

Property Analysis

PROJECT CHALLENGES & GOALS;

1. Provide property owners with recommendations and costs for the renovation on an approximately 30 year old town home in more or less original condition, in 4–6 weeks after commencement.
2. Within budget constraints remove any/all elements that tend to “date” the property or those where the seller would take a substantial ‘hit’ in the sales price in excessive of the proposed renovation cost.
3. Create a highly desirable updated property in turn key condition on a budget, within the confines, guidelines and timetables of the HOA and it’s Architectural Review Committee
4. Maximize the potential of the Kitchen and Bathrooms
5. Address the traffic noise and view issue
6. Create a high IMPACT courtyard entrance and a great first impression with a noise muffling fountain; slate floors, plants in effect add an additional outdoor room to woo buyers.
7. Highlight and maximize the best attributes of the interior
8. Create a timeless classic style balanced with mass buyer appeal
9. Make it UNIQUE & MEMORABLE
- 10 Position it to sell quickly

LOCATION

Sunnyvale is centrally located on the San Francisco peninsula. It provides easy access to both the East and South Bay Areas, making it a highly desirable buyer’s location. The complex is located off El Camino, close to 101 and 280 and nestled in an upscale neighborhood with all of the necessary services, schools, and shopping and amenities close in. The complex itself is quiet, well maintained, and landscaped with mature trees bushes, and presents very well. Based on the Realtor’s CMA as well as current and pending sales, there is good reason to believe the location of the unit will place it high on the “must see list” of the pool of buyers.

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The Town home Location within the Complex

The property is an end unit, with an assigned parking space immediately outside and off to the left of the unit, a covered garage within 30 feet, easy access for guest parking off the main entrance and on Picasso Terrace itself. It has a great sunny patch of lawn off of the back entrance, which in essence, while a common area, essentially serves as the unit's 'back yard', increasing the desirability level exponentially.

It is nearby the refuse and recycling area and in essence has a very good to excellent location except for one major issue: the street that runs parallel to the unit's front entrance presents sound and view challenges. This will be addressed in the next section

Location Downside: Sound and View Issues:

The Unit entrance runs parallel to Fremont, which is a moderately busy street. This street presents both a noise and view issue. The entrance to the unit is located off of the front courtyard and is impacted by the sights and sounds of passing vehicles. Too, trucks and taller vehicles can be readily seen from the front living room window as they pass. This issue can be addressed and recommendations for mitigation will be discussed in the

- Curb Appeal/Landscape Section
- Window Recommendation Section
- Window Covering Recommendation Section.

CURB APPEAL/LANDSCAPE ISSUES

As they say you never get a second chance to make a first impression. The front entrance to the unit is a good sized area with both cement and surrounding planting areas. This area has the very real potential to take the breath away of any prospective

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buyer at the front gate. In order to create this WOW Factor and to maximize the potential BFS proposes creating a Zen-like courtyard garden entrance:

Tasks:

- Pressure Wash the exterior, of the unit, the fence and examine the cement to determine condition
- Install stylish updated new front exterior light
- Install updated and coordinated lock-set knocker and/or door bell
- Install noise muffling bubbling fountain. We propose a 3-4 foot tall glazed terracotta pot, atop pond liner filled with shiny black stones immediately to the right of the front gate (Photo Album). If possible the fountain and small yard should be lit with soft lights. **These changes will serve to muffle the street noise, offer a tranquil oasis, day or night to sit from which potential buyers will enter the newly renovated interior.**
- In considering this courtyard we have noted that there is
 - a. Electrical access at left of front door
 - b. Water access in courtyard
- Remove existing peach tree, replace with a colorful Japanese Maple/bamboo in pot/ or horsetail (Photo Album). Baby tears as ground cover and other lush plantings which will compliment the water garden, pines at the entrance to the unit and add color, fragrance and texture to the exterior.
- Plush cushioned chairs with a table, a hurricane lamp and candle will set the mood. Note: These are on sale now and can be purchased for a very reasonable price.
- Potted plants placed in front of the sliding doors to mitigate entrance confusion, add a view from the interior and within the garden.
- If the budget allows we propose some decorative cement work, (i.e. $\frac{1}{4}$ " cement added and colored and sealed will resemble flagstone) or installation of slate to create an additional outdoor room. The HOA allows both options

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PORCH AREA IMMEDIATELY OFF OF THE KITCHEN

This area offers another excellent opportunity to make a lasting impression and allow the property to stand out from other comparable units in a cost effective way.

- Clean out
- Pressure wash exterior of unit, fence and cement
- Decorative cement work/slate tile to match the front
- New coordinating exterior light
- Prune back and spray existing mandarin orange tree, replace if necessary with lemon
- Color spot plantings and herbs at base of tree
- Move grill from front entrance area, and place to the right of the kitchen entrance.

During the agent and first open house this gate should be left open to highlight the large grassy open common area space to the rear of the kitchen and show the entertain overflow possibility. Hotdogs and drinks could be served.

Proposed Budget \$2000 – 2400

Time Frame: Maximum Depending on scope of work to be done 5–7 days after completion of interior

Kitchens and Bathrooms Sell Houses

This Kitchen's Assets ... the list goes on

We were impressed with the kitchen as we went about listing what we thought were the units best attributes and most notable selling points and they are included. At the end of this list, we detail the updates that we recommend be done to create a turn key property

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and those improvements which we believe will achieve the highest potential of the kitchen.

- The downstairs offers an 'open concept' space wherein the kitchen, dining and living rooms are combined. This as a concept is a highly desirable floor plan
- The sliding door in the living room that accesses the courtyard entrance adds to this feeling of open space,
- With some creative thinking, a small investment and minor changes the traffic flow and entertaining value of this access and space bonanza can be even more dramatic and obvious.
- The kitchen has excellent storage capacity and abundant counter space
- Good quality solid red oak cabinets, with 3/4" boxes
- Good location within the unit, natural light and traffic flow
- A very tight appliance triangle, would make food prep and clean up easy (appliance placement)
- Black/stainless coordinating appliances
- Once a grilling area is created outside the kitchen door it will be obvious how the kitchen can function as the core of the house's cooking and entertaining hub.
- The custom green granite counters compliment the oak cabinets. While they are nicely unique, they remain neutral enough to appeal to a wide range of buyers
- A newer. custom (approximately \$4000) granite slab already exists on the island and as stated above this and the counter on the other side of the kitchen provides more than ample counter space for cooking and holiday entertaining.
- The cook top is gas, which is a highly prized amenity
- The copper vent hood provides good light for cooking and is a great focal point for the kitchen as well as the entire first floor, when polished will be the kitchen's crown jewel.
- The kitchen has a pull-out pantry
- In-unit stack laundry
- The flooring is engineered maple wood and adds to the clean uncluttered feeling of space.

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The Downside

The kitchen falls short in two key areas, both of which will cost the seller at the point of sale if they are not adequately addressed:

1) Dated Cabinet Door Style

- Even though of good quality, the rounded corners of the cabinet doors date the kitchen to the early 1980's when that particular style was in, the cabinets are most likely original to the unit.
- The custom granite work was probably done later and placed on top of the existing cabinets.
- Regardless of the granite update and the newer appliances, the kitchen appears to be 30 years old and is dated. We would hazard a guess that most buyers would calculate the cost of a new kitchen at 30–35K and either look for another unit with an updated kitchen or adjust their offer accordingly.
- The small amount of water damage on the cabinet doors (shown in the photos) nearest the sink can be repaired with minimal cost by stripping and refinishing the doors, should the owners decide to pursue that option. Otherwise the cabinets are in good condition.

2) Water Damage/Warping and Cupping in the Existing Engineered Maple Floors

- The engineered maple floors, which cover the majority of the first floor from the front door to the kitchen, dining and living room, and stairway (approximately 565 square feet) offer a clean look in the unit and maximize the illusion of 'open space'.
- Whether installed as a floating floor or glued, the floor has either warped and/or cupped in several places due to water leakage near the refrigerator, sink, and the

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kitchen doorway and in several spots on the floor. This is shown and called out in the photos and may be a red flag to the buyer and a point of negotiation.

- Tony also indicated that there is additional damage which originated from a leak in the front window. He stated that his mother had addressed it some time back but that there is an obvious warp located under the black rug in the living room that we could not examine as it was not accessible.

Cabinet Recommendations:

- We can, as noted above sand and refinish the two cabinet doors at the kitchen sink at a minimal cost.
- However we recommend that the owners consider replacing the doors with 22 new, traditional door and 6 drawer fronts, inclusive of the blanks at the sink (we propose making this a utility tilt out) .
- Installing new cabinet doors and adding modest crown molding will go a long way towards transforming the kitchen into the higher end cook's kitchen it can be and which will justify a higher asking price.
- One of the largest cabinet door manufacturers in the state is located just south of us www.caldoor.com.
- We can transform the kitchen into any wood, style or color at this point. It will all be a matter of cost/return and buyer preference.

Proposed Budget for New Cabinet Doors

If the owners choose this option the cost will be based on the actual style and wood chosen. In general we expect that with materials and installation cost would be in the neighborhood of \$3800–6400 and have an order lead time of 4–6 weeks

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Engineered Maple Flooring

As noted above, the existing engineered maple flooring has issues. The stairway wood however, is in decent condition. We have yet to fully inspect the area under the living room rug but have reason to believe there is additional damage. We can either attempt to fix these issues via patching. Patching is dependent upon locating matching or “like” replacement material for the same two, 2.25” inch plank pieces and maybe noticeable. Thus far we have been unsuccessful in finding a match at the 5 sources we have visited.

Flooring Recommendations and Budget

- Replace all flooring on first floor where it presently exists with good quality laminate to match at a labor and material cost of \$3.50 per square foot, install with 5.25” white Colonial base, painted in Swiss Coffee see Photo Album.
- Note regarding color scheme: All doors, trim, and existing bathroom cabinets will be painted in Swiss Coffee. The shutters we are recommending come in Swiss coffee. We are also recommending replacement of all original switches and plug plates with white for continuity and a modern touch.

Proposed Budget Approximately \$2000.00 (laminate, cost depending on flooring quality 6mm, 8mm or 12mm). Excludes cost of 5.25 base.

Installation time 2 days

KITCHEN WORK AGENDA

- Remove and replace existing kitchen faucet

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- Remove and replace existing sink with stainless
- Clean and re-seal granite counter tops to show as new
- Re-paint/powder coat power panel cover in kitchen utility closet, which is rusted.

Note: will be difficult to replace as it is original to the structure and may now be obsolete.

Proposed Budget Approximately \$1000.00 (remove old sink/faucet install new sink/faucet and clean and re-seal granite counters.

Closet/Pantry

- At minimum replace the existing track of the closet system in kitchen, adjust height to prevent drag, consider replacement with new mirrored doors?)
- Fix existing track lighting system
- Remove 2 non-functioning laundry machines and offer credit to buyer instead.

First Floor Bathroom

- Replace cultured marble vanity top with granite slab in neutral color.
 1. one under-mount sink cut out
 2. Replace existing faucet with 8 inch spread in nickel
- Fan inoperable – Replace and install new vent motor
- Re-grout shower tile
- Replace two existing lights, one 6 light bar and one adjacent to toilet
- Replace all existing brass accessories with nickel, brushed or satin inclusive of shower door trim
- Replace vinyl flooring with neutral tile – to coordinate with granite counter top
- Re-paint existing cabinetry with Swiss Coffee paint
- Install new nickel cabinet door handles and drawer pulls

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- Note: The existing extra large downstairs bathroom mirror was installed rather low. It does not allow a 5'10" person to see the top of their head without bending. Our plan is to trim out the existing mirror with wood to make it look custom, but not to move/remove it.
 - The mirror was glued to the wall.
 - Any attempt to remove or relocate the mirror will likely result in damage making it unusable.

Proposed Budget \$4052 (depending on client choices)

Assumptions:

Re-use of cabinet and tub.

Replace Linoleum with new tile on floor (walls not included) However combining granite with vinyl is questionable.

INSTALLATION OF NEW DUAL PANE, LOW E, ARGON GAS WINDOWS

- Dual paned windows, is simply a buyer expectation and one which if not addressed will cost the seller, often twice as much as the cost of the installation, at point of sale.
- New windows have the added benefit of energy savings with a considerable rebate offered by the state, estimated by one vendor at approximately \$1500. This rebate should be applied against the cost of installation and will offset the overall cost of window replacement.

We in communication with the Homeowners Association and have passed on their requirements in a previous memo. In essence window replacement is a "like for like replacement". Both new construction and retro fit are acceptable.

- There is an August 12th 2009 deadline for the submission of all materials for the

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proposed modifications, i.e., windows, we are recommending.

- The “Architectural Review Application” among other materials must be submitted no later than 8/12/09 to the President of HOA for review, in order to be on the monthly meeting scheduled for August 19th.
- BFS can fill out the Required HOA forms, and track the process of the authorization, once the decision on what to do is finalized by the owners.
- We recommend retro-fit vs. new construction windows because:
 1. the cost is about half the cost of new construction, which requires the stucco be removed and is more costly in terms of time
 2. The company we recommend offers a “no cost” transferable, lifetime warranty to the buyer at the point of sale.
 3. We are recommending and costing out a French door replacement at Living Room slider for better flow and courtyard access (TBD).

Proposed Budget \$5000.00.

This number is depending on window choice. Subtract client initiated rebate of approximately \$1500 depending on window value.

Net cost to client \$3500.00

Lead Time for manufacture of the windows 4–6 weeks

1. Installation time 1 day for retro fit** Recommendation
2. 7 days for new construction

PLANTATION SHUTTERS

- We designed a shutter system which
 1. Maximizes the privacy and light factor,
 2. Further serves to mitigate the noise and visual issue with the traffic on Fremont, which runs parallel to the front of the unit. This traffic impacts the front window and front bedroom

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3. Allows the top section to remain open to maximize the light and tree view and allow the bottom remain closed for privacy and to block the traffic view and walk by traffic, if desired
4. Offers a bi pass shutter option, which can be install with the existing sliding glass doors option preferable to installing vertical blinds
5. Covers ALL of the windows and doors with the same covering, inclusive of the window in the utility door at the kitchen
6. The shutters have a slight R factor in heat and cooling retention

- We are recommending the non paint-able shutter option, for a savings of 500.00. We have built our painting design around the shutters and trim which come in Swiss Coffee.

Proposed Budget \$ 5000.00

Lead Time

4 week lead time

1/2 day installation. To be scheduled prior to all carpet installation and floor.

Smoke Detectors:

Absent or non-functioning, Remove and replace 6, two may be hardwired

Proposed Budget \$ 200

3 hours. (Less if all battery operated)

Hardware

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Clean/ Replace/Paint 6” eyeball light rings in white to match new construction 3” light rings above fireplace (See photo of ceiling lights placed over fireplace)

Replace all existing door levers, strike plates and hinges, faucets, etc with nickel, (brushed or satin)

Paint

- All ceilings and walls are to be painted in Kelly Moore Frost/or equally neutral paint
- All doors, trim and bathroom cabinets to be painted in Swiss Coffee
- All accessory plates, switches smoke alarms replaced in white
- Repaint existing oak Mantle piece white add trim to create focal point. (Photo Album)
- Note: Since all flooring may ultimately be replaced we are pricing out removal of all of popcorn ceilings and re-texturing. We would present this as an option for the owners to consider.

Proposed Budget \$2000.00 inclusive of paint

Removal of popcorn ceiling not included but highly recommended.

Lead Time: None

One week to complete

Carpeting

- Remove all existing carpet
- Replace with Neutral 26 ounce carpet color chosen to emphasize space and accentuate bordering maple floors.
- 8 lb pad to create plush feel without the added cost.

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Proposed budget \$1200.00 (replace what is there)

Recommend we treat cement slab floor of first floor bedroom and any bedroom wherein pets had access with pet odor neutralizer at a cost of \$75.00 per room

Alternate proposal would be to install carpeting on entire first floor with tile in the kitchen area and at entrance only. Cost to be determined.

Installation time frame 1/2 day

Lead time one week to be scheduled after all work interior and exterior is completed.

Second Floor Bathroom

- Remove existing cultured marble vanity
- Replace with neutral granite slab
- Install new 8" spread, nickel
- Install new bath/shower faucets
- New nickel knobs and drawer pulls
- Install new lights
- Repaint existing cabinets in Swiss Coffee Dura Enamel
- Replace vinyl with neutral tile to match granite
- Replace tile or Re-caulk tub which ever is most cost effective
- Fan inoperable – Replace and install new vent motor

Proposed Budget \$4052 (depending on client choices)

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Assumptions:

Re-use of cabinets and tub.

New tile on floor and walls (Cost drops if not done)

Second floor handrail

- Securely re-attach the second floor hand rail return.

A Must Do Priority List

1. Windows	\$5000 (-approximately \$1500 rebate)
2. Shutters (non paintable)	\$5000
3. Interior painting	\$2000
4. Cabinet doors	\$3800 – \$6400
5. Carpeting	\$1275
	=====
	\$17,075

B Highly Recommended

6. Replace all interior doors/closet doors \$6000
7. Remove popcorn ceiling and re-texture
 - a. Pre-hung 2 panel doors
 - i. New 2 ½" casements
 - ii. Repair wallboard as needed
 - iii. New brushed nickel door hardware

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- b. Replace Mirrored closet doors
- c. Ceiling lights in hallways and kitchen closet
- d. Removed Popcorn ceiling/

Re-texture to match

8. Kitchen sink/faucet, re-seal counters	\$1000
9. Courtyard Entrance	\$2400
10. Bathrooms	
a. Master	\$4052
b. 2 nd floor	\$4052
11. Laminate flooring	\$2000
12. Install new 5.25 base throughout	(TBD)
	=====
	\$19,504
	\$36,579*

*This is a working budget which requires input from all parties involved. Cost estimates do not include BFS project and site management fees of 20%.