

A Game Plan for Unsold Inventory

by Richard Lind



If there is any comfort whatsoever to be had while sitting on unsold inventory, it is that you are not alone. With the buying and building frenzy of the mid 1980's slowing down, many of us need to deal with slow moving inventory.

In this situation, a good marketing plan is more important than ever. Advertising, a realistic pricing policy, a close working relationship with an aggressive and innovative real estate broker(s), and whatever else that can be done to generate traffic that might lead to a sale, are all important. But one often-neglected aspect of any marketing plan is to make certain that the property "shows well" and makes a favorable and lasting impression on potential buyers.

The question surfaces in slow markets as to the wisdom of completing a spec house with everything finished and in place or leaving things semi-finished, allowing for buyer selections. A good case can be made for either action.

By completing the house, the property presumably looks more attractive and leaves no doubt as to how things finish up, and what is included in the sale. The builder might have a better shot at making a sale with a prospective client who has difficulty visualizing the completed house. In addition, the builder will be spared the job of chasing down the buyers' selection, and when it comes to the kitchen layout, he knows for sure that everything fits. Problems with hold-backs for incomplete items are avoided and the house can usually be delivered faster, if timing is of particular importance.

Several benefits result when the choice is *not* to complete the house until sold. The most obvious is that a big cash outlay has been deferred. In addition, the ability to make their own selections may be an incentive to buyers. And, sad but true, a house without appliances and plumbing and electrical fixtures and fittings is less attractive to thieves and vandals.

More Than Broom Clean

In any event, appearance is the byword. If the house is left unfinished, it should be as clean and attractive as possible, consistent with the state of completion. If finished, however, neat and "broom clean" is not adequate.

The whole house should glisten from top to bottom, including the basement and garage as well as the living space.

Begin with the windows. After the professional cleaners have left, do them over (all sides) until they are so clean that they actually attract attention. Do the same thing with any glass in the lighting fixtures, as well as exposed, clear bulbs. Vac and dust all cabinets and drawers, and mop and vac the floors, leaving some rug remnants at the entry to wipe shoes on. If floors have been finished, place strips of building paper in each room for protection, but be sure to replace the paper frequently so that it always appears fresh. The bathrooms should be nothing short of immaculate, with toilet seats removed, boxed, and stored until the house is delivered. Remove the latent dust from the fireplace and clean the bricks.

Flush down the dirty, dusty basement floor. This also will avoid tracking the dust to the finished, upper floors. While you're at it, wash down the foundation walls. But use a wet/dry vac to dry up any puddles as soon as possible, so that prospects won't get the wrong idea as to the reason for the water. Roll on or spray-paint the foundation walls with inexpensive, white latex paint; not much investment here, but oh, what a difference it makes. Paint the steel basement window frames and Lallys with aluminum paint—it covers very well in one coat.

Flush down the garage floor and neatly stack any materials that are temporarily stored there. And, if you're using rebar, leave the rods around for prospects to see. They are not likely to be pilfered and for some reason, seem to be the hallmark of good construction.

Make sure there is a 100-watt bulb in every socket—all closets, basement, garage, and attic. It brightens up the space, and also supplies some light in the event that someone wants to look at the house at night. (Anyone that wants to look at a house at night is a "live one.")

It's best to check an unoccupied house every day—twice a day during the cold months of the year, once in the morning and once at night, watching in particular for heating malfunctions and possible freeze-ups. Check the thermostat settings and for

any exterior doors left open, or lights left on. To minimize damage, turn the water meter off and any unoccupied house, all times of the year. This is particularly important in a new house during the cold months of the year when the newly installed systems will be subject to their first winter test. The water supply can be turned on temporarily from time to time to satisfy the needs of a hot water boiler and to flush toilets. Checking daily also keeps us aware of any traffic that might be coming through (watch for closet doors ajar, shades askew). Make up a list of things to check our daily, and leave it around so your prospects can "discover" it. It makes a good impression, show that you are organized and that you care and follow through.

It makes a lot of sense to have the house unlocked during the daylight hours to have it readily accessible to a drive-up prospect. It also makes sense to keep the house locked to prevent theft or vandalism, and to keep track of prospects.

I'm not sure I know what the answer is, but what is certain is that the house should be inviting at very first glance. This means that the grass should be freshly cut and well cared for, leaves raked up in season—not only for good appearance, but to avoid red flagging the issue to a prospect who might not be fond of lawn maintenance. During the cold months of the year, the drive should be fully and completely plowed (not just enough to get a car off the road), and all walks, paths, steps, and decks should be well shoveled. It makes the property accessible for showing (a fact that won't go unnoticed by the real estate brokers), and keeps things looking active and alive. If landscaping and walks are incomplete at any time of the year, provide a neat boardwalk (that can be used on other jobs, later on).

Don't ever allow the property to lose its freshness, or get stale or shop-worn. That would be an open invitation to beat down the price. It's all a matter of making the house look its best. There's not much money involved, just some effort and a bit of planning. And when sales are slow it gives you some actions to take. ■

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