

Making the Most of Your Home's Value!

So you're thinking of getting your home ready to sell. Or, maybe you're just contemplating making some home improvements for your own enjoyment. Either way, what you do now will affect your home's value and your long-term return on investment.

Making informed decisions will pay dividends in the long run. While it doesn't have all the answers, this report will help you begin to understand the large and small things that will increase your home's value.

Got a question? Don't hesitate to call me at 214.801.8800 or send an email to benbaker@kw.com. After all, I'm in the business of information first and foremost and am here for all your real estate needs!



Foreclosure Can Equal Value!

Looking to round-out your investment portfolio? Buying a foreclosure may be the right value decision for you. Get real-time info at www.benbakeronline.com. Click the Foreclosures link on the home page under D/FW Real Time Dashboard. You can view by date listed or by area. See something you like? Call 214.801.8800 or email benbaker@kw.com. Buying a foreclosure, then using tips in this report to add value can put you on the road to short and long-term success!

Effective Ways to Increase Home Value

Published by The Ben Baker Team, Keller Williams Realty

Serving real estate clients for more than 20 years *** Broad business and marketing acumen *** Plano native
*** Deep connections to services you need

Right-Sized Remodeling For Value

Some home improvements pay off by increasing your home's value, while others do little to improve it. In general, updating your kitchen and bathrooms are always smart investments and offer the best home improvement value.

Remodeling Your Kitchen

The kitchen is the most important room in the house because it's where most family interaction occurs. The average return-on-investment for kitchen improvements ranges from about 80 percent to 93 percent with average costs at \$15,000 and up. If you don't know where to start, try adding new tile flooring, re-facing cabinets and counters, and/or updating appliances to energy efficient models.

Remodeling Your Bathroom

Bathroom renovations can yield a return of between 85 percent to 90 percent, with costs starting around \$10,000. Some good improvements include installing double sinks, tile floors and new bath fixtures and faucets.

Other Good Home Improvements

Making home improvements can be a big undertaking. Larger improvements could include building a deck or patio or adding a new heating or cooling system. However, you don't have to spend major dollars to upgrade the look of your home. Smaller, less expensive improvements could include replacing old doors or installing a ceiling fan. Cosmetic improvements also go a long way in the minds of prospective buyers. (See page 2 for more inexpensive ways to improve value).

Home Improvements to Avoid

Some improvement choices are made because they meet a personal lifestyle wish, which is fine. But you shouldn't expect to recoup your investment in improvements such as a swimming pool. Avoid making too many expensive improvements that go beyond what is typically found in your neighborhood. You don't have to cut corners, but owning the most expensive home on your block can be another obstacle when it comes time to sell your home.

Finally, everyone's tastes are different, so choosing neutral colors and middle-of-the-road materials will make it easier when you need to sell.

The Nose Knows! It's important to be aware of unpleasant or unusual odors.

Pets leave behind their own special smells and pungent cooking odors or moldy bathroom smells are a huge turnoff. It's critical to attack home odors immediately, because the first thing people notice when they walk into a house is smell.

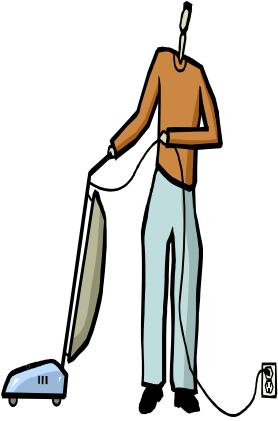
When you are living there, you don't smell it, but odor can completely change

the way a house is perceived. A good friend or realtor will be completely honest with you, so ask!



Effective Ways to Increase Home Value

Inexpensive Improvements: Simple, But Effective!



“If you have a dark or small kitchen, make it look larger and brighter by using a lighter finish on cabinets.”

If you want impactful improvements that are simple and cheap, here’s a few tips:

Spruce up yard. Get rid of trash and yard waste. Keep your lawn in good condition and mow it. Trim hedges, get rid of weeds, and mulch flower beds. Plant flowers or install landscaping appropriate for home and climate.

Eliminate inside clutter. Get the house organized and get rid of clutter or put it in storage. A nice, tidy house will seem larger and more elegant.

Wash walls and windows. It’s a lot cheaper to wash walls or siding than to repaint or replace siding. Pressure-wash exterior and wash interior walls. Clean windows.

Add a fresh coat of paint. Sometimes you just really need to repaint interior walls. Patch holes, no matter how small. To get a smooth finish, apply a coat of primer.

Put up fresh blinds or curtains. These items are relatively inexpensive. Over time, the sun fades blinds and curtains, so new ones will make a better impression.

Clean the carpet. Shampoo or steam clean carpets, or use a dry cleaning system (available from sources, such as Oreck), which requires no water or steamer rentals, dries instantly and kills virtually all mold and bacteria. If all else fails, get a professional.

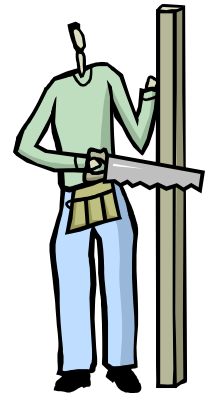
Install modern light switches and outlets. Some new style switches can be easily installed using wires already running to old switches. New outlets look nice and give the impression that electrical wiring is newer also.

Refinish kitchen cabinets. Outdated or worn cabinets can bring the whole kitchen down, but refinishing them is relatively cheap and easy to do.

If you have a dark or small kitchen, make it look larger and brighter by using a lighter finish on cabinets.

Up light bulb wattage to make things brighter. Just make sure you don’t exceed maximum specs. Use compact florescent light bulbs to make a room brighter without getting new fixtures, plus they save electricity and money.

Wood trim and corncicing are cheap and easy do it yourself items to add “WOW.” Simple ceiling trim and chair railing are the easiest and most typical upgrades found in newer homes. To make an even bolder statement, paint walls a neutral, flat color and paint trim a high gloss white.



Quick Tips For Optimal Showings & Value

- Improve what people can see. Get rid of eyesores to add the most value per dollar .
- Remember the senses. Put out fresh flowers. Bake cookies, then leave them out for visitors. If you don’t have time to bake, burn a candle or use potpourri. Consider playing soft classical music in the background.
- Consider turning on all lights for showings.
- Do it yourself when possible. If you know what you’re doing, elbow grease can add a lot of value.
- As a last resort, consider new flooring. If carpet is in really bad condition, replace it, restore original hardwoods or install hardwood floors, which are very popular right now.
- Don’t be afraid to spend extra dollars on good paint rollers.
- Paint with neutral, yet pleasing, colors to make the house seem larger and meet most buyers’ tastes.
- Semi-gloss paint makes walls seem brighter. Or consider using flat to hide imperfections. Keep in mind: flat paint shows dirt and is difficult to clean, so leave it until just before you put your house on the market.
- Install ceiling fans.
- Use floor and table lamps in each room. Pick up decent options from garage sales if you don’t have any.
- Clean, clean, clean. Nothing improves value more. Houses that look and smell clean have great market appeal.
- Your realtor can give you good insights into what will or won’t add value. You also may want to consult a licensed appraiser before doing any remodeling. An appraiser can give valuable insight into what your market area can and cannot support. Need a recommendation? Call Ben Baker at 214.801.8800 or send an email to benbaker@ksw.com.

Effective Ways to Increase Home Value

Some Home Improvement Myths

Are you making the right choices when it comes to investing time and effort into improving your home? To separate fact from fiction, here are some home improvement myths:

Any remodeling project will add value to your home: False.

While many add value, some can be a negative. For instance, combining two small bedrooms to create a larger one may fit your lifestyle, but may cause the home to lose value for a future buyer who needs two separate rooms.

Buying high quality materials attracts more buyers

Installing high quality materials may seem like a wise decision, but can backfire. For instance, using expensive tile in a bathroom may impress friends, but value buyers may opt for a more affordable if you have over-improved for your neighborhood.

Adding square footage always adds value

A better way to think about this statement is to insert the word "useable" into the sentence.

Colors and textures: safe and simple is better

Keeping a home vanilla so buyers can choose their own style sounds

like a safe bet, but ignores the fact that most buyers don't have the ability to visualize. Without some warmth, you could lose value to other sellers that can't see beyond starkness or have not taken the time to consult with an interior designer.

Paint hides a multitude of sins

Dry rot? Fungus damage? Mold problems? Carpenter ants? Termites? Nothing a can of paint can't fix, right? Wrong! Not only does this practice violate disclosure laws, it can set you up for liability after the sale as most buyers will want you to foot the bill for these hidden issues.

Inside improvements are better than outside

Not necessarily. If a home buyer can't get past the exterior of your home because it doesn't offer good curb appeal, all of the work you have done on the inside may not net you any more dollars. To get the biggest bang for your remodeling buck, start from the outside and work your way in.

Converting a garage to living space is a great trade off

No. A garage conversion is almost always viewed negatively. If you are going to do one anyway make sure the space can be easily converted back to a garage at the time of the sale.

Landscaping Tips That Can Help Sell Your Home

Well-maintained landscaping can add as much as 10 percent to your home's value.

Spruce up outdoor containers. Container plants add interest to patios and doorways where buyers enter and exit the house.

Install new sod. In D/FW, especially under shade trees, sod can get patchy. Low replacement costs go a long way.

Touch up mulch. Apply a fresh layer to garden beds. The color enhances the surrounding plants ... and it is relatively cheap and easy to apply.

Plant instant color. Flats of annuals are also relatively inexpensive and make beds pop.

Shape unsightly or overgrown trees and shrubs.

Tackle pruning because nothing says neglect like dead branches. It's okay to prune deciduous trees and shrubs any time of the year.

Tend to perennial beds.

Tidy up plants that don't look good. If a plant needs to be removed, replace it or stick a decorative pot in its place.

Clean up water features.

Get rid of visible algae, remove leaves and clean filters so the water is crystal clear. After all, a water feature that doesn't look good or function properly can be an instant turnoff.

Take care of any irrigation issues. If there are sprinkler

system problems, fix them. Include instructions on how the system operates and recommend the watering schedule that's worked for you.

Repair faucet leaks. A leaking faucet suggests there may be other plumbing problems and that can be an instant turn-off to buyers.

Power-wash dirty surfaces.

Consider buying or renting a power washer to clean paved surfaces. With little time or effort, you can make grungy, grimy surfaces look new. Power washers also do a great job of cleaning fences, as well as brick and vinyl siding.

Doing the work yourself will save you money

For many, wiring a new lighting fixture or tiling a floor is a no-brainer, but for the rest of us it may end up costing more later when the work must be redone by a pro.



Effective Ways to Increase Home Value

Tips for Selling In A Down Market

Be willing to price right: In July, foreclosures climbed back up in the D/FW area. While you won't cut price to the level of bank owned homes, research comparables and be competitive. You may not get as much action as foreclosures, but you will get more action than other sellers who aren't flexible. Don't get emotionally stuck on a certain price.

Focus on curb appeal: If you can't compete on price, make sure your house looks better on the outside than others. Power wash, paint trim and doors, put on new exterior lights and/or knockers, and spruce up plants. Hard work will get that buyer through the door.

Clear clutter: You want potential buyers to picture themselves living in your house. Remove photos and replace with neutral framed art. Take everything off kitchen countertops. Remove unnecessary furniture and clothing from closets and put in storage. Reduce clutter to make your house more spacious and buyer friendly!

Fix big problems: Dirty, old carpet? Non-working water softener? Big hole in the wall? Broken A/C unit? Anything that can cause instant dislike should be fixed, as long as it isn't too expensive.

Fix small problems: Take care of all the small things that need fixing that may be a turn-off. If you notice them, the buyer will too!



Consider staging: Stage to make rooms feel more spacious. Remove large furniture and rearrange. Leave minimal items on built-ins. Get rid of knick knacks and plants. Remove magnets and photos from the fridge. Not sure about staging? We can help.

Offer bonuses to agents or buyers: Consider offering a bonus to the first buyers' agent to bring in a full price offer, offer to pay buyer closing costs, or offer to pay a years worth of homeowner's asso-

ciation fees. Be creative.

Use your personal networks to market your house: Promote your house through social media like Facebook and Twitter, and send out info to your email list. Sometimes word of mouth is one of the best ways to market. Your agent should use his or her social media networks, too.

Get a good agent: Get a good agent, not a friend of a friend or Aunt Agnes who just got her license. Your house is one of your biggest assets, and this is no time to do someone else a favor. Interview agents and ask about their marketing plan. Use someone who understands the power of the internet, the importance of good wide angle interior photos, and an overall marketing strategy. Of course, we would love to be one of the agents you interview!

When showing, keep house clean and leave! There's nothing more annoying for a potential buyer than seeing an owner in the house. And, keep the house spic and span.

Selling your house in a down market isn't an easy task, but hard work and a very knowledgeable Realtor will make your chances better. In the end your house will show better, your will be positioned better against the competition and you'll be able to sell your house that much quicker. For more information, give Ben Baker a call at 214.801.8800 or send an email to benbaker@kw.com.

Final Thoughts

Don't ignore good pricing strategies when selling your home. It goes beyond reviewing neighborhood comps and includes condition of your home, how fast you want to sell it, how many homes are for sale in your community, general economic conditions and more. It's a buyers market right now and pricing should be left to a professional agent with deep market experience.

Also, if you know you have significant repair and replacement costs before selling, consider purchasing a home warranty. For a nominal cost, a variety of items ... from A/C and heating to appliances and pool equipment can be taken care of ... potentially saving you a LOT of money! Contact Ben for more info.

More Tips For Top Value

Siding and exterior paint

One of the fastest ways to make a better first impression is to paint the home's exterior of and, if needed, to replace siding. Use colors that will appeal to the largest number of buyers. To experiment with different colors and schemes, use virtual painting programs available at Web sites like Benjamin Moore Paints.

Windows and doors

By replacing old windows and doors with stylish and energy efficient alternatives, you may attract buyers who otherwise would pass on your home because it is a little more mature than its competitors. Keep your proof of purchase since the IRS is now providing up to a \$1500 tax credit for windows and doors installed before the end of 2010.

Roof and foundation

To ensure that you receive top dollar for your home and avoid a deal breaking inspection report, now may be the time to get these areas of your home in order. Lenders often want to know that a roof will last at least another 3-5 years and that the foundation is keeping the entire home off the ground without any apparent failures.

Published by:
Ben Baker
Real Estate Consultant
Keller Williams Dallas Preston Rd.
18383 Preston Rd., Ste. 150,
Dallas, TX 75252

Phone: 214.801.8800
E-mail: benbaker@kw.com
www.benbakeronline.com

