

Seller Orientation Guide



Consultation



Marketing



Closing

Welcome

The Rand Family



Matthew Rand
Matthew Rand
Managing Partner

Joseph W. Rand
Joseph W. Rand
Managing Partner & General Counsel

Marsha Rand
Marsha Rand
CEO

Welcome to Better Homes and Gardens Rand Realty

Thank you for giving us the opportunity to work with you on the sale of your home. We look forward to providing you the services that have made Better Homes and Gardens Rand Realty one of the largest real estate companies in the country and the leading brokerage in the region.

This *Seller Orientation Guide* is our starting point for the delivery of services to you throughout the process. You will be receiving these Orientation Guides throughout every stage of the sales process, from your initial consultation to your final closing. We've designed these Orientation Guides to help you stay informed, engaged, and proactive throughout your transaction, in order to deliver a great sales experience.

The Orientation Guides will have three purposes:

- First, to fully inform you about what you can expect about each stage of the transaction.
- Second, to let you know what your agent and Better Homes and Gardens Rand Realty are doing to help get your home sold.
- Third, to also let you know what you can do at each stage so that you are fully prepared for what is happening and what lies ahead.

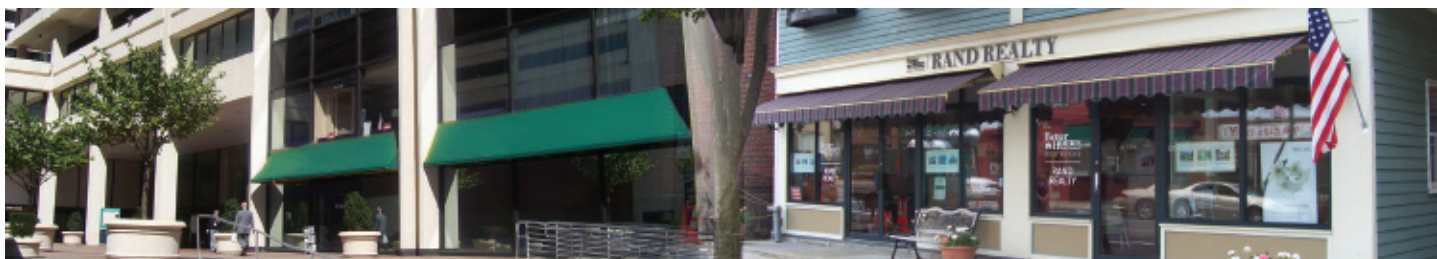
The Orientation Guide: Stage One covers the first stage of the selling process, your initial consultation with your agent, and will provide you with the information you need to get your home on the market. We generally send the Orientation Guides as you enter each stage of the transaction, but if you would like them all in advance, just ask your agent.

We hope you get the chance to read through the Orientation Guide before your appointment with your agent. If you do not, don't worry, your agent will cover everything in your meeting.

Again, we thank you for the opportunity, and look forward to working with you.

About Better Homes & Gardens Rand Realty

When you sell your home, you don't have to choose between the resources of a big company and the local expertise of a small neighborhood broker. Better Homes and Gardens Rand Realty gives you the best of both worlds: a world-class real estate company that is one of the largest in the country and recognized as industry innovator, and a family-owned local business run by people who grew up here, live here, and are deeply committed to the communities of the Hudson Valley.



“Big Company” Advantages

When you sell your home with Better Homes and Gardens Rand Realty, you harness the power of one of the country's largest and most respected real estate companies, recognized by *Real Estate Magazine* and *REALTOR® Magazine* as one of the top 75 real estate brokerages in the country. Long recognized for its commitment to operational excellence, technological innovation, and market savvy, Better Homes and Gardens Rand Realty provides you with a comprehensive array of cutting-edge tools to sell your home:

- **Service:** We literally revolutionized real estate service through Client-Oriented Real Estate (CORE), creating proprietary systems for ensuring operational excellence and attention to detail throughout the marketing and sale of your home.
- **Marketing:** Our innovative “New Solutions” marketing campaign takes traditional marketing tools and propels them into the modern era, displaying your home to the largest buyer audience possible and driving potential purchasers right to your listing agent.
- **Market Intelligence:** We arm you and your agent with the most comprehensive and revealing market analysis in the industry, giving you a competitive advantage over other sellers by keeping you informed about what's happening in the real estate market.

Better Homes and Gardens Rand Realty also gives you access to the largest and most powerful brokerage networks in the country: **Realogy**, the world's largest real estate franchisor; **Better Homes and Gardens Real Estate**, the nation's fastest-growing and most innovative real estate network; **Cartus**, the nation's largest relocation and referral company.

“Small Company” Advantages

When you sell with Better Homes and Gardens Rand Realty, you also get all the benefits of working with a small, family-owned, local broker deeply committed to the neighborhoods and communities we serve. Each of our 25 offices functions as a neighborhood “boutique” broker, with its own manager directing operations and a group of local agents who live in, work in, and know our communities.

- **Local Expertise:** We know the nuances of our local markets better than anyone else: we know the schools, housing styles, history, local regulations, and everything else that can help smooth your transaction and find you the right buyer. That's why we are the leading company in virtually every regional town and village where we operate.
- **Buying Local:** Just as you probably like to patronize locally-owned restaurants, shops, and other businesses, selling with Better Homes and Gardens Rand Realty gives you the opportunity to support a local, family-owned company. You can be secure that our partners, employees, and agents are just as committed to local businesses as you are, rather than patronizing a company owned by people out-of-state, who don't reinvest in our area.
- **Commitment to Communities:** The Rand owners have long been supporters of local charities, foundations, and community organizations, taking leadership positions in organizations such as Hospice, People to People, the regional Making Strides Against Breast Cancer, and the regional American Red Cross. And the hundreds of Better Homes and Gardens Rand Realty agents and employees support and contribute to myriad local causes throughout the region.

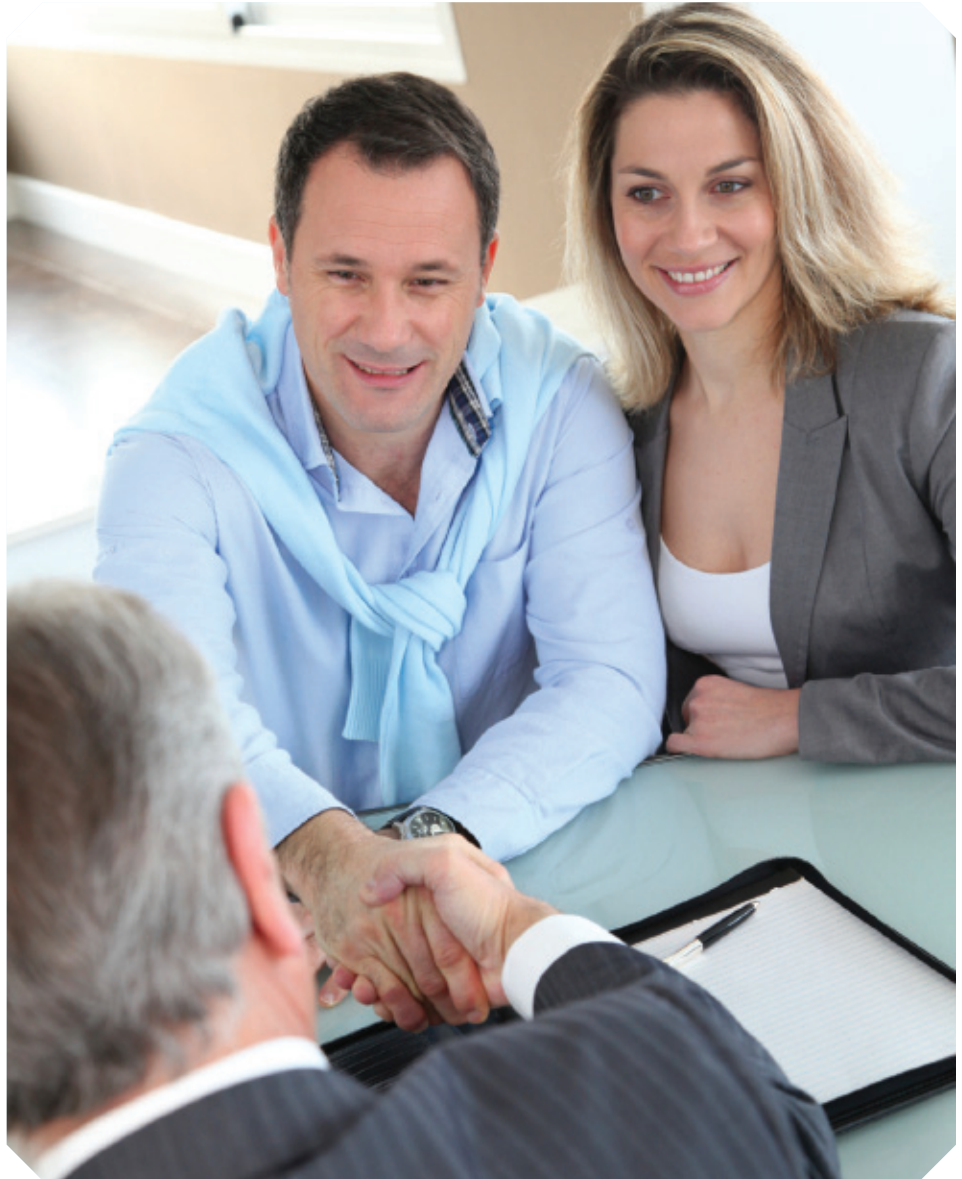
Getting Engaged in Your Sales Process

The most successful home sellers are people who get proactively engaged in the sales process. Your agent is going to be hard at work selling your home, but there are some things your agent simply cannot do. So throughout this home selling process, we're going to urge you to stay involved in your transaction, which is the best way of ensuring that you have a great experience. The first chance to be proactive in your home sale is your initial consultation with your agent.

As you work with Better Homes and Gardens Rand Realty, you'll find that we follow a rigorous set of what we call "Project Plans" to ensure attention to detail. The Project Plans are the hallmark of our "Client-Oriented Real Estate" philosophy: a set of checklists that set out every significant task involving the sale of your home from your initial consultation to your closing. We have Project Plans and to-the-last-detail instructions for everything from getting your home on the market, running a successful open house, taking high-quality pictures, and negotiating offers.

Indeed, the fact that you're reading this Orientation Guide is proof that your agent is following our New Seller Project Plan. It's that kind of attention to detail and commitment to service that differentiates Better Homes and Gardens Rand Realty from other brokers in the area.

But it's not just about us, it's about you. There are simply some things that your agent cannot do for you, and that you need to do for yourself. The most successful home sellers are proactive and engaged in their sale throughout the process. We can help you be engaged by advising and informing you about what you need to do throughout the process, everything from detailing and staging your home, to keeping up with market conditions, to helping you avoid delays of your real estate closing. Thus, every Orientation Guide will not only advise and inform you about what your agent is doing to sell your home, but what you can do to help. In the Introduction through every stage of the transaction, we'll give you ideas about what you can do to help make things go more smoothly.



Again, though, it's about you. You don't have to stay engaged, or do any more work than you want to. But you will find that the more you are actively involved throughout the process, the better-informed and better-prepared you will be,

and we believe you will ultimately have a more satisfying sales experience.

Thank you for giving us the opportunity to work with you on the sale of your home.

The Three Stages of Home Selling

Even if you have sold a home before, you'll find it helpful to review what we call The Three Stages of the Home Selling Process.



1. Consulting

In Stage One, you'll meet with your agent, who will familiarize you with the sales process, introduce you to our service and marketing campaign, review the market to determine your pricing environment, and determine your needs, goals, and concerns in selling your home.



2. On the Market

In Stage Two, your agent will do all the work necessary to kick off your home's marketing with a blitz of activity to seize the attention of potential buyers and cooperating brokers. Meanwhile, you'll be staying on top of evolving market conditions and working to keep the home available and in showing condition.



3. Contract to Closing

In the final stage of the process, your agent will help you evaluate offers and negotiate a deal on your home. And then once you're in contract, your agent will help facilitate the transactional process all the way through to your closing.

Stage One: Consultation



Consultation





Preparing for Your Listing Consultation

At the start of this Seller Orientation, we want to give you some information about what you can do before your listing consultation that will help you and your agent have a more productive meeting. At your consultation, your agent is going to be asking you questions about your understanding of the process, your goals for selling your home, and any questions or concerns you may have related to your sale. Your agent will also prepare materials for your review, including an overview of our marketing campaign, an explanation of our service philosophy, and a comparative market analysis to show you what is selling (and not selling!) in your market area.

You will have a more productive meeting if you do a few things in advance. Here is a short list of some of the things you should keep in mind as you prepare for your listing consultation with your agent. You have no obligation to do any of these things, but you'll find that most of them will help you prepare yourself:

First, you should think about issues involving your home that could affect its showing, marketing, or delay your closing:

- Have you had any work done on the home since you purchased it? If so, do you have the updated certificate of occupancy demonstrating that the work was done in compliance with building codes? If not, issues concerning your "C of O" are likely to delay your closing.
- Do you currently have a STAR exemption on your property taxes that are reflected in your tax bill, and have you grieved your taxes since you purchased the property? That is information your agent needs when marketing the home.
- Can you think of any special showing considerations your agent should be aware of, things like pets, young children, or anyone else who might be living in the home and inconvenienced by showings? If so, let your agent know so he or she can put together specific showing instructions for other agents.
- Do you have any alarm systems in the home that you will be turning on while your home is on the market? If so, make sure your agent has contact information for the alarm company, and your alarm codes.
- Can you think of any relatively dangerous conditions in the home or the exterior, things like steep stairs, uneven flooring, or tripping conditions in the back yard?

- Do you have any valuables that you will need to keep safe for showings and open houses? If so, discuss with your agent how you should protect them.
- Very important: are there any light fixtures, appliances, or window treatments that are attached to your home but which you would like to take with you when you leave? If so, you need to let your agent know so they can be excluded from the sale.

Second, it would be helpful if you started to gather some information and documentation that you will need for the marketing and sale of your home. Even if you are not certain you are going to list during the consultation, you will eventually need all these things anyway, so you might as well get them together as early as possible. Here's what you need:

- An extra set of keys to the home, so that your agent can quickly start setting up showings and attach your lockbox (if you want one).
- Your most recent mortgage statement, tax bills, and utility bills, which are helpful in assessing your situation and marketing the home.
- Your paperwork from your purchase, including your deed and contract, which you will eventually need for your attorney.

Finally, we would ask you to think about some important questions that should come up in your listing consultation with your agent:

- What is your time frame? How soon do you need to be moved out, and how soon do you hope to be moved out?
- What are your expectations for your agent? Have you had bad or good experiences with real estate salespeople in the past, and what are you looking for now?
- Where are you moving to? If you are relocating to another part of the country outside our market area, we can help set you up with a great agent to assist you.
- Finally, what are your contact preferences? Some clients like to hear from their agent every day, some every week, some only when there is news. And some like text messaging, some email, some phone, some only like to talk in person. Let your agent know how often you want to communicate, and how.



Our Service Systems: Client-Oriented Real Estate (CORE)

Everyone promises good service. But what systems and tools do they have to ensure delivery on that promise? A great service experience requires more than just empty promises. You need a plan.

At Better Homes and Gardens Rand Realty, we have a plan. For more than two years, we have made a commitment to creating systems, tools, and procedures to ensure that our agents deliver a consistently high level of service to all of our clients.

Our proprietary client care solution is called “**Client-Oriented Real Estate**” (CORE). CORE is a structured, comprehensive, and rigorous system designed to ensure that you have a great service experience selling your home. This CORE system built around three primary goals:

1. Execution

The foundation of the CORE system is the Seller Project Plan, which identifies and lists all the steps needed to get your home on the market. The Project Plan follows industry best practices we identified after consulting with hundreds of real estate professionals. The plan helps guarantee a great client experience by ensuring all steps are done correctly with disciplined attention to detail, and by reducing the possibility that any steps are missed.

The Project Plan is based on similar initiatives that we studied in other industries. In the same way that pilots follow a “pre-flight plan” to make sure they don’t miss any steps that might endanger their passengers, and surgeons follow a “safe surgery checklist” to reduce post-operative complications, our Project Plans are designed to effectively get your home listed, follow industry best practices when marketing your home, and thus quickly get your home sold. Your agent can show you the initial Seller Project Plan for getting your home on the market, but you will also receive the benefit of Project Plans that we use throughout our company to ensure



attention to detail, reduce errors, and provide an efficient, consistent, and high-quality client experience.

2. Communication

Great relationships require good communication. You’ll see the CORE system difference at your initial consultation, which will not only provide you with an overview of our company services and marketing plan, but also identify your particular needs, concerns, and goals. Your agent will have our **Seller Consultation Guide**, which provides them with all the relevant information they need to ensure that they achieve a comprehensive understanding of what you want and need in your sales experience. For example, your agent will determine your preferred timeline for getting your home sold, your familiarity with the sales process, and how you would like to be updated while your home is on the market.

How We Developed The CORE System

We developed CORE by studying the customer service philosophies of great companies like Nordstroms, Four Seasons hotels, Starbucks, and Disney, to find common elements that we could incorporate into the real estate industry. We also integrated the lessons gleaned from books like Ken Blanchard’s *Raving Fans: A Revolutionary Approach to Customer Service*, William Capodagli’s *The Disney Way*, Robert Spector’s *The Nordstrom Way to Customer Service Excellence*, Danny Meyer’s *Setting the Table*, and Atul Gawande’s *The Checklist Manifesto*.



Once you are on the market, the system provides regular updates about the marketing of your home. Each week, you receive two emails from your agent:

- The *Property Traffic Report*, which gives you an update on the number of buyers who have viewed your home online, to allow you to measure buyer interest.
- The *Market Action Update*, which gives a weekly snapshot of changes in your local market, including new listings, price changes, and recent sales.

Of course, the key to communication is your relationship with your agent. We've trained all our agents to use communication tools most favored by consumers, enabling you to keep in touch with your agent based on your own personal preferences: in-person contact, mobile phone, text message, email, or through social networks like Facebook.

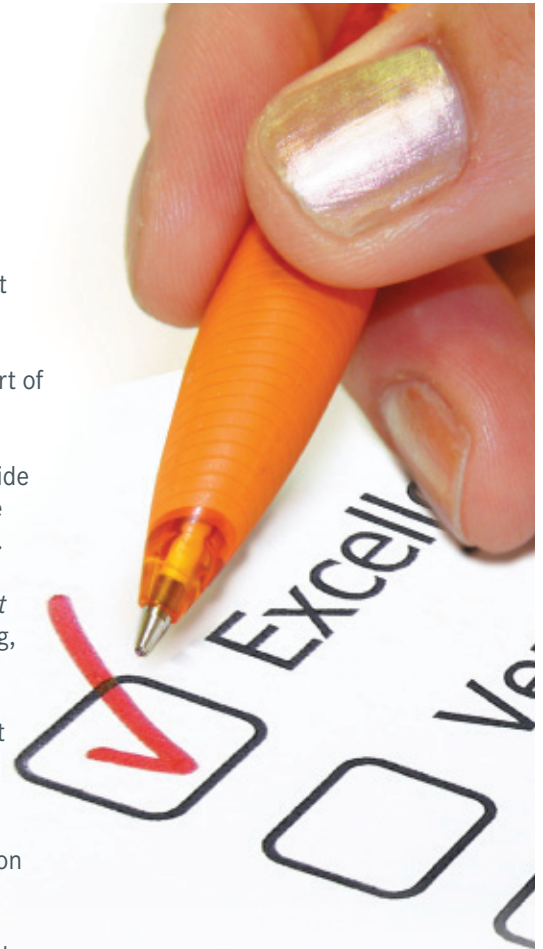
3. Information

At every stage of the selling process, we provide you with advice and guidance about everything you need to know to

detail and stage your home, prepare for showings, work with buyer agents, negotiate offers, address inspection issues, understand sales contracts, and more. Because information is power, we also provide you with the most comprehensive analysis of real estate market information available in the industry – what we call our “Market Intelligence” reports.

- *Seller Orientation Guides* for every part of the selling process
- *Selling Real Estate – Form Packs* provide an explanation and bound copy of the legally-required forms for your listing.
- A comprehensive *Comparative Market Analysis* which tells you what is selling, and not selling, in your local market.
- Regular *Quarterly Market Reports* that give you insight into the region, your county, and your local market.

Plus, up-to-date information available on RandRealty.com, including our Market Intelligence Blog, Better Homes and Gardens Real Estate video content, and weekly email updates.



Our Commitment to Quality Service



Our ultimate goal is not just to sell your home, but to make sure that you have a great service experience. That's why we have retained the independent surveying company, "Real Satisfied", to survey all our clients on their experience. We are delighted that over 95% of our sellers report that they are "satisfied" or "very satisfied" with their Better Homes and Gardens Rand Realty experience. We hope and expect that you will have a similarly great client experience.



Pricing Your Home to Sell

Our goal at Better Homes and Gardens Rand Realty is to help you sell your home for the best price possible. We are going to do everything we can to maximize the value of your home, utilizing comprehensive and rigorous marketing campaigns, our industry knowledge on how to enhance the “appeal” of your home, and our professional negotiating skills. But the first step in ensuring that you get your home sold is setting the initial price of the home competitively in your market.



The Comparative Market Analysis (CMA)

When you meet with your agent, you’ll receive a comprehensive “Comparative Market Analysis” that will identify certain similar sold, and unsold, properties to help you determine a price. Don’t take the term “comparable” literally – it just means that the agent is following a standard methodology in identifying properties that buyers and appraisers are going to use to value your home. Comparable properties are generally identified by the following three elements, in descending order of importance:

Location. This is by far the most important criteria: the town or village where your home is located. We all know that the standard joke in real estate is that the three most important variables are “location, location, location,” but it represents a fundamental truth. Two identical homes on identical lots will sell for vastly different prices depending on their town or village. Your agent uses location as a starting point for choosing comparable properties. If such sales are not available in your local area, your agent will expand the search, but homes outside your local area can be less helpful in identifying a competitive price for your home.

Size. After location, size is the most important determinant of price. A home with more square footage, or more bedrooms, is generally going to sell for more than a smaller home. Indeed, in the Hudson Valley, we have identified what we call the 10/20 rule: only 10% of the homes in a given town sell for more than 20% above the average price per square foot for similar properties in that town. Once location and square footage are determined, we have a fairly accurate and reliable range for selecting comparable properties and pricing your home.

Style. Style refers to the type of home: colonial, tudor, cape, raised ranch, etc. Although the style of the home is not going to affect price nearly as much as location and size, the style is helpful for choosing comparable properties. If possible, given the market conditions, your agent will try to use comparables that have similar styles.

Understanding Pricing

We know that clients are concerned that some agents deliberately underprice a home to get a quick sale, or overprice a home to lure optimistic and unsuspecting sellers into signing a listing agreement. That’s why we want you to be completely engaged in the process of identifying the best, most competitive price for your home.

Ultimately, of course, the market is going to decide the selling price of your home. We don’t set the price. You don’t set the price. The market is going to set the price. If you price it too high, buyers will ignore

your listing, and you’ll eventually drop your price to the market price. If you price it too low, buyers will spring into action, compete with each other, and drive the price to the market price.

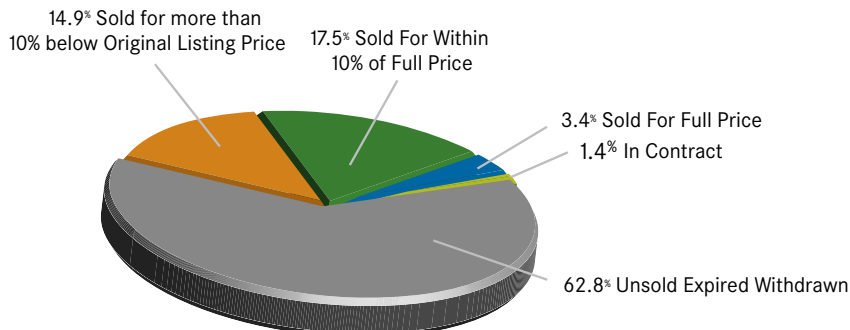
The first step is to make sure you get a good “read” on the market. This is where a skilled agent can make a difference, not by telling you what the price should be, but by helping you understand what the market is telling you. A real estate agent is like a meteorologist – we don’t set the weather, but we can help you analyze the market to make a more informed decision on the best price for your home.



Evaluating Your CMA

We want you to be engaged in the pricing process. Your agent's job is to present you with all the information you need, and guide you through understanding it. So when you get your CMA, examine it carefully.

40,000 Regional Listings Taken Last Year: Where are they now?



This graph shows the importance of accurately setting your listing price to be competitive for the market. Of 40,000 regional listings taken last year, almost 63% failed to sell, and only 3.4% sold for full price.

First, not all comparables are equal.

In most cases, your agent will be able to provide you with a full range of comparable sales that can help guide you in the pricing process. This gives the clearest guidance in situations where you have a lot of recent sales of comparable properties in your area. For example, some neighborhood developments (and especially condominium buildings) provide clear pricing guidance, since you will usually find a lot of recent sales involving homes of similar size, style, and even layouts. Other homes create challenges, because they are either in areas or price ranges that are not particularly active. In these cases, your agent may have to expand the search to include comparables from other areas to provide pricing guidance. This could make the pricing process a little more complicated.

Second, focus on sold properties, not unsold properties.

Anyone can put a property on the market for whatever price they want, that doesn't mean it's actually going to sell. The key when pricing your home is to look at the comparable sales – homes that have actually sold in the current market. Buyers have access to the same information you do, and can be just as well-informed, so they're going to know about recent sales

and are going to base their valuation of your home on those sales. Moreover, when you get into contract, your buyer's lender is going to conduct an appraisal of the property, basing its valuation on those sold properties. So when you're pricing a home, focus on the sold properties to set a price, and treat the "active listings" (i.e., the unsold properties) as the competition for buyer attention in your market.

Third, use location, size, and style to set a price range, and then narrow down the specifics.

Pricing is a little bit science and a little bit art. The science establishes a general price range using the comparable properties identified by location, size, and style. Once you've got that range, pricing becomes more of an art, because you need to make more nuanced comparisons to the comparable properties to figure out the proper price within that range. Essentially, you'll compare your home against the comparable sales (and the unsold competition) on the criteria that can have a significant effect on pricing, such as:

- **Condition:** whether the property is in good physical and mechanical condition.
- **Amenities:** features such as hardwood floors, updated kitchens, updated bathrooms and bedrooms, pools, fireplaces, landscaping, etc.

- **Taxes:** whether the property taxes of the comps are higher or lower than your taxes.
- **Lot size:** although interior square footage is a much more significant determinant of price, differences in the exterior lot size will factor into the price.
- **Local environment:** issues such as neighborhood appearance, power lines, or traffic flow all affect pricing within the range.
- **Appeal:** the extent to which the seller has prepared the property for showings through detailing and staging.

Keep in mind that criteria such as condition, amenities, and the like can affect pricing, but only within the range set by the comparables. Remember the 10/20 rule: only 10% of homes sell for more than 20% above the average price per square foot for similar homes in your area.

Conclusion: How We Can Help

It's important for you to understand the process, and to be involved in helping set a competitive price for your home. Ultimately, it's our job to help you get the best price possible, and we will use every resource we have to maximize your home's value:

- **Appeal:** we will guide you through enhancing your home's value through professional detailing and staging.
- **Marketing:** we will rigorously market your home through our online and offline marketing campaign.
- **Exposure:** we will expose your home to the largest buyer market possible, through online advertising of your listing, personal marketing, and direct mail.
- **Availability:** we will work with you to ensure that the property is available for showings whenever possible.
- **Communication:** we will keep you informed on what we're doing and on market changes that might impact your home's value.
- **Negotiating:** we will use our negotiating skills to help drive the best possible price.

We hope you find this helpful, and we look forward to working with you.



Marketing Solutions

New challenges require new solutions. In a more competitive and complex marketplace, with more homes on the market than ever before, the old ways are not enough. That's why we have put an innovative stamp on traditional marketing to help you stand out and reach today's more sophisticated and demanding buyers. Our "new solutions" marketing campaign is designed to accomplish three goals: (1) attract the largest possible number of buyers, (2) engage those buyers with appealing displays of your home's best features, and (3) convert those buyers into action.

Attract the largest number of buyers

Your buyer could be anywhere, so we're everywhere.™ Our main website, RandRealty.com, generates enormous buyer traffic, and the site is fully mobile-optimized for buyers using their smart phones instead of their computers. We advertise your home on the most influential real estate websites, with enhancements for the most popular real estate and media sites. And we are part of the largest real estate networks in the country, including Cartus, the world's largest corporate relocation company. If your buyers are out there, we are going to reach them and grab their attention.

Engage those buyers with your home

We want people to buy our client's listings, not the competition. That's why our marketing campaign is designed to feature and showcase your home, to help it stand out from the crowd. Your home will receive priority placement and enhanced display not only on RandRealty.com, but on the highest-traffic sites in the industry, including Realtor.com, Trulia, Homes.com, and Zillow. We even optimize our website for mobile users who can get property information after driving by our "for sale" sign, and use our proprietary Pinpoint database to send direct mail to buyers who would be most interested in your home.

Convert those buyers into action

Our goal is to get buyers from shopping to buying, from looking at properties on a computer in their home to walking in the front door of your home. That's why we use the LeadRouter system to quickly connect interested buyers by text, email, or phone directly to the most qualified agent who can answer their questions and convert them into a potential buyer for your home — your listing agent.



RandRealty.com: The Region's Leading Brokerage Website



Our company website has over 500,000 unique users who conduct over 400,000 searches and view over two million properties every month. Buyers flock to the site because of all the great features we offer. More importantly, we take that buyer traffic and drive it right to our own listings by giving our sellers featured placement at the top of relevant search results and as "You May Also Like..."

suggested properties when buyers are looking at competing listings. We also enhance our own listings with more extensive property descriptions, up to 30 high-resolution photos, and virtual picture tours, to engage buyers and help your home stand out from the competition. As a result, our listings are **five times** as likely to generate a buyer inquiry as other broker listings.

Internet Advertising: The Most Relevant

Because your buyer could be anywhere in the world, we advertise your home on real estate websites reaching millions of consumers. We also feature and showcase your home on the most popular and highest-traffic sites,

with special partnerships with Realtor.com, Trulia.com, Homes.com, Zillow, and Facebook. Your home will not only be on those sites, but also given priority placement and enhanced displays to draw buyers in.

Media Advertising: All Local News Sites, and the New York Times

As the internet has revolutionized the media industry, buyers increasingly get their news on their computers or mobile phones. Our media campaign reaches those buyers, with special partnerships with local news outlets.



Mobile Platforms: For All Mobile Devices



People are increasingly searching the internet on their phones rather than their computers, so we have optimized RandRealty.com to work on every major smart phone platform, including Android, and iPhone. We also advertise our properties on the two most important mobile platforms for our clients: the iPhone apps for Zillow and Realtor.com.

Targeted Direct Mail: The Pinpoint Database



Real estate brokers have been using direct mail to market properties for years, but our New Solutions Marketing Campaign takes direct mail to a new level through the exclusive Pinpoint database. We can identify potential buyers for your home not just by location but by demographics – targeting them by their interests, age, income, length of residence, or dozens of other variables. This is the leading demographic database in the marketing industry, available only to us because of our association with Meredith Corporation, the publisher of *Better Homes and Gardens* Magazine and dozens of other publications.

Social Media: The New Networking Frontier



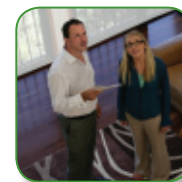
As the rise of social media changes the way that people communicate, we've adapted our marketing campaign. All our agents have access to social media marketing training, and all our listings are searchable on Facebook, the leading social media site in the world. Through Facebook, we have created a social network involving hundreds of our agents and thousands of people throughout the region.

Industry Networking: The Best Connections



As the world gets smaller, it's even more important to have the right connections. Your buyer could be anywhere in the world, so we are part of the largest real estate networks available in the industry. This includes our affiliation with Realogy, the world's largest real estate broker network, and with Better Homes and Gardens Real Estate, the fastest-growing franchise in the country and a brand recognized by millions of people. Also, to maximize the possibility of finding the right buyer for your home, we're affiliated with Cartus, the world's leading corporate relocation company.

Agent Marketing



Finally, your marketing campaign will be orchestrated by your Better Homes and Gardens Rand Realty professional agent, who will build on the company's marketing campaign and add the personal touch. Our agents have access to an astounding array of tools and resources to help sell your home, everything from market analysis to property flyers to a personal website that will feature your home. Your agent will discuss some of these personal touches at your initial consultation.



Trading Up and Downsizing: What to Know if You Are Both Buying and Selling in a Buyer's Market

Many of our sellers are also our buyers, because they're moving from one place in our area to another. If that's the case, you probably have questions about whether this is the right time to "trade up" or "downsize," and about when you start looking for a new home during your selling process.

People always ask real estate agents how the market is doing. The answer is simple – it depends. That's because your view of whether the market is "good" or "bad" depends on your individual circumstances. In a seller's market where inventory is low, demand is high, and prices are going up, the market is "good" if you are a seller. In a buyer's market, where inventory is high, demand is low, and prices are going down, the market is "good" if you are a buyer.

That all makes sense if you are going to be **only** selling or **only** buying in a particular market. If you are only selling in a seller's market (maybe because you're going to be renting, or you are combining households), then you do well in a seller's market because you get to take advantage of the high prices without worrying about having to buy something new. And if you only buying in a buyer's market, such as a first-time home buyer with nothing to sell, you get a home for a relative bargain.

But what if you are **both** selling and buying in the same market? After all, you have to live somewhere. If you're in that position, then the market is really just "**neutral.**" In a seller's market, you do well on your sale, but you're going to pay a lot for your purchase. In a buyer's market, you don't do as well on your sale, but you'll get a relative bargain on the home you buy. So it doesn't really matter whether you're in a seller's or buyer's market when you're both buying and selling a home. You either sell and buy at a higher price, or at a lower price.

Now, what does that all mean when we're in the environment that we see this year, when we're clearly in a buyer's market?

First, if you are "trading up," you're much better off in the buyer's market today than you would have been in the seller's market a few years ago. The reason is simple: if you are going to be buying a new home in a higher



price range, you are better off when prices are low overall. Let's say that you were thinking of trading up in the seller's market of a few years ago, when your home was worth \$400,000 and the home you wanted to buy was worth \$600,000. Since then, of course, prices have declined about 25% throughout the region, so your home is now worth \$300,000 and the home you're buying is now worth \$450,000. So although prices have declined 25% across the board, the spread between the house you're selling and the one you're buying has declined from \$200,000 to \$150,000, saving you \$50,000 to move from one house to another.

Moreover, real estate professionals know that in a buyer's market, the largest declines actually happen in the higher-end markets, particularly in the market over the past five years. So people trading up might be trading from an environment with a 25% decline into an environment with a 30-35% decline.

Second, if you are downsizing, you are likely to still come out ahead in a buyer's market if you are downsizing into a new area of the country. Homeowners who are downsizing will not get the advantage that move-up buyers get in the spread between their sale and their purchase, but many of them will get an advantage because they are moving to areas of the country that have seen far more than a 25-30% decline in prices. Many of our downsizing buyers are selling their expansive homes in our region in order to keep a small home in the area and purchase a retirement home in a warmer climate.

If that's the case, then those downsizing buyers are coming out way ahead by downsizing in this buyer's market than if they had downsized a

few years ago. Prices in retirement areas are down by as much as 50% from their heights in the seller's market, whereas our local prices are down by half that. So if you are selling north and buying south, you are much better off now than in the seller's market. Indeed, you might have better bargains now than at any time in the past fifteen years.

Third, if you are going to be both selling and buying, make sure to get your home on the market first. It can take a fairly long time in this market to complete a sale, so you definitely want to get your home listed and reasonably priced to the market before you start shopping for a new home. You don't want to be in a situation where you find the perfect home, but then lose it because you haven't sold your current home yet. While you can always ask the seller of your new home to give you a contingency that will allow you to get out of the contract if your home doesn't sell, most sellers won't consider that (the same way you probably wouldn't consider it).

That said, you should certainly start watching the market. We would not recommend you actually go out and look at properties to buy, because that can be a frustrating experience if you're not yet sold. But you should definitely start keeping track of the market you're looking to move into, so that you can watch how long properties stay on the market, keep an eye on some likely candidates, and see what's selling and for how much.

Finally, if you are moving out of the area, you should let us help you. We have a network of specialists through our affiliation with Cartus, the largest relocation company in the world, and can help ensure you get a great agent to help you on your purchase. You're much better off working with Cartus than choosing an agent on your own, because Cartus relocation specialists are bound by strict standards of professionalism and service excellence. Just let your agent know that you're moving out of the area and need a professional real estate agent to help you find a new home.



Getting Ready for the Market

Today's instant information age requires that we have all the marketing preparation completed before your listing hits the market. It also means that you have to move quickly to get your home prepared for sale.

Before the internet age, getting a listing on the market was a simple thing. The agent would get the disclosures and agreement signed, fill out a few forms, and drop them off to the Multiple Listing Service (MLS) by the next day. Then the MLS would take all the new listing information that came in and print them up on index cards and sheets, then mail them to participating brokers. The whole process took about a week from the time that you signed an agreement before any brokers actually knew your home was for sale.

Today, properly marketing a home for sale requires an enormous amount of preparation before we even submit the listing to MLS. In an age of digital information, the minute that your listing hits the market, hundreds of buyers with saved searches are going to get emails about it, thousands of buyer agents are going to see it pop up when they log into their MLS systems, and all the pictures, descriptions, and information will instantaneously appear on hundreds of real estate and media websites. Your home will get enormous amounts of attention in the first week you are on the market, so it's important to get things done right at the start.

What Your Agent Is Doing

Your agent has an enormous amount of work to do right away to make sure that your home is properly prepared for marketing with pictures, descriptions, showing instructions, and everything else that needs to be done.

Here's just a sample of all the items that are on the Client-Oriented Real Estate New Seller Project Plan:

- Making sure the property information is properly submitted to the MLS.



- Ordering signs, ordering a lockbox, writing up showing instructions, and writing broker remarks.
- Checking the correct tax information in the local municipality.
- Writing up a property description for third party websites, and a longer enhanced description for RandRealty.com, Realtor.com, Zillow, and some other sites.
- Scheduling with you to take pictures, download them, review them, crop and edit them, and then upload them to the MLS and enhanced photos for RandRealty.com and other sites.
- Setting up marketing mailing lists for buyers who might be interested in the property.
- Submitting the listing for BHG Rand's internal "new listing hotsheet".
- Confirming that you are enrolled for your weekly email marketing updates.

So your agent has a lot of work to do to make sure your listing is ready to hit the MLS and the websites with beautiful pictures, full descriptions, and accurate

information. We want to hit the ground running.

What You Can Do

Similarly, if buyer agents are going to find out that your listing is for sale right away, you have some things you need to do as well. As you know, our philosophy is that sellers should be proactively engaged in the sale of their home, because there are some things that their agent simply cannot do for them.

What can you do to help get your home sold now? You can spend some time, energy, and a little bit of money getting your home prepared for sale through detailing, cleaning, and staging. Your agent can go through a comprehensive checklist of items that should be done so that your home makes an amazing impression on buyers, and help you along in the process, but it's really up to you.

Below, we cover all the things that you can do to maximize the appeal of your home to potential buyers. Specifically, we'll address the concept of detailing your home like you detail a car, cleaning up your home so that it looks like a developer's model home, and then a little about the art of staging. In Stage Two of the Orientation Guidel, we will be covering all the things that you can to maximize the appeal and availability of your home to potential buyers. Specifically, we'll address the concept of "detailing" your home like you would prepare your car if you were selling it, and also the idea of "staging" your home to make the maximum impact at showings. We'll also discuss how you can keep your home in showing condition, and how to stay abreast of any changing market conditions. So make sure your agent provides you with Stage Two once you've completed the consultation process.

Stage Two: On the Market



Marketing



Stage Two: On the Market

Now that your home is on the market, we have a lot of work already completed. Your agent has put together all the listing information for the MLS, taken and uploaded pictures, written descriptions, and done everything to set up the marketing campaign for your home. Now you have some work to do as well – namely, detailing and staging your home to give you the best possible chance of making a great impression on buyers.

Now you're on the market. You may feel that the hard part is over, since you've gotten all your documents signed and your agent has done all the work to get your home on the market.

Getting on the market, though, is just the start. It's like when you go on a long car ride: the first half hour is exciting and fun, and everyone's jabbering and listening to music and excited about the trip. And the end of the trip is exciting and fun, because you finally made it and the trip is over.

But that part in the middle? Not fun. That's the part where everyone gets bored and starts to nod off, except hopefully the driver, and eventually you start hearing the refrain "are we there yet???"

Selling a home is the same way. You get keyed up in the beginning, because you've finally made the decision to sell, signed agreements, and you're excited about getting the home sold. And you'll be energized at the closing too, because the whole process will be over, and you'll be eager to start the next part of your life.

But that part in the middle? Not fun. That's the part where you have to do some work getting the place into showing condition, and then keeping it that way so that you're prepared for last-minute buyer appointments. That's the part where you have to endure constant showings, allowing buyers and their agents to traipse through your home. That's the part where you have to keep on top of what's happening in the market, so that you can respond to any changing conditions. And just like the long car ride, you'll start to get impatient if you don't get an immediate offer, which does not actually happen very often. Instead of "Are we there yet?", you'll be asking your agent "Do we have offers yet?" It's not



easy. So be prepared.

What's your agent doing at this point in the process? Your agent might be scheduling broker or public open houses, sending out direct mail or email campaigns, or engaging in other marketing activities. Your agent should also be sending you weekly email updates on what's happening with the market and an analysis of the impact of our online marketing campaign. And your agent might be coordinating showings, getting feedback, and hopefully fielding and discussing offers with you.

So what should you be doing during this time? Essentially, your role right now is to be the custodian and manager of this property that you are trying to sell. You're the one on site every day, not the agent, so you should keep an eye out to make sure that the property stays in the same great shape it was on the first day it hit the market. You should also be staying in consistent contact with your agent, and

reading your weekly email updates so you can track what's happening in the market.

Conclusion: Staying Positive

Being on the market can be a very difficult time, so we want you to be prepared for it. Despite your agent's and your best efforts, you might not get a lot of showings, which is depressing. Or you might get lots of showings, which is exciting but exhausting with all the cleaning up, the strange people in your house, and the forced conversations. No one knows how long you will be on the market. Homes with professional, active agents that are priced right and look great still sometimes sit for longer than the sellers would like.

With that in mind, this *Orientation Guide* is all about trying to give you the best chance possible to get your home sold quickly, and the best experience possible during the occasionally anxious and stressful time that you're on the market.



How to “Detail” Your Listing

Last year, almost two-thirds of the sellers who listed a home for sale failed to find a buyer. One reason is that their homes did not “show well” to potential purchasers because sellers did not commit to making their home visually appealing. If you want to stand out in a crowded marketplace, you need to make sure you do everything possible to enhance the appeal of your home.

You would be surprised at the poor condition of most homes that are for sale. Some of them are truly atrocious, in a state of disrepair, filthy, or otherwise completely unsuitable for showings. But most are not that bad -- it’s just that they simply look “lived in.” After all, most of us don’t have the energy to keep our homes in tip-top condition every day. Even if we are basically clean and neat people, we’re probably not spending every weekend scrubbing tubs, washing windows, and cleaning light fixtures. And over time, we accumulate more and more things that end up filling the cabinets, closets, and countertops of our homes.

How do you do it? It’s simple, and it doesn’t cost a lot of money. Think about what you do when you’re trying to sell a car. Most days, you probably drive around in a car that is not exactly in that “new car” state: you’ve got old newspapers in the back seat, coffee stains on the dash, and a trunk full of stuff you’ve accumulated over time. But when you’re ready to sell it, you take it to the car wash to get a good cleaning, maybe a wax, and then you clean the car inside and out. You throw out the old coffee cups and papers, clean out the trunk, empty out the glove compartment, wipe down the seats and the dash, and vacuum the entire interior. You might even buff out scratches or repair dings.



It’s called “**detailing**” a car, and most car sellers will do it because they want to get the best price for their car, and they know that if they invest just a little bit of time and money they can enhance its appeal to potential buyers.

So if that’s the case, why do so few sellers “detail” their home before they try to sell it? After all, detailing a car can only earn you an extra few hundred dollars on the resale, but detailing a home can get you thousands of dollars more in your sale price, and also a potentially quicker sale.

That’s how most of us live, and there’s nothing wrong with that. But the way we live in our homes is different from the way we try to sell them. If you’re serious about selling your home, you can’t expect to impress buyers if you leave it in its “lived in” state. Instead, you need to make a commitment to enhancing its appeal so that every day it looks its best and attracts the right buyers.

Although you might not have experience preparing your home for sale, you probably have been in situations where you wanted to make a great “first impression.” When we go on first dates, we spend more time getting ready than for the average night out. When we go on job interviews, we dress a little better than the average day at the office. And when we’re selling a home, every day is an opportunity to make a first impression with our potential buyers.

Professional home sellers know this. That’s why developers and investors will always set up a

“model home” for potential buyers, a home that is immaculate and smartly but sparingly furnished. They want new home buyers to imagine themselves living there, and know that most buyers cannot see through clutter or messiness.

That should be your goal – to enhance your home so that it looks like a developer’s “model home”. This doesn’t mean spending a lot of money in construction costs or new appliances. Most likely, you don’t need to do major home improvements – in fact, we advise most sellers to save their money rather than do significant upgrades, because you might spend a lot of money making changes that you like, but your potential buyers don’t.



Instead, you just need to detail your home: clean it, de-clutter it, and neutralize it. If you do that, you will absolutely see a difference in the way that buyers react to your home. And as a result, you're likely to sell your home faster, and for more money:

So move out everything you don't need for the next six months: all the clothes you're not going to wear, food you're not going to eat, supplies you're not going to use. Just clearing the clutter will make your home seem bigger, more open, and more appealing.

1. Clean it up

You would be shocked by how many homes for sale are not thoroughly cleaned. The owners are not even willing to make the commitment to do basic housework. But it's tough for a buyer to fall in love with a home that has dirty dishes in the sink, smudges on the walls, cobwebs in the front entrance, or encrusted dirt in the windows. Moreover, buyers want to know that the home was lovingly maintained by the current owners, because the condition of the home is a strong indicator of how well the owners have maintained mechanical, electrical, and other systems.

So now that you're selling the home, it's time to do a rigorous "spring cleaning" of the home. You can do it yourself, or hire professionals to do it for you, but you need to ensure that your home sparkles to potential buyers.



2. Clear it out.

Many lived-in homes are stuffed to the ceiling with too much stuff – too many clothes in the closet, too many knick-knacks on the shelves, too much food and cleaning supplies in the cabinet, and too much furniture stuffed into the rooms. Just clearing the clutter will make the rooms seem bigger, the closets and cabinets more spacious, and the home more inviting to buyers.

Think of it this way: if you're selling your home, that means you're eventually going to have to move. So if you're going to be moving, why not start right now? After all, moving can be a difficult chore, but it's much easier if you break it down into stages, the first stage being the "pre-move" in which you purge all the extra stuff you're not going to use for the next six months while your home is on the market.

3. Neutralize it.

Over the years, we collect photos and personal items that we proudly display on every shelf and wall of the house. Indeed, it's this "personalization" that makes the home ours: family pictures, religious symbols, college pennants, our kid's artwork. It takes all of us years to turn a house into a home.

But now that you're selling, it's time to turn your home back into a house (or a condo). You want potential buyers to be able to imagine living there, which is difficult if the home is too personalized. While you don't want your house to be completely vanilla, and you want to give homeowners a sense of the happy experience that you've had, you also don't want the home to be so "yours" that no one else can imagine living there.

So you need to stop thinking of your home as your home, but rather a product that you're trying to sell. You would do the same thing when selling your car, so do it for your home.

Conclusion

Detailing your home can get you a better price in a shorter time, and can help you stand out in the crowded marketplace. If you're willing to make the commitment of time, and small investment of money, you will see the difference in buyer impressions. Your Better Homes and Gardens Rand Realty agent can guide you through the process of detailing your home, and can recommend cleaning and storage professionals if you need them.



Ten Steps to Detailing Your Home

Here are some fundamental steps for clearing the clutter and detailing your home. Before you get started, consult with your agent about prioritizing what you need to do, and identifying any problem areas to address.

1. Empty the closets and leave only your “vacation-plus” wardrobe

In most homes, whether for sale or not, the closets are stuffed with clothes and the closets end up looking small and insufficient. A closet that is half-full looks a lot bigger, and sends the message that the home has ample storage space. The best way to do this is to identify your “vacation-plus” wardrobe. You know how when you go on vacation for a few weeks, you pack up just your favorite clothes, the ones that look good on you and fit well? That’s the wardrobe you should keep, plus some extras that you might need for special occasions. Everything else should go in storage or to charity.

2. Clear the knickknacks from the shelves and the countertops.

Over time, most of us accumulate knick-knacks that start filling up shelves and countertops. Ninety percent of your knick-knacks should be put into storage. You want the shelves and countertops to be clean and neat, not bulging with mementos from years of vacations and crafts fairs. Box up the knick-knacks, get rid of old magazines that no one is going to read, and box up the books that you’ve already read. You want to leave a lot of empty space, so people can imagine their own things filling the shelves and countertops.

3. Clear out the kitchen cabinets.

The most cluttered room in most houses is the kitchen. Go through the cabinets and shelves, and get rid of anything that you’re not realistically going to use anytime soon: half-empty cleaning supplies, old rags, and appliances that you rarely take out. Then open up the refrigerator and throw out the old condiments, salad dressings, sauces, and spices that you’re not likely to use in the next six months. You’ll make the kitchen seem much more usable if the cabinets and refrigerator shelves seem ample and roomy. And while you’re there, take down the magnets holding papers on the refrigerator, both because it looks messy and because you don’t want visitors seeing your personal effects.

4. Clear off the kitchen counters

Once you’ve cleaned out the kitchen cabinets, get started on the counters. Hopefully, you’ve cleaned out a lot of space in the cabinets to handle the appliances that you actually use, like your blender and your toaster. Now you can store those appliances

in cabinets rather than cluttering up the counter. Similarly, put away all the stuff that accumulates on kitchen counters, like flour canisters, spices, knife holders, radios, soap dishes, and sponges. Pull them out when you need them, but otherwise try to keep the counters uncluttered.

5. Clear out the service you don’t use.

Most people have lots of plates and cups, many more than they ever use. Unless you plan on doing a lot of huge dinner parties while your home is on the market, you don’t need more than service for 8-10 people. Clear out all the odd-and-end coffee cups, plates, service platters, and all the other various cabinet-stuffers that make your cabinets look like they don’t have enough room.

6. Get rid of non-essential furniture

An empty room looks small, which is why developers create model homes that have furniture in them. But too much furniture can make rooms seem cluttered and small. Get rid of all the extra end tables, folding chairs, bridge tables, throw pillows, and everything else that’s taking up space. You don’t want to leave a room empty, but you want your home to seem spacious and airy.

7. Minimize the Pet Effect.

Pet accessories and odors can be a major problem for many buyers. Make sure to clean your pet bedding, or even better go out and buy some brand new bedding. If you have a cat, make sure to use deodorizing litter and to change the litter every day or so. As for clutter, try to find an out-of-the-way place to store food bowls and pet toys when the home is going to be shown.

8. Clear out the garage.

Agents list a lot of homes that have a “two-car garage,” even if the homeowners haven’t put two cars in the garage at the same time in years. Over time, we tend to turn our garages into storage lockers, with boxes, bicycles, gardening equipment, and other bulky objects. No one buys a house for the garage, but it helps to demonstrate that the garage can hold two cars by actually parking two cars in it. So have a garage sale, give stuff away, or store what’s worth keeping. And don’t let the garage become the dumping ground for all the junk that’s moved from the rest of the house. Whatever is stored should go offsite. The garage should be cleared out, cleaned, and left neat and tidy.



9. Highlight your lighting

Good lighting is crucial for showing off a listing. No one walks into a home and says, “oh, isn’t this great how dark everything is?” Sometimes, the rooms are dark because owners haven’t replaced difficult-to-reach and difficult-to-find specialty lightbulbs for ceiling lights, track lighting, or kitchen and bath lighting. If you need help finding lightbulbs, ask your agent, but you need to make sure that every room is properly and fully lit, and that every light fixture has sufficient wattage.

10. Fix and Repair

If things don’t work, and they can be repaired for a reasonable price, you should fix them. This includes things like electrical outlets gone dead, fixture appliances (like dishwashers or washer-dryers) that are running poorly, lights that have died, marks on walls, or anything else that can affect the presentation of the home. We would not generally recommend making major improvements in the home,

though that’s something you can discuss with your agent, but small repairs should be completed to give buyers the impression that you’ve lovingly maintained your home.

Conclusion: Keeping it Up

Finally, once you have the home properly detailed, it’s important to keep it that way. We realize that it’s difficult to live in a home you’re trying to sell, because it requires you to live a little differently than normal: no more leaving dirty dishes in the sink, clothes on the floor, or kids’ toys strewn throughout the home. It’s not easy, but it’s worth it, and the better you keep the home the less time you’ll have it on the market. So try to keep the home in viewable condition all the time, or at least schedule a thorough review every week or before every showing. Every morning, wake up thinking to yourself that your potential buyer is going to see the house for the first time that day, and what can you do to give a great first impression.



Ten Steps to Detailing Your Home

- Empty the closets and leave only your “vacation-plus” wardrobe
- Clear the knickknacks from the shelves and the countertops.
- Clear out the kitchen cabinets.
- Clear off the kitchen counters
- Clear out the service you don’t use.
- Get rid of non-essential furniture
- Minimize the Pet Effect.
- Clear out the garage.
- Highlight your lighting
- Fix and Repair



Cleaning it Up

Now that your home has been cleared, it now needs to be clean. This is not to say that your home isn't "clean" right now. Most lived-in homes are "clean." But if you want buyers to see yours as a "model home," it needs to be as immaculate as a new car out of the showroom. It's that simple – spotless homes sell in competitive markets, and average homes do not. So either do it yourself or hire a service, but the house needs to be clean if it's going to sell. The good news is that

maintaining that clean look is not that difficult once the harder process of doing the initially rigorous cleaning is done.

Here is a simple list of suggestions for making sure that you, or someone you hire, cleans the house to a "model home" shine. Some of these suggestions include items that would not occur to most people (like cleaning light switches), and some include cleaning products or methods we recommend:

General Interior

- Clean and deodorize all the carpets.
- Clean smudges off walls using the "Magic Eraser" (you can buy it in hardware stores).
- Clean the windows inside and out (if possible).
- Wipe down window sills.
- Dust all window treatments.
- Wipe down and dust the light fixtures.
- Turn off lights and clean bulbs.
- Wipe down all railings.
- Clean all light switches.

Bathrooms and Kitchen

- Bleach out toilet stains.
- Scrub out any mildew in tubs.
- Clean off deposits on shower heads by soaking in vinegar (it works!).
- Clean all the surfaces.
- Bleach out any stains in the sink.
- Defrost and clean the refrigerator.
- Clean out the oven.
- Wipe down all appliances.

Exterior

- Pay careful attention to cleaning the front entrance, which is where most buyers enter your home.
- Sweep the exterior walkways, and hose down if possible.
- Trim and tidy up hedges to open up windows.
- Tidy up any flower beds or other exterior landscaping.
- Cut back on plants, trees, shrubs, so they don't block the house or the view.
- Store or throw away gardening equipment.
- Throw out all the stored dead plants, fertilizer bags, unused pots.





Staging Your Home

Detailing your home is just the first step in creating a great first impression. The next step is to “stage” your home to generate warmth, ambience, and to stimulate the imagination of your buyers.

You might be familiar with the concept of “staging,” since any number of cable television real estate shows have highlighted the impact that makeovers can have on home values. Staging is literally “setting a stage,” orchestrating interesting scenes in each room that attract the attention of your buyer audience and create appealing impressions.

Detailing is, of course, the first step of staging. Once you have cleared, cleaned, and neutralized your home, you can then take a step back and think about the impression you’re trying to create for your buyers. Most homes do not even need any extensive staging once the fundamental detailing work has been completed.

But if you do want to take that extra step and actually stage each room, consult with your agent about the impressions you want to create. You don’t need to be up on all the latest design fashions, or spend a fortune to stage your home. You just need a little bit of money, some common sense, and a commitment to spend some time examining your home in a different light. If you want expert assistance, then your agent can recommend a professional stager to come in and help.

The art and practice of staging could and has filled up books, but we will simply highlight some fundamental principles that you should keep in mind:

1. Accept that staging is all about style, not substance.

Staging your home requires that you think about the way your home looks, not about what it’s like to live in. It might be that the dining table is a convenient place to stack your mail and old newspapers, particularly if you never eat at it, but staging the home requires that you give up a little bit of convenience and ease-of-living to create the right impression. It’s like wearing high heels or a bow tie to a formal dance: not the most comfortable choice, but the one that creates the right impression.

If you stage your home, you have to sacrifice utility for style, and highlight how things look rather than how they fit into your life. Your buyer won’t notice that the vase of fresh flowers on the coffee table blocks the view of the television, or that there’s no garbage can in the master bedroom, or that it’s annoying to hang your coat in the foyer coat closet rather than on a peg in the laundry room. Your buyer doesn’t live there, so all she’s going to notice are the beautiful flowers in the family room, the clean lines of the bedroom, and the clutter-free laundry.

The nice part is that you’ll be living in one of those developer-style “model homes.” The downside, of course, is that no one actually has to live in those model homes, so you’re going to have to sacrifice a little comfort to create those impressions.

2. Decide what story you want to tell about each room.

The best way to stage a room is to stand at the entrance point to each room, look around the room from that vantage, and think about what story you want to tell about the room. What story will appeal to your buyers? If it’s a dining room, consider actually setting the table with your best service, along with a dried flower arrangement as the centerpiece. Everyone who comes in will know that you’re not actually having a formal dinner that day, but the impression still gets made. The story is important, because it helps buyers visualize themselves living that life, in that home.

Moreover, every room needs a center of attention. In the dining room, it’s the table already set for a dinner. In the living room or great room, it might be a fireplace or wall-mounted flat screen television. In every room, you want to highlight a great feature and draw the buyer’s eye to it. If the room does not have a great feature, then you need to create one, using some accessories you can buy cheaply. A mass market vase filled with dried flowers on a mantle can change the focus of an entire room.

3. Mix textures, shapes, eye levels, and colors (within reason) in each room.

The key to staging is consistently attracting the attention of a buyer from room to room, drawing the eye where you want it to go. And the best way to keep buyers interested is to mix their eye levels – you want them looking up and down, side to side as they go through your home. It just makes things more interesting.

The same goes for textures, shapes, and colors. From a staging perspective, furnishings and accessories that are identically sized, shaped, and symmetrical are dull and uninteresting. You want to mix it up a bit with soft and hard things, square and round things, tall and short things, to keep up the variety.

The same goes for color. You want a splash of color in every room to draw the eye and create an interesting impression. But think of color like perfume: a little bit is great, and too much can be overpowering. Bold color can be used to highlight the best parts of a room, or it can be a distraction. If you have any concerns that adding some bold color will actually detract from the impression you’re trying to make, stick to neutral colors:



beiges and light blues, reds, and greens. The same goes for patterns: don't feel that you need to replicate the latest cutting-edge styles from design shows when all you're trying to do is create a pleasing impression to buyers coming to see your home. You don't need to take risks when staging.

4. Don't forget the other senses.

Most staging involves the eye, but the other senses come into play as well. It's amazing how much the other senses can subtly affect the emotional response of a buyer, who may not even realize that the soft music in the background and the gently wafting scent of flowers is why she feels so relaxed in your home. You need to titillate those senses.

Engaging the ears of your buyers is easy. Just have soft music played during showings, unobtrusively in the background. The type of music depends on what type of response you're trying to create: soft jazz if you're trying to create a relaxing feeling, light classical (more strings than horns) if you want to send a certain upscale ambience, or even just light pop if you want things to be casual. If you don't have a good sense of how music evokes a mood, go into one of your favorite restaurants or shops and listen to what they are playing to relax their customers.

Similarly, scents can be used in a positive way, even though most of the time that buyers smell things in a home it's not a good thing. Once unpleasant smells are dispelled during detailing and cleaning, you want to use scents to evoke another

type of emotional response. Again, you want a light touch (just like perfume) so you do not overwhelm. But the use of subtle positively-associated scents -- flowers, cookies baking, even the faint scent of cleaning products in bathrooms and kitchens -- can create an enormously favorable reaction.

5. Don't spend a lot of money.

Finally, do not feel you need to spend a lot of money. Have you ever looked closely at the furniture and accessories that you find in a model home? Probably not. And neither will the buyers coming to your home. You can get great design and color ideas from a couple of design magazines that you can pick up at any bookstore, and incorporate them cheaply into your staging plan by picking up cheap items at discount stores. You're not likely to keep any of your staging props, so you don't need to spend money on them.

Should you hire a professional stager? If it were up to real estate brokers, we would urge every single seller in Westchester and the Hudson Valley to hire a professional designer to stage a home for sale. We believe in the power of staging to sell your home. Even if you want to hire a professional stager, though, we would recommend someone who will do a consultation for a set fee, and then give you a chance to decide whether you want to go further. That said, a home seller who does a great job detailing and cleaning a home is about 80% of the way to a fully staged home, so the question is more about whether you think it's worth the investment in a stager to turn a good impression into a great one.



Ten Things You Can Do To Help Get Your Home Sold

Having a home on the market isn't a full-time job, but it can seem like one. If you want to get your home sold as quickly as possible, and for the best price possible, there are some things that you, and only you, can do.

Having a home on the market can be a stressful and time-consuming process, but we want you to be aware of ten things you can do to help get your home sold for the best possible price in the least possible time:

1. Keep up the property appeal.

Given all that time and energy you spent detailing, cleaning, and even maybe staging your home for the initial marketing push, you don't want to put it to waste by allowing the appeal of the property to decline over time. Try to keep the home in the best showing condition possible: keep the house free of clutter, do the dishes every night, mow the lawn, keep the whole place clean. You should wake up every morning thinking, "This is the day that my buyer is going to come for a showing."

2. Make the home available whenever possible.

Although it's not possible to make the home available for show 24 hours a day, 7 days a week, you should try to be available for showings at all possible times. You never know when your potential buyer is going to be available. And if you have certain challenges for showings (rambunctious pets, guests, etc.), try to minimize their effect on your availability.

3. Keep up with the market

Keep track of what's happening in the market, so that your pricing and marketing stay competitive as the market changes. Make sure to read your weekly email market update, and if possible go look at the competition on the market to see what buyers are going to be comparing to your home.

4. Be pleasant and upbeat with buyers you meet.

You'd be surprised how many sellers undermine their chances of selling their home by being difficult or disagreeable with potential buyers. Anyone who walks through the door is a potential buyer, so try to be upbeat and positive with them. If they like you, they'll be more likely to give your home a fair chance. And ultimately, they will be easier to work with if they make an offer.

5. Don't reveal anything to buyer agents.

Be careful in speaking directly with buyer agents. Be pleasant and helpful, but don't reveal anything about your negotiability, your desire to close, or your timeframe. As they say on television cop shows, "Anything you say can and will be used against you" in a negotiation. Refer all questions to your agent.

6. "Manage" Your Property

Your agent is in charge of the project of selling your home, but you're the only person capable of being the "on-site" manager of the property. Be sure to let your agent know if any problems come up with your listing: if the sign comes down, if you're not going to be able to show it for a period of time, or if there is some damage to the property that would undermine the showing condition (i.e., a tree falls in the yard). If the problem is something we can correct, or help you correct, we'll do so quickly.

7. Be proactive about getting ready to close

When we do get offers, be quick to respond and communicate counter-offers through your agent. And while you're on the market, get everything you need ready for your attorney: your deed, your tax bills, and any other legal documents relating to your purchase.

8. Don't stress, or at least don't communicate stress.

Buyers can sense when a seller is getting anxious, and take it as a sign of desperation. Your posture when you meet with buyers or buyer agents viewing the home should always be that you love the home, you hate to leave, and you're not anxious to sell.

9. Let people know you're selling

Let your friends, family, work colleagues, and anyone else know that your home is for sale. You never know whether a friend of a friend is looking to move into your neighborhood. If you're on Facebook, make an announcement about selling your home, with a link to your listing. Although very few homes sell from such word of mouth, since serious buyers are already looking for homes with agents or on the internet, it can't hurt. (We understand you might be squeamish about telling people you're selling, or revealing what your home is selling for, but remember that most people find out anyway, and home sales are public records).

10. Keep in touch with your agent.

Your Better Homes and Gardens Rand Realty agent is your best resource for information and advice about the market, and should be your shoulder to lean on. Your agent should be in consistent communication with you as often as you want, but don't let too much time go by without getting in touch, even if it's just for a quick update or a short conversation. The more communication, the better.



How to Prepare Your Home For Showings

Key to getting your home sold quickly and for the best price is making it available for showings whenever buyers want to see it. It's one of the most annoying parts about having your home for sale, but it's important to accommodate buyer schedules. You never know whether the person coming to see it

today is going to be "the one." To help you keep your listing in great showing condition, and almost as a last-minute "checklist" for things that you should do when buyers are on their way, here is a short guide to preparing your home for a showing.

Open House

Open Houses are special showings, because you know that a larger group of people are going to be coming in than during a regular showing. You should not only do the regular work that you do for a showing, but try to do a little extra, such as doing some baking on open house day to give your home a warm, fresh scent.

1. Do a Quick Detailing

Just like the detailing you did when you first put the home on the market, you should walk through and make sure that you have maintained that clean, uncluttered look:

- Do a general cleaning of the home: not scrubbing, but wiping.
- Check for broken or dim light bulbs.
- Remedy any distracting or unpleasant odors.
- Make all the beds.
- Put away dirty clothes in a hamper or laundry machine.
- Do the dishes or at least have them in the dishwasher.
- Put away children's and pet's toys.
- Put away personal toiletries.
- Remove all things on front and side of refrigerator.
- Keep all pets in a contained space, or take them out with you.
- Sweep driveway and walkways.
- Clean up the yard of any toys or debris.

2. Do a Quick Staging

Staging can be as extravagant as a Broadway show, or as simple as a children's recital. Keep it simple, but do the little things that create the effect you want:

- Turn on enough lights to brighten the rooms.
- Open curtains and shades to let in outside light.
- Open the windows if it's nice out
- Keep the home in a temperate zone, with air conditioning or heating if necessary.
- Open the shower curtain to expose the shower or tub.
- Put out fresh towels in the bathrooms.
- Close all television cabinets and put away the remotes.
- Set place settings at dining room table.
- Put on some ambient music.

3. Protection Issues

Finally, remember that virtually all your visitors are legitimately interested in looking for a new home, but just in case you want to protect yourself:

- Secure all your valuables in a locked or non-obvious hiding place.
- Put away any breakable heirlooms that cannot be replaced.
- Put your mail away in a drawer.
- Put any important papers on your desk away in drawers.



How to Watch the Market

Once you're on the market, you're going to be interested in the market. You'll be reading and watching everything in sight. But information about the national market can be misleading, so you want to make sure you focus your attention on your local markets, and on interest rates.

Few people are as interested in the real estate market as those in the process of buying or selling a home. If you're actually in the market, you watch the market: you notice every "for sale" sign you pass on the street, you stop and watch every television news report about the market, and you read everything that gets published in the papers.

That's all fine. It makes sense that you're going to be interested in the market. But we want to caution you not to believe everything you read, not because the media has a bias or is presenting misinformation, but because the media presents the wrong information.

Essentially, the media is not a good resource for following the market. Most of the news that gets reported is really "old news" about homes that were sold months ago, in places far away. National home sales, which are what the media generally covers, make no difference to you. It doesn't matter to a seller in Westchester or the Hudson Valley what the national sales figures are, because real estate is intensely local. Of course, you're going to read those stories anyway, but don't let them get you anxious about the market.

That said, it is absolutely crucial that you stay on top of your market. Too many sellers, and agents, complete a comparative market analysis when they put the listing on the market, then never keep track of developments in that market. But the market is changing all the time, and you need to be aware of those changes and, if necessary, adjust your pricing and marketing strategies. Even in the short term, movements in the market can affect whether your home is well priced, even if you and your agent did a great job of pricing to the market when you listed it.

What can affect the price of your home?

- Competing homes that come on the market at significantly higher or lower prices to your listing price.
- Comparable homes that close at significantly higher or lower prices.
- Changes in interest rates.
- The strength of the economy, particularly consumer confidence and unemployment.

So given that following the market is important, what information should you be tracking?

1. The Market Action Update

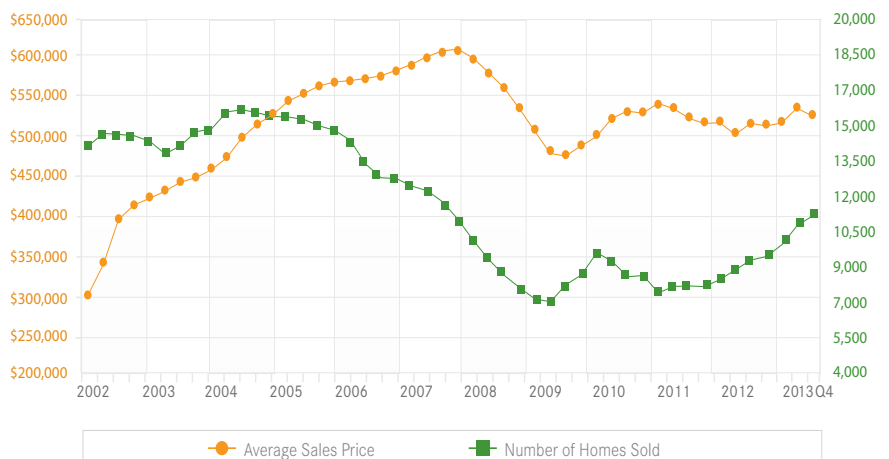
The best resource for you in following the market is the information you're going to get from your agent. Every Monday, you're going to get an email called the "Market Action Update" that will detail activity involving new listings that come on the

market, price changes, and closings of comparable properties. The update can very broad, pulling in sales from your local area that are not strictly comparable to yours, but that does give you a general sense of the local market, which is what you want to follow.

2. The Rand Quarterly Market Report

Also, you will get a Quarterly Market Report from your agent that will give you a much more comprehensive view of what is happening in your county and the full region, with written analysis concerning transactions, sales prices, days-on-market, listing discounts, and prices-per-square foot. This is the kind of local analysis that is helpful, as opposed to the national sales figures that are just distracting. We have been putting out the Quarterly Market Report for over eight years, and have data going back almost 10 years, so we have a very good sense of what is happening in our local markets.

REGIONAL ROLLING YEAR AVERAGE SALES PRICES AND NUMBER OF HOMES SOLD





3. Interest Rate Changes

Nothing will affect your home value more than changes in interest rates. If rates go up, your home becomes attractive to more buyers even at the same price. And if rates go down, your home becomes less affordable to the buyers who might be in your price range. See the chart on this page, which shows the impact of rising interest rates on buyer purchasing power. A buyer who can afford a \$2,000 monthly mortgage payment can borrow \$372,563 on a 30-year fixed rate loan at 5.0%, but as

rates go up in half-point increments, her buying power goes down significantly.

4. Economic News

Thought it's difficult to tell you what economic news to follow, the basic idea is that a good economy is good for housing. If consumers are confident, then buyers will be confident and more likely to pull the trigger. So although general economic news is not specifically related to real estate, it does have an impact.

Conclusion

Of course, throughout this process, the best resource for information about the market is your Better Homes and Gardens Rand Realty real estate agent. If you read something in the media that concerns you, or have a question about the market, reach out to get an answer. No one knows the local markets better than the agents who work in them.

Interest Rate (30 year fixed)	\$2,000 Monthly Payment		\$3,000 Monthly Payment		Percentage Loss of Borrowing Power from 5.0% rate
	Borrowing Power	Loss of Borrowing Power from 5%	Borrowing Power	Loss of Borrowing Power from 5.0%	
5.0%	\$372,563	N/A	\$ 558,845	N/A	N/A
5.5%	\$352,244	\$-20,319	\$ 528,365	\$-30,479.50	-5.5%
6.0%	\$333,583	\$-38,980	\$ 500,375	\$-58,469.90	-10.5%
6.5%	\$316,422	\$-56,141	\$ 474,362	\$-84,482.40	-15.1%
7.0%	\$300,615	\$-71,948	\$ 450,923	\$-107,922.10	-19.3%
7.5%	\$286,035	\$-86,528	\$ 429,053	\$-129,791.90	-23.2%

Stage Three: Contract to Closing



Closing



From Contract to Closing

Once you have an accepted offer, your home selling experience will change dramatically from the marketing stage to the transactional stage. Now, you're no longer concerned with keeping the home in showing condition or staying on top of the market, you're only focused on getting into contract and ultimately to closing.

The hardest part is over, at least for you. All the work you did getting your home ready for sale, evaluating the market, keeping up the showing condition, and dealing with buyers traipsing through your home at all hours of the day – all that's over. And all the work your agent had to do in locating the right buyer -- all that's over too. Your role is mostly reactive now. You'll need to hire an attorney to draft your contract of sale, if you haven't already done so, and you and your agent will have to make sure that the rest of the transaction goes smoothly.

But the burden in the home selling process actually shifts now to the buyer, who has the heavy lifting of obtaining title insurance, ordering an inspection, and

most importantly laboring through the difficult mortgage process. For the most part, you will be sitting on the sidelines for most of that, mostly reacting to issues that the buyer might find on the inspection, the title, or on the contract.

This is only fair, after all. Up until you reached an accepted offer, the home selling process was difficult and stressful. You had to do all that work detailing, cleaning, and staging your home, then keeping it that way. You had to watch the market carefully, stress about competing homes that might drop their prices and make you uncompetitive, and hope that none of the new closings would undermine your price.

Meanwhile, of course, the buyer was

having a grand old time running around the county looking at homes. Looking at homes is "shopping," and it's a lot of fun. It's so much fun that people go to look at open houses even if they're not in the market! But now the worm has turned, and while you're sitting back letting your house become livable again like a college senior who already has locked a high-paying Wall Street job, your buyer is going through the unenviable task of filling out mortgage applications, chasing down old employers and forms, and stressing about rates going up. So relax and enjoy it.

Accordingly, we will focus below on some of the transactional issues that might come up between you and your buyer in getting into contract.





Planning Ahead: How to avoid delays in your transaction.

Now that you are starting to field offers, you can see the light at the end of the tunnel. Offers become agreements, agreements become contracts, and contracts become closings. Most transactions go from offer-and-acceptance through to closing smoothly:

1. The parties reach an accepted offer.
2. The buyer completes a home inspection, and has no major issues.
3. Seller's attorney drafts contracts, and the buyer's attorney reviews them.
4. The buyer and seller sign contracts.
5. The buyer orders a title and municipal search.
6. The buyer pursues a mortgage loan application.
7. The title report comes back, and determines that the seller's title is insurable.
8. The buyer gets a mortgage commitment from the lender.
9. The buyer performs a walkthrough of the property.
10. Finally, everyone meets in a conference room, a bunch of documents get signed, the buyer gets a home, and the seller gets a check.

That's most of the time. Sometimes, though, bad things happen that can delay the closing of your transaction for days, weeks, or even months. A severe delay is not common, but it does happen. In many cases, delays are unavoidable, and you just have to persevere through whatever difficulties you have to get to a closing. In other cases, though, delays are caused by a lack of preparation and planning ahead, which you really should start doing at the time you start getting reasonable offers.

As always, we believe that you should be proactive in your selling process, preparing and protecting yourself from problems that can come up in the transaction. To give you some idea of what might unnecessarily delay your closing, and what you can do about them right now to protect yourself, here is an overview:

1. Hire an experienced local real estate attorney as soon as you can.

Most people wait until they have an accepted offer to hire an attorney. Unfortunately, that can often delay your getting into contract, even to the point of risking the buyer finding another opportunity and backing out of your deal. Drafting a real estate contract, which is the seller's attorney's role, does not take very long, but the simple acts of finding the right attorney, scheduling a meeting, and completing a consultation so that the attorney knows what you need can cause you days or even weeks.

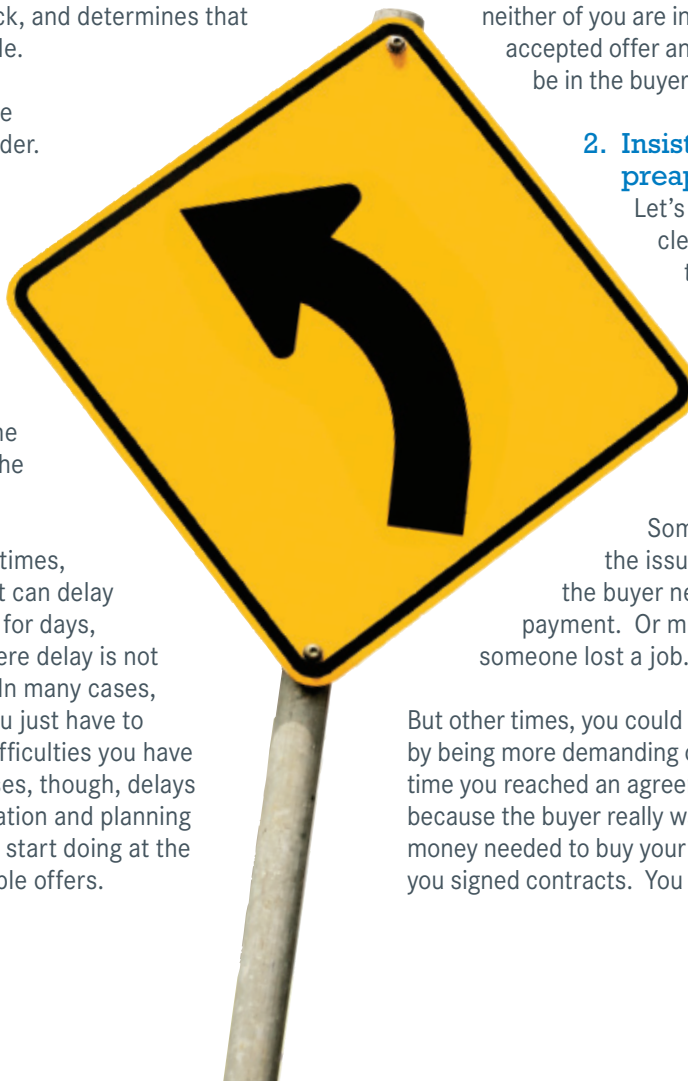
Accordingly, we recommend that you hire an experienced real estate attorney as soon as you can. You're going to have to hire and pay an attorney sometime, you might as well do it while neither of you are in a rush. That way, when you do get your accepted offer and finish inspections, the contract can be in the buyer's attorney's office that same day.

2. Insist on buyers getting preapproved by a reputable lender.

Let's say you get into contract, the title clears, and now you're just waiting for the borrower to get his loan. Then you find out that the buyer is having trouble, and weeks go by while the loan winds its way through interminable processing and underwriting delays. This could definitely delay your closing.

Sometimes, no one could have foreseen the issue. Perhaps rates jumped and now the buyer needs to come up with more of a down payment. Or maybe a credit problem emerged, or someone lost a job. These things happen.

But other times, you could have avoided these kinds of delays by being more demanding of information from the buyer at the time you reached an agreement. Maybe these delays are caused because the buyer really was not qualified for the amount of money needed to buy your home, but no one knew that at the time you signed contracts. You could lose months because of this.





MORTGAGE ■ TITLE ■ INSURANCE

Accordingly, we counsel you, as we counsel all our agents, to always insist that buyers presenting offers provide a preapproval letter from a reputable lender. A preapproval letter is not the same thing as a commitment, and the lender is not doing much more than a superficial review of the buyer's qualifications to purchase homes at a certain amount. It's not a guarantee. But it's definitely better than nothing, and it's better than a preapproval from some lender you've never heard of who hands preapprovals out like free samples at Costco.

3. Consider ordering precautionary title and inspection reports.

The buyer is usually the party who orders title reports and inspections. The buyer needs a title report in order to obtain title insurance, and most buyers insist on a home inspection to ensure that the property does not have any serious defects. But even though you're not required to get a title or inspection report, and even though these reports will cost you some out-of-pocket money, the peace of mind you can get, and the delays you can avoid, might be worth it.

Getting an early title report means that you will be aware of any problems with your title or your municipal search -- such as an unresolved mechanic's lien or a open building permit -- with more than enough time to resolve those issues. And getting an early inspection report means that you can address issues that the buyer was going to find anyway later in the process, at a time when buyers often get cold feet.

Conclusion

If you're interested in getting out ahead of some of the problems that can delay your home selling process, just talk to your agent about hiring an attorney, ensuring preapprovals, and ordering title and inspection reports.

Better Homes and Gardens

Rand Realty affiliates are happy

to help ensure that you have a

smooth transaction. If you wish, our

affiliated mortgage company, **Hudson**

United Mortgage, can perform a

complimentary preapproval of any

purchaser that wants to make an offer

on your home. Similarly, our affiliated

title company, **Hudson United Title**,

can perform a lien search for you at

cost to ensure that there are no hidden

liens on your title. You can even order

a full title report and have it ready for

the purchaser, which will cut down the

time between contract and closing.

Finally, **Hudson Group Insurance** can

perform a complimentary consultation

to make sure you have sufficient

liability coverage for all the buyers that

visit your home.



Ten Things You Should Know About Negotiating Offers

The moment you start receiving offers will change the dynamic of your home selling process. No longer will you be forecasting buyer response to your listing, you'll actually know how buyers are responding. Whether the offer is for full-price, near-price, or a lowball fishing expedition, you should plan ahead with your agent about your negotiating strategies.

Contrary to popular belief, negotiation is not about winning and losing. You don't "win" a negotiation at the expense of the other side. Indeed, a good negotiated resolution always has two winners by definition, because both sides must have gotten what they wanted or they would not have reached an agreement. Now, that doesn't mean that both sides got everything they wanted, or that either side got all it wanted, but it does mean that both parties found the terms of the agreement acceptable.

Remember that when you negotiate. The buyer is not your enemy, but rather a partner in trying to solve the problem of both of you wanting to transact the property on the most favorable terms possible. Buyers want to pay as little as they can, and you want them to pay as much as they can. It's definitely a problem, and good faith negotiation is the solution.

Obviously, a full discussion of the art of negotiating on the sale of a home would be well beyond what we could cover here. At Better Homes and Gardens Rand Realty, we have whole training courses devoted to negotiation, including studies of elements of psychological persuasion that can help your agent and you maintain control of the discussions. We don't teach "game-playing", but we do believe that a good negotiator can get the best possible result for a client by maintaining the upper hand, controlling the terms of the negotiation. And as you'll see below, you should be negotiating through your agent, so you will have good professional representation as you try to make a deal.

Nevertheless, we wanted to share some perspectives into the negotiation process, and also give you some insight into the negotiation approach adopted by Better Homes and Gardens Rand:

1. Keep control of your anchored starting point: your asking price.

It's always an ideal situation when you control the starting point of negotiations on the most important term, which in real estate

sales is the initial asking price. In psychology, they call this "anchoring," because the initial asking price becomes a reference point that can "anchor" the rest of the negotiation. Throughout the process, the buyer will be working off the price you set, which is a very powerful way to control the terms of the negotiation. You and your agent should never let them be dismissive of the asking price, because that's the buyer's way of undermining the power of your anchor.



2. Never convey an eagerness to sell

The only way to dissipate the power of your initial price anchor is to convey an anxiety or eagerness to sell to the buyer or buyer agent. That's why we counsel you to avoid discussing specifics with a buyer or a buyer's agent, because if you happened to let slip that you were under any pressure to sell you would be

undermining the firmness of your commitment to your asking price. Similarly, we always tell agents to avoid using terms like "bring best offer" or "seller is negotiable," because there's no benefit in letting buyers know that the seller is anxious.

3. Provide justifications for your price through your agent.

Anchors become more powerful if you provide reasonable and objective justification for them. When you set your initial pricing of your listing, we counseled you to pay close attention to what the market was telling you. If you can provide a buyer with reasonably comparable sales that justify the price you've set, you can firmly set that pricing anchor by putting the buyer in a position of having to argue away the fact that comparable homes have sold for close to your asking price.

4. Get commitments from buyers.

Psychologists have also noted the power of verbal and written commitments during negotiations. If a seller can get a buyer



to make even a verbal commitment to agree to a term of the negotiation, the buyer will feel strongly compelled to abide by that commitment. That's why most of our agents demand that all offers be made in writing, not because the offers themselves are legally binding, but the act of writing them down (and in some cases signing them) is psychologically binding.

5. Frame the negotiation as about more than just price.

In any real estate sales transaction, the most important negotiated term is price. But it's not necessarily the only term that can be at issue. In some cases, closing date is important. In others, it's the down payment. And in others, it could be whether the buyer will have a mortgage contingency, or the fixtures or furniture included, or really anything that one side particularly wants. In most negotiations, however, the parties don't strongly negotiate the other terms, because their sole focus is price. Accordingly, a good way to control the frame of the negotiation is to put all the other terms in play (closing date, down payment, contingencies, fixtures, furniture). If you are flexible on all those terms, but the other side is not, you now have something to bargain away to get a concession on price.

6. Avoid making concessions without getting a reciprocal concession.

Ultimately, at some point in the negotiation, you're likely to have to make a concession. Very few sellers are fortunate enough (or set their initial price accurately enough) to sell their listings for the full asking price. But if you are to make a concession, try to avoid making the concession in a vacuum – condition your concession on the buyer giving on some other point. Generally, if you do someone a favor, that person feels obligated to return the favor, even if their "reciprocation" of the favor is disproportionate to what you did for them. If you've been successful in putting multiple terms at play, you can even concede on a minor point in return for flexibility on something you actually care a lot about.

7. Always negotiate through your agent.

Negotiating through intermediaries is always a good strategy, if only because it keeps the client from developing or generating ill-will with the other side or betraying anxiety that would undermine the bargaining position. In real estate negotiations, buyers and sellers rarely discuss the terms directly with the other side, instead communicating through their agents. One of the most powerful ways to control the process is to work through an intermediary (like your agent), keeping the ultimate decision-maker away from the negotiating table. That way, your agent can always use the justification that he or she does not have the authority to make concessions, giving you both time to discuss strategy and avoid giving in under self-imposed pressures.

8. Be likeable to buyers.

We always counsel clients to be friendly and agreeable with all buyers, including buyers that make what you might think are insulting offers. Throughout your negotiation, you'll want to maintain good relations with buyers, even if you ultimately cannot reach an agreement. We have seen many potential deals fall apart simply because the parties treat each other badly, insulting each other, ignoring offers, delaying out of spite, and other unhelpful tactics. Buyers want to like the person selling them their new home, so be likeable.

9. Be open to all offers.

Generally, in real estate, we always welcome offers of any kind because it gets discussions going on a path in which anything can happen. Everyone in the business has seen lowball starting points turn into near- or full-price sales, so never simply dismiss a buyer as a "bottom-feeder" on a fishing expedition. That buyer might be testing the waters, and seeing if you will jump at any kind of offer. And although it might seem superstitious, agents swear by the fact that they can go months without a nibble, then get one offer, and then suddenly get multiple offers. So respond to and respect all offers, even if the response is that the offer is too low to merit a counter.

10. Remember that you don't have to actually accept the offer.

Some clients worry that in the heat of the moment they will make concessions that they will ultimately regret, which is why they don't like to consider lowball offers. Remember, though, that you don't make any final legal commitments as part of the negotiation. You're never fully committed until after inspections, contract drafting, contract review, and a host of other issues that could delay final signing. So you never have to risk getting carried away by anxiety or pressure.

Conclusion: Stay Calm

Most people are not familiar or comfortable with negotiations, because most of us do it so rarely in our professional or personal lives. Culturally, we don't negotiate much compared to people in many other areas of the world – for example, we don't haggle at supermarkets or department stores. So it's not unusual for sellers to become a little anxious about the prospect of negotiating something as important as a home sale. Don't worry. You have a lot of professionals watching out for you, starting with your Better Homes and Gardens Rand Realty agent.



Common Inspection Issues

The home inspection takes place after you have an accepted offer, but before you sign contracts. Most likely, the inspection will turn up some issues, since inspections always do. If the inspection turns up serious issues, we recommend you have your attorney resolve any problems in the contract of sale.

After you have an accepted offer, your buyer will almost certainly require a home inspection before signing contracts. In other parts of the country, the home inspection takes place after contracts are signed, and the contracts contain a contingency allowing for cancellation if the report finds serious problems. In our area, though, the buyers do inspections before they commit to purchasing the home.

If the inspection turns up serious issues, the buyers might simply accept them, ask you to remedy them, ask for a reduction in the price, or actually walk away from the deal. Very few deals actually fall apart from inspections, even though virtually every inspection report identifies at least some problems in the home.

Some of the common problematic issues that home inspectors come across involve:

- roof damage caused by old or damaged tiles or improper flashing;
- undersized electrical wiring involving insufficient electrical service, aluminum wiring, improper grounding, and dangerous conditions, usually resulting from inadequate “do-it-yourself” electrical maintenance;
- surface grading and drainage, which can lead to cracked slabs and water leakage into a basement;
- heating systems that are in need of replacement or repair;
- plumbing problems caused by faulty fixtures and waste lines, improperly mounted hot water heaters, or degrading piping materials;

- lack of insulation from poor caulking of windows that causes water and air penetration; and
- mold and mildew in wet areas of the home.

You should be prepared for the fact that the home inspector will find something to write up about your home. That doesn't mean that there's anything really wrong, it's just that the engineers always find something. It's almost as if they're afraid that if they don't find anything, the buyers will suspect that they spent their time at the home sitting back and watching soap operas. So they're going to issue a report that sounds scary but contains the kind of “defects” found in virtually every home.

That said, if the inspection does turn up something serious enough to require remediation, we strongly recommend that you make an adjustment in the price to allow for remediation. We do not recommend you try to address the problem yourself, or even hire someone to do it. We have seen too many cases of buyers and sellers ending up at odds over the buyer's contention that the seller's remediation efforts were insufficient, and the sellers end up paying to fix the problem, then taking a reduction in the price at closing anyway or getting sued after closing. You are better off obtaining an estimate on fixing the

problem, getting the buyer to agree to the estimate, and working that into the price of the home.





Your Real Estate Contract

If you haven't already hired your real estate attorney, you'll need to do so once you have an accepted offer. Your attorney will draft your real estate contract, negotiate terms with the buyer attorney, and guide you through to the closing.

Now it's time to hire an attorney and get your contract drafted. In our area, of course, real estate attorneys generally handle the drafting and reviewing of real estate contracts, perhaps because the practice of real estate in New York is particularly complex.

Because of that complexity, we strongly recommend that you hire an experienced real estate practitioner familiar with the local customs. Although any licensed attorney is legally competent to assist you in the sale of your home, we have seen time and again attorneys who are not experienced at real estate undermine a seller's transaction or cost the seller money at the closing table.

You may save a little money hiring a friend or family member who is a non-real estate attorney, but it can ultimately cost you. You can get a list of experienced, well-regarded real estate attorneys from your agent.

Common Contractual Issues

Most real estate contracts are common form contracts that go through small changes in the negotiation between the attorneys. The main material terms – price, down payment, closing date – are all negotiated, of course, but the standard protections given to buyers and sellers in the transaction are fairly common in most real estate contract forms. Thus, you are likely to see your attorney make small changes to a form contract, and then receive what's called a "rider" from the buyer's attorney that supplements the main provisions. We defer to the judgment of your attorney on contractual issues.

Although we are not representing you as legal counsel, we did want to highlight three common transactional issues that you should understand about your real estate contract.

1. Closing Dates

Closing dates in standard real estate contracts are not deadlines, they're aspirational. If the contract states that the closing is to take place "on or about" September 1, all that means is that the parties are aiming in good faith for a closing on that date. The closing date itself will be set by the attorneys on a mutually convenient date once the title report is generated and the bank has made a mortgage commitment to fund the loan for the buyer.

So what happens if one side is ready to close on September 1, and the other side is not? Usually, nothing. If the parties are working in good faith for a closing, usually the attorneys will simply set a new date for the closing, which will also be aspirational. But if, say, you are ready to close and the buyer is not, and you and your attorney suspect the buyer may be acting in bad faith to delay, your attorney can issue a demand for a closing within 30 days. If the buyer does not close within the 30 days, it can give you ground to terminate the contract and keep the deposit. Usually, that's not necessary.

Occasionally, contracts of sale will have what's called a "time of the essence" provision that requires both sides to be ready to close as of the date in the contract. In that case, failure to be ready to close could render the unprepared party in default. A "time of the essence" clause is very rare in residential transactions, simply because neither party want penalties attached to the obligation to close on a particular date.

2. Contingencies

Sales contracts often have contingencies that can allow one side or the other to void the contract without any repercussions. You may think that the deal is final, but a contingency in the contract, if properly exercised, can undo the deal. The most

common contingency, of course, is the mortgage contingency, which buyers getting financing usually demand to protect themselves against the possibility of losing their down payment if they are unable to get financing. In most cases, a mortgage contingency is not an unreasonable request for the buyer to make, but obviously you should check with your attorney.

Other relatively common contingencies are "sale" contingencies, in which, for example, the buyer retains the right to terminate the contract without repercussions if the buyer is unable to sell her current home. This has become a little more common in a slower market, because buyers want to be able to protect themselves if they cannot sell their home. These types of contingencies are rare, because most attorneys disfavor them. Again, this is something you should discuss with your attorney.

3. Fixtures

It is very important that you discuss fixtures with your attorney. Fixtures are pieces of personal property that are attached to your real estate property, such as light fixtures, appliances, window treatments, and the like. Generally speaking, the buyer has the right to acquire all fixtures upon purchase of the property. The buyer doesn't have the right to your personal property (i.e., your clothes, books, pictures hanging on a wall, etc.), but she does have the right to anything semi-permanently attached to the real estate.

Accordingly, you should absolutely tell your attorney if there is anything in the house that you intend to remove and take with you when you sell. This issue comes up more than you think, often involving very expensive light fixtures that the seller never intended to include in the deal, but which were not specifically excluded in the sales contract.



Preparing for Your Move

Here is a short checklist of some easily-forgotten items you should make sure get completed by the day of your move.

It's almost over. All the hard work you put in to get your home ready for sale, keep up the property appeal while it was on the market, negotiate your offers, review your contract, and all the rest now finally result in the closing. You'll move out of the property, the buyer will do a final "walkthrough," and you'll go to the closing to sign a lot of documents and walk out with your check.

To help you in that process, we will give you some tips on setting up your move and explain what happens in a closing. We hope that our Orientation Guides have helped in some small way to explain and demystify the home selling process.

We wish you the best of luck on your sale, and for the future. Thank you again for giving Better Homes and Gardens Rand Realty the opportunity to work with you.

1. Notifications of Change of Address

- Fill out change of address forms with the Post Office.
- Send out "we've moved" messages to friends and family by email or mail.
- Change your address on social media sites.
- Notify your doctors and any pharmacies.
- Notify the DMV.

Notify everyone's job, school, or anyone else who sends important mail.

Notify your credit card companies.

Notify your bank.

Notify any other service that bills you regularly.

2. Cancellations of home services.

- Cancel your utilities.
- Cancel your phone bill.
- Cancel or move any newspaper delivery.
- Cancel your cable or satellite service, and return equipment.
- Cancel any other home services that you pay monthly.





Making Your Move: Tips for Having a Great Move

For most of us, moving is an unusual experience that can be stressful and difficult. It doesn't need to be that way. Planning ahead, getting solid estimates, and engaging with your movers can give you a feeling of control over your move and provide you with a much better experience.

For most people, moving is like getting your car repaired. You don't do it that often, you hate having to do it, you don't understand it very well, and you worry that you're going to get overcharged. We all fear the evil stereotype: movers who break things, lose things, or give deliberately low estimates before raising the price once our belongings are all on the truck.

Those really are just stereotypes, and your experience does not have to be like that. While predatory movers exist, most reputable companies do a terrific job helping customers move massive amounts of heavy and precious things across the region or the country, and they do it for a reasonable price. Your agent has experience recommending movers, so trust in a referral to someone who has a sound track record.

As with all things involved in selling your home, being proactive and engaged can help you have a better experience. Accordingly, here are some tips for ensuring that you have a great experience in moving:

Before the Move

Plan Ahead

Don't wait until the last minute to start hiring a mover, or you'll end up not being able to get scheduled in time, you might have to pay more, and you'll be doing everything in a rush. You can start planning your move as soon as you are in contract, or at the very latest as soon as your buyer gets locked into the contract by waiving any contingencies. That's a good point to start examining what kind of move you want.

Let the movers do the packing.

You basically have two options about the type of move you want. In the standard option, you need to pack all the small items into boxes, seal them up, label them, and then have them ready for the movers. You don't need to box big items, or carry the big items anywhere, but you need to pack up things like clothes, books, dishes, cookware, silverware, files, knick-knacks, things like that. That can be an onerous job.

The other option is to pay extra for the movers to do all that for you. People who have experienced that full service option will never go back to packing themselves, because it is a glorious feeling to watch the movers descend upon your home and quickly pack, seal, and label all your things. It's an easier way to move, but also a better one, because the movers are much, much better at safely and quickly packing your things than you are. Trust us, it's worth the money.

For those people who choose to pack for themselves, more and more find that a portable storage locker that can be placed in on-site helps them to pack at a more leisurely pace. These large portable storage containers can be at your home for a number of weeks and allow you to pack while you have time. They are later picked up and moved to your new location on the day of your move.

Interview up to three reputable movers.

One of the reasons to get started early is so that you have time to interview up to three reputable movers to get estimates. Let the movers examine your things, get

a full sense of the scale of the move, and give you an estimate. You can learn a lot about the movers just from the way they interact with you, and get a chance to choose a mover based on your gut feeling on who you would like the most. That said, if you get a referral from your agent for one mover, and you like that mover, you shouldn't feel the need to go interview two more just to feel like you've done your due diligence.

Get a physical survey as part of your estimate.

The mover's estimation process should include a physical survey of all the things that you need to move, rather than simply an over-the-phone or internet questionnaire. Professional movers have a good eye for the requirements of a move, and most of us do not. They will pick up on things that you won't. In our experience, many problems between movers and customers stem from a customer's unreasonably low estimation of the amount of work that needs to be done, leading to an inaccurate estimate. Never hire movers that refuse to do an in-house survey and instead assure you that they can give an accurate estimate over the phone or internet.

Do not pay a large deposit.

Very few reputable movers will charge a large deposit on a routine move. They might charge a good faith down payment to reserve their time, but nothing too substantial. Be wary of movers who want to charge you a large up-front payment or, even worse, charge you for the move before they have actually delivered your goods to your new location.



Consider Your Insurance Options

When you move, you have the right to get moving insurance. Insurance comes in three levels of protection: “Full Replacement,” which costs the most and guarantees the full repair or replacement of any goods lost or broken; “Assessed Value Coverage”, which is based on the estimated cost of replacing the assessed value of goods lost or stolen; and “Alternative Level of Liability,” which only pays out liability at a standard rate of 60 cents per pound. You will find that in most cases it is worth getting “Full Replacement” insurance, but it really depends on the content, distance, and comfort level associated with your move.)

Before you move, get rid of stuff you're not going to want in the new home.

Don't pay to move things that you're never going to need or use again. Moving is a great opportunity to pare down your life, eliminating items that have been stored for years in the garage, attic, or more recently in a storage space you leased when you did your de-cluttering as part of the detailing of your home. Go over those items carefully. A lot of times, you boxed them up in your last move years ago “just in case” you needed them. The rule of thumb is that if they have spent more than four or five years boxed up without being needed, you're not going to need them in your new place, either. So donate them, hold a garage sale, or throw them away.

Shopping List

Here are some of the items you need to buy in anticipation of your move, either for last minute clean-ups or packing:

- cardboard boxes of various size
- packing tape
- dark magic markers for marking boxes
- twine
- cleaning products
- lots of paper towels, trash bags.
- paper cups, plates, forks
(you'll need to eat)



The Day of the Move

On your moving day, be engaged with the movers.

Moving day can be difficult and stressful, but you will have a better experience if you fully engage with the movers and stay on top of everything. Be home when the movers arrive with everything you need to do already done, so you can focus on discussing delivery arrangements. When the moving out is complete, and you are ready for transport, make sure the movers have a phone number to reach you, and that you have their number in case you want to contact them.

Pack your personal items separately and keep them segregated.

Even with the best movers, and the best intentions, delays can happen. That's why you need to make sure that you separately pack your personal items: changes of clothes, medications, toiletries, etc. The easy way to do this is just to imagine that you're going on a three-day vacation or business trip, and pack a suitcase with everything you'll need in those three days just in case the movers have difficulty getting to your new home. Even if the move can be completed in one day, and you're not worried about that, having your "three-day vacation" suitcase separately packed allows you to unpack the rest of your stuff without the pressure of, say, trying to find the box that has your hair dryer.

For truly valuable or irreplaceable items, keep them with you.

Even if you have great and trustworthy movers, you're going to want to take certain items along with you, or have

Beware of Movers

You should steer clear of movers who:

1. Give you a lowball estimate well below other estimates.
2. Will not give you a physical examination but insist on doing it over the phone.
3. Charge you a large non-refundable deposit.
4. Are not state or federally licensed.
5. Will not give an estimate.

them shipped separately in fully insured packages with a shipping carrier. Personal mementos, cash, coins, jewelry, precious photographs, and important papers should not be packed into a box and sent along with your clothes and books. Keep them separate.

Once your goods arrive, let the movers do the moving.

Let the movers do the work, you supervise. Make sure they get everything off the truck, and let them do the

unpacking of the boxes while you tell them where everything should go. Many people seem to feel guilty about making these poor movers carry all that heavy stuff, and they want to pitch in. Don't pitch in. That's not your job, that's their job, and they're getting paid for it. What you need to do is your job: supervise to make sure everything comes off the truck and the boxes are put in the correct rooms.

Provide your crew with coffee, water, lunch, and a tip.

This is not required, but it's always a good idea to have bottled water and coffee available for the movers when they arrive, and to offer to pick up pizza or a quick lunch while they're working. It's better for you to run out and buy them lunch than for them to take an hour off in the middle of the day. And providing water and coffee is just humane for people who will spend hours lugging your things around. If you get good service, and want to tip the crew, the best guideline we can give you is about \$10-\$25 per person for anyone who was part of the crew for the whole day. As with all services like this, tips are not required but appreciated.

Don't move and close on the same day.

Finally, one last piece of advice about moving: don't move on the day that you close on the sale. A closing can be a stressful event that doesn't happen very often, and moving is a stressful event that doesn't happen very often. There's no reason to do them both on the same day. You should plan for your move a day or so before the closing, so you can get one big stressful day behind you before you turn to the next on.



Understanding the Closing

The real estate closing can be confusing, but mostly it can be boring. The attorneys do all the work, and the buyer has a lot more documents to sign and figure out than you do. But after all the work you did getting the home on the market and living through the marketing process, you deserve a bit of a break.

The basic dynamic of a closing is simple and involves three parts: (1) the buyer completing paperwork to get financing from a lender, (2) you transferring ownership of the property to the buyer, and (3) the lender giving you a check. What happens at the closing is simply the execution of various forms that give final confirmation to the agreements made in the contract of sale between you and the seller, and the mortgage commitment between the buyer and the lender.

That said, closings can be confusing to the lay person, because attorneys use a lot of jargon and shorthand in trying to facilitate a complicated process quickly and efficiently. To give you an idea, here is an overview of what happens at a closing:

The Participants

In addition to the buyer, buyer's attorney, seller, and seller's attorney, you'll see two other significant participants at the closing:

- The closer. The closer is usually employed or contracted by the title company issuing title insurance for the buyer, and will actually run the closing as an intermediary between the seller's and buyer's attorneys.
- The bank attorney. The bank attorney represents the lender in the transaction, and is there to make sure the loan documents are executed correctly. The buyer's attorney sometimes is authorized to double as the bank attorney.

Of course, the closing might involve some other support personnel, chiefly

paralegals and other assistants. And the real estate agents might be there to show of support and to keep you company, even though they don't have any formal role in the closing itself.

The Buyer's Financing

Most of the time at the closing will be taken up by the buyer finalizing agreements with the lender on the mortgage terms. The lender will have a series of complicated documents that the buyer needs to understand and sign in order to obtain the loan necessary to buy your home, including the following:

- **Truth in Lending Statement**, which is federally required to disclose the actual financial terms of the loan.

- **Itemization of Amount Financed**, which tallies up the actual cost of the financing.
- The **Monthly Payment Letter**, which breaks down monthly payments into principal, interest, taxes, and insurance.
- The **Note**, which is the loan agreement between the borrower and lender.
- The **Mortgage**, which is the lien put on the home by the lender to provide collateral to the Note.

Once all that is completed, the buyer is in a position to purchase the property from you. For most of this process, you won't have much to do and will be making small talk with everyone at the table, while the buyer gulps furiously and contemplates how much he will have to pay in interest over the full 30 years of his loan.

Transfer of Ownership

Now, with the buyer ready to go and a lender waiting to give you a check, the attorneys will begin having you execute documents that will transfer ownership from you to the buyer. These documents include:

- The **Settlement Statement** (HUD-1), which contains all the settlement charges associated with the transaction.
- The **Deed**, which is the actual document that transfers ownership from you to the buyer. At some point in the process, you'll be signing that document, which signs away your ownership rights.





- **Proration Agreements**, which are simply side-agreements to the contract that prorate the housing costs (taxes, HOA fees, utilities) according to the date of the closing. For example, if you paid the property tax bill for the year three months ago, the buyer will be reimbursing you for 75% of that bill, since you lived in the home for only 25% of the year. The attorneys will be hunched over calculators for much of this process while they use standard formulas to figure out who owes what to whom.
- **Receipts**. You might have to sign tax and utility receipts indicating your awareness that certain costs have to be paid by one side or the other.
- **Name Affidavit**. At some point, the attorneys will ask you to provide identification proving that you are who you say you are, and ask you to sign a document attesting to your identity. That's to make sure that you are the person legally allowed to transfer title.
- **Closing Statement**. The final document of the closing, listing all the documents that executed and included as part of the closing.

The Check

When that's done, you get a check for the sale of the home. The check will usually be an odd-looking number, because various deductions and additions will be made at the closing (usually calculated by the attorneys before the closing) for offsets like the tax and utility bills. But once you sign over the deed, and accept the check, you're at the end of the home selling process. And you deserve some congratulations.

Understanding the Walkthrough

On the morning of or the day before your closing, the buyer and buyer agent will do a quick “walkthrough” of your property, checking that you have moved out without damaging the home or taking any fixtures. They'll also be checking out the mechanical systems – running the water, flushing toilets, turning on lights, etc. – to make sure everything is in working order.

Most of the time, the walkthrough goes smoothly, and you won't have any issues at closing. If the buyer does complain about something found during the walkthrough, the attorneys will negotiate the issue and come to some sort of resolution. Barring outright cataclysmic problems in the home, walkthrough issues are resolved for a few hundred dollars and almost never cause a closing delay or a termination of the contract.

