

Deferred Maintenance – Why Put Off The Inevitable?

A little deferred maintenance can have big consequences. Sometimes deferring routine maintenance is often down the list on more urgent demands for our time and resources. A lot of the time, Sellers get tired and are ready to sell their Inn and they think the next guy will make the necessary repairs.

Deferred maintenance items will impact the value of your inn and put pressure on a buyer's budget. Buyers will look at all the things that have to be repaired and start stressing over the large down payment they have to come up with, plus closing costs. They will look to you, the seller, for cash or credit to make the repairs.

There is also the emotional impact when buyers come to see your inn. This can build a large gap between what the buyers is willing to pay and what you hope to receive for your inn sale. There is also the financial impact that your Inn is worth less than you want. Addressing the repairs and maintenance issue will go a long way toward reaching your goals of the best price for your Inn.

Sellers are required to disclose all known material facts, including nonfunctioning systems, recent repairs and attempted repairs.

Property inspectors will issue a report to the buyer and suddenly there is a list of buyers demands for a credit on the selling price or give the sellers the opportunity to correct problems before closing.

A real estate appraiser considers several things when valuing your property. This includes how well you've taken care of you property. Appraisers will look for signs of neglect.

Your appraiser won't care about the dirty dishes in the sink or guest room beds being unmade, but they will look for signs of neglect. For instance, your kitchen window has a crack that has not been repaired or if the driveway is filled with cracks or potholes. They will also notice if your dishwasher doesn't work.

Some deferred maintenance items are easy to fix like paint. Some examples of deferred maintenance items are:

- Broken windows
- Missing shingles
- Peeling paint
- Broken gutters
- Fresh paint
- Wallpaper
- Roofing
- Roof Leaks or evidence of previous leak in ceilings
- GFI outlets in rooms & kitchens
- Landscaping

Fascia board replacement
Termite Rot
Air conditioning replacement
Old carpets
Grout in showers
Water damage
Gutters in disrepair
Updating shower curtains
Rips in window screens
Cracks in wood decks
Gouges in wall and trim
Chips in tile or wood flooring
Potholes in driveway

It's not worth postponing maintenance such as repairs on both real property and inn features in order to save money, it will impact the value of your inn and you wind up paying for the repairs one way or another. Not to mention your current guests who wonder about the condition and appearance of the property.

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