

Should the MLS Include a Condition Rating for Each Listing? Here's How It Might Work

Denver appraiser Fred Rossiter had this as the topic of his most recent blog post, and he makes a compelling argument that providing a rating condition on MLS listings is not only a good idea but easy to implement in a fair and reasonably consistent manner.

As Fred states in his first paragraph, which you can read at www.FredRossiter.com, condition "is neither asked nor is there a field provided for an answer. Condition is a glaring omission on our MLS input forms. It's time for a change!" I agree.

You may think that a listing's condition is too subjective to quantify, but he points out that Fannie Mae has created a "Property Condition Rating" system that all appraisers must follow and which could easily be adopted by RE-colorado, Denver's MLS.

Here are the 6 ratings which appraisers can assign to homes, along with guidance for selecting each rating:

C1—The improvements have been very recently constructed and have not previously been occupied. The entire structure and all components are new and the dwelling features no physical depreciation.

C2—The improvements feature no deferred maintenance, little or no physical depreciation, and require no repairs. Virtually all building components are new or have been recently repaired, refinished, or rehabilitated. All outdated components and finishes have been updated and/or replaced with compo-

nents that meet current standards. Dwellings in this category either are almost new or have been recently completely renovated and are similar in condition to new construction.

C3—The improvements are well-maintained and feature limited physical depreciation due to normal wear and tear. Some components, but not every major building component, may be updated or recently rehabilitated. The structure has been well-maintained.

C4—The improvements feature some minor deferred maintenance and physical deterioration due to normal wear and tear. The dwelling has been adequately maintained and requires only minimal repairs to building components/mechanical systems and cosmetic repairs. All major building components have been adequately maintained and are functionally adequate.

C5—The improvements feature obvious deferred maintenance and are in need of some significant repairs. Some building components need repairs, rehabilitation, or updating. The functional utility and overall livability are somewhat diminished due to condition, but the dwelling remains useable and functional as a residence.

C6—The improvements have substantial damage or deferred maintenance with deficiencies or defects that are severe enough to affect the safety, soundness, or structural integrity of the improvements. The improvements are in need of substantial repairs and rehabili-

tation, including many or most major components.

For each of the above ratings, Fannie Mae provides "notes" giving additional guidance about selecting each rating level, which makes it easy even for a non-appraiser such as a listing agent to assign the right condition rating to a listing.

The only field currently in our MLS that relates to condition is the term "fix-up," but that's an undefined term, not required, and some sellers tell their listing agent they don't want that term used.

I like this rating idea a lot.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

Open Houses Planned:

Debbi Hysmith's listing a **17424 Rimrock Drive** (price reduced to \$768,500) will be open Saturday, 10-1. Her listing at **7198 Eaton Court** will be open Saturday 2-4 pm. Meanwhile, Kristi Brunel is holding an "Open House Happy Hour" at her listing at **13214 Braun Road**, Saturday 3-5 p.m. My own listing at **5674 Fig Way** will be open Sunday 11 am to 1 pm. Lastly, my Lakewood listing at **6035 W. Evans Place** is back on the market, and I'll be holding it open Saturday 2-4 p.m. Get more info and see video tours of each of these listings at www.GREListings.com.

Ranch Home in Arvada Just Listed by Debbi Hysmith



Welcome home to this 4-bed, 3-bath (2,854-sq.ft.) artfully crafted ranch on 0.21 acres. This cute ranch at **6243 W. 62nd Ave.** couples character and functional outdoor living with RV parking, original 1960's wood floors under carpet on the main level, a gorgeous wood-burning fireplace, main level master suite with bath, two additional main-level bedrooms, and all bathrooms remodeled! All new windows, doors & hardware throughout -- newer Trex deck overlooks an ample backyard with a workshop, while adding protection to the lower basement walk-out patio. Large finished basement offers guest bedroom, large laundry room, and bar for entertaining. Tranquil setting near Arvada downtown, close to miles of trails and parks! Crisp and clean throughout -- you will not be disappointed! See the narrated video tour at www.ArvidaRanch.info. Open this Friday 6-8 pm, and on Sunday, 1-3 pm.

Paradise Hills Ranch Just Listed by Chuck Brown

Looking for an opportunity to purchase a large home in the foothills to make your own? This single-owner custom ranch-style home with walk-out basement is at **266 Lamb Lane** in the Paradise Hills subdivision near Genesee and is ready for its second owner. The home, which is less than one mile from I-70, features 4,313 finished square feet, with 4 bedrooms, 4 bathrooms, 3 fireplaces, 3 living rooms, an outdoor swimming pool, dramatic views from every room, and 1965 vintage architecture that is sure to impress. The home is largely original and needs some updating, but it is also fully functional and could be lived in immediately as is. Major improvements include a new roof (in 2017) and 2 new boilers (in 2008). There is too much to mention in this space, so be sure to view the video tour at www.FoothillsHome.info. Open house is Sat., Aug. 18th, 11 am to 2 pm. Or call Chuck at 303-885-7855.



Come Learn Whether Rent-to-Own Is Right for You

We realize that not everyone who'd like to buy a home can do so. Yet, the selection of good rental homes is quite poor. Our rent-with-right-to-purchase program may be the perfect solution. Come to our office at **17695 S. Golden Rd.** next Tues., **Aug. 21, 5-7 pm** to learn about this exclusive program that lets you rent a home for up to 5 years for pre-determined rentals with the right to purchase anytime at pre-determined prices. Call me at **303-525-1851** for details and to register for this informative session. Refreshments will be served.

This Weekend: Golden Fine Arts Festival

If you like the Cherry Creek Arts Festival, you will **love** the Golden Fine Arts Festival, happening this Saturday and Sunday, 10am to 5pm in downtown Golden. It is a "juried" festival, with 134 artists from across the country competing in nine categories for awards and for your patronage. More info at GoldenFineArtsFestival.org.



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