

FREE DOWNLOAD

10 Things You "Must" Know Before You Sell Your House

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RE/MAX
Real Estate (Mountain View)
Each office independently owned and operated

Jim Perks



written to help
you sell faster
and at a higher price

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Introduction

Move in ready homes sell more quickly and for more money. According to the National Association of REALTORS, 87% of home buyers are looking for a move in ready home. If your house is in good move in ready condition when you put it on the market you have essentially grabbed the attention of 100% of the buyers. Selling your house is not only about getting the best price, it is also about attracting the right buyers.

When a buyer walks through your house and sees everything in good working order, everything in place and a clean space it inspires faith that you are someone who has cared for their next home. From the moment they step in the door, they are forming an impression of both the house and of you as its care taker.



SOLD

Buying is an emotional experience. As you begin the selling process you will be preparing your house for the market with the understanding that you will be appealing to buyers who are both practical thinkers as well as emotional beings. Often, the buying decision is a combination of both of these. Sellers sell houses, but buyers buy homes. Buyers can be emotional, sellers have to be practical.



Buyers will be comparing your house to all the others they have seen. If you think of your house as a commodity you will begin to see the selling process in a different light. You are preparing your house for sale with the goal of creating a better product than the competition... And yes, it is a competition, one where the stakes are high and thousands of dollars are on the line. When a buyer walks through a home with an agent, a good agent will be discussing items of concern and what those might cost to repair or replace.

Buyers have two concerns when they walk through a house. Can they see themselves living in it and is it well taken care of. A smart seller can help them answer those questions by having their house properly prepared for sale.

In the following pages I will breakdown the steps I recommend to my clients as they prepare their houses for sale. If you just want to skip all this work and put your house on the market, that's fine. Hundreds of Calgarians list unprepared homes every day.

If you are expecting top dollar for your home and you would like to have it sold in a reasonable amount of time, you have to present a product that is the best choice in the market.



Inspect and Repair

Most people already understand what the little fixes are as they prepare the house for sale. These are the little annoyances that have been ignored over the past few months, like a window that does not open, a cupboard door that has a loose hinge or a tile out of place, maybe some caulking around a tub that should be redone or a dripping tap. I consider it part of my role as a seller's agent, to take the time to do a walk-through with my clients in order to ensure nothing is overlooked. We look at the interior as well as the exterior. It is important to make a good first impression from the curb.

There are many sellers who believe that buyers will want to fix the home their own way once they buy it, so it is best to leave it as is. This may seem to make sense; however, it just is not true with a very large majority of buyers. After working with many buyers and viewing hundreds of homes I know that most buyers want a house with minimal to no work when they move in. When there is work to be done, they expect the seller to do the work or compensate for it.



Keep this in mind... a buyer who is looking for a property to renovate or fix up is looking for a bargain. They want to gain equity through the difference in the purchase price and the value once the renovations are complete.

If you are okay with selling your property for a reduced price this is not an issue, but if you want the best price possible you have to present buyers with a product that shows value for the money they are spending.



Declutter

The second task is to start the declutter process. This can take place while working on the inspect and repair phase. Do not underestimate the value of minimizing your footprint on the house. A decluttered house feels bigger, photographs better and is free of emotional distractions for buyers. As a general rule I tell my sellers to clean off all horizontal surfaces, reduce clutter on display shelving and have minimal furniture in each room. Pack up knick knacks and trophies. Most buyers have an expectation that any home they view is going to have the look and feel of a show home.

Accepting this is the path to a faster sale and a higher price for your house.

Don't ignore the exterior of the house as this is where the first impression is made. Buyers may drive by your home after looking at the listing online. Keep the outside clutter free as well.



"But Jim, where am I going to put all of this stuff"? The best place is in the garage. If you don't have one, pick a room or corner in the basement. But remember, you want to give the buyer the impression that you are a clean, organized family who took great care of this home. Box everything and stack it neatly.



Not Like This

Renovate

The third task is to take a hard look at the overall condition of your home and consider whether you want to put some money into maintenance or renovation. Every home is different when it comes to how much needs to be done. How much you decide to do really depends on the return on the investment in the updates, but a quicker sale needs to be a consideration as well. It is well known that kitchens and baths are the big ticket items and are the completed renovations many buyers are looking for. If you don't want or need to go down that path, there are still things you can do to present a better product to buyers.

If renovations are on your mind, it is best to bring me in for a consultation and we can discuss if renovations may or may not be necessary to influence a sale.



Here is a list of the basic items in your home that may need attention and a few suggestions to help you get a better sale.

Paint & Trim

Don't ignore this one. The single best investment you can make in preparing your house for sale is new paint. This also comes with a warning. If the paint job does not appear professional, it will devalue your home and cost you as much or more from the selling price than it cost to have it done professionally. A freshly painted house can sell more quickly.

Buyers look for imperfection and when they see it, the offer price starts to drop. If you can do a professional grade job, you can save a lot of money. If you can't, hire a professional and make sure the job is well done. This is true for all of the renovations you are doing

Choose your paint colours wisely. If you are not sure, give me a call and I can help you with the latest neutral colours. Just remember that “neutral is better” when you are selling.



Flooring

Flooring does not have to be new but it does have to be free of blemishes. Buyers do not want to live with the seller's carpet stains, worn out hardwood cracked linoleum or broken tiles. The first thing buyers think of when they see a stain or worn out floor is the cost of replacement. Do a thorough job of cleaning the carpet. Do consider replacing carpet if the current is quite worn. Get hardwood refinished when necessary and make sure broken tiles are replaced and tile grout is sparkling clean. This will help with a quicker sale and will be one less concern for buyers.

Lighting

Make sure all rooms are well lit. Put the brightest bulbs possible in every lighting fixture. Florescent lighting takes time to become bright. When people are viewing your house, they often turn a light on for a few seconds to look at a room. You want it to be a bright and inviting space as soon as the switch is turned on. This means florescent bulbs have no place in a home that is up for sale.

If you have light fixtures that are not functioning, have them repaired or replaced. Lighting can be purchased at a very reasonable price at any building and renovation store and new lighting can make a real difference to the look and feel of a home.

Roofing

The condition of the roof is of great concern to all buyers so it is important to pay attention to this detail and to have information about the roof available in the MLS listing to ease the sellers mind. If the roof is in poor condition, it will become an issue when negotiating the price or following inspection. I can provide key advice in this area.

Wood roofing requires regular maintenance. If you have a wood roof and have not maintained it, buyers will expect a large reduction in price. Do not despair. In most cases, a wood roof can be refurbished for less than the cost of any discount a buyer will expect.

Windows

Metal sliding windows are common in older homes. These windows are not energy efficient and buyers will often see a need to replace them. They will reduce their offer to purchase a house by the replacement cost.

Wood windows that are not cared for can also be a issue for buyers. Casings should be cleaned of mildew and painted if needed. Buyers can be concerned about all of the windows if the seal is broken in just one. If you have windows in need of attention, don't put this off.

Mechanical Systems

The last consideration, but far from least important, are the mechanical systems in your house.

Furnace

If you have an older furnace and do not want to commit to upgrading to a new high efficiency furnace the best you can hope for is that buyers are willing to accept the one you have. You can impress buyers by having a clean room with no dust on the furnace or hot water tank. Everything should look well maintained. One thing I suggest to sellers is to paint the floor in this room. This will really dress the room up and give it a well cared for look

Plumbing

Between the years of 1978 and 1998, polybutylene piping was used. Poly B piping has had negative press, some deserved and some not. Google “Poly B” and you will find an abundance of information. Your buyers are reading all of this information so be aware that it will come up in negotiations if you have Poly B in your house.

Electrical

For the most part I see very few issues with electrical problems. Most are to do with wiring in older homes. If you have aluminium wire you are going to have an issue. If you have had professionals do your wiring, you should have no issues.

Cleaning

The last task sellers have before photos are taken and the property gets listed is cleaning. It is so important to make a good impression on buyers. A clean house says the people who are living in the house respect it and have taken care of it.

Sellers have just a very few seconds to make a good impression. As I mentioned earlier, in my experience, buyers ask two basic questions when viewing a home. “Can we see ourselves living in this house? Was the house well taken care of?”

Keep this in mind when preparing a house for sale. Sellers only get one chance to show buyers that the house is the right one.



10 Things you Must Know

1. 87% of buyers are looking for move in ready homes. A buyer who is not, is looking for a bargain.
2. Buyers create an impression in their mind of the seller based on what they see in a house. It is important for them to believe you are someone who takes very good care of your house and belongings. This basic idea can get to you a quicker sale and a higher price for your house.
3. Buyers have an expectation that they are going to be viewing houses that are in clean, clutter free and organized. You want them to be excited about viewing your house so don't disappoint them.
4. A fresh coat of paint can earn you a higher selling price, but it must appear professionally done.
5. Get rid of all of the clutter in your house. Pack up expensive items. Clean horizontal surfaces. Pick a spot in the garage or a corner of the basement to keep all of the items you are storing. Store them in a neat, orderly way.
6. Flooring needs to be clean and in good repair. If it is dirty or stained, buyers will believe that it needs replacing
7. Make sure all rooms are well lit. Florescent lighting is slow to light and can deter buyers.
8. Roofing and windows are a real concern for most buyers. Anything you can do to eliminate this concern will work in your favour.
9. A clean furnace room with a painted floor will make a good impression with buyers.
10. Sellers sell houses, buyers buy homes. As you prepare your home for sale, remember your home is a commodity and you are competing with other homes in the market for the attention of a limited group of buyers.



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