



## **Preparing your property for rental or sale**

**By James Kilpatrick, Managing Broker of Kilpatrick & Company**

I see and walk through hundreds of apartment units every year, and roughly half of the buildings I walk through have at minimum some sort of small deficiency. Many times it is something that could be fixed for under a few hundred dollars and would contribute immediately to the image of the building and apartment. In an environment of persistent vacancy and less than certain investment prospects don't be one of those owners that is stepping over dollars to save pennies!

The most common items are interior features such as broken or missing outlet covers. Patching that hasn't been sanded or painted; caulking that is not in good shape, broken light covers, etc. One of the ways to make sure everything is done is to have a 3<sup>rd</sup> party walk into the apartment and try to notice anything that needs fixing. You can do this yourself but sometimes an owner is accustomed to a condition and ceases to notice it in which case another perspective is helpful.

Graffiti appears on buildings even in great neighborhoods. Don't wait! As soon as the smallest mark is there, paint over it. Unequivocally graffiti attracts graffiti. When you paint over it, do it in matching paint and blend properly. Even a discolored square can be an announcement to graffiti people that that is a popular place to leave a "tag".

Whether you are keeping your building forever or selling tomorrow you will benefit from good tenants. There are various venues to advertise for your tenancy, but a well-maintained website or at minimum advertising on-line will help attract tech-savvy tenants that tend to be more ideal tenants. You should also always answer your leasing phone. Many tenants go see the first apartment owner that picks up the phone. It also conveys that you are a responsive involved owner. You will benefit from good tenants of course in the smooth running of your building, but a buyer will also notice quality and cleanliness as they pass through someone's apartment. They will be gauging whether your tenants are likely to pay on time or cause a ruckus.

Some owners with buildings in less desirable neighborhoods have said to me that tenants and buyers won't mind a little litter because they know it's a bad neighborhood anyway. The psychological impact of a building without one stray toothpick, can, or gum wrapper is striking and always worth the effort. For an owner who just doesn't have the money to paint the whole building, at least paint any obvious patches, and sand and paint any peeling areas. Obviously there is a tradeoff between cost and benefit, but anything noticeable that you can do for under a few hundred dollars will help.

It's sometimes hard to tell what keeps a building from renting or selling, but it's easy to tell that junk, dirt, debris, and various other minor items really can keep a building from being attractive to a tenant or buyer. If you can't make your property appealing yourself, get a management company. Either way regularly inspect your property yourself. Sometimes a penny saved is many dollars lost.

*Please keep in mind that my area of expertise is Real Estate Brokerage. The tax consequences, exchange validity, accounting rules and legality of various strategies are best discussed with the appropriate professional. I have several that I will be happy to recommend. If you missed last month's installment, you may contact me for a copy of the last issue.*

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