

## Dressing Up Your Home For Resale

By Diana Olick CNBC Real Estate Reporter

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Imagine getting 18 offers for a condo in a down real estate market.

Caroline Carter says it's all about "staging." The owner of Done in a Day, a four-year-old company that specializes in staging vacant properties in the Washington D.C. area, staged the condo by adding furniture and sprucing up some of the worn fixtures. Carter says sellers do not want to reduce prices on their homes, so they're looking for ways to work with this down market; staging is one way to do it.

"We've doubled our business each year for the past three years," says Carter.

And it's not just filling an empty living room with a sofa set. Carter looks at bathrooms, kitchens and paint as the emotional trifecta for prospective buyers. "It's all about an impression; people shop with a list of criteria, but they buy with emotion," Carter says. The steep competition for buyers has some sellers taking staging to the next level: a full remodel. "Part of what we do is we come into a house and we depersonalize it, we declutter it, we calm it down," says Kim Vreeland, an interior designer based in Washington D.C.

But then she gets serious. New appliances, new toilets, and new basement floors are just some of the upgrades Vreeland added to home in Bethesda, Md., hoping to get the seller top-dollar in a down market.

"I think it's partly because of the tough market," admits Vreeland. "I also think that all the recent makeover shows have also helped." Carter also points to new shows on HGTV like "Designed to Sell" and "Buy Me," both of which help to educate sellers on how to get the most money for their homes.

While Carter's clients will usually spend about 1% of the home's sale price on staging, Vreeland's clients, undergoing a full remodel, are willing to spend far more. The Bethesda home not only got a full paint job, but a new furnace, new carpeting, and even new stair railings. In the end, the remodel broke the \$50,000 budget, but the seller felt it was worth it for the home, which is priced at about \$1 million.

"It's really the difference between selling it tomorrow or next month and having it sit on the market for five or six months," says Sal Alfano, editorial director of Remodeling Magazine. Buyers' expectations are simply higher today, and certain upgrades are essential to sell.

A recent Remodeling Magazine report on cost versus value shows sellers can recoup an average of 80% on the cost of their remodels - and 85% in the bathroom and kitchen - which are generally the main selling features of most homes.

"If the house doesn't meet the buyer's expectation then anything you can do to bring the house up to the standard of the neighborhood is going to help you move it," adds Alfano, "And that could include some larger projects like adding a bath or a half bath."

It is, after all, all about keeping up with the Jones', especially when you're putting your home on the market. That, experts say, is why sprucing, staging and remodeling are key in any housing market cycle -- and even more so in a slow market.

"A well-informed agent will have a professional stager in their back pocket," Carter says.

"This covers a one-bedroom condo to a ten-thousand square-foot home."

Whatever the price range, the seller can only benefit.



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