

HOW TO GUARANTEE YOU WIN THE REAL ESTATE GAME WHEN IT'S TIME TO SELL YOUR BUILDING

Follow these tips from Apartment Broker & Expert Derrick Ruiz when it's time to sell

KNOW WHY YOU ARE SELLING

Do you want to “retire” from your tenants? Do you want to sell and do a 1031 tax-deferred exchange in to a larger building? Do you need to free up some cash? Do you have a high interest loan you want to get out of? Are you ready to end a partnership? Your reason for selling will help me determine and advise you on the best strategy to pursue.

KNOW YOUR TAX LIABILITY

If you have a profit when you sell, you may owe Capital Gains and perhaps Depreciation Recapture. You need to talk to your tax advisor prior to selling. I can supply the necessary sales expense information and a seller's net sheet for your accountant so he can estimate your tax liability. You really need to understand what your tax liability is before you sell.

GET PREPARED TO SELL

You need to start preparing and gathering certain things before you sell. Get copies of your leases, a Year-to-Date Income & Expense sheet, your mortgage statements if you have a loan, a current rent roll, and any service contracts. Also do any painting, repairs, cleaning, or landscaping if needed. If you like, I will be happy to walk the property with you so we can discuss any repair or fix up options.

SELECT THE RIGHT LISTING BROKER

The right listing broker is crucial. Is he or she an expert at apartment sales? Do they know commercial finance? Does he or she have a deep track record of success? Is he or she easy to talk to and communicate with? Does he or she offer you solid advice that makes sense? Does he offer you a guarantee? Who you select to market and sell your building is about the most important decision you can make when it is time to sell.

CLEAR UP ANY ERRONEOUS TITLE ISSUES

I often see mistakes on title reports. Sometimes old paid-off loans still appear against the property. Tax liens or judgments often mistakenly show up on. I'll pull a Prelim so we can see if anything is recorded against the property. If there is, my Title Officer can clear up mistakes so they won't affect your sale. I believe in being proactive, not reactive.

CHOOSE THE RIGHT OFFER

Buyers are not equal. The highest offer isn't always the best offer. A cash offer might be the wrong offer. I will carefully review and analyze offers with you and will make recommendations on which offer is in your best interest and why. I will also advise you on how to structure a counter offer that's to your advantage.

AVOID THE TWO MOST COMMON FINANCING PITFALLS

The two most common financing pitfalls are a low appraisal or the buyer's loan getting denied. I'll show you how to avoid this by expertly structuring the contract and counter offers upfront before we even open escrow. This is crucial!

TRANSITION OPERATIONS TO THE NEW OWNER

I'll help coordinate a smooth transition to the buyer: Utilities, leases, keys, gardener info, tenant phone numbers, service contracts, and a final walkthrough inspection with the buyer. This will insure that everything closes smoothly and you won't have any problems to deal with after the close of escrow.