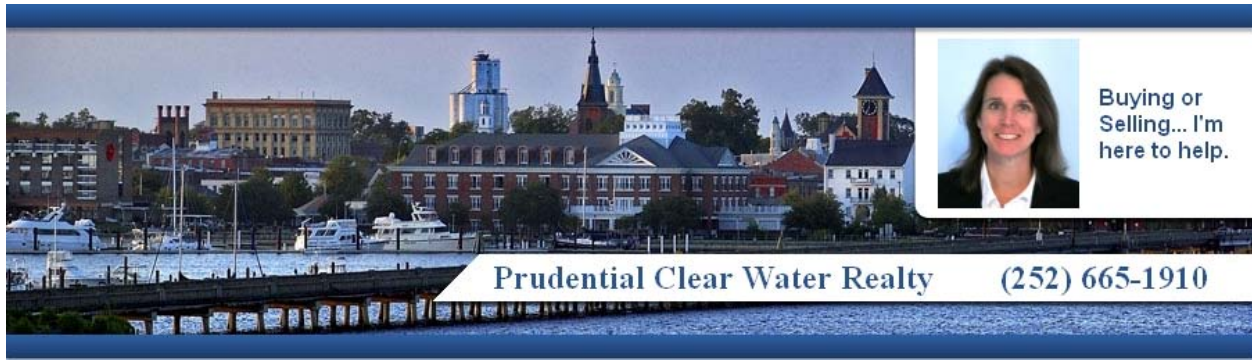




How to Get an Offer on Your Home

- 1. Price it right.** Set a price at the lower end of your property's realistic price range.
- 2. Prepare for visitors.** Get your house market ready at least two weeks before you begin showing it.
- 3. Be flexible about showings.** It's often disruptive to have a house ready to show at the spur of the moment. But the more amenable you can be about letting people see your home, the sooner you'll find a buyer.
- 4. Anticipate the offers.** Decide in advance what price and terms you'll find acceptable.
- 5. Don't refuse to drop the 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.



5 Things to do Before Putting Your Home on the Market

- 1. Have a pre-sale 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.** Pare down clutter and pack up your least-used items, such as large blenders and other kitchen tools, out-of-season clothes, toys, and exercise equipment. Store items off-site or in boxes neatly arranged in the garage or basement. Clean the windows, carpets, walls, lighting fixtures, and baseboards 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 your roof 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. Find your warranties.** Gather up the warranties, guarantees, and user manuals for the furnace, washer and dryer, dishwasher, and any other items that will remain with the house.
- 5. Spruce up the curb appeal.** Pretend you're a buyer and stand outside of your home. As you approach the front door, what is your impression of the property? Do the lawn and bushes look neatly manicured? Is the address clearly visible? Are pretty flowers or plants framing the entrance? Is the walkway free from cracks and impediments?



Simple Tips for 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 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-cared for. Wash fingerprints from light switch plates, mop and wax floors, and clean the stove and refrigerator. Polish your doorknobs and address numbers.
- 4. Get rid of smells.** Clean carpeting and drapes 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 and basements. Replace any burned-out bulbs in closets. Clean the walls, or better yet, brush on a fresh coat of neutral color paint.
- 6. Don't 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 house isn't well-maintained.
- 7. Tidy your yard.** Cut the grass, rake the leaves, add new mulch, trim the bushes, edge the walkways, and clean the gutters. For added curb appeal, place a pot of bright flowers near the entryway.
- 8. Patch holes.** Repair any holes in your driveway and reapply sealant, if applicable.
- 9. Add a touch of color in the living room.** A colored afghan or throw on the couch will jazz up a dull room. Buy new accent pillows for the sofa.
- 10. Buy a flowering plant and put it near a window you pass by frequently.**
- 11. Make centerpieces for your tables.** Use brightly colored fruit or flowers.
- 12. Set the scene.** Set the table with fancy dishes and candles, and create other vignettes throughout the home to help buyers picture living there. For example, in the basement you might display a chess game in progress.
- 13. Replace heavy curtains with sheer ones that let in more light.** Show off the view if you have one.
- 14. Accentuate the fireplace.** Lay fresh logs in the fireplace or put a basket of flowers there if it's not in use.
- 15. 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.
- 16. 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 basement), and let the real estate practitioner know where they'll be to eliminate surprises.
- 18. Leave the home.** It's usually best if the sellers are not at home. It's awkward for prospective buyers to look in your closets and express their opinions of your home with you there.



Low-Cost Ways to Spruce Up Your Home's Exterior

Make your home more appealing for yourself and potential buyers with these quick and easy tips:

1. Trim bushes so they don't block windows or architectural details.
2. Mow your lawn, and turn on the sprinklers for 30 minutes before the showing to make the lawn sparkle.
3. Put a pot of bright flowers (or a small evergreen in winter) on your porch.
4. Install new doorknobs on your front door.
5. Repair any cracks in the driveway.
6. Edge the grass around walkways and trees.
7. Keep your garden tools and hoses out of sight.
8. Clear toys from the lawn.
9. Buy a new mailbox.
10. Upgrade your outside lighting.
11. Buy a new doormat for the outside of your front door.
12. Clean your windows, inside and outside.
13. Polish or replace your house numbers.
14. Place a seasonal wreath on your door.



5 Feng Shui Concepts to Help a Home Sell

To put the best face on a listing and appeal to buyers who follow feng shui principles, keep these tips in mind.

- 1.** Pay special attention to the front door, which is considered the “mouth of chi” (chi is the “life force” of all things) and one of the most powerful aspects of the entire property. Abundance, blessings, opportunities, and good fortune enter through the front door. It’s also the first impression buyers have of how well the sellers have taken care of the rest of the property. Make sure the area around the front door is swept clean, free of cobwebs and clutter. Make sure all lighting is straight and properly hung. Better yet, light the path leading up to the front door to create an inviting atmosphere.
- 2.** Chi energy can be flushed away wherever there are drains in the home. To keep the good forces of a home in, always keep the toilet seats down and close the doors to bathrooms.
- 3.** The master bed should be in a place of honor, power, and protection, which is farthest from and facing toward the entryway of the room. It’s even better if you can place the bed diagonally in the farthest corner. Paint the room in colors that promote serenity, relaxation, and romance, such as soft tones of green, blue, and lavender.
- 4.** The dining room symbolizes the energy and power of family togetherness. Make sure the table is clear and uncluttered during showings. Use an attractive tablecloth to enhance the look of the table while also softening sharp corners.
- 5.** The windows are considered to be the eyes of the home. Getting the windows professionally cleaned will make the home sparkle and ensure that the view will be optimally displayed.

Source: Sell Your Home Faster With Feng Shui by Holly Ziegler (Dragon Chi Publications, 2001)



Checklist: 17 Service Providers You'll May Need When You Sell

- Real estate attorney
- Appraiser
- Home inspector
- Mortgage loan officer
- Environmental specialist
- Lead paint inspector
- Radon inspector
- Tax adviser
- Sanitary systems expert
- Occupancy permit inspector
- Zoning inspector
- Survey company
- Flood plain inspector
- Termite inspector
- Title company
- Insurance consultant
- Moving company

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Forms You'll Need to Sell Your Home

- 1. Property disclosure form.** This form requires you to reveal all known defects to your property. Check with your state government to see if there is a special form required in your state.
- 2. Purchasers access to premises agreement.** This agreement sets conditions for permitting the buyer to enter your home for activities such as measuring for draperies before you move.
- 3. Sales contract.** The agreement between you and the seller on terms and conditions of sale. Again, check with your state real estate department to see if there is a required form.
- 4. Sales contract contingency clauses.** In addition to the contract, you may need to add one or more attachments to the contract to address special contingencies — such as the buyer's need to sell a home before purchasing yours.
- 5. Pre- and post-occupancy agreements.** Unless you're planning on moving out and the buyer moving in on the day of closing, you'll need an agreement on the terms and costs of occupancy once the sale closes.
- 6. Lead-based paint disclosure pamphlet.** If your home was built before 1978, you must provide the pamphlet to all sellers. You must also have buyers sign a statement indicating they received the pamphlet.



Understanding Capital Gains in Real Estate

When you sell a stock, you owe taxes on your gain — the difference between what you paid for the stock and what you sold it for. The same holds true when selling a home (or a second home), but there are some special considerations.

How to Calculate Gain

In real estate, capital gains are based not on what you paid for the home, but on its adjusted cost basis. To calculate, follow these steps:

1. Purchase price: _____

The purchase price of the home is the sale price, not the amount of money you actually contributed at closing.

2. Total adjustments: _____

To calculate this, add the following:

- Cost of the purchase — including transfer fees, attorney fees, and inspections, but not points you paid on your mortgage.
- Cost of sale — including inspections, attorney fees, real estate commission, and money you spent to fix up your home just prior to sale.
- Cost of improvements — including room additions, deck, etc. Note here that improvements do not include repairing or replacing something already there, such as putting on a new roof or buying a new furnace.

3. Your home's adjusted cost basis: _____

The total of your purchase price and adjustments is the adjusted cost basis of your home.

4. Your capital gain: _____

Subtract the adjusted cost basis from the amount your home sells for to get your capital gain.

A Special Real Estate Exemption for Capital Gains

Since 1997, up to \$250,000 in capital gains (\$500,000 for a married couple) on the sale of a home is exempt from taxation if you meet the following criteria:

- You have lived in the home as your principal residence for two out of the last five years.
- You have not sold or exchanged another home during the two years preceding the sale.
- You meet what the IRS calls "unforeseen circumstances," such as job loss, divorce, or family medical emergency.



12 Tips for Hiring a Remodeling Contractor

1. Get at least three written estimates.
2. Check references. If possible, view earlier jobs the contractor completed.
3. Check with the local Chamber of Commerce or Better Business Bureau for complaints.
4. Be sure the contract states exactly what is to be done and how change 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. Also, remember that in many instances you can cancel a contract within three business days of signing it.
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 local building codes 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.



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.
- Note the weight of the goods you'll have moved, since long-distance moves are usually billed according to weight. Watch for movers that use excessive padding to add weight.
- Check with your condo or co-op about any restrictions on using the elevator or particular exits for moving.
- Have a "first open" box with the things you'll need most, such as toilet paper, soap, trash bags, scissors, hammer, screwdriver, pencils and paper, cups and plates, water, snacks, and toothpaste.

Plus, 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.
- Consider special car needs for pets when traveling.
- Let a friend or relative know your route.
- Empty your safety deposit box.
- Put plants in boxes with holes for air circulation if you're moving in cold weather.



What to Have on Hand for the New Owners

- Owner's manuals and warranties for appliances left in the house.
- Garage door opener.
- Extra sets of house keys.
- A list of local service providers — the best dry cleaner, yard 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 local utility companies.
- If it's a condo, leave information on how to contact the condo board.