

Trouble Selling Your Home? Try Sweetening the Deal.

If you're having trouble landing a buyer for your home, maybe you need better bait.

Crafty home sellers know incentives are the prize at the bottom of the box. By offering buyers something a little different, they can improve their chances of selling their homes quickly and for the price they want.

Here are just a few of the ways home sellers can sweeten the deal with extras.

Cover the buyer's closing costs

Many buyers, preoccupied with saving enough cash for their down payment, overlook their closing costs which, at between 3 and 6 percent of the sale price, can amount to several thousand dollars extra. Offering to pay them on behalf of potential buyers may be just the push they need to close the deal.

Help the buyer get a better mortgage rate

Another potential deal sweetener is to offer to purchase discount points on the seller's mortgage. Discount points are purchased up front in order to secure a lower interest rate on a mortgage -- the more that are purchased, the lower the rate. In most cases, one point is equivalent to one percent of the loan amount and will reduce the interest rate by .25 percent.

Discount points may make your home more attractive to buyers in that their monthly payments over the life of the mortgage will be lower. Plus, it enables you to advertise your home with the offer of "below market financing," which may draw in more potential buyers.

Throw in some freebies

If you're planning to purchase new furniture, appliances, curtains or light fixtures for your new place and the ones at your current home are in good condition, try including them as value-adds in your purchase agreement. This works particularly well with first-time homebuyers who may not have much furniture of their own. Plus, leaving some things behind may even reduce the overall cost of your move.

If you don't want to part with any of your possessions or fixtures, another low-cost incentive is to include a home warranty. Offered through insurance companies for around \$400 (depending on the extent of coverage), home warranties are contracts that cover the cost of replacing or repairing major appliances that break during the first year after the sale of the home. Plumbing, electrical and heating systems may also be included under the home warranty.

Other attractive incentives that may lure buyers in are gift certificates, golf club memberships, airline tickets and even cars. These types of incentives do cost money, but they can go a long way in helping to get your home listing noticed. You may also consider offering them to your real estate agent as an added incentive to finding a buyer.

Overcome objections or problems

A less glamorous but often equally effective tactic to help close a sale is to offer to rectify any

concerns a potential buyer may have with your property. Something as simple as offering to repaint the front steps, re-sod the lawn or adjust the move-in date might push a potential buyer off the fence. You can either offer to make the improvements yourself or to include a renovation allowance in your purchase agreement.