

ELITE EQUESTRIAN

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Ready, Set, **SOLD**

Buying or selling an equestrian estate via auction eliminates the headaches associated with the traditional real estate process.

By Holly O'Dell

The owner of Two Swans equestrian estate in Wellington, Florida, was ready to throw her hands up. Her luxury property had been on the real estate market for three years, yet she had no offers. She had a good agent and even dropped millions off the list price, but properties around her were selling upwards of \$12 million to \$15 million. The estate was pristine; if the owner found even a screw loose on the site, she replaced it immediately.

Ready for a new approach, she turned to Miami-based Platinum Luxury Auctions in January 2013. The firm implemented a very specific marketing plan that targeted the movers and shakers—the breeders, the trainers, the owners and operators of high-end equestrian facilities—in the leading equestrian marketplaces around the world.

The auction also benefitted from timing, as it took place in tandem with the local Winter Equestrian Festival. "When the WEF comes to town, you are bringing all the players in the equestrian world right to your doorstep," explains Traylor Lesnock, president of Platinum Luxury Auctions. "We had access to that high-quality market."

The well-timed, well-executed auction paid off: Within six weeks, a buyer from Ecuador purchased Two Swans for \$6,875,000.

The sale of Two Swans illustrates the advantages of selling an equestrian estate at auction. In addition to a quicker turnaround and a direct global marketing program, the auction process typically does not have what Lesnock calls the "deal breakers" found in the traditional real estate sales process.

"There are no contingencies, no negotiations, no hardball techniques," says Lesnock. "Our auction sales are all cash. The terms are spelled out in a very clear way for the buyers, and the closing happens fairly quickly, usually 30 days."

Auctions are similarly beneficial for the buyers. When a buyer takes the usual real estate route, "they don't know the disposition of the seller or if this is going to be a difficult negotiation," Lesnock notes. "Whereas with an auction, the buyer knows that on this date, the property is selling under these terms, and that is it. They don't have to haggle with the seller. There are no uncertainties."

A clearly defined date for the auction especially appeals to those buyers who are frequently traveling for equestrian shows. "It is often hard to capture those people using the traditional marketing process," says Lesnock. "And then once you do, it is difficult to give them a reason to break their routine or their cycle to visit the property and give it a look. With an auction, we can say to them, 'If you are going to buy this property, you need to be here on this date.'"

Additionally, Platinum Luxury Auctions completes due diligence on each property and presents information to the buyers to preview. "That dramatically decreases the amount of hoops that a buyer has to jump through when they are normally considering purchasing a property," says Lesnock, adding that auctions allow buyers to control their level of participation and name the price they are willing to pay. "Buyers appreciate that all they have to do is bring their checkbook and buy it."

Perhaps the biggest draw of an equestrian estate auction is the promise of a good deal. "Many of the world's wealthiest individuals are great bargain hunters. They are better than the rest of us at finding deals," says Lesnock. "When you broadcast an auction to these folks, no matter what they ultimately pay, the buyer still feels like they made a good deal because they purchased it at auction."

DRESSED FOR SUCCESS

Whether you decide to sell your property through an auction firm or a realtor, properly preparing your home for potential buyers plays a vital role in the sales process. As Lesnock notes, today's buyers, especially in the multimillion-dollar price points, "are more discerning than ever before."

That being said, the basic rules of property presentation still apply and start before a prospective buyer even arrives at the front door. "We find that people will more or less be interested the minute they drive up," says David Shove-Brown, partner at architecture and design firm Studio3877 in Washington, D.C. "If someone pulls up and they see the landscaping is nice and maintained and the house looks good on the outside, you've got them on the first step. But if that lawn's a mess, people are automatically shutting down."

Once inside, people need to envision themselves living in the space. To that end, Shove-Brown recommends balanced décor. "You want to appear homey, but not too

Continued...

too restrictive," he says. "You want to have some artwork up, but not go too overboard on the trinkets and a bunch of clutter. If someone comes in and feels that the house was designed for somebody else and they are just taking it over, they feel limited and unsure of making it their own. You want to give people enough to have their imagination take off without being overbearing."

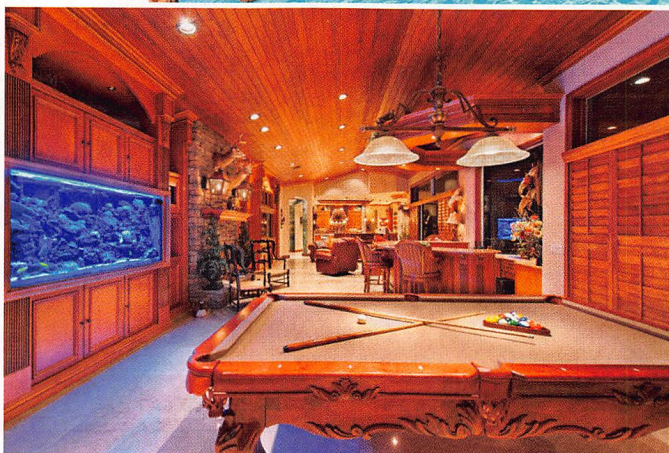
For instance, hiring a painter to paint the entire house and make it look fresh is money well spent. Spending a small fortune on unique glass tile, on the other hand, might not produce a good return on investment because it is too specific to the home's current owner.

In fact, small touches can go a long way. "If you have a small space, you can use an oversized mirror or grouping of small mirrors to make it look bigger," says Guillaume Gentet, an interior designer based in New York City. "If the room is dark, I like to use shimmering wallpaper, something that captures the light."

Gentet also suggests turning on all the lights and lamps to create a warm and inviting space, adding plants or fresh-cut flowers to bring life to a room, and hiring a professional to wash windows both inside and out. "If you have a nice view, you want to take advantage of that," he adds.

Don't be afraid to play up some of the home's unexpected elements, either. "For example, you can show potential buyers the floor outlet in the living room so that they can plug a table lamp in next to the sofa without running an extension cord behind the furniture," Gentet notes. "It's a good idea to remind buyers of the things they can't see right away, such as radiant in-floor heat or surround sound."

The most coveted spaces in a home—and the ones that tend to see the biggest return on investment—are the kitchen and bathroom. "A light, open kitchen with a lot of unique features, storage, lighting, and nice appliances will increase the value of a house exponentially," says Shove-Brown. "A nice bathroom with fixtures that might cost a little bit more money can help sell the house immensely. Those are the places that you want people walk in and say, 'I need to take a shower in that shower,' or, 'I need to make dinner on that counter.'"



If you decide to remodel your kitchen and bath, do so with resale in mind. Says Gentet: "It is not worth spending crazy money on items that are designed to a very specific style. Keep to the style that the house speaks."

In some projects, a major investment is in order. Wild Orchid Stables in Wellington, Florida, for example, offers the best of both worlds: spectacular grounds that include a 100 by 200-foot

riding arena, and a 5,500-square foot luxury home boasting an outdoor space equipped with a rock grotto, TV, an intimate lighting scheme, and wet bar.

Despite the A-list amenities, the multimillion-dollar property languished on the market for a year. Then, after contacting Platinum Luxury Auctions, the owner decided to invest \$275,000 to \$300,000 on renovations prior to the March 2014 auction. He cleared five acres of dense woods and now has 50 open acres for horses to run. The improvement project also included a new six-stall barn. Because the estate was going to be auctioned during the 2014 WEF, the owner "wanted to stay competitive with other properties for sale and add potent value to the marketplace," explains Lesnock.

When it comes to renovations or additions to a property, Lesnock always advises caution to his clients. "Generally, we don't recommend the seller do anything they won't retrieve in the sale."

*The most coveted spaces
in a home are the
kitchen and bathroom.*

All photos are of Wild Orchid Stables in Wellington, Florida, courtesy of Platinum Luxury Auctions.



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