

EPISODE 518

[00:00:00] ANNOUNCER: Welcome to The Real Estate Syndication Show. Whether you are a seasoned investor or building a new real estate business, this is the show for you. Whitney Sewell talks to top experts in the business. Our goal is to help you master real estate syndication.

And now your host, Whitney Sewell.

[INTERVIEW]

[0:00:24.1] WS: This is your daily Real Estate Syndication show. I'm your host Whitney Sewell. Today, our guest is Caroline Carter. Thanks for being on the show, Caroline.

[0:00:33.0] CC: Thank you, Whitney. It's an honor.

[0:00:35.1] WS: Yeah, it's an honor to have you on the show Caroline. And a little about Caroline, she's the founder and CEO of Done in a Day, a Washington DC and Palm beach Gardens, Florida based home transition and move management company that has helped more than 2,000 families prepare their homes to sell for top dollar and avoid the chaos and stress of moving. We've moved numerous times and it is stressful.

[0:00:57.9] CC: It's brutal. It's brutal.

[0:01:01.4] WS: Her expertise was built through partnering with sellers and top-producing real estate agents in one of the most expensive and competitive markets in the country. She has worked with everyone from the who's who in politics, business and the media, to busy families making a major life change.

Caroline, welcome again to the show, give the listeners a little more about who you are and you know, what Done in A Day is and how you helped families and also, how it can help our listeners?

[0:01:27.2] CC: Sure, I think the biggest mistake that anyone who is embarking upon this total home transition process, meaning selling one home and moving to the next, is they underestimate the impact it's going to have on their families, physically, emotionally, and especially financially.

I look at myself as a truth teller with a strategic plan that helps these families to minimize the anxiety associated with moving. Moving is one of the top five most stressful life events, did you know that? Along with death, divorce, illness and loss of a job. Yeah. You never hear about moving when it goes well. People are like, "No sweat."

But you do hear about it when it goes sideways, don't you? Dinner party conversations are people are like, "My god." Yeah, that's my niche and I help people to package their listing to sell and to create a successful move to the next home.

[0:02:23.9] WS: I know we hired somebody, we've sold numerous homes and things and you know, hired somebody to come in and help us to really decorate IT and you know, what it should look like. I mean, within just a matter of minutes, this person is able to add so much value. you know, things I wouldn't ever have thought of, doing this in the backyard or doing that just to make it seem more homey or whatever.

I think we underestimate the emotional component of whether it's a home or even one of our units that we're trying to rent, if we have a model unit for apartment community, it needs to feel like home when a potential tenant walks in.

[0:02:58.6] CC: Right. It's interesting, I just gave a talk recently to relocation companies about the emotionality of moving and moving on. You can't discount the emotion or the emotional component especially in residential real estate, but it's also present in commercial real estate, where we as human beings are in the danger of allowing our emotions to affect the decisions we make. And there are thousands of decisions that need to be made over the course of the transition.

The other thing I think is really important is to understand how our emotional attachment to our home, you know, we talk about selling a home but really, to sell it effectively, whether it's an

apartment building or a home, you have to look at it as an asset and not without emotional connection and I think that a lot of sellers really get tripped up with that because they will make decisions based on how they feel.

You know, they're not able to look at it, not emotionally.

[0:03:59.5] WS: Right. Yeah, especially buyers.

[0:04:02.2] CC: Yeah, exactly.

[0:04:03.7] WS: So many will buy or rent based on – I mean, I've heard of story – I heard the person say it specifically but it's like because there's a light pole up front that was one of the big thing, they really loved this, you know, like that being out there, I don't know. It was something that simple but –

[0:04:18.6] CC: Right, sure. It resonated emotionally with them. But that's something relatively simple. They were potentially looking for other reasons to bolster their decision to buy. But essentially, they made that decision within the first few seconds walking into a home.

You mentioned that someone had helped you in one of the various properties that you had sold and I think that there's a big difference between what I do and what a stager does for instance and people will say, "Well Caroline, you're a stager. A home stager."

You know, that's someone that comes in and will either use your things or bring in furniture or accessories, artwork to create a visual that buyers will connect with. What I do in home transition is I do more of a deep dive into the interior and exterior facility itself. Again, whether it's multiple properties or one house. What I do is assess where the delayed maintenance issues are and where we can create value-add with fast, easy and inexpensive updates. That's a little bit different. Staging is important but it's just one part of it.

The most important part of my job I think is to understand exactly what that target buyer is looking for, again, whether it's commercial or residential, what's the target buyer looking for

today? Because they're very specific in terms of their preferences and wants and needs and how can I present a listing that's going to speak directly to that?

So that the value is apparent in every step they take. That's a little bit different. And then, coming up with a strategic plan to maximize the asset by focusing the seller, the seller's time and attention and money, right? On making the right updates.

[0:06:07.5] WS: You know, why don't you help us with that a little bit, I love that that it's not just bringing in some furniture or putting some paintings on the wall but you are a lot more in depth and you're really helping us see a bigger picture and just the – what the tenant is seeing or the buyer, the end buyer, one way or the other.

But what are some of the top few updates that we need to be thinking about as far as whether it's a home we're selling or whether it's an apartment like a model unit, you know? That I like to say, we have model unit, the tenant's obviously can come see and there's furniture in there, there's paintings, you know, those things. But maybe there's other updates that we need to consider and what are some of these that you might recommend?

[0:06:41.0] CC: Sure, I think you have to start by understanding today's buyer, okay? If you understand today's buyer, you can speak to them. Today's buyer is extremely well-versed in the concept of perfection. They're on their phones all day long. They can show you within two seconds the perfect kitchen, the perfect bathroom, the perfect façade, the perfect paint color. So, they are overstimulated and under-prepared for the market that they're going to enter into.

Because, what happens is, their preferences wants and needs and their budget doesn't always correspond. While they're going through this honeymoon period of, "We're looking for the perfect this," they don't understand that ultimately, with reference to their budget, they're going to have to compromise, right? That's just the way it is.

But when they start, there are certain things that are non-starters for them. And what a seller, any seller can do is look at the big picture, focus on the bricks and mortar first. Let's pretend there's nothing in the unit or any of the units or that house, you're going to start with the main view. And what I mean by that is: start with paint.

Paint is the best money you will ever spend to create the largest visual impact, okay? You can also look at the quality of lighting. You know, sometimes we'll go into older homes and older buildings and the lighting is poor. I sometimes think of the older laundry rooms in cellars, you know? When you have the one bulb hanging over the washer and dryer. Okay, that is so 20 years ago, people don't want creepy spaces, people want adequate lighting.

The third is really carpeting and/or tile. Those three, paint, lighting, and carpeting or tile is critical as it relates to a home, you want to make sure that that wall to wall carpeting, if it's covering hardwood floors for instance, is ripped up.

Because people want the hard wood floors. They're creeped out by other people's carpeting, okay? No, seriously. They don't want to –

[0:08:52.6] WS: I believe it.

[0:08:53.5] CC: Then you'll get in to the potential fast, easy and inexpensive value-adds when you look at kitchens and bathrooms. I am famous for updating kitchens and bathrooms. Now, the key word here is update, not renovated, right? But updated is a great buzz word. Again, whether you are – whether you're advertising 30 new units with updated kitchens and bathrooms, that doesn't mean a full-scale renovation.

That means that you've updated potentially the vanities and the hardware and the faucets and the shower head and the mirrors and the lighting. That's a fraction of the cost of what it would be for a full-scale renovation. Or an older home, maybe you grew up with a blue and brown tile in the bathroom. I know I did, we had a blue bathtub, upstairs.

But today, there are so many ways that you can change that visual when you deglaze the tiles so everything is white. That's what people want.

[0:09:55.2] WS: I've seen that too or we've looked at homes or even units or apartment communities and they all have that tub like you say, it's pink. You know, "It's like my goodness, there's not too many ways that we can fix this."

[0:10:06.5] CC: Except that a buyer needs to know that they need to buy the physical structure that is sound that shows opportunity. Again, there's a big difference between delayed maintenance and value-add. If you see cracks in the foundation, obviously that's going to give you pause when you're looking at a home or at units.

But let's assume that the delayed maintenance is taken care of because in today's market, you can't compete the delayed maintenance is not a given, meaning, if you haven't addressed all of those issues that will then fail an inspection.

The book that I recently wrote that I felt I had to write because again, I'm a truth teller with a strategic plan called *Smart Moves: How to Save Time and Money While Transitioning Your Home and Life* has two check lists that are critical when packaging property to sell, again, commercial residential.

The first is an interior checklist and the second is an exterior checklist that makes sure that you are presenting an asset that is going to check off all the boxes that these unrealistic buyers are looking for and a large part of it is visual as we've talked about, you know. You've heard of people who walk into a home or walk into a unit and go, "Okay, this is it."

You say, "Wait a minute, you don't even know how many bedrooms are here." It doesn't matter, it's a feeling. So, my niche is figuring out what that feeling is for that particular buyer in that particular location at that particular price point and speaking to it, making the changes that ding their chimes and so they say, "Wow. This is it."

[0:11:47.3] WS: Is there a specific color of paint that's the most popular right now, that we should be considering in our units as we're trying to rent them?

[0:11:55.0] CC: I don't know what other people do but there aren't many people in my particular space but there's a lot of white. I love Benjamin Moore simply white. It is not hospital white. It's a soft white that can be paired with a straight white like a ceiling light or a white dove trim and there is differentiation.

I think that if you – The gray's are still – Classic gray, Benjamin Moore's classic gray is still very popular, there are a lot of white taupey tones that are still very popular. People want a clean pallet.

I just left my own home that I sold in eight days for top dollar for a full price and it originally was a kaleidoscope of color because that's what I created for myself and my kids. But I was smart enough obviously to know when I went to sell it, it all had to be neutral. All of it, including the carpet. There were zero personality in the house.

Well, that's not to say there was no personality, it just was a specific personality geared toward the buyer. It wasn't my particular taste but the changes we made spoke immediately to that buyer. They want to move in and create their own life and white and gray or pale taupe walls may not be their thing or a neutral carpet may not be their thing but what they believe is that they will change it overtime. They are not living with your stylized seller specific choices and I think that's what they are looking for today.

[0:13:26.3] WS: When it is neutral they can visualize themselves what they would do more so than this big bright orange wall or something that may hate.

[0:13:33.9] CC: Well, that's right because what that represents and again, even in commercial, what that represents is time and money that they have to spend to create a situation where they can move in and do nothing for one year. That is really my gold standard: Is does the listing present so that if a potential buyer can purchase the property and make little to no change for one year? When you've created that situation then you are ready to list.

Anything less than that in today's market is just begging to be devalued because we really are visual creatures and we will assess value based on what we see. We see standing water, we are literally running from the nearest exit. And there are a whole list of things that turn us off immediately. Odor that we can't put our fingers on, oh boy. No, it's true.

[0:14:29.6] WS: Yeah, oh I believe it. I believe it, no doubt. Any other major differences or similarities in getting a property ready for sale whether it is commercial or residential?

[0:14:39.1] CC: Yeah, I think that we talk a lot about the emotionality of our decision-making with residential and even though I seem to be in a crowd of one who has talked about this for 15 years, we can't discount it on the commercial side. Because again, we are human and our senses help us to make these critical decisions whether or not we are going to purchase an apartment. We say it is based on a feeling but the feeling is really the consensus of all of our senses, saying, "This is a good buy."

It is not just the numbers on a spreadsheet whether or not this makes sense financially. It is about how we are relating to this property and if we see possibility. So, I think that we can't discount our very human emotion and the backstory that is always going on in the back of our minds and if you have several people obviously who are looking to purchase a property and you are dealing with that many individual's own histories and what they think and see and feel and how they're processing and all of that affects our decision making.

And I think that it bears mentioning so that we don't see a potential good deal go sideways because of something that we are relating to in our past.

[0:16:01.4] WS: Yeah. I know we have said it a couple of times but it is the emotional component is so big.

[0:16:06.9] CC: It's huge and people don't know where to start. That is the question that I think I'm asked the most over the last 15 years is, "Okay, I have made the decision to sell, where do I start? What do I do? Who do I believe?" Because as you know today with the advent of podcasts and the internet, everybody is an expert today. And I again, wrote the book to demystify the process of both selling and moving. It is not rocket science.

What gets in the way most of the time is the seller themselves because they will come up with a budget in their mind, if during the assessment, during the consultation and you're doing the internal and external assessment and they say, "Well you know what I think about \$20,000 is right to be able to make the updates." and I'll say to them, "Where did that figure come from?" "Well it is what I think is fair" you see? So, it is all about emotion.

It has nothing to do with – and I'll say, "Before our meeting today have you collected the estimates of all the work that is going to need to be done?" "Well no, no, no it is just what you know, it is what my wife and I think is fair." So again, this emotional component can really, really hang you up at every part in the process.

How about moving? Everybody wants to save money. It's all about money, right? How many horror stories have you heard with people who tried to save money and ended up not receiving their goods or their goods were hijacked? It doesn't happen all the time but it happens enough where I was prompted by my clients also but to say to people and this is not a warm and fuzzy book but to say to people, "Stop, you don't know what you don't know, right? Here is what you need to know in this transition space."

[0:17:57.5] WS: What about any other – I know you mentioned a couple but any other red flags or things that are just going to turn a potential tenant or a potential buyer for the exit?

[0:18:07.5] CC: I think that those are easy. Rodents, rat boxes especially in commercial buildings you see rat boxes everywhere. But actual evidence of rodents, the odor, feces, urine, shredded insulation in older homes. Also, odor of grease and cooking spices and big delayed maintenance issues like a busted boiler or HVAC. Big dollar items, roof issues even in residential real estate I suggest cleaning a roof whether it is power washing a newer roof okay that's stained because it is under a big huge trees or hand washing an older slate roof.

Because again visually I am not saying I am not a roofer and I stay in my lane but as long as it doesn't leak, my job is to again, create those fast, easy and inexpensive updates and what you see from the curb or the exterior is the same with the building. That matters. What can I do? Am I power washing the brick and the siding?

Let's see what else, oh, old wall to wall stinky carpet. You know the plush carpet that runs the second floor of many homes? If it is covering hardwood floors, rip it up. Install the shoe molding. You know people would rather see value in your floors. They don't want your old carpet. The same is true in commercial, replace the carpet. It is a fraction of what the next price reduction will be. We talked about standing water. Standing water is terrifying for people, plumbing that doesn't work. There are a lot of them.

[0:19:47.6] WS: Yeah. Wow.

[0:19:48.9] CC: There are a lot of really apparent things that people pick up on that make them run to the nearest exit.

[0:19:54.4] WS: All right, Caroline, just a few final questions before we run out of time. Is there a way that you have recently improved your business that we could apply to ours?

[0:20:02.4] CC: Well I am right now in transition. I just moved to Palm Beach Gardens, Florida, which is on my bucket list and part of my five year plan as my littlest one went off to college. I sort of followed them down 95 from Maryland and kept going. I am trying to – I am in the process of transitioning the business to have more of an online presence, where I can serve the clients that need me. Anyone transitioning a property and moving to the next, where I can serve larger numbers of people, where I can educate on a larger scale for the people that are interested and or need it.

And doing that is very challenging because I am used to dealing with people on a day to day basis and meeting them and shaking their hands and this whole online platform seems a little sterile to me. I know that I am still connecting and helping people but it just feels differently than my business in Maryland.

But I am really excited about it because it means reaching larger numbers of people who will benefit from the last 15 years of experience.

[0:21:10.9] WS: What's the number one thing that's contributed to your success?

[0:21:14.0] CC: That's a great question, probably necessity. I am a single mom with three kids and had to figure it out very early on. I hadn't worked outside the home for 12 years and thought what is the one thing I am good at that I can monetize? And I thought I create order out of chaos, that is what I do.

[0:21:34.8] WS: That is a good skill to have.

[0:21:36.2] CC: It is a good skill to have and I backed into real estate as the medium or the vertical in which I am able to exercise this passion too. I've been very lucky in that. But of course my three children are the driving force. Before I even found my voice in this vertical, it was all about my kids.

[0:21:56.7] WS: And tell us how you'd like to give back?

[0:21:58.6] CC: I am a big believer in supporting the Best Buddies community and I also love to teach. I teach anywhere, everywhere, if given the opportunity I am a truth teller and I love to be able to empower others who are not comfortable in this space, who are looking for a cheat sheet, who say, "Just give me the basics."

I am not as much of a hand holder as I am, "Here's the plan." You are definitely not going to convert everyone but for those that are interested, and there are a lot, who want a clear strategic plan, "Where do I spend my time and money? I don't want to lose my cool here. You know we both work outside the home or this is a side hustle for us, just tell me what to do." So, I've been very fortunate in that.

[0:22:48.2] WS: Well Caroline, thank you for sharing that. I appreciate your time this morning early, honored to have you on the show and just grateful for just taking us through those top updates that we need to consider, paint, carpet, tile, lighting, those things that can be somewhat more inexpensive, right? You know maybe not just kill our budget.

[0:23:06.6] CC: Absolutely, but they make a huge visual impact.

[0:23:07.6] WS: Right, and then just thinking through that emotional component and how important that is and those top red flags that is just send tenants or buyers running for the door. So just grateful for that. Tell the listeners though how they can get in touch with you and again where they can find your book.

[0:23:21.9] CC: Sure, it is very easy to get in touch with me and I'd love to hear from you. The website is carolinecarter.com. You can email me directly at caroline@carolinecarter.com. The

book, *Smart Moves: How to Save Time and Money While Transitioning Your Home and Life*, is available on Amazon, both in e-book and paperback form. And I am on all social media. So, I would absolutely love to hear from any of your listeners if I can be of service to them.

[0:23:52.5] WS: Awesome, Caroline. That's a wrap. Thank you very much.

[0:23:55.2] CC: Thank you, Whitney. I really appreciate it. This has been great.

[END OF INTERVIEW]

[0:23:59.1] WS: Don't go yet. Thank you for listening to today's episode. I would love it if you would go to iTunes right now and leave a rating and written review. I want to hear your feedback. It makes a big difference in getting the podcast out there. You can also go to the Real Estate Syndication Show on Facebook so you can connect with me and we can also receive feedback and your questions there that you want me to answer on the show.

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[OUTRO]

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