

Home Sale Maximizer™ Guide **2010**



HomeGain[®]
Your Real Estate Connection

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"Many of my home sellers come into listings very well prepared as a result of Home Sale Maximizer™. They've taken steps to get their home in selling condition, like replacing old carpets, landscaping and painting inside and outside. Sometimes they even get a home inspection and a termite inspection done prior to listing! I recommend Home Sale Maximizer to all home sellers."

— Barbara Shaughnessy, ABR, CRS, GRI, REALTOR®
Rose & Womble Realty Company
Virginia Beach, Virginia



The Home Seller's Online Resource

HomeGain is the first web site created to help homeowners find out what their home is worth, evaluate important financial decisions and screen to select the right real estate agent.

Your house is one of your most important financial assets. If you are preparing to sell your house, there is good news: You don't need to spend a lot of money on repairs to realize a strong return.

This guide was created to help homeowners identify the key repairs that can result in a higher sale price for their house. Nearly 1,000 real estate agents nationwide responded and configured a list of the top 12 moderately priced home improvements that will benefit sellers most when they sell their homes.

There are also some repairs that are recommended in this guide that may not increase the price of your home, but may make your house more marketable and reduce the time on the market.

Before investing money in home repairs, we recommend that homeowners choose a real estate agent and evaluate their improvement strategy with their agent based on their local market as well as the condition, age and location of their home.

This guide will provide you with useful information to help you get your home ready for sale. If you have not chosen a real estate agent yet and are planning to sell your home, we encourage you to visit www.homegain.com and click on **Find A REALTOR®**. You will be matched with an experienced agent who has sold homes right in your own neighborhood.



Good luck!

Which Home Repairs Result in the Greatest Return?

In our Prepare-to-Sell study, real estate agents told us that it is the small improvements that pay the biggest dividends when a home is sold. The majority of agents who were surveyed normally advise homeowners to do as little as possible - perform touch-ups on floor tiling instead of replacing the entire floor; shampoo the carpets instead of replacing them. However, if the homeowner and their real estate agent determine that the condition of certain areas is deemed to be too poor, more extensive work may provide the greatest benefit.

Most of the activities identified in HomeGain's Prepare-to-Sell study are common sense, but many sellers overlook some of the most critical items in the pressure of getting their home prepared for sale.

The following is a summary of the results of HomeGain's 2009 national survey, based on the 12 areas of home improvement identified by real estate agents in HomeGain's original survey in 2003. They are listed from the highest to lowest returns on investment:

Home Improvement Project	Average Cost	Home Price Increase	Return on Investment*	% of Agents Recommending
Clean and De-clutter	\$100 - \$200	\$1500 - \$2000	872%	98%
Home Staging	\$300 - \$400	\$1500 - \$2000	586%	82%
Lighten and Brighten	\$200 - \$300	\$1000 - \$1500	572%	95%
Landscape Front/Back Yards	\$300 - \$400	\$1500 - \$2000	473%	94%
Repair Plumbing	\$300 - \$400	\$1000 - \$1500	327%	88%
Update Electrical	\$300 - \$400	\$1000 - \$1500	309%	89%
Replace or Shampoo Carpets	\$400 - \$500	\$1000 - \$1500	295%	97%
Paint Interior Walls	\$500 - \$750	\$1500 - \$2000	250%	94%
Repair Damaged Floors	\$500 - \$750	\$1500 - \$2000	250%	91%
Update Kitchen	\$1000 - \$1500	\$2000 - \$3000	237%	69%
Paint Outside of Home	\$750 - \$1000	\$1500 - \$2000	201%	81%
Update Bathroom	\$750 - \$1000	\$1000 - \$1500	172%	70%

HomeGain surveyed nearly 1,000 real estate agents in each of the U.S. regions. All agents might not necessarily agree on the same pre-sale strategy. See "% of agents recommending" column above. Differences of opinions may vary based on the climate of the market, region of the country or condition of the home in question. The percentage of agents that agree on the positive impact of a particular pre-sale activity is summarized here.

Calculate Your Home Repair Priorities

As you can see from the results of our nationwide study, it is the small improvements that can have the greatest impact on the sale price of your home. Most homeowners who make structural improvements such as adding bedrooms, bathrooms and swimming pools rarely recover their investment when they sell their home.



Visiting the Home Sale Maximizer online will enable you to input your area and more specifically determine your home repair needs and the increase in price when you go to sell your home.

To assist you in completing your home repairs yourself, HomeGain has detailed checklists and a number of animated how-to guides available.

To use our “Home Sale Maximizer” tool online, follow these simple steps:

- 1 Visit **<http://www.homesalemaximizer.com>**
- 2 Enter your 5-digit ZIP code
- 3 Click ‘Get Started’
- 4 Answer a short series of questions on the current condition of your home
- 5 Print your list of recommended home repairs

Review the checklists for each of the home repairs you have identified on the following pages of this guide.

If you decide to hire professional help, your real estate agent can recommend painters, gardeners, cleaning crews and/or decorators.

Note: The Home Sale Maximizer can be an excellent starting point, but determining what activities are appropriate for a particular home is subject to the size and condition of the home and the market conditions in your area. Detailed discussions should be held between the seller and agent to review the appropriate strategy. The cost and benefit numbers for various locations may vary.

Lighten & Brighten



One of the most noticeable yet economical improvements you can make to prepare your house for sale is lightening and brightening. Buyers look for space, light and comfort. Often all a homeowner has to do is make simple touch-ups that can create very noticeable results. For instance, it is important to make the entry to your house as light and bright as possible. Bright light can make a small home appear larger, while soft light provides a warm, cozy atmosphere to empty spaces.

Tips:

- Clean** all windows, inside and out
- Wipe all light fixtures with a rag and cleaning solution
- Keep curtains open; use as much natural light as possible
- Polish brass and glass
- Clean** existing shutters, blinds and drapes
- Make sure all outdoor lighting works
- Clean** all switchplates
- Install** new window treatments if yours are damaged
- Prune outside trees to allow as much natural light inside as possible
- Make sure **all** windows open easily. Repair sticky windows that don't open
- Use the brightest light bulbs possible, while making sure they have the right wattage
- Install dimming switches in common rooms, such as dining rooms and living rooms, to allow you to create lighting for different occasions
- At night, turn on porch light and other outdoor lighting

Clean & De-Clutter

Thoroughly cleaning your home and freeing it from all clutter can be the most important of all pre-sale activities. Buyers want to imagine themselves in your home, but will have a difficult time if there is extensive clutter. It can be difficult to maintain an immaculate home over the period of time when it is shown to prospective buyers, but it is definitely worth it. Consider renting short-term storage for excess furniture and other belongings.

Tips:

- Organize closets, storage rooms and areas
- Polish woodwork, metal and glass/mirrors
- Clean windowsills, doorsills and shelves
- Remove all of your personal possessions
- Keep screens cleaned and vacuumed
- Make stairwells and corridors clutter-free
- Get rid of odors (e.g. pet, food, cigarette)
- Get rid of all items on front and back porch
- Clean or purchase new front door hardware
- Clean the entryway carefully; it creates the buyer's first interior impression of your home
- Clean the inside of all kitchen and bathroom cabinets, and neatly organize items on shelves
- Ensure all doors, cabinets, and drawers can open completely, without any blockage
- Remove appliances from kitchen counters to give a look of spaciousness
- Make bathrooms sparkle; sinks, toilets and tubs should be immaculate
- Hire a professional to thoroughly clean the interior of your home
- Keep bookshelves and entertainment units organized neatly
- Remove excess furniture to give your home a spacious look
- Call in an exterminator to take care of insect problems



Landscape Front & Back Yards



Many buyers will decide based on the "curb appeal" of your home whether they want to see the inside. It is advisable to invest some money on modest landscaping to enhance the appearance of your home. The same logic applies to your back yard as well. An immaculate lawn and garden can significantly increase the appeal and value of your home.

Tips:

- Mow, trim, fertilize and hydrate the lawn
- Edge the lawn and secure fences
- Remove dead or dying plants and flowers
- Clean all debris from front and back yards
- Thoroughly weed flowerbeds
- Power wash the deck
- Prune trees and bushes
- Rake fallen leaves
- Weed and fertilize the garden
- Keep firewood neatly stacked
- Keep trash area clean and organized
- Keep walks, steps and driveway obstacle-free
- Remove signs such as "Beware of Dog"
- Replace welcome mat at the doorway
- Remove moss and weeds from walkways and driveway
- Add colorful plants or flowers near front door and porch area
- If views are obstructed by overgrowth, restore views by trimming trees and bushes
- If you have an awning for the patio, make sure that it is also free of debris and that there are no tears or worn material. Replace if necessary.



Stage A Home For Sale

Staging can be the secret to selling your home quickly. Your house will attract more qualified and serious buyers if it is already in staged condition when you begin to show it. Your real estate agent can assist you in adding the finishing touches and staging your home for sale. This often involves rearranging furniture or even renting modern furniture to show your house in the best possible light. Vacant houses can be more difficult to sell because most buyers have difficulty visualizing themselves living in an empty house.

Tips:

- Place fresh flowers, potpourri and other decorations around house (*even in bathrooms*)
- Play soft music
- Turn **all** lights on
- Open drapes
- Turn fireplace on in the winter
- Use room fresheners in kitchen and bathrooms
- Set the dining room table for a dinner party
- Hang artwork on the walls
- Hang new towels in the bathroom for your guests
- Put cedar chips inside the closets
- Remove personal possessions, like photographs, frames, trophies and mementos
- Tag or remove items not included in sale (i.e. water conditioner, chandeliers, plants, drapes)
- Stage garage – clean up oily floors, straighten tools and other equipment



Repair Electrical & Plumbing

All of your light switches, overhead lights and plumbing fixtures should be in working order. Before showing your house, be sure to have all defective electrical switches replaced. These low cost items can have a very positive effect on the appeal of your home. If the problems are greater, call in a licensed electrician to examine all wiring and make any necessary repairs.

Plumbing is one of those jobs that needs to be handled in the right manner. Some easy jobs you can do yourself. If you're not sure, call in a professional; the consequences of a mistake can mean costly water damage to your house.

Tips:

- Make sure that all bathroom and kitchen faucets are in good working order
- All** toilets should be in good working order
- All** drains should be clean and free flowing
- If needed, hire a plumber to replace badly rusted and corroded plumbing pipes
- Clean** up, paint or replace old plumbing fixtures in all bathrooms
- Repair** leaky faucets and remove any rust stains in sinks or tubs
- Remove** mildew stains and repair any loose, crumbling caulk or grout around tile and tub areas
- Have your well or septic tank inspected or repaired
- Repair** holes in gutters and repair any separation from the eaves
- Service sprinkler system
- Make sure that all smoke and burglar alarms are functional
- Doorbell should be in working order
- Inspect and clean furnace; change the furnace filter



Repair Damaged Flooring

Like everything in your house, you should keep flooring very clean all the time and, if necessary, enhance the appearance at minimal cost. Some repairs or replacement may be necessary to improve the condition and appearance of your home.



Tips:

- Patch, repair or replace hardwood flooring
- Clean** and wax wood or linoleum floors (Replace missing or damaged linoleum tiles)
- Mop and vacuum floors (*carpet, marble, ceramic, etc.*)
- Eliminate any creaks in floors by driving finished nails into the creaky area

Update Kitchen & Bathrooms



Special attention should be paid to kitchen and bathrooms because they receive particular scrutiny from buyers. Prioritize those improvements that will be the most obvious and impressive to buyers. An immaculate kitchen and bathrooms can result in a faster sale. They should be free of all clutter to give an “open” appeal.

Tips:

- Make bathrooms and kitchen sparkle
- If the appliances are included with the sale of your home, make sure they are operating and have proper documentation, such as warranties and repair information
- If there are missing or damaged tiles, have them replaced
- Retouch** or repaint kitchens and bathrooms if the color is dated or the paint quality is poor
- Make sure sinks are clean and stain-free
- Repair** damaged countertops, sinks or tubs
- Remove** any mildew stains and re-caulk crumbling caulk or grout on showers, sinks, tubs, and surrounding areas
- Clean tile grout and make stain-free
- Paint, touch up, or refinish kitchen cabinetry
- Tighten or replace loose doorknobs or cabinet pulls, sticking doors and drawers, and wobbly hinges
- Replace** toilet seats
- If appliances are dated or not functioning, consider replacing

Replace or Shampoo Carpeting

Carpets should be clean, vacuumed and completely smell-free. If the carpets are not faded or damaged, you may consider no more than a thorough shampooing of the rugs to improve the smell and appearance. If the condition of the carpet is poor or smells do not come out, you should consider replacing it with a neutral color.



Tips:

- Steam clean carpet thoroughly
- Hire a professional** to deodorize carpets if you have pets
- Replace** any worn carpet
- Make sure carpets are secure. Stretch and tack down any loose or curling carpet
- Eliminate any cracks in floors by driving finished nails into creaky area (*through the carpet*)

Paint Exterior Walls

Without going to the expense of painting the exterior of your house, there are many touch-ups you can do to give your home a fresh "new" look. Particularly important to the outside is the appearance of the garage and front doors. The window and doorframes should also be painted.



Tips:

- Paint or clean front and garage doors
- Paint shutters, making sure they are hung straight
- Paint window ledges
- Paint the mailbox
- Paint over any rust spots or streaks on downspouts
- Sand and repaint areas with blistering or peeling paint
- Paint exterior fixtures
- Paint or re-stain fence if it is peeling or dirty
- Repair any damage to the chimney
- Repair holes in gutters and repair any separations from eaves
- Repair or replace shingles or tiles missing from the roof
- Seal cracks on porch and remove any standing water, if concrete. If the porch is wood, secure railings and seal or paint as necessary

Paint Interior Walls



A fresh coat of paint can make a world of difference to a room. If your walls are in good condition, often you can get away with just retouching. However, if the walls are dingy or have nicks or holes in them, taking the time to repaint them now can pay off later.

The key to a great paint job is in the prep work. You should plan on patching or repairing drywall in your house to cover nail holes, furniture nicks or damage created by children's toys. Paint will not hide cracks and other defects in your walls, so you will need to spend some time up front to ensure that your paint job will look professional.

Tips:

- Remove dated wallpaper and paint walls a neutral color
- Whitewash dark paneling
- Paint, touch-up or refinish kitchen cabinetry
- Put a fresh coat of paint on your front door
- Tone down bright room colors by painting them white or a neutral color
- All woodwork, such as stairwell railings and doors, should be repainted and/or stained
- Have leaks repaired and watermarks covered
- Make sure that cracks in ceilings and walls are repaired
- The windows should be washed and stain-free. The window frames should be painted if necessary, and the hinges should not squeak.

Additional Survey Results

For complete results of the October 2009 HomeGain Home Improvement survey – including graphs, analysis and REALTOR® opinions – visit:

- HomeGain Real Estate Blog at <http://blog.homegain.com> and click on the “Home Improvement” category (*located on the right hand side*)
- HomeGain Media Center at www.homegain.com/media-center and click on “Polls and Surveys”

About Home Sale Maximizer™ Home Improvement Tool

If you are preparing to sell your house, Home Sale Maximizer™ can help identify and prioritize the home improvement projects to focus on to increase the salability and selling price of your home. Home Sale Maximizer is a FREE, quick and easy-to-use tool for homeowners, and it's also a great resource for real estate agents to provide to their home seller clients. Visit www.homesalemaximizer.com today.

About HomeGain

HomeGain® is a leading provider of online marketing solutions that connect real estate agents and brokers with homebuyers and sellers. HomeGain offers free services to find and compare real estate agents, research home values, and view homes for sale. Real estate agents and brokers use HomeGain's real estate marketing solutions and real estate lead generation tools to connect to consumers, promote their services and grow their business. With an average of over five million website visits per month, HomeGain is the second most visited real estate website in the world. Visit www.homegain.com today.

Disclaimer:

This report represents a consensus of the polled agents' opinions and is for general information and illustration purposes only. Actual costs and benefits may vary due to geography, market conditions and home characteristics. This report is not intended to replace the advice of a real estate agent, and should not be considered professional, legal, or tax advice. Before contemplating any real estate improvement project always consult a reputable local resource for personalized advice.