

Selling a Home? Improve Your Time on Market

By Nan Hayes for Caring Transitions

In a news release issued by the [National Association of Realtors](#) (NAR) in early September, a new statistical measurement showed the typical amount of time it takes to sell a home is shrinking. Average selling time for non-distressed homes is in the six to seven week range. By comparison, time on the market during the housing “boom” was 4 weeks and during the subsequent housing “bust”, 10 weeks.

“As inventory has tightened, homes have been selling more quickly,” the report said. “A notable shortening of time on market began this spring, and this has created a general balance between homebuyers and sellers in much of the country. This equilibrium is supporting sustained price growth, and homes that are [correctly priced](#) tend to sell quickly, while those that aren’t often languish on the market.”

There are two other reasons non-distressed homes may remain on the market longer than average. These include “Condition” and “Marketing.”

Condition:

If you are one of many home sellers who wonder why the house down the street just sold at an asking price similar to yours, it is time to look at the condition of your home. The concept of “[home staging](#)” has been around for a number of years now, but some sellers may not yet realize that preparing their home for sale isn’t just an option, it is a necessity. When a home is in disrepair, too dirty or too cluttered, buyers may not be able to see beyond the mess to effectively compare the home value to other properties.

The NAR states the average home staging investment is between 1 and 3 percent of the home’s asking price, and generates a return of 8 to 10 percent. According to other [home staging statistics](#), an average expenditure of \$575 for simple cleaning, decluttering, lightening and brightening provides a return of over \$2,400 on the sale price of an average home, which is more than a 400% return on investment.

In those cases where a home is densely cluttered and requires more than “simple” cleaning, [professional estate sale](#) and [online auction](#) services cost the same or even less than basic staging services and produce similar results. Typically, [professional estate sale management](#) fees are paid as a percent of sale proceeds. Once those fees plus any additional administration fees have been paid, the net sales gain belongs to the home owner. As a result, the owner gains not only from the net revenues of the sale but also the increased value of a decluttered home. Even in situations

where the outcome of an estate sale is just “break even”, the seller still benefits from the improved value of the home.

Some real-estate agents recommend home inspections before placing a home on the market and others suggest you should save the \$200-\$400 cost of inspection because the buyer will pay for it done prior to closing. Yet, in today’s market, it may be an advantage to be proactive and

complete all repairs before you list. According to the staging statistics, basic improvements such as plumbing, electrical, exterior and interior paint produce 50-100% ROI and larger remodeling projects, especially kitchens and baths, result in even higher returns for sold properties.

Marketing:

If you haven’t sold a home in awhile, take some time to understand how homes are marketed these days. Technology has not only changed the way buyers look for homes but also the way homes are priced and presented to buyers.

If you decide to [sell the house yourself](#), set a time limit to maintain your own listing before you consider hiring a professional. Certainly saving a 6% commission may provide you with a price advantage, but if you do not have the right information or don’t fully understand the pitfalls of a slow and changing marketplace, listing a house month after month without the guidance of an experienced professional may cost you more money in the long run.

Either way, it is important to fully understand local housing trends and review comparable sales figures. As markets change rapidly, you will want to find the most current information. You can use sites such as [Zillow.com](#) and Realtor.com, or again, get the advice of a professional agent. As noted above, establishing the right price is your first and most important rule when selling a home.

Once you have established your price and listing method the details must be managed. Consider how much better the search results for your home may be if you list at \$399, 999 instead of \$400,000 and be sure to take pictures of the home *after* the decluttering, cleaning and repairs are complete. Of course the best pictures are professionally done. Buyers will spend more time perusing properties that have more than just a cover photo so take advantage of websites that allow multiple photographs to help you display the home’s best features.

A complete marketing program includes more than website and online tools, but also print collateral for showings and open houses, as well as a strategy for bringing in successful [brokers](#) and serious, [qualified buyers](#).

The Good News:

It is anticipated that these overdue but positive trends in home sales and housing inventory will continue into the fall season and subsequently, according to the NAR report, median existing home prices will rise 4.5 to 5 percent in 2012 and about 5 percent in 2013. Additionally, if new home

construction doesn't pick up, those increases could lead to greater supply shortages resulting in more above average increases.

Whether your home is on the market today or tomorrow, be sure to use these trends to your advantage and follow the guidelines for price, condition and market strategy in order to position your home to its greatest advantage.

Visit us online at www.CaringTransitions.com.

Call Caring Transitions for a Consultation – (800) 647-0766

Christopher Seman, President of Caring Transitions

10700 Montgomery Road, Suite 300

Cincinnati, Ohio 45242