

How Can Sellers Prepare for the Buyer's Inspection? Here's Some Practical Advice

There are two schools of thought when it comes to whether sellers should look for and address possible inspection issues prior to putting their home on the market.

One school of thought recommends hiring a professional home inspector to do a full-blown pre-listing inspection and fixing problems that are bound to become inspection issues.

I subscribe to an alternative school of thought. When I meet with sellers, I look for what I call "eyesores" — issues that are likely to draw the negative attention of prospective buyers during a showing. This could be wall damage, old carpeting (especially shag), damaged countertops, peeling paint or excessively worn hardwood floors — any number of things that are indicative of deferred maintenance. Here are some other things I recommend doing before putting your home on the market:

- ◆ Remove and label (with tape) all window screens, and store them in the basement or garage. Wash all windows, inside and out.
- ◆ Use one of our free box trucks to move unneeded items from your home and garage to storage, the Salvation Army, Habitat ReStore or the dump. If you're going to use a professional mover, put items you're going to keep but don't currently need into a moving company's POD rather than a storage unit.
- ◆ Clean the carpets, replacing those which can't be made presentable by cleaning.
- ◆ After a walk-through, my staging consultant and I will make other suggestions as to repairs or improvements that will help your home to show better.

What I typically do not recommend is a major repair, or improvements that aren't obviously required. For example:

- ◆ Do not replace undamaged countertops with slab granite or other surfaces that may be in vogue.
- ◆ Do not replace a 15- or 20-year-old water heater that works fine, just because it might be considered beyond its useful life.
- ◆ Do not add central air conditioning or solar panels or make other improvements.
- ◆ Do not replace double-pane windows that show

You May Want to Pay off Your Home Equity Line of Credit

One of the changes in the Trump tax reform legislation was to remove the tax deductibility of HELOCs — Home Equity Line of Credit loans.

My contact at US Bank tells me that their lawyers say the interest is still deductible, but only if the money from the loan was used for home improvement. I used a HELOC to pay for hail damage repairs to my home and car, so I'm guessing that the interest on it will not be deductible starting this year. If this is confirmed, Rita and I are planning to pay it off as soon as possible. You may want to do the same.

limited signs of vapor seal failure (*minor* condensation between the panes).

Behind these recommendations is a simple principle.

You have everything to gain and little to lose by leaving undone those repairs or improvements which make little or no difference to the average buyer on his or her first visit to your home.

Imagine, for example, you have two windows with minor vapor seal leaks that end up in a buyer's inspection objection notice. That objection will probably include other items, both major and minor. Let's say, for example, that your home's radon level measured above the EPA action level of 4 pico-curies per liter and that your furnace is emitting carbon monoxide — a telltale sign that your furnace's heat exchanger has a crack in it.

Mitigating radon will cost about \$1,000. Replacing the furnace will cost \$3,000 or more. Replacing the two windows will cost about \$1,000.

Here's why you should **not** have replaced the windows before listing your home: you're now in a position to offer, for example, to mitigate the radon and replace the furnace but **not** replace those windows with minor vapor seal leaks. If you had replaced those windows prior to putting your home on the market, you wouldn't have been able to use them as a bargaining chip, which could save you the \$1,000 cost of replacing them. Of course, this is but one example of how the agents at Golden Real Estate can help save you money. The same principle applies to other points of negotiation that might have been lost by making repairs ahead of time.

Sometimes agents will recommend buying a home warranty policy prior to putting a home on the mar-

ket. A home warranty costs \$300 or so and covers most appliances in the house if the appliance fails within the first year after closing. (Home warranties do have copayments for repairs, typically about \$50.)

I like to hold back recommending a home warranty to use when responding to the inspection objection. For example, the water heater is well beyond its useful life but working fine, and the buyer wants it replaced. I can usually get the buyer to accept a home warranty, saving my seller several hundred dollars, versus replacing an appliance that is working just fine.

Other practical advice I give to sellers includes the following:

- ◆ Replace the furnace filter and vacuum the interior of the furnace cabinet. This could forestall the inspector suggesting that the buyer require professional cleaning and servicing of the furnace.
- ◆ Install downspout extenders so that water from your roof is diverted away from your foundation.
- ◆ Replace all burned out light bulbs. Otherwise the inspector might question whether your light fixtures are working.
- ◆ Apply silicone spray to your sliding doors so they operate smoothly and quietly.
- ◆ Imagine yourself as a prospective buyer who's seeing your home for the first time, and pay special attention to first impressions. This includes your front landscaping and especially your front door. If the door or frame is weather beaten or badly faded, have it repainted or re-stained so it looks fresh and clean. If your doorbell or doorbell button is broken, fix it.

I was assisted on this article by broker associate **Andrew Lesko**, who has additional suggestions regarding condos and townhomes, which are his specialty. You can reach him at 720-710-1000. Or visit his website detailing 30+ condo & townhome communities at www.GoldenTownhomes.com.

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By JIM SMITH, Realtor®

Price Reduced on Net Zero Energy Home Near DU

This 2008 home at **1960 S. Gilpin Street**, near Denver University, was built to Passive House standards. It is super-insulated and solar-powered, generating more electricity than it consumes. It is grid-connected but with battery back-up so that it can function off-grid. The seller's monthly bill from Xcel Energy is \$5.89. There is no gas meter and no furnace or air conditioner, because they are not needed. A solar thermal panel provides the home's domestic hot water. You'll like the main-floor master suite! And the location is great — four blocks to the light rail station, and four blocks to DU and the Ritchie Center. Wash Park is a short bike ride away, too! There are so many sustainable features to this house that you really need to watch the video tour at www.DenverPassiveHouse.com. Look there for another video link for a recent class on "Getting to Net Zero."



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