

HOW TO SELL YOUR HOME FOR THE HIGHEST POSSIBLE PRICE.

A Complete Guide *for* Homeowners



Published *by* Homestead Road

When the time comes to sell your house and it needs repairs or remodeling, you have options:

1. You can fix it up yourself, or
2. You can sell it “as is” to Homestead Road, and we will restore it back to life for a grateful family.

This booklet is for home owners who want to pursue option #1. It is drawn from our experience bringing over 500 homes back to life to command a top market price. It is full of tips to save time and money, including a 45-step checklist (pages 10-11) to give every nook and cranny the tender loving care it needs.

To look at both options, a Homestead Road consultant will come out to assess your situation and show you the numbers. Of course, the decision is yours, always. Call 612-808-6755. Talk to a live person 24/7, or visit HomesteadRoad.com



You can sell your house “as is” to Homestead Road in 6 days...



...or you can fix it up yourself and sell it through a realtor in 6 months

When you’ve decided to sell your house, you may be tempted to just put it on the market right away to see if anyone will make you an offer “as is.” It used to be that potential buyers would look beyond the surface appearance and “see the possibilities.” Sadly, those days are gone. Today’s buyers want to move in with little or no repairs or cosmetics required. Low interest rates are the main reason for this attitude shift. For example, a midrange kitchen remodel with granite countertops adds only about \$80 to a monthly mortgage payment. The new kitchen gets offers. The old kitchen does not.

“But maybe someone will make me an offer,” you think. “What have I got to lose?”

The risk is that you do 20 showings and get no offers. Word spreads like wildfire in the realtor community. It’s hard to come back from a bad first impression.

The most successful realtors will tell you to get your house in tip top condition before putting it on the market. There are lots of details to accomplish this goal, and we’ve identified 5 key areas. We call them “The 5 C’s.”

1. Clutter
2. Cleaning
3. Cosmetics
4. Curb Appeal
5. Communication



A cluttered garage or room must be cleared out.

The 45-step checklist at the end of this booklet (page 10-11) will help you manage the process and make sure you don’t overlook an important step.

Of course, selling your house “as is” is always an option at any point in the process - at the beginning before doing any work, or after you have

put some time and money into it and want to move on. So let’s get started on the 5 C’s.

Clutter

Prospective buyers are unmerciful. For them, everything stands out like a sore thumb. While small imperfections might seem insignificant to you, they can be a deal breaker.

Clutter is the first squeaky wheel to address. If your closets are full, your rooms over furnished, your storage areas jammed, you need to get things

out of the house and into storage. The result will be a look and feel that is more spacious and livable.



A spotless condition is critical to getting offers.

There are a number of companies like “Pods” who will drop off storage containers. You pack them, they pick them up and store them, then deliver them afterwards wherever you want them. For an 8 ft. x 8 ft. by 16 ft.

container, it costs about \$1,300 for six months of storage, the average amount of time it takes to fix up a house and sell it.

This uncluttering process is also an excellent opportunity to throw away unwanted stuff. Some items can be dropped off at Goodwill Industries and become a tax write off. For other things, a dumpster 8 ft. x 8 ft. x 7 ft. is about \$400. Most people underestimate the size dumpster they need, so err on the high side.

As a final measure, many realtors work with a “stager,” who can help you arrange your household effects in the most appealing way. Some stagers have warehouses of furnishings to enhance your overall presentation.

Cleaning

Prospective buyers notice dust, stains, and smudges like the finicky mother-in-law in a comedy routine. Every blemish is another reason to fall out of love with your home. Even if you hire a professional cleaning service, you should walk the house after they’re done with spray bottle and paper towel in hand.

A good information source for all kinds of cleaning is the Better Homes & Gardens web site <http://www.bhg.com/homekeeping/house-cleaning/>

Floors are one of the first things people notice about your house. Carpet stains, wood floor blemishes, cracks in tile or linoleum are all potentia

deal breakers. Ideally, cleaning is a remedy, but in some cases you will have to replace floor covering, refinish wood floors, and repaint walls and woodwork.

Carpet cleaning is best done by professionals using steam cleaning equipment at a cost of about 50¢ a square foot. If you rent a carpet machine, repeat the process several times until the water in the take up bucket is dirt free. For hardwood floors, vacuum first, then wipe with a damp cloth containing a wood floor cleaning chemical. If stains have penetrated the finish, they must be sanded and refinished.



A full kitchen rehab can pay for itself and then some.

Appliances should be cleaned thoroughly inside and out. Use a degreasing liquid on cooking ap-



A dank dark basement can also be a deal breaker.

pliances, exhaust fan grates, and surfaces surrounding the cooking areas.

Cosmetics

“Cosmetics” means making exposed surfaces look and feel like new. It means cleaning, repainting, or replacing floor coverings, wood floors, walls, woodwork, furniture and appliances. What you can’t clean, you resurface.

What you can’t resurface, you replace. What looks old and dated, you refurbish or replace.

If your carpet is more than 5 years old, you probably should replace it at a cost of around \$3 per square foot. (We replace any carpet over 2 years old). Hardwood floors cost about \$4.50 a foot to refinish, and about \$6.00 a foot to replace. New linoleum and tile costs about the same as

carpeting – \$3 a square foot.

Appliances can be made to look like new with new parts from your appliance dealer. New burners, grates and drip pans can make a stove look squeaky clean. If your appliances are old or dated, you might consider new appliances. A new refrigerator, stove, dishwasher, and microwave will cost around \$2,000, but may help you get an extra \$5,000 for the house, as well as help you sell it faster.



You only get one chance to make a good first impression.

The basement is another area that usually needs freshening up. If the walls show dirt, water seepage or mold, it pays to wash them down. Apply two coats of water stop white paint. This also reduces dampness and odors. The basement floor can similarly be transformed by first washing thoroughly, then applying two coats of epoxy paint. For an investment of \$200 on freshening up your basement, you get to sell your house faster for a higher price.

Curb Appeal

The saying goes that you only get one chance to make a good first impression. An unappealing exterior can color the way the buyer perceives the interior. Your front yard is a chance to make a statement that will define the potential of the inside of the house. If prospects don't like what they see from the curb, they probably won't even step inside.

The Arbor Day Foundation reports that 98 percent of Realtors believe mature trees have a strong impact on the salability of homes listed for more than \$250,000. Even basic maintenance can give properties an upgrade.

Don't know where to start? From simple updates to complete yard makeovers, there are many ways to improve curb appeal. And it doesn't have to be expensive. Here are nine tips to boost your curb appeal:

1. Clean up the yard

Remove dead branches, weeds and debris to get started. You only get one chance to make a good first impression. You should trim back your shrubbery so that it doesn't have a neglected or overgrown look. In some cases it's better to remove shrubbery that looks old or unsightly and replace it with fresh plantings.

A weed infested lawn can also be a turn off. With a \$30 spray tank and a \$12 bottle of weed killer, you can rid your lawn of weeds in a few weeks. Then, the best way to green up your lawn is with granulated fertilizer that feeds in a time release fashion versus liquids that create only a short-lived flash of green.

2. Evaluate plant health

Remove and replace dead and dying plants with healthy foliage suitable for the site. The key to landscaping is upkeep.

3. Keep it simple

Design your yard with plants and grasses that work well in your environment and don't need a lot of water, fertilizer and pruning.

4. Pull eyes to the front door

Plant small, low plants up front. Place shrubs behind them and small ornamental trees in the rear.

5. Plant trees

Trees don't ask for much — soil, water, sunlight and an occasional check-up. In return they improve air quality, cut energy bills with their shade, provide homes for wildlife, add beauty and deliver a substantial return on investment in exchange for relatively low-cost maintenance. Use large trees as a centerpiece to complement the scale of your home.

6. Plant strategically

Identifying the right tree for the right location is key to the success of the tree and preventing future damage. Ensure the tree is planted away from hazards, assess how much sunlight the site receives and control competing vegetation and weeds. Remember that planting a tree on the

west side of a building is the best for cooling and energy savings.

7. Prune trees and shrubs

Well-kept trees and shrubs will improve a home's visual appeal, and also enhance the structure and longevity of your landscaping.

8. Spread mulch

Mulching around trees, shrubs and flower beds gives the yard a tidier appearance. It also helps retain moisture for roots and reduces weeds.

9. Choose diverse plants that provide seasonal interest

Plant spring bulbs such as crocuses and daffodils, as well as summer-flowering ornamental trees and shrubs such as redbuds and forsythia. Maples, oaks and viburnums can provide vibrant color in the fall. For a quick punch of color, use hanging baskets and containers.

Provide proper tree care and landscape maintenance this season and beyond to maintain and increase the value of your property and help you to sell it faster.

Now let's turn to the roof. Studies have shown that your roof is 40% of your curb appeal. A perfectly good roof can look like it needs replacement if it is soiled or discolored. As compiled in the Remodeling Magazine 2015 Cost vs. Value Report (www.costvsvalue.com) a roof replacement can cost as much as \$25,000. A better option is to have it professionally cleaned for about \$300 and the roof issue goes away. Make sure they use low pressure nozzles and EPA approved chemicals that will not damage your greenery. Most roofers will also power wash your siding and windows while they're at it.

If your siding and trim does not clean up with power washing or other means, you might have to have it repainted or replaced. Remodeling Magazine's 2015 Cost vs. Value Report (www.costvsvalue.com) indicates new siding can cost up to \$14,000.

Communications

The primary communications source for houses on the market is the MLS web site which is accessible only by realtors. If you try to sell your house without a realtor, you are missing the place where almost all of

them go for listings. Some large real estate firms also have their own web site where they list every house on the MLS web site. Many sites with names like "House Search" are realtor sites in disguise.

What this means is that you will find it very difficult to sell your house without paying a realtor's commission, usually around 6%. However, some realtors will work harder than others to sell your house. Find one that offers value added services such as professional photographers who have the lenses and lighting to make your photos as appealing as possible. Also look for realtors who bring in "stagers" with warehouses full of furnishings to enhance the look and feel of your house.

We don't recommend investing in anything beyond appealing photos and descriptions. Buyers do not like videos because they prefer to quickly click through the photos they want to see rather than wait for the video to get around to them.

In all communications, make sure that your house can deliver what your communications promise. Otherwise showings will lead to disappointment and you won't get any offers.

The Sixth C – Compromise

There is a sixth "C" that we haven't told you about – Compromise. That is, when you fully cover off the 5 "Cs," you may still have to come down in price. There have been too many occasions when sellers turn down a good offer out of pride or stubbornness, only to be forced to accept a lower offer later.

Conclusion

We hope you enjoyed reading about the 5 C's and that you have a great house selling experience. Use the 45 Step checklist on the following pages to make sure you don't overlook an important step. Of course, let us know at any point in your process if we can be of further assistance.

If you would like to find out more about what it's like to sell your house to Homestead Road, visit us at <http://www.homesteadroad.com>

A 45 Step Checklist for Repairs and Upgrades

- Seek advice from a realtor
- Seek advice from an interior designer
- Seek advice from a contractor or from building trades workers
- Develop a final list of restoration needs
- Hire an architect for major structural changes
- Hire an interior designer for cosmetics
- Finalize blueprints
- Decide whether to hire a contractor or be your own contractor
- Request rehab quotes from contractor or building trade workers
- Receive and analyze quotes
- Hire contractor or building trade workers
- Open permits
- Order building materials and hard goods
- Order dumpster
- Clean out refuse
- Remove all old materials to be replaced
- Remedy basement moisture as needed
- Deodorize house
- Complete structural repairs
- Install appliances & cabinets
- Install flooring & carpeting
- Recover or repaint walls
- Install windows and doors
- Replace hardware
- Clean up all interior spaces
- Repair roof, gutters & siding
- Beautify landscape, lawn, shrubbery
- Close permits
- Pass inspection
- Final Cleaning & Deodorizing
- Hire a Realtor
- Hire a Stager
- Take professional photos
- Initiate Realtor ads
- Answer phone calls
- Schedule showings
- Show house to prospects
- Receive offers
- Obtain guarantee letter from buyer's bank
- Propose counter offers
- Negotiate & accept an offer
- Sign Purchase Intent Contract
- Complete Inspection, Survey, and Appraisal
- Schedule & Attend Closing
- Pay Realtor Commissions

We hope this booklet helps you get the highest possible price for your home. Our helpful tips are based on having restored hundreds of houses over many years. When you are finished, we can help you sell your house, based on our years of experience. If at any time in your process you would like to explore selling your house “as is,” we would be happy to show you a free no obligation comparison of your net proceeds selling it now versus selling it later at the end of an average 6 month rehab time frame.



Homestead Road

Bringing homes and neighborhoods back to life.

