What to Fix Before You List

A seller's guide to what pays, what breaks even, and what to leave alone.

Lucas Murphy · eXp Realty
REALTOR® · ABR® · PSA

Cost and value are two different things

What a project costs you is set by materials and labour.

What it adds is set by what a buyer will pay for the finished house — and a buyer is not reimbursing your invoice. They are comparing your house to the one down the street.

That gap is the whole subject of this guide.

Four groups, in this order

1

Fix it

The question is not what you get back, it is whether the sale closes at all.

2

Cheap wins

Small money, disproportionate effect. This is where the returns live.

3

Judgment calls

Depends on your house, your price band, and how fast the market is moving.

4

Leave it

Real improvements that lose money at resale. Price them in instead.

Most sellers reach straight for the fourth group.

First: the things that are not really a choice

If a lender's appraiser flags these, the loan does not fund. If an insurer refuses the house, a financed buyer cannot close either.

- **A roof with under two years of life left** — and over twenty years, the insurer balks too
- **Peeling or defective paint on a pre-1978 home** — including the garage, shed and fences
- **No working heat source** — it must heat the house to 50 degrees on its own
- **Frayed or exposed wiring** — anywhere, including basement and garage
- **A wet basement, foundation or structural defects** — the sump has to be running the day of the appraisal
- **Non-functioning water, plumbing or septic**
- **Evidence of termites** — including a prior treatment

What is not on that list

Federal guidelines explicitly do **not** require repair of:

- Missing handrails that are not a safety threat
- Cracked window glass, or holes in window screens
- Interior paint in homes built after 1978
- Minor plumbing leaks that cause no damage

An appraiser is also not supposed to call for replacing something that still works simply because it is old.

> An old-but-working furnace is not automatically a problem. Do not let anyone tell you the deal depends on it.

Cheap wins: the best money you will spend

Every item here costs well under one percent of what a typical home in this market is worth. This is where the measurable return is concentrated.

- [ ] **Declutter first, and further than feels comfortable**

  Agents rank failing to do this as the single most common seller mistake.

- [ ] **Then clean, properly**

  The second most common mistake.

- [ ] **Then paint**

  Ranked the highest-return preparation by a survey of more than 850 top agents.

- [ ] **Then the outside**

  Basic lawn care has the highest cost recovery of any project the REALTORS® association has measured, and it is the cheapest thing they measured.

Why the cheap things win

A buyer walks through in about twenty minutes. In that time they are not pricing your cabinet boxes — they are forming an impression.

Clean, bright, uncluttered and cared-for reads as *this house has been looked after*.

Dim, crowded and tired reads as *what else has been neglected?* — and that second thought gets applied to the roof, the furnace and everything they cannot see.

That is why decluttering, which can cost nothing at all, shows up ahead of projects costing tens of thousands.

Paint and flooring: the two everyone asks about

They are also the two you will not find on any return-on-investment chart. That is worth explaining, because the absence looks like an oversight and is not.

The industry's research models specific construction jobs — a defined kitchen, a defined roof, a defined window count. Painting and flooring are too cheap, too variable and too universal to model that way, so nobody publishes a percentage for either.

> **The gap is in the measurement, not in the value.**

What is measured about paint and flooring

Paint

Painting the entire interior is the single most common project agents recommend a seller take on before listing. Half of all REALTORS® name it, and painting one room is second. Nothing else is close.

Flooring

Flooring is judged on condition, not on return. New wood flooring scores 9.1 out of 10 for owner satisfaction, but no credible study puts a resale percentage on it.

Nobody walks in and credits you for new carpet. They do notice worn carpet, read it as deferred maintenance, and quietly wonder what else was neglected. You are removing an objection, not earning a return.

The single most useful comparison in this guide

Take one 200-square-foot kitchen.

Refresh the kitchen	Gut the kitchen
Keep the cabinet boxes and replace the doors, drawer fronts, counters and hardware — it recoups near or above what it cost.	**Gut the same room** to new semi-custom cabinets and an island — you spend roughly three times as much to recoup about half.

Same kitchen. Same buyer. The refresh wins.

Judgment calls: three questions, in order

01

Is it the worst thing about the house?

Buyers price the biggest flaw, not the average condition. Fixing the second-worst thing changes very little.

02

Would a buyer have to do it immediately?

Work a buyer can defer gets discounted gently. Work they must do before moving in gets discounted hard, and usually by more than it would cost you.

03

How fast is the market moving right now?

In a fast market, prep matters less and time off-market costs more. In a slow one, condition is what separates the house that sells from the one that sits.

Leave it — and price it in instead

Everything in this group is a real improvement. People enjoy them. They photograph well. At resale they return somewhere between a quarter and half of what they cost.

Not fixing something does not mean ignoring it. It means handling it with price instead of with a contractor.

What to do instead of fixing

Price it in

A house priced correctly for its condition sells. Buyers are far more forgiving of a dated kitchen at the right number than of a fresh one at the wrong number.

Offer a credit instead of doing the work

You do not front the cash or manage the job, and the buyer picks their own finishes rather than living with yours. A buyer who wanted a different countertop will not pay you for the one you chose.

Get a quote, not a renovation

"The roof needs replacing, here is the quote" is a negotiation. "The roof looks bad" is an open-ended discount that buyers will size generously in their own favour.

Wisconsin: disclosure is required. Repair is not.

Chapter 709 requires you to disclose what you know, with honesty in fact. Nothing in it requires you to fix anything.

The statute treats a disclosed-but-unrepaired defect as an ordinary outcome. Choosing to disclose rather than repair is a lawful, normal decision — which is what makes this an economic question rather than a fearful one.

Wis. Stat. § 709.06 · § 709.05(1) · § 709.05(4)

The key distinction

Disclosure is a legal obligation. Repair is an economic choice. Understanding the difference puts you in control of the decision.

Four things worth knowing about the report

1

Every question asks what you are aware of

A "no" says you do not know of a problem. It is not a warranty that none exists.

2

The unpermitted-work trap

The report asks directly whether work was done without required permits. A cheap shortcut fix turns a question you could have answered "no" into a permanent written disclosure.

3

Hand it over before the offer, not after

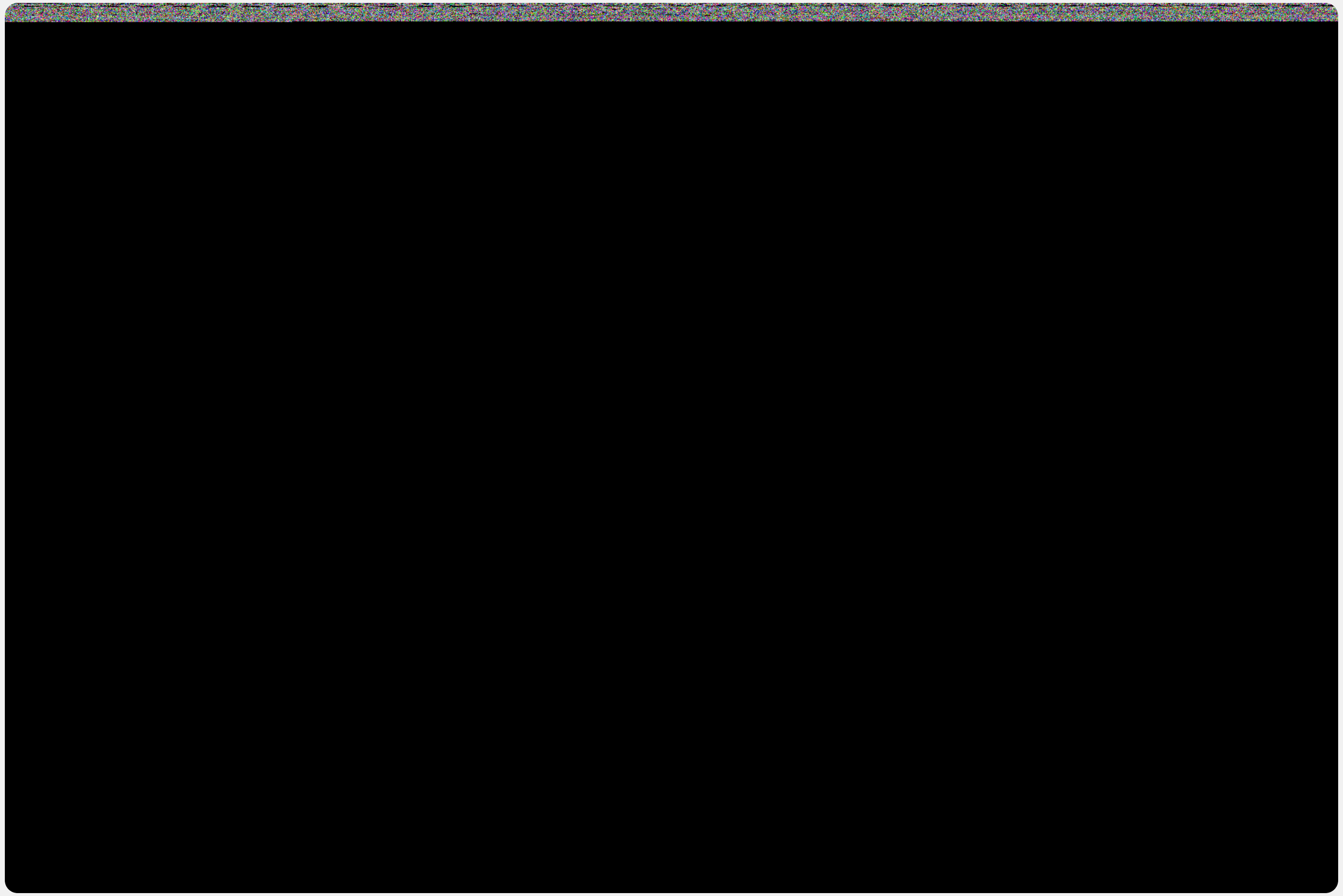
A buyer who receives a complete report before submitting an offer does not get the statutory right to walk away from it later.

4

A repaired item is not automatically off the report

Wisconsin law does not settle it; it is decided case by case, with your attorney.

What I cannot do



The condition report itself states that a real estate licensee may not give you advice or an opinion about whether something counts as a defect, or about your legal rights.

That is not me being cautious. It is written into the form.

I will walk you through how the report works and what it asks. Whether a particular item on your house is a defect is a question for you and your attorney.

A word on pre-listing inspections

The case for one

You find out what a buyer's inspector will find, on your own timetable, with time to get quotes and decide calmly instead of under a deadline with a buyer waiting.

What it costs you

Once you have that report, you know what is in it. Wisconsin requires you to amend your condition report before accepting an offer if you learn something that would change an answer.

That is not a reason to skip one. Knowing early is usually worth more than not knowing. But it is not a free look, and anyone who tells you it is has not read the statute.

Five things you can do yourself

No contractor, no permit, no quotes.

Paint

The thing agents name most often when asked what a seller should do first.

Declutter

The most common seller mistake, and the only one here that can cost nothing.

Deep clean

The second most common mistake.

Lawn and beds

Basic lawn care returns more of its cost than anything NAR has measured.

Light fixtures and hardware

Dated fixtures date the room. My recommendation; no study behind this one.

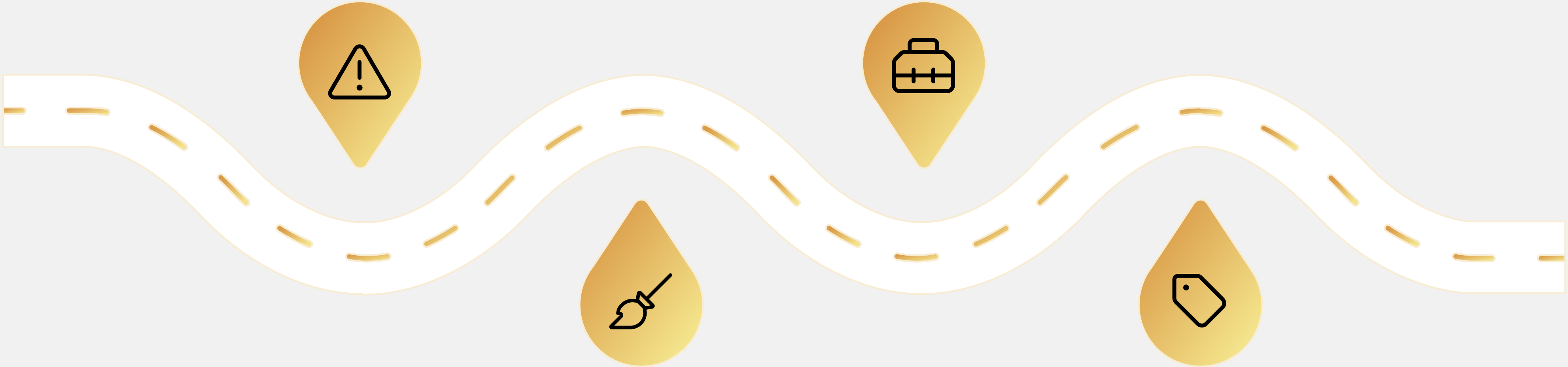
Where to start

Fix

Address lender/insurer issues that block sale

One Project

Choose one judgment call only if critical



Cheap Wins

Declutter, deep clean, paint, tidy yard, photos

Price Honestly

Leave remainder and reflect in price

The best-prepared listing is almost never the one with the most money in it.

Let's talk about your house

Lucas Murphy

REALTOR® · ABR® · PSA
eXp Realty, LLC

414-458-1952
Lucas.Murphy@exprealty.com

Cost and resale figures throughout are the Milwaukee market entries from the Remodeling / JLC Cost vs. Value report, which is restated annually and moves materially between editions — read them as an indication of which work tends to pay rather than a promise about any one house. Lender requirements are summarised from current published handbooks. General information for sellers; not legal, tax or engineering advice, and not an appraisal. Questions about disclosure obligations should go to your attorney.

Brokered by eXp Realty · Equal Housing Opportunity