8 tips for helping clients sell their aging parents' homes

I have been a residential real estate broker for more than 30 years for LA's Westside and the Beverly Hills area. When a home belongs to my clients' elderly parent — the one that mom or dad can no longer live in or care for — I sometimes inadvertently find myself playing the role of family counselor.

More often than not, my clients are at a loss as to what to do when they are tasked with the caretaking of an aging parent's home — most notably when the unexpected happens.

During my years as a broker, I have helped many of my clients deal with distressing events involving aging parents — including incapacity, illness or a sudden passing; events that prompt the immediate sale or rental of the home.

I am no stranger to the woes that can befall families who are faced with crucial and immediate decisions in dealing with what to do with the house. I suggest sharing these eight tips with your clients as a practical means to taking first steps.

1. **Contact the parent's wills and estates attorney to see if the elderly parent has proper documents in place**

If not, a homeseller should contact his or her own. Ask this attorney to review any documents to make sure that the homebuyer or seller or one of the client's siblings has the authority to act on the parent's behalf.

If a homeseller's mother or father does not have a trust or will, your client should ask his or her own wills and estates attorney to assist with any probate court issues the homeseller may need to take care of (e.g. conservatorship status, etc.) so that the homeseller's attorney is entitled to step in.

2. **If the seller has been named agent or trustee in the parent's will, those documents should be gathered together**

Once the homeseller has secured the safety, security and well-being of homeseller's folks (doctor evaluation, assisted living care facility, or worst case, funeral arrangements) the real estate broker should help the homeseller explore options.

For instance, given the homeseller has the rights to care for or sell the parent's property, help the client decide whether it is best to rent or sell it.

If a seller decides to rent the house, have him or her first remove the furnishings, personal belongings and all fixtures and wall hangings that are important to seller. Put them in storage.

The seller can always decide whether to have an estate sale later or divide those items among family members and always in accordance with the parents' wishes or requests that have been spelled out the will.

3. **Contact the bank or mortgage holder**

The attorney can assist sellers with this by giving them a list of questions to ask.

For starters, they should be instructed to hunt for the last bank or mortgage statement to find the account number of the loan and the balance.

The attorney can accompany the seller to the bank or mortgage lender and help get the necessary paperwork in order (loan documents, title report, recorded deed, etc.) then make sure the paperwork coincides with seller's. As the seller gathers information, look into whether or not there are other loans and/or any liens against the property.

4. **Contact any service providers, insurance carriers, etc.**

Cancel the non-essentials such as cable television, soft water delivery service, regular grocery couriers, dog groomers and so forth.

The seller should wait to cancel any utility provider such as water, gas and electricity or anyone who deals with the upkeep of the property such as the gardener.

If the seller sells the house, he or she will need to leave utilities on until escrow closes. The seller will also need to leave the alarm service connected, if there is one. (Nothing like a dark and empty house to attract burglars!)

If the seller has a smartphone device that controls the alarm system the seller will not need to leave the landline telephone service connected.

Also, the seller should contact the home insurance carrier to let them know the status. The insurance policy should not be cancelled until the house is sold. Also, all health insurance carriers should be contacted.

5. **The seller should contact the parent's bank to become an authorized signer on his or her account**

They will likely continue to pay the household bills from that account until the house is sold or they turn it over to a tenant. The mortgage holder and the bank where the seller's parents held a checking and savings account to pay that loan will likely not be the same financial institution.

6. **Contact the Social Security Administration**

The estate attorney should be asked what steps need to be taken to handle the receipt of these monthly payments and to use them to pay for the parent's expenses, such as an assisted living care facility or continuation of making the house payment.

Or, if both parents have now passed away, the seller should make sure he or she takes the steps to terminate such payments.

7. **The seller should take time consulting with you, the real estate broker or agent**

They should ask questions — as many as the sellers need to. What the market value is, what they are likely to get for the house, when to list it (time of year), how to stage it (with or without their furnishings), a comparison of what the costs will be to sell versus to rent it and the basic steps and processes that will take place as they work through this transition.

At this point, it would be wise for the seller to reach out to his or her folks' CPA to review tax returns for items that relate to the house.

Advice and paperwork — the parents' files will be essential in gathering costs and expenses associated with the house. Together, the homeseller's parents' CPA, the homesellers' CPA and the broker can also assist in helping him or her make the most prudent and sensible financial decisions about whether to sell or rent.

8. **Make sure the rest of the family is on board**

One of the biggest problems a homeseller can encounter is when only one sibling from the family has been named to act as agent on the parents' behalf.

Whether or not the siblings will resent the role of the homeseller as commander in chief, he or she will want to do the best to include them.

One of the biggest problems after the passing of parents, in my experience, is when siblings begin to squabble, and it is usually over the type and/or quality of care or financial appropriations and decisions made arbitrarily by one sibling without including the others.

I always suggest to my clients that they also seek the comfort and advice of a trusted adviser (other than those already mentioned) whether it is a family doctor, a family therapist, mental health professional or the go-to religious family mentor to help them emotionally and spiritually as they navigate such a crisis.

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