



## azreal estate

SMART MOVES

### Fix your house first

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Are you planning to sell your home in the new year? If so, real-estate specialists say it's crucial that you do all the repairs and improvements needed before your property hits the market. That means fixing every leaky faucet, patching the walls and shaky stair railing.

"These days, buyers have less and less tolerance for homes with problems. They want instant gratification. They don't want to move in and have to wait weeks or months to get a home up to standard," says Sid Davis, a longtime real-estate broker and author of "A Survival Guide to Selling a Home."

Davis recommends extreme caution when hiring contractors for pre-sale work. Here are a few pointers:

- » Request contractor references through your listing agent.
- » Many established agents maintain lengthy lists of contractors, ranging from carpet cleaners to air-conditioning repair services. Such a list can be a valuable starting point for home sellers, says Eric Tyson, a personal finance expert and co-author of "House Selling for Dummies."

But he says you "shouldn't take as gospel" the positive experiences your agent has had with any given contractor. "You'll still need references for every contractor you hire for a major project and also get at least three bids," Tyson says.

» Make sure all your questions are answered before hiring a contractor.

» To be sure a contractor is organized and on time, you've got to meet with him before hiring him. A face-to-face meeting helps rule out sloppy



Buyers demand turn-key condition, with no construction issues.

or disorganized people," Davis says.

- » Insist that the contractor's promises are put in writing.

Davis says that those who know a contractor well often make the mistake of counting on verbal guarantees. But he says there's no substitute for a written contract that provides details on all aspects of the job, including price, timing and scope.

Davis also recommends you include in your agreement language indicating that the firm carries all the proper insurance coverage on its employees and subcontractors.

- » Don't let your contractors cut corners on government requirements.
- » Not all home repairs or upgrades require government permits to assure compliance with local codes. For instance, your electrician probably won't need government oversight to change a light fixture and your plumber likely won't require it to replace a broken water heater.

But in many areas, major projects may be held to a higher standard. Examples could include the installation of a

new bathroom or deck.

"It can come back to bite you if your contractors fail to get the proper permits for big jobs. That's because your buyer's mortgage lender may demand to see those permits for any major work you've done," he says.

- » Half use to pay for the entire project at the outset.

It can be perfectly legitimate for a contractor performing a major project to ask for a partial payment at the front end, particularly if substantial material costs are involved.

But Davis warns against covering the full cost of any work — including all labor costs — before it's completed. Those who pay for the whole job at the outset have all the leverage they'll need later if the contractor fails to complete the work as promised.

"In most cases I recommend that people pay no more than 50 percent of the labor costs at the beginning. Good contractors have credit lines. They don't need your advances to get a job rolling," he says.

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## New homes get green certification

### Sterling at Silverleaf houses save 74% more energy costs



REAL ESTATE

New homes in the upscale north Scottsdale community Sterling at Silverleaf have landed the gold-level Green certification by the National Association of Homebuilders.

It's the first housing project in Arizona to receive the designation. Nathan Day, the community's developer, hired a home-energy rating team to compare houses in his project against a traditional home, similar in size and layout. The test found a Sterling Silverleaf green home saved 74 percent more in energy costs per month compared with a regular house.

Silverleaf is located in DMB's DC Ranch development. Prices for a Sterling-built house in the development start at \$1.36 million.

of Phoenix-based Cambridge Properties, said Chateau on Central residents are "on-the-go, sophisticated homeowners."

Failed Phoenix commercial lender Mortgages Ltd. put more than \$50 million into developing the property. The brownstones originally were going to sell for \$4 million or more, but the new owner has reduced the prices to start at \$1.1 million.

### Foreclosure moratorium

Mortgage giants Fannie Mae and Freddie Mac are putting a hold on foreclosure evictions during the holidays.

Borrowers facing foreclosure and who have mort