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The Basics of Marketing Your Home

Advertising and Promotion

Properties are commonly advertised through real estate agent Web sites, Internet home search/listing services, classified advertising and real estate guides. Promotion efforts through office and MLS tours are a good way of getting other buyer agents to view your home and to promote it to the buyers they are working with.

Even with all these advertising avenues, "For Sale" signs on front lawns are still remarkably effective. I promote chrisfulton.net on the sign and use brochure boxes with the signs to market the property. When appropriate, and with your permission, I may send a mailing about your property to neighbors. Sometimes one of them has a friend or relative who always wanted to live near them. You never know how far reaching the benefits of word-of-mouth advertising by friends, relatives and neighbors can be.

Showings and Open Houses

To prepare your home for viewing, make it as bright, clean, cheerful and serene as possible. Always look at your home from the buyer's point of view. I will probably find a tactful way to suggest that you be absent while the house is being shown to prospective buyers, because your presence will inhibit their actions and conversations. They won't feel free to open closets and cabinets, test out the plumbing and discuss their observations objectively as they walk through the house. It goes without saying that your children and pets should not be on the premises either.

For an open house notify the neighbors, and assure them that they'll be welcome. They'll jump at the chance to poke around in your house, and sometimes they can turn up a buyer among their friends.

Quick tips for showings and open houses:

Clean or replace dirty or worn carpets. Open all curtains and blinds. Replace any burned out light bulbs and turn on all lights. Clear all clutter. Clear all countertops. Wash and put away any dirty dishes. Set the dining room or kitchen table if you have particularly nice linen or china. Simmer a few drops of vanilla on the stove. Put on soft music. Burn wood in the fireplace on cold days, otherwise, clean the fireplace. Put fresh towels in the bathroom. Take any laundry out of the washer and dryer. Put pets in cages or take them to a neighbor.

How Long Has Your House Been on the Market?

Professional appraisers sum up their entire body of knowledge in three words: "**Buyers make value.**" Your home is worth as much as a buyer will pay for it.

If your home has been on the market for months, it's a clear message that the property may not be worth what you're asking for it. This is particularly true if there haven't been many prospects coming to see it. What you do at that point depends on whether you really need to sell, and whether you're working with a time limit.

If you're not really motivated to move soon, you can always wait - years if necessary - and hope inflation will catch up with the price you want. The problem is that in that time, your home begins to feel shopworn. Buyers become suspicious of a house that's been for sale for a long time.

If you really do need to sell, we can discuss a schedule for gradually dropping your price until you find a level that attracts buyers. There's no point in saying, "We simply can't sell our house." Anything will sell if the price is right.

If You're Buying Another Home

You may wonder what will happen when you're selling one home and buying another – how will all the details work out? This is a common situation and REALTORS®, lawyers, and title and escrow companies have plenty of experience in arranging contracts and loans so that the two transactions dovetail smoothly.

And should you sell your home first then buy or buy first then sell? Ideally, it's best to find a home you like and make an offer subject to selling your current home. This generally works in a normal market. However, in a "hot" market most sellers will not accept a "subject to sale" offer. In this case you need to sell your home first and then buy a new home in the interim period between selling and vacating your house.

If you find that you need to buy the next house before you've received the proceeds from the present one, lending institutions can sometimes make you a short-term "bridge" loan to tide you over between the two transactions. Make sure you fully understand the exposure and emotional investment before proceeding with this type of loan.

Get Your House Ready to Show to Buyers

A house that "sparkles" on the surface will sell faster than its shabby neighbor, even though both are structurally well maintained.

From experience, I know that a "well-polished" house appeals to more buyers and will sell faster and for a higher price. Additionally, buyers feel more comfortable purchasing a well-cared for home because if what they can see is well maintained, they assume that what they can't see has probably also been well maintained. In readying your house for sale, consider:

Before putting your house on the market, take as much time as necessary (and as little money as possible) to maximize its exterior and interior appeal.

How Much Should You Spend to Prepare Your House for Sale?

In preparing your home for the market, spend as little money as possible. Buyers will be impressed by a brand new roof, but they aren't likely to give you enough extra money to pay for it. There is a big difference between making minor and inexpensive polishes and touch-ups to your house, such as putting new knobs on cabinets and a fresh coat of neutral paint in the living room, and doing extensive and costly renovations, like installing a new kitchen.

Maximizing Exterior and Curb Appeal

When preparing to put your home up for sale, your first concern is the home's exterior. If the outside, or "curb appeal" looks good, people will more than likely want to see what's on the inside.

Here are some tips to enhance your home's exterior and curb appeal to buyers:

Keep the lawn edged, cut and watered. *Regularly trim hedges and weed lawns and flowerbeds.* Be sure your front door area has a "Welcome" feeling. *Paint the front door.* In spring and summer, add a couple of pots of showy annuals near your front entrance. In snowy areas, keep walks neatly cleared of snow and ice. *Check foundation, steps, walkways, walls and patios for cracks and deterioration, and fix any problem areas.* Remove and repaint any peeling paint on doors and windows. *Clean and align gutters.* Inspect and clean the chimney. *Repair and replace loose or damaged roof shingles.* Repair and repaint loose siding and caulking. *Reseal old asphalt.* Keep the garage door closed. Store RVs and old cars elsewhere while the house is on the market.

Maximizing Interior Appeal

You want your home to look as spacious, bright and clean as possible. Also the home should look neutral – without a lot of your personal and sentimental objects - so buyers can begin to imagine living there.

Here are some tips to enhance your home's interior appeal to buyers:

Give every room in the house a thorough cleaning and remove all clutter. This alone will make your house appear bigger and brighter. Some homeowners with crowded rooms actually rent storage garages and move half their furniture out, creating a sleeker, more spacious look.

Use a professional cleaning service every few weeks while the house is on the market.

Remove the less frequently used, and even daily-used items from kitchen counters, closets, basement and attic to make these areas more inviting. *Inspect and repair the plumbing, heating, cooling and alarm systems.

Pay special attention to the kitchen and bathrooms: they should look as modern, bright and fresh as possible. It is essential for them to be clean and odor free.

Repair dripping faucets and showerheads. *Make sure that table tops, dressers and closets are free of clutter.

Buy showy new towels for the bathroom, and put them out only for showings.

Spruce up a kitchen in need of more major remodeling by installing new curtains and cabinet knobs, or applying a fresh coat of neutral paint.

If necessary, repaint dingy, soiled or strongly-colored walls with a neutral shade of paint, such as off-white or beige. The same neutral scheme can be applied to carpets and linoleum.

How to Set a List Price for Your Home

Setting the list price for your home involves evaluating market conditions and financial factors.

During this phase of the home selling process, I will help you set your list price based on:

pricing considerations* comparable sales market conditions *offering incentives* net proceeds

Pricing Considerations

Find a Balance Between Too High and Too Low

When setting a list price for your home, you should be aware of a buyer's frame of mind. Consider the following pricing factors:

If you set the **price too high**, your house won't be picked for viewing, even though it may be much nicer than other homes on the street. You may have told your REALTOR® to "Bring me any offer. Frankly, I'd take less." But compared to other houses for sale, your home simply looks too expensive to be considered.

If you **price too low**, you'll short-change yourself. Your house will sell promptly, yes, but you may make less on the sale than if you had set a higher price and waited for a buyer who was willing to pay it.

TIP: Never say "asking" price, which implies you don't expect to get it.

Price Against Comparable Sales in Your Neighborhood

No matter how attractive and polished your house, buyers will be comparing its price with everything else on the market.

Your best guide is a record of what the buying public has been willing to pay in the past few months for property in your neighborhood.

I will furnish data on sales figures for those comparable sales and analyze them to help you come up with a suggested listing price. The decision about how much to ask, though, is always yours.

Competitive Market Analysis (CMA):

The list of comparable sales a REALTOR® brings to you, along with data about other houses in your neighborhood that are presently on the market, is used for a "Comparative Market Analysis" (CMA). To help in estimating a possible sales price for your house, the analysis will also include data on nearby houses that failed to sell in the past few months, along with their list prices.

A CMA differs from a formal appraisal in several ways. One major difference is that an appraisal will be based only on past sales. Also, an appraisal is done for a fee while the CMA is provided by Chris Fulton and may include properties currently listed for sale and those currently pending sale. For the average home sale, a CMA probably gives enough information to help you set a proper price.

Formal Written Appraisal:

A formal written appraisal (which may cost a few hundred dollars) can be useful if you have unique property, if there hasn't been much activity in your area recently, if co-owners disagree about price or if there is any other circumstance that makes it difficult to put a value on your home.

Market Conditions – Is it a Buyer's Market or a Seller's Market?

A CMA often includes a Days on the Market (DOM) value for each comparable house sold. When real estate is booming and prices are rising, houses may sell in a few days. Conversely, when the market slows down, average DOM can run into many months.

In a seller's market, you can price a bit beyond what you really expect, just to see what the reaction will be. In a buyer's market, if you really need to sell promptly, offer an attractive bargain price.

If You Price High, Set a Schedule for Lowering the Price

Some sellers list at the rock-bottom price they'd really take, because they hate bargaining. Others add on thousands to the estimated market value "just to see what happens." If you want to try that, and if you have the luxury of enough time to feel out the market and work out an advance schedule for lowering the price if need be.

If there haven't been many prospects viewing your home after three weeks, you may need to lower your list price. If that doesn't bring any prospective buyers, you may need to lower your list price again. Plan on doing that regularly until you find a level that attracts buyers. Make a written schedule in advance, before emotion takes over and you're tempted to dig your heels in.

Offering Incentives to Hasten a Sale

Sometimes cash incentives are as effective as lowering the price, especially in the lower price range where buyers may be "cash poor." You may offer to pay some or all of a buyer's closing costs and discount points required by the buyer's lending institution.

Estimating Net Proceeds

Once you've been given an estimate of market value you can get a rough idea of how much cash you might walk away with when the sale is completed. This can be particularly useful when you start looking for another home to buy.

To estimate your net proceeds, from the estimated sales amount, subtract the applicable costs in the three sections outlined below: seller's costs, buyer's/seller's costs and closing costs.

Seller's Costs: Subtract the following costs as applicable.

payoff figure on your present loan(s) *broker's commission *prepayment penalty on your mortgage *attorney's fees
*unpaid property taxes

Buyer's/Seller's Costs: Subtract the following costs, as applicable.

title insurance premium *transfer taxes *survey fees *inspections and repairs for termites, etc.*recording fees
Homeowner Association transfer fees and document preparation *home protection plan *natural hazard disclosure
report

Closing Costs: As far as closing costs are concerned, you and your eventual buyer may agree on any arrangement that suits you, no matter what local practice dictates. I will assist you in estimating what your final closing costs will be.

Why Use Chris Fulton when Selling your Home?

I, Chris Fulton can help you understand everything you need to know about the home selling and buying process.

REALTORS® are committed to treat all parties to a transaction honestly. REALTORS® subscribe to a strict Code of Ethics and are expected to maintain a higher level of knowledge of the process of buying and selling real estate. An independent survey reported that 84% of home buyers would use the same REALTOR® again.

Real estate transactions are one of the biggest financial dealings of most people's lifetime. Transactions today usually exceed \$250,000. If you had a \$250,000 income tax problem, would you attempt to deal with it without the help of a certified professional accountant? If you had a \$250,000 legal question, would you deal with it without the help of an attorney?

When selling your home, I can give you up-to-date information on what is happening in the marketplace as well as the price, financing, terms and condition of competing properties.

These are key factors in getting your property sold at the best price, quickly and with minimum hassle.

Often, I can recommend repairs or cosmetic work that will significantly enhance the salability of your property.

I market your property to other real estate agents and the public. In many markets across the country, over half of real estate sales are cooperative sales; that is, a real estate agent other than yours brings in the buyer. I act as the marketing coordinator, distributing information about your property to other real estate agents through a Multiple Listing Service (MLS) chrisfulton.net, open houses for agents, etc.

I will know when, where and how to advertise your property. There is a misconception that advertising sells real estate. NAR studies show that 82% of real estate sales are the result of agent contacts through previous clients, referrals, friends, family and personal contacts. When a property is marketed you do not have to allow strangers into your home. I will generally prescreen and accompany qualified prospects through your property.

I help close the sale of your home. Issues may arise between the initial sales agreement and closing (also called settlement or escrow), for example, unexpected repairs might be required to obtain financing or a title problem is discovered. The required paperwork alone is overwhelming for most sellers. I am the best person to objectively help you resolve these issues and move the transaction to closing.

I can help you objectively evaluate every buyer's proposal without compromising your marketing position. This initial agreement is only the beginning of a process of appraisals, inspections and financing – and a lot of possible pitfalls. I can help you write a legally binding, win-win agreement that will be more likely to make it through the process.

The most important reason to use me as your realtor is that I have a true passion to assist home buyers and sellers achieve their goals. I understand that your situation is different than the others and promise to only focus on you and your needs. I do not consider this as a job; it's what I love to do!

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