

# *Sell As-Is vs. Renovate Decision Guide*

*A practical framework for inherited property owners in  
Colorado.*

## The Right Question Isn't 'Which Is Better'

When families inherit a property, one of the first questions that comes up is: should we sell it as-is, or put some money into it first? The honest answer is: it depends — and the right decision comes down to your specific property, your timeline, your financial situation, and your goals.

This guide walks you through the key factors to evaluate, a simple scoring framework, and the questions you should be asking before making any decisions.

### PART ONE

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## Understanding the Two Paths

	SELL AS-IS	RENOVATE FIRST
<b>Timeline</b>	Faster close — often 30–60 days	Add 2–6+ months depending on scope
<b>Upfront cost</b>	Minimal to none	\$15K–\$100K+ depending on condition
<b>Buyer pool</b>	Investors, flippers, value buyers	Broader retail market
<b>Net proceeds</b>	Lower sale price, lower costs	Higher sale price, offset by costs
<b>Complexity</b>	Simpler — fewer decisions	More moving parts, more decisions
<b>Risk</b>	Low — known outcome	Higher — cost overruns, market shifts
<b>Best when...</b>	Speed, simplicity, or heirs are dispersed	Property has strong upside and time allows

### PART TWO

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## The Math That Actually Matters

Many families assume that renovating will always net more money. That's often not true. The real question is: what is your *net* return after all costs, time, and risk?

***The Renovation Math Formula***

Projected sale price after renovation	\$____,000
Minus: Renovation costs (materials + labor)	- \$____,000
Minus: Carrying costs (taxes, insurance, utilities x months)	- \$____,000
Minus: Additional selling costs (commissions, closing)	- \$____,000
<b>= Estimated net after renovation</b>	<b>= \$____,000</b>
As-is sale price (comparable offers)	\$____,000
<b>RENOVATION PREMIUM (difference)</b>	<b>\$____,000</b>

*Rule of thumb: If the renovation premium is less than \$20,000–\$30,000, the as-is path is almost always the better financial decision once time and risk are factored in.*

## 12 Factors to Evaluate

Score each factor. At the end, tally your score to see which path makes more sense for your situation.

### PROPERTY CONDITION

Situation	Score
Needs major structural/mechanical work	2 pts → As-Is
Cosmetic updates only needed	2 pts → Renovate
Mixed — some major, some cosmetic	0 pts → Neutral

### YOUR TIMELINE

Situation	Score
Need to close within 60 days	3 pts → As-Is
Have 4–6+ months of flexibility	3 pts → Renovate
Some flexibility but not unlimited	0 pts → Neutral

### AVAILABLE CAPITAL

Situation	Score
No funds available for renovation	3 pts → As-Is
Funds available and willing to invest	3 pts → Renovate
Limited funds, risk-averse	1 pt → As-Is

### NUMBER OF HEIRS

Situation	Score
Multiple heirs, hard to align	2 pts → As-Is
Single heir or full alignment	2 pts → Renovate
Some friction but workable	0 pts → Neutral

### LOCAL MARKET CONDITIONS

Situation	Score
Strong buyer demand, low inventory	2 pts → Renovate
Slower market, investor-friendly	2 pts → As-Is
Mixed market	0 pts → Neutral

### PROPERTY LOCATION / NEIGHBORHOOD

Situation	Score
Premium neighborhood with strong comps	2 pts → Renovate
Transitional or investor-heavy area	2 pts → As-Is
Average neighborhood	0 pts → Neutral

### SCORE INTERPRETATION

YOUR SCORE	INTERPRETATION
<b>8+ points toward As-Is</b>	Strong case for selling as-is. Speed, simplicity, and risk reduction favor this path.
<b>Mixed / Close Score</b>	Hybrid approach may work — light cosmetic updates only. Get a contractor walkthrough before committing.
<b>8+ points toward Renovate</b>	Renovation may add meaningful value. Proceed with a detailed contractor bid and market analysis before committing.

## Questions to Ask Before Deciding

### ABOUT THE PROPERTY

- What is the current as-is market value?
- What does a contractor estimate for a full renovation?
- What are comparable renovated properties selling for nearby?
- Are there any deferred maintenance issues that could complicate a sale either way?

### ABOUT YOUR SITUATION

- What is your actual timeline? Is it fixed or flexible?
- Do all heirs agree — or is alignment a challenge?
- Do you have capital available, or would renovation require financing?
- What is the tax basis and how does it affect your net proceeds?

### ABOUT THE MARKET

- Is this neighborhood attractive to retail buyers or primarily investors?
- How long are renovated homes sitting on the market currently?
- What price range does this property fall into — and is that segment active?

### *Ready to run the numbers for your property?*

Schedule a consultation with Brendan Gustafson. We'll walk through a property-specific analysis before you commit to any path.

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