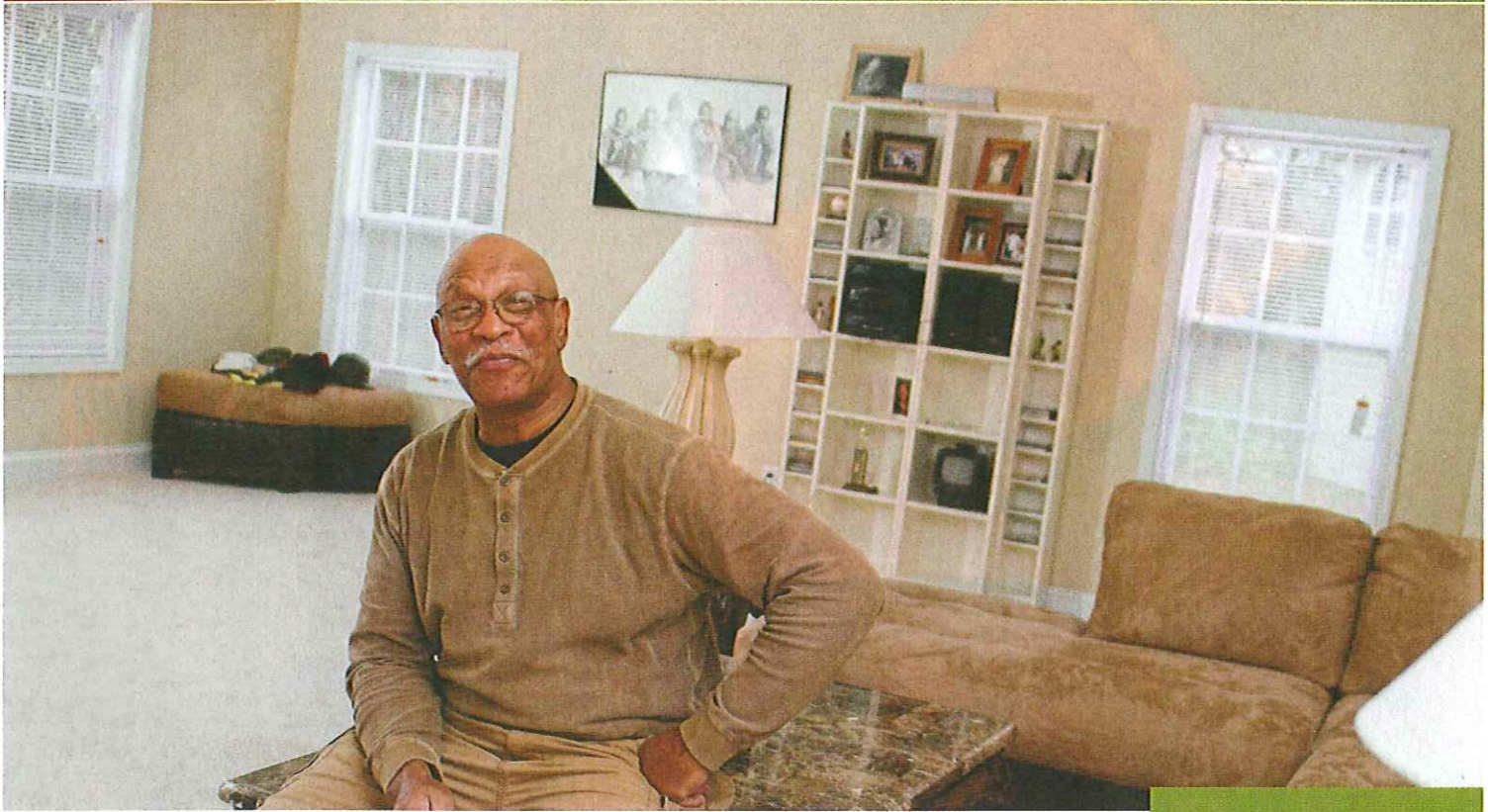


House for Sale

The housing market has slowed, but you don't have to wait to sell. Here's what you can do to ensure your property is snapped up!

By Lynnette Khaljani



WHEN OTIS DARRELL RECENTLY RETIRED from the U.S. Postal Service, he knew exactly what he wanted to do: sell his house and move closer to family members in the South.

Darrell, 67, planned to move to Georgia, and he figured the sale of his four-bedroom, two-and-a-half-bathroom home in Victorville, California, would come in handy.

But more than six months after putting his house on the market, Darrell still hasn't sold the property. Originally listed for \$375,000, the house sits on an attractive lot framed by neatly trimmed shrubs and a rose garden that extends from the driveway to the front door. Even with its nice "curb appeal" and quiet cul-de-sac location, the house hasn't budged.

"It hasn't helped that a brand-new set of houses [is] being built a block away," Darrell notes. "That's just extra competition."

Darrell has since lowered the asking price to \$300,000, changed realtors, and even made repairs totaling about \$1,700. He's gone ahead and moved to Georgia, but he says if he doesn't get a bite by spring, he'll simply take the California property off the market and rent it.

Like many homeowners, Darrell finds winter to be the slowest home-buying season of the year. Homes are now sitting on the market for an average of 60 days, double the number of days it took to sell a house in 2005, when interest rates were falling. According to the National Association of Realtors, in 2007 the housing market nationwide is expected to be relatively flat, following a correction in home sales and prices in 2006.

Malik Ellis, an attorney and co-owner of the Ellis Development Group in Washington, D.C., says broad economic factors are indicated in the softening residential real estate market. Interest rates rose in 2006, Ellis says, and "helped to factor in the slowdown in buying, creating an oversupply of houses on the

market." As a result, home appreciation values dropped from 12.4% in 2005 to a forecasted 1.9% for 2006, according to the NAR.

Now that supply-and-demand considerations have tipped the balance of power squarely into the hands of buyers, "they can ask for incentives and concessions unheard of a year ago," says Ellis, whose firm is a mixed-use real estate development company. "The psychology has shifted," he notes, "and now buyers are willing to walk away from a house if it's not just right, if they are not getting the amenities they desire, or if the price doesn't suit them."

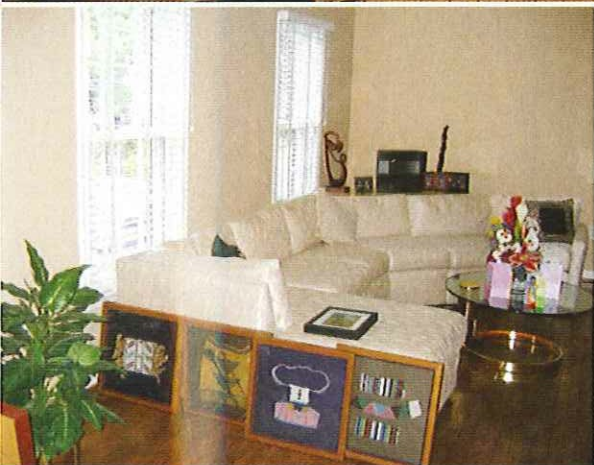
With the real estate market recently cooling off in many areas of the country, sellers may be tempted to throw up their hands. There are, however, strategies to help you sell your home without pricing yourself into the poorhouse.

GET THE NUMBERS RIGHT

A seller's greatest mistake, experts say, is insisting on an asking price that is out of line with the market. "Everybody thinks they have a million-dollar home because they raised their children there or because the kids planted a tree in the backyard a long time ago," says Pat Massenberg, a professional real estate investor and agent in West Orange, New Jersey. Massenberg, who owns the real estate development company TYSYD with her husband, Derek, says that pricing your home properly and marketing it as widely as possible are key to selling successfully.

"If I were selling my house, I would have it appraised by a bank, and I would have two or three real estate professionals come in and give me an analysis of what my house is worth based on sales of comparable homes," says Massenberg. (Most lenders charge an up-front appraisal fee, which averages ►

ALTHOUGH DARRELL'S HOME IN CALIFORNIA HAS BEEN SITTING FOR SIX MONTHS, HE'S ENJOYING HIS NEW HOME IN GEORGIA.



STAGERS LIKE BROWN CAN BRING YOUR HOME TO LIFE AND GET YOUR HOME SOLD—QUICKLY.

Service, the database agents use to both share and retrieve information about homes for sale. You can also market your home on sites like craigslist. In addition,

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around \$300, according to a survey by HSH Associates Financial Publishers. Real estate agents do not charge to do a home analysis.) "Real estate professionals know the true value of a house, versus the sentimental value that the homeowner places on the home," she adds.

To get the best price for your home, marketing is also critical, Massenbergs says. Sellers who sell their own homes often underprice them; others, after not getting much response on their own, ultimately wind up listing with a broker, she says. Brokers frequently can give a house greater market exposure through the Internet, newspaper and magazine ads, and open houses; and by including the property in the Multiple Listing

Service, the database agents use to both share and retrieve information about homes for sale. You can also market your home on sites like craigslist. In addition, list your property with multiple real estate agents and have an open house. It's a great way to gain a lot of interest from serious buyers.

If your home is priced right and you attract potential buyers, one of the surest ways to grab their attention is to make a financial offer. Experts say that sellers can offer a credit for a fixed dollar amount, such as \$2,500 (or as much as \$10,000) at the closing. Or you can offer to pay related expenses such as the buyer's inspections, appraisals, or even all the closing costs. Closing costs typically add up to 3% of a loan's value, so on a \$300,000 mortgage, you'd be saving the buyer about \$9,000—a significant incentive.

LET A PRO TAKE CENTER STAGE

Let's say you've used every tip you can think of to sell your home fast, but nothing's worked. Perhaps it's time you hired a professional like Connie Brown, owner of Simply Divine Spaces in Silver Spring, Maryland. She's part of a growing field of real estate "stagers" or "re-designers" who come into your home ►

5 Ways to Sell Your Home Fast!

There's no doubt that pricing your home right is the best way to sell your home quickly. But, in a slow market, that may take longer than expected. In the meantime, here are five ways to sell your home fast!

1. Add some sizzle. It's important to depersonalize and unclutter, but you also don't want your home to become so bland that it is completely nondescript and thus, not memorable. Strike the right balance; it's important that your home stand out from the competition.

"There's something else I call the sizzle factor: that something that leaves a lasting impression [on] the buyer," says Malik Ellis of Ellis Development Group. "I own a development company, and we have begun to see new home and condo builders [installing] plasma televisions over the fireplace. That tends to stick out in someone's mind when they leave a house."

2. Throw in a freebie. Otis Darrell, the retiree looking to sell his California home, says some wealthy homeowners are offering extravagant sweeteners to clinch a deal. "Things like, 'I'll throw in this Jaguar if you purchase my home,'" he says. If you're relocating and won't need your car, this strategy could pay off. Chances are you won't have to offer a luxury vehicle either—your 5-year-old Honda could do the trick.



and get it in tip-top shape for a speedy sale. Brown encourages homeowners to work with what they have, strategically placing an end table here or a beautiful lamp there.

Beyond working with her clients, Brown feels that her role is "to educate [real estate agents] that they need staging now more than ever. Confident [agents] believe that they can sell a house in this market, and they see the value that staging brings to the process of selling a home. However, the tendency is to choose staging as a last resort rather than [as] the first task in the process."

To prepare a home for sale, Brown typically begins with a one- to two-hour consultation with the homeowner. "My job is to visually analyze the house by inspecting it," she says. Depending upon the size of the house and what she is asked to do, the consultation fee varies between \$150 and \$350.

Stagers like Brown work with real estate agents somewhat akin to the way that appraisers and home inspectors work together during the home evaluation process. Brown's objective is to draw attention to a home's selling points, its architecture, fireplace, or hardwood floors. Stagers emphasize those features through collaborating with agents. "I want to appeal to a far-reaching audience to attract the targeted buyer," Brown says. "I want potential buyers to come in and visualize themselves in the house. That's the goal."

3. Brighten your home. Turn on the lights during open houses, open the curtains and drapes, and do what you can to brighten things up. If you haven't painted in a while, liven up your home by painting your living room and bedroom. Stick with light, neutral colors; they'll give your house an overall fresh, clean look and feeling. As a precaution, before you list the house, make sure there are no unforeseen issues with the property by having it inspected for plumbing, electrical, or foundation problems.

4. Make your house pass the sniff test. "First impressions count," says New Jersey real estate agent Pat Massenberg, and that includes the first impression potential buyers get when they take a whiff of your home. "I always suggest putting out flowers, potpourri in the bathrooms, and I even spray shower curtains with something pleasant."

5. Increase your home's curb appeal. Real estate agents often say that prospective home buyers will not go into homes that look unattractive from the outside. Keep in mind that when people approach a house they're considering buying, they think about what their friends would say if they drove up to the place. Most buyers want them to say, "Wow!" That's the impression you've got to create.

LESS REALLY IS MORE

Whatever you do, resist the urge to over-improve or make costly changes to your home that will return little if any value. For information on which improvements

return the most value, read "Home Improvement 101" (Shops-mart, August 2006). Many real estate agents and staging experts also say it's not prudent or even necessary to spend thousands of dollars on new furniture, extensive lighting schemes, accessories, or other decorations to glamorize your home. Instead, stagers say, it's best to work with items you already own, with an eye toward either placing desirable items in the right place (i.e., highly visible spots), or removing potential detractors from areas where they are likely to turn off potential home buyers.

Brown and Massenberg also recommend that you depersonalize your home. Remove personal items such as photographs, your set of porcelain dolls from around the world, or those antique race cars you've been collecting.

If you have a ton of stuff in your home, put items you want to keep in storage; sell or give away the rest. A good book to get you started is *Mission: Organization* by HGTV and edited by Amy Tincher-Durik (HGTV; \$19.95). The purpose of all this uncluttering is twofold: First, it gives your house a more spacious look and feel; second, uncluttering helps potential buyers envision themselves living in your home. After all, that is what you want: the transition from it being your home to theirs. **BE**