

## Selling your home

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It wasn't the most spectacular house on the market. In fact, Lorena Kenny concedes, "It was a dump."

But Kenny said she looked beyond the faults of the Pelham Manor home she now owns. "The minute I walked in, I just knew ... I knew it was the right place for us," she said. "So I made a deal with the house. I said to it, 'If you let me move in here with my family, I will make you beautiful again.' "

She and her husband won the right to buy the center hall Colonial over six other bidders — all of them apparently unfazed by the failing mechanical systems, worn paint, outdated kitchen and tobacco odors. Selling property is a lot like falling in love: It doesn't always make sense, never seems to happen as you expect and has more exceptions than rules.

Buyers claim to make decisions with reason and logic, but, in practice, make fewer decisions with their heads than their hearts, real estate agents agree.

The bottom line is that home buying is an emotional process, and getting the best price depends on tapping into that emotion. Sometimes a well-worn property sells faster — for more money — than one in mint condition, for no apparent reason.

"I could see the potential the house had," Kenny recalled. "Since it attracted multiple offers, I guess other potential buyers did, too."

Not all homebuyers are as perceptive.

"I think most buyers want to walk in, sit down and do nothing," said Adrienne Holmes, formerly of Hartsdale. She and her husband, Charles, put the home where they lived the past 28 years on the market last June. "I thought it was perfect and that everyone would love it," Adrienne Holmes said.

"They didn't."

The four-bedroom, three-bath split-level lingered on the market for three months without an offer. "We couldn't figure out what was wrong," she said.

### Strategies for selling a home

**Price it right.** The price should be based on market value, not on what you need to pay off your mortgage and other debt, or to finance your new home purchase.

**Take an objective look.** Get in your car, drive around the block, and look at your house from the perspective of a prospective buyer. See what attracts your attention.

**Freshen up.** Repaint or put a fresh coat of stain on the front door, add a seasonally appropriate wreath and put a new mat on the porch floor, and repaint baseboards, stair rails and trim in the entryway and around the windows and doors.

**Reduce clutter.** Throw things away, or rent a storage locker if you have to in order to create a feeling of openness and spaciousness.

**Clean it up.** Hire professionals or do it yourself, but make sure you clean well from top-to-bottom.

**Rethink the floors.** Sweep all bare floors, wash the ones you can and wax or polish if appropriate. If you have wall-to-wall carpeting, just clean it unless it is stained or tattered, or if you know there is good quality hardwood underneath it. If the wood floor is in good condition, you may want to remove the carpet.

**Banish pet, tobacco and strong food odors.** Imagine living in a house that smells like a litter box. If you find it hard to do, you aren't alone. Most buyers have the same problem. Nothing kills a potential sale quicker than a house that smells like litter boxes, unwashed dogs, used diapers, damp laundry or kitchen trash.

**Make it smell like home.** Fill the house with memory-making scents like cookies or bread, or fire up the hearth before an agent shows your home. You don't really have to

In frustration, the Holmes got professional help.

They hired Nancy Matchen, who specializes in enhancing the potential appeal of properties to prospective buyers. Matchen has dual careers. She is an associate broker in the Briarcliff Manor office of Houlihan Lawrence and owner of Staged Homes by Matchen, one of a growing number of companies that specialize in preparing homes for sale.

A former marketing executive, Matchen began selling real estate three years ago. "I discovered, to my dismay, that many homes were not ready for the market," she said. "Many owners seem unaware that they have to give their homes at least as much care as they give their cars when they put them up for sale.

"When they sell cars, they get them washed, clear out the trash and make them look as shiny and new as possible. They have to do the same with their homes."

The trick is making the house look warm, inviting and lived in — without making it look like anyone lives there.

Imagine a perfectly set dining room table, without dirty dishes ... a pristine nursery, without a diaper in sight ... and a décor subtle and generic enough to allow prospective buyers to visualize their own furnishings. Real estate agents have traditionally counseled sellers to clean, repaint and reduce clutter before their homes hit the market. However, as obvious as that sounds, many sellers ignore it, agents concur.

Kevin Joyce, broker owner of Joyce Realty, a company with six locations in Rockland County, said it is hard to see a familiar place through the eyes of prospective buyers. "Everyone lives their lives, and becomes submerged in their own worlds. They may not realize that they've stacked up 100 copies of *Vanity Fair*," he said.

To maximize selling prices, real estate professionals and savvy sellers are capitalizing on marketing techniques long understood by homebuilders and developers. Either on their own or with the help of third-party companies, they're giving properties pre-sale makeovers.

"You want it clear, not cluttered," Joyce said. "And more than anything else, you want it to look and smell fresh and clean."

Catherine Cleary, who is selling a house in Pomona that has been in her family nearly 30 years, said she was shocked by the difference a few modest changes made. Her listing agent, Michael Kubala, from the New City office of Joyce Realty, advised her to remove carpeting, refinish the wood floors, touch-up the paint and take out excess furniture in the four-bedroom, 2 1/2-bath high ranch.

The house recently went on the market for \$490,000. Cleary expects a quick sale. "It really looks good now — bigger and brighter," she said.

By adding or removing furniture, window coverings and accessories, rearranging rooms and finding creative uses for space, an existing home can be transformed from a mess to a model in a matter of hours. Some companies refer to the process by the trademarked name Staging®; others describe it as showcasing, corrective decorating or simply sprucing up homes for sale.

Washington State Realtor Barb Schwarz pioneered the concept now known as Home Staging in 1985. Since then, she's traveled throughout the United States and Canada to market her ideas. Schwarz holds federally registered trademarks on the terms Staging and Accredited Staging Professional, a phrase used to describe followers of her system. There is a network of Accredited Staging Professionals nationwide, as well as competitors with similar marketing programs.

bake: Just put a pot of water with some cinnamon and vanilla in it on the stove. Simmer briefly until the scents are noticeable.

**Get out of the house ... and take the kids.** It is almost impossible to show property when the owners are around, real estate agents concur. It makes buyers uncomfortable discussing pros and cons about the property.

**Consider your options.** Discuss lower commission alternatives with traditional real estate brokerage companies, investigate lower-priced alternatives and weigh the merits of selling yourself.

Matchen, an Accredited Staging Professional, gave the Holmes plenty of suggestions. She advised them to replace the dated wood paneling on one wall of the family room with classic bead board, change the paint and carpeting in the bedroom from mint green to creamy white, repave the asphalt driveway and eliminate a television cable wire dangling from the front of the house.

She recommended that they eliminate all but essential furnishings, to open up the rooms, improve traffic flow and give potential buyers a chance to focus on the structure — or bones — of the home.

In all, Adrienne Holmes estimates, she spent about \$3,000 for the makeover, including the costs of improvements and the professional advice. "It was worth every penny," Holmes said from her new home in Boca Raton, Fla. "Within a few weeks, we had multiple offers."

Matchen offers her services free to owners of homes she lists. Other owners pay an average of \$500 and up, depending on specific wants and needs.

Peter Bell owns both Mamaroneck-based Balch Buyers Realty and Property Watchers, a company that offers a package of pre-sale home services. For \$750, Bell and partner Frank Lessa provide sellers with appraisals, inspections, pest checks, title checks, marketing and advertising strategies and home preparation.

"We suggest repairs, improvements and cosmetic changes that will make the home more marketable," Bell said.

Bell and Lessa understand how important it is for property to create a strong first impression. Last May, the two jointly purchased a two-bedroom, one-bath investment property in Patterson. They spent the past eight months on a gut renovation — and the past few weeks adding touches to pique the interest of buyers.

"We just wanted to make it feel a little more like home, so we put a shower curtain and towels in the bathroom, a few things in the kitchen and added accents like silk flowers here and there. We just wanted to give the house a little color and help buyers visualize what they could do with the space," he said.

The 900-square-foot property, which they bought for less than \$200,000, is on the market for \$269,750.

One of the biggest costs of selling a home is the real estate commission, which the property owner generally pays to both the listing and selling agents. Real estate commissions are technically negotiable. However, that generally has not been the reality in the metro New York market.

Full-service real estate brokerages usually charge commissions of 5 percent to 6 percent of a home's sale price. However, the industry's traditional model of commissions has been under pressure by discount brokerage companies, the Internet and home sellers.

Discount brokers, operating both on and off the Internet, offer lower commissions. Foxtons North America, which also operated in the New York area as YHD (Your Home Direct), YHD Foxtons and Foxtan, markets itself as the 3 percent commission alternative and boasts equal service for half the cost.

Other discounters offer a la carte services, for example, which allow consumers to pick — and pay for — only the ones they want. In addition, there are dozens of "for sale by owner" sites on the Web, all designed to make it possible for individual homeowners to market their homes with the click of a mouse.

As a result of these emerging options, commissions overall nationwide have been trending down.

Real Trends, a real estate industry publication, stated that the average commission rate nationwide in 2004 was 5.1 percent, down from 6.1 percent in 1991 to 5.1 percent in 2004. However, because house prices have appreciated rapidly, the net generated by those commissions remains high. Last year, Real Trends estimates, commissions in the residential

real estate market hit \$61 billion, up from \$43 billion in 2000.

Some sellers think it is too much. "Five years ago, if a house sold for \$300,000, the real estate commission was about \$18,000," said Christopher Roughan of Clarkstown. "Now that same house is selling for \$700,000 or \$800,000, and the commission is \$35,000 or \$40,000."

"Are the real estate agents doing any more work now than they were then? It just doesn't make sense to me."

Roughan is trying to save the commission on the sale of his late sister's Bronxville townhouse by doing it himself. He recently posted the three-bedroom, one-bath property on Craigslist.com for \$735,000.

"I'd rather save the commission to give the buyer a better price," he said. Roughan is retired — an advantage for anyone trying to sell property themselves.

Shirley Fisher of Nanuet said she toyed with selling her home herself, but reconsidered because of the time it would likely take.

"Between getting the house ready to sell, holding open houses, answering calls and e-mail from possible buyers and then arranging times to show them the house, I wasn't sure when I'd have time to work," she said.

"I guess there's always a trade-off ... you have to decide what is more important: The cost of commission or the cost of your time."

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