Tips for Selling Personal Property

Nan Hayes for Caring Transitions®

With garage sale and estate sale season in full swing, it is helpful to understand the differences between various types of sales and also learn how to hire the best possible resource to accomplish your objectives.

Should I hold an Estate Sale?

Many estate sale providers will tell you an estate sale is the best way to liquidate your belongings, but in reality, there are three primary factors that should be evaluated before deciding which method best suits your circumstances. You should evaluate:

1. The reason for the sale or liquidation
2. The volume and location of the goods to be sold
3. The unique nature and value of specific items in the inventory

Objective of the Sale

Before deciding the kind of sale that is best for you, think carefully about your personal reasons for holding a sale. You might ask yourself, "Am I holding a sale to make money or do I need to do this for another, greater purpose?"

Some folks make the decision to sell personal possessions simply to make a few dollars or to make room for new items. Others may feel it is time to clean out the garage, attic or basement. Still other homeowners may need to downsize in preparation for a move or declutter before placing a house on the market. Trustees and fiduciaries may need to liquidate an entire estate. Depending on your situation, you may choose a specific sale strategy.

Scope of the Sale

Estate Sales typically work best when the project involves a larger volume of inventory and where at least a couple items will draw the interest of specific buyers who are willing to invest in the items. It is also important to note that estate sales are often prohibited in gated communities or by condominium associations. In this case, the perfect solution may be an "online" estate sale which can be accomplished with a local online auction.

If there is little or no inventory to be sold, or the inventory has no real value in today's marketplace, a garage sale may produce the intended result without taking the time and administrative investment required for a full blown estate sale.

Value of the Sale

Profit is not based on volume of goods. With more and more "baby boomers" downsizing every day, there is a glut of inventory on the market and pricing has become competitive. Generally, however, estate sales are still more profitable than garage sales because they typically advertise directly to higher end buyers.

For optimum profitability, there needs to be a healthy balance between labor and value. In other words, a sale may be less profitable for the client if the time required to sort, organize and manage the goods far exceeds the value of goods sold. Individuals who choose to hold a sale for purposes of sheer profit may be disappointed in such a situation. On the other hand, individuals who need to empty a home in order to sell it, clearly understand that the estate sale is strictly a means to an end and that the real profit center is in the *home* sale, not the estate sale. An estate sale that generates no profit for the homeowner and just covers the cost of running the sale could still be a great benefit by clearing the house so that it can be sold. A no profit estate sale helps reduce useful items going to a landfill and will likely be much less costly than paying a de-cluttering company to simply remove the items.

Sale Options
Regardless of your situation, Caring Transitions can help with your decision and offer a variety of sale solutions. As the nations' largest network of Estate Sale Professionals, Caring Transitions has the ability to organize, promote and manage whole or partial house inventories. Their professionally trained and insured labor force can also help with smaller projects, such as downsizing, de-cluttering and organizing. Caring Transitions staff can also help arrange for junk haulers, donations or wholesale liquidators. CT Online Auctions also provides an ideal solution for those who have items to liquidate and desire privacy and do not want the public in their home, have items in storage or who live in restricted or gated communities.

Questions for Estate Sale Providers
When seeking an estate sale company, the following questions may help you hire the right professional for your task.

#1- How long will it take to set up a sale in my home or run an online auction?
The amount of time needed to set up a sale may depend on the quantity and condition of your possessions. Obtaining an estimate is important. Ask your estate sales representative how they perform their estimates. Companies should not guarantee the total value of your sale, as the sale prices for items sold are subject to many factors, such as weather, community events, traffic, other sales being conducted at the same time.

Caring Transitions® has the ability to provide a free, electronic, in-home estimate for all of your projects. Our "Project Accelerator" estimates are based on the size of your home, the volume of goods and the services you require.

#2- What is your commission structure?
Many Estate Sale companies charge fees based on a percentage of the sale and it can range from 30% to 60%, depending on services provided and the overall estimated value of the sale. This kind of pricing may cause a company using this method to decline a job unless a certain estimated value is met or this may cause a family to be forced to include items that they would prefer to give to family members.

Hiring a company that offers the lowest percentage does not mean you will make more money. A low percentage could mean that items are not presented in a professional manner or advertised adequately. A skilled professional, who can advertise directly to a list of interested buyers and uses a pricing strategy to sell items for market value may in fact increase your overall profit, even while charging a higher percentage and/or a minimum fee.

Caring Transitions® fee may include services to organize goods and stage items for sale, price your items, provide any necessary research or professional resources for high value items, advertise, optimize EstateSales.net membership, take promotional photos, provide tables and other merchandising fixtures, set up displays, schedule employees to manage the sale, secure permits, arrange for security, place signage, send invitations to known buyers, provide oversight and traffic control during the sale, manage financial transactions and provide a final reconciliation and accounting of sale items.

#3-Are there fees besides your commission?
Many companies charge an administrative fee to account for miscellaneous items such as travel and sorting/cleaning inventory. Credit card fees may also be billed separately, although not all providers are able to accept credit cards.

Caring Transitions® may charge an administration fee or a "minimum" fee. Minimums are common for professional organizations, especially, as mentioned above, when the value of the sale is expected to be low and labor is expected to be high. Caring Transitions does accept credit cards in order to encourage larger transactions.

#4- Are you insured, trained and certified? Is your staff?
The Estate Sale industry is unregulated and can be a haven for scam artists and unethical companies. It is important to understand how providers are qualified to serve you. Many companies do not have regular staff, but hire contract workers or friends to help with a sale and who may not be properly insured or background checked.

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Caring Transitions® has completed a rigorous corporate training program in addition to our own field expertise. We employ regular W-2 employees, all of whom are corporately trained and subject to a security background screening. Staffing will be discussed with you as the size of the sale is determined. Our office is also accountable to a parent corporation and must meet all professional standards including liability insurance, worker's compensation, corporate oversight on legal matters, industry training and independent industry certification.

We understand that any downsizing or de-cluttering project can be overwhelming. As the nation's largest professional resource for downsizing, de-cluttering and household liquidation, your Caring Transitions office provides a total solution for sorting, organizing, donations, shipments, packing, Estate Sale and Online Auction.

Visit us online at www.CaringTransitions.com.

Call Caring Transitions for a Consultation – (800) 647-0766

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