

# How to Sell Your Property for Maximum Dollar

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If you're a real estate investor looking to sell, you'll want to get the most money out of your investment. There are ways to manage your property that will maximize your profits. By paying attention to these, and also targeting the right ratios and profit centers, you'll be able to get the best price possible when time comes to sell. Here's a little bit of information on how to do this.

One of the most common ways to increase your sale price is by raising rents just a little. The way this brings up the price you'll get at sale time is by raising the Capitalization Rate, or Cap Rate, on your property. The higher your Cap Rate, the higher the perceived value of the property. This means that if you have a multi-unit building, just a ten or twenty dollar increase in rent per month &ndash; not much in the grand scheme of things &ndash; can allow you to get a better deal at sale time.

Another thing you can do if you own a building made up of residential units is to install laundry machines. Coin-operated laundries can provide a great increase in yearly income, thus also raising your cap rate. You can also improve your building's value by adding facilities like storage, parking &ndash; or if you already have parking space &ndash; better parking, payphones, video machines or vending machines in the laundry rooms of large buildings, and wash and fold services in the laundry.

The larger the building, the more money you'll make from these sources of revenue. Keep the size of your building in mind when you decide what improvements to make to add value. On smaller buildings, the revenue increase might not be worth the investment. A good rule to abide by is to keep these improvements to buildings with ten or more units.

The other side to raising your Cap Value is reducing your expenses. For instance, installing water saving devices like flow reducers on showers and sinks, water saving toilets, or just a brick in the toilet tank can all make your water bill drop. Efficient bulbs in all areas of the building where you're responsible for the electricity are also good for your cash flow. Combined with timers on common area lighting, they'll cause the savings to slowly add up. Reduce the temperature of the water heater somewhat to save on heating bills and to make faucets safer for tenants

Negotiate all your insurance contracts with the intent of lowering how much you pay. Make sure that your maintenance person has a monthly checklist of tasks, including looking for potential water leaks and other places that need repair. If you pay for the heat, use fully regulated thermostats, and install automatic door closers where it's appropriate, to keep heat in the building.

Lowering your expenses raises the value of your property, and brings more income in the end. Understanding how to maximize your value before you sell is vital if you want high returns. Not using these techniques is like leaving money on the table.

Anthony Seruga and Yolly Bishop of Maverick Real Estate Investments, Inc. work with builders, developers and other players in the commercial real estate industry to acquire and develop properties. They use progressive investment strategies that have proved extremely profitable. In addition to their own deals, they teach both seasoned and inexperienced investors how to be big players in the game. Visit the website for more info.