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## 5 new rules for home sellers

**Whether you're buying or selling, the real estate game has changed. To win, you've got to learn a new playbook.**

By Amanda Gengler, Money Magazine  
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(Money Magazine) -- Selling a home is a lot trickier than it used to be - here's how to be smart about pricing, presentation and incentives.

### Rule 1: Get real about price

Too many sellers set their price based on yesterday's market. Big mistake. "The first buyers in tend to pay the best price, so you need to price it right at the start," says Pamela Liebman, CEO of the Corcoran Group brokerage.

Have three area brokers prepare what's called a comparable market analysis. It will list asking and selling prices of similar homes, as well as amenities and sizes. If there's little inventory in your price range, list for what others are asking. If a lot of homes like yours are on the market, then look to generate buzz, says Liebman.

Set an asking price 10% below what homes like yours have been selling for. That raises the odds of your getting multiple offers. If your market is really frozen and you need to drop the price, make one large cut. No baby steps.

### Rule 2: Vet your agent - especially if it's you

Selling on your own in an unprecedented slowdown means you'll have to work awfully hard marketing your home. If you aren't prepared for that, hire a broker. Avoid newbies. You want an agent who has been through good times and bad and who has a track record that you can verify with clients.

### Rule 3: Pimp your house - hire a home stager

To sell today, you've got to glam up your home. A stager will help get rid of clutter (especially clutter you don't see); rearrange furniture to create attractive focal points; repurpose underused rooms, turning, say, that makeshift bedroom in the basement into a rec room; and pick paint and curtains that make rooms appear spacious. A consultation may run \$200. Completing the plan could cost \$1,000 or more. It's worth it.

### Rule 4: Cash will make your home look even better

Given the number of listings out there, you want to throw in a little something extra to make your house catch the eye of buyers and their agents. Rather than hand out a cruise or a car - skeptics might wonder why you're so desperate -

offer something that will make your home more affordable, such as paying part of the buyer's closing costs.

In the multiple-listing service description of your house that agents can see, let them know you're offering a \$1,000 bounty or a 4% commission to the one who brings in the purchaser. It will mean more knocks on your door.

#### Rule 5: Underwater? Learn to swim

If you're a recent buyer, your mortgage may well top what your home would go for today. About a third of those who bought last year or in 2006 now have negative equity, according to Zillow.com. If a job or family issue compels you to move, your options aren't great, but you have a few.

First, you may be able to persuade your new employer to make you whole on the loan. Second, if the rental market in your area is strong (as is the case in many spots that were healthy but not overly bubbly during the boom), you can become a landlord and wait out the slump. Third, of course, is to sell for as much as you can (see Rule No. 1) and raid your savings for the difference.

Short sales, in which the bank agrees to take less than it's owed and release you from your debt, get a lot of media attention. That doesn't mean they're easy to come by. A bank usually will consider one only if you're at risk for foreclosure. Even then it may say, "No, thanks."

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