost of either option to be modest compared to making an expensive mistake in your selling price. Also be aware of current trends, and note whether your local market is trending up or down. Strong markets favor sellers, while weaker markets give buyers more opportunity to bargain for a lower price.

Take inventory and take advantage.

If negotiations become stuck on price, it's time to get creative in other areas. Typically, property sales include anything that's installed or built in to the home. If you have appliances, furniture or fixtures not included in the sale that you are willing to part with, you may be able to sway prospective buyers by sweetening the deal. Would buyers be interested in your barbecue grill or pool equipment? It can't hurt to ask.

6. Master the paperwork

In the vast sea of real estate transaction paperwork, the sales contract is most important because it's the main document on which others are based. In most cases, sellers receive the offer in the form of a purchase contract from the buyer.

- Review the contract carefully to make sure the terms of your agreement are accurate. Then make sure that the contract is properly signed by the buyer, and verify that the deposit was received by a reputable escrow agent. Standard sales contracts are not too complex, but if you have any questions or concerns, consult an experienced real estate attorney.

Once you are satisfied that the contract is accurate, complete and you have verified the escrow deposit, sign the contract and return it to the buyer. Be sure to keep a signed copy for yourself.

Congratulations – you have accepted an offer to buy your property. A small celebration is in order, but save some energy for the home stretch – the closing.

7. Get ready for closing!

Negotiations have successfully concluded and now it's time to collaborate on a successful closing. It's important for buyers and sellers to work together at this stage because some issues may arise that can delay closing if not carefully managed.

Be patient and work through the details with the buyer, because the end of a successful sale is now in sight. Some tips:

- Remember that attorneys, lenders and title agents are there to help you close. Although pre-closing issues may be new to buyers and sellers, the professionals are experienced troubleshooters who have successfully managed such issues before.
- Keep your property in the condition it was in when the buyer agreed to the purchase. Make sure any agreed-upon repairs or maintenance is complete. If you're not sure whether property damage is covered by insurance, consider contacting a public insurance adjuster.
- Be sure to abide by all contract provisions and to provide the buyer any applicable information or notices.
- Make sure all inspections are completed according to contract terms, along with any clearances or re-inspections.
- Two weeks before closing on your old home, contact the phone, water, trash, cable and electric companies to establish service in your new home. Consider using a utilities connection service to organize all your accounts.
- If you are moving to a new home, confirm arrangements, addresses, dates and estimates with your moving company.