

## highest value doesn't mean best agent

When choosing an agent to take on the responsibility of selling your home, it may not necessarily be a wise decision to choose the one who quotes the highest possible selling price.

When comparing the services offered by agents, don't be swayed by the one who puts the highest price on your home and the lowest commission, even though they may seem the most appealing. More often than not a house with a higher market price will require a more demanding marketing approach, a need that possibly cannot be met by the agent who charges the lowest commission. This may lead to your property sitting on the market for much longer than is necessary and in the long run, may actually cost you money.

By the time you finally get an offer, a buyer realises that there is no competition for the property, giving them the upper hand in negotiations and ultimately lowering the selling price.

It is important to take time in choosing the right agent!

Be realistic, don't be seduced by fantasy quotes and make sure that you feel totally confident in your choice.

Some clues in recognising a good active agent are how many SOLD signs exist on their display boards, the quality of their local advertising, busy well located offices with after hours service, high levels of service and commitment to feedback during the advertising campaign.

If you know anyone in the area who has recently sold a house it would certainly be worth talking to them, if they are people whose opinions you respect, act on their advice.

Word of mouth is the best source of current information about local Real Estate Agents.

## feedback marketing

In most parts of Australia and New Zealand today it takes four to six weeks to sell a property if properly marketed.

If your property is not sold in that time check the professionalism and reach of your agent's marketing. If it appears to be adequate, check the feedback.

Negative or non-buying feedback can be divided into two types: conditions (things you can't change) and objections (things you can change).

Objections are variable like worn carpets, bathroom in poor condition, or no fencing. These are all items that can be fixed, added or replaced. Conditions on the other hand are intrinsic to the property and can't be changed – like location. If a purchaser comments that the property is not close enough to amenities or is too close to a busy road, or the block is too small or is too steep you can't physically move the property to remove the condition.

Consistent conditional feedback means that

to attract offers the price of the property needs to be adjusted until the feedback becomes positive.

Sometimes vendors think that purchasers are just looking at the wrong property and sooner or later someone will come along who 'doesn't mind' the busy road or lack of amenities. They do not realise that purchasers are comparing properties with others they have seen in the price range and their comments reflect the unspoken. Other properties we have seen in our price range appear to be better value. Once the price is right feedback tends to become positive and within a short time the property attracts an offer from a genuine purchaser.

If your agent is not providing you with feedback the first thing to do is to give them a chance to perform.

Ultimately you may need to look for another agent. Estate agents vary in skills, integrity and a whole range of attributes just like solicitors, car mechanics or any other trade or profession.

## I'LL STAY, BUT I'M NOT DOING CHORES

Many young adults still live at home with their parents, and a large number of them do not perform any household chores, the recent 2006 Australian census results have revealed.

The results, published this week, show that about 1.88 million adult Australians aged between 15 and 34 years live with one or both of their parents, mostly to the age of 25. Of those, around 86 percent of the 15-19 year olds did absolutely no housework in the week prior to the census!

In 2006, 59 percent of all 15-24 year olds lived with their parents. While the actual number of people in this age group remained about the same between 1996 and 2006 censuses, the number of young people living with their parents grew by 8 percent, largely due perhaps to higher tertiary fees. The number of dependant students increased by 14 percent, while the number of non-dependant children increased by 3 percent.

Young men were more likely to live at home with their parents than young women of the same age – almost 62 percent of 15-24 year old men lived with their parents, compared to 55 percent of young women.

Interestingly enough, while just over a third of this age group were dependant students living at home with parents, more of the women were students and considerably more of the young men were likely to be non-dependant children (30 percent of men compared to 20 percent of women), that is, children not studying full-time.

Just over 39 percent of males and almost 29 percent of females aged 15-19 years did no housework in the week prior to the census. Of the people aged 15-19 who did nil hours of housework, 86 percent were dependant students or non-dependant children living with their parents.

Young men and women aged between 15-24 years living with their parents did, on average, less unpaid domestic work than other young people living in private households.

In the week prior to the census, 83 percent of young men and 78 percent of young women living with their parents did less than 5 hours of domestic work.

## negotiation know how

Vendors and purchasers frequently ask for advice when negotiating on property. Vendors want to know how to respond to a purchaser's first offer.

Purchasers want to know what sort of offer to make – not necessarily because they are looking for a bargain (although some people are!) but because they like the property so much they are afraid of offending.

Purchasers who have done their homework are their own best advisers, especially since professional agents will always be acting for the vendor.

By the time purchasers are ready to make an offer they know what is selling. for what price.

But they need to be realistic – a ridiculous initial offer on a competitively priced property rarely results in the bargain the purchaser was hoping for.

Vendors who feel insulted often refuse to come back with a counter offer and the

purchaser misses out on the opportunity to buy.

Many people forget that negotiation is a two-way process – a kind of adjustment where two parties evolve slowly to a position they find mutually satisfactory.

A non-negotiation stance is confrontationalist and leads to a breakdown in communication and a no-sale.

Only very skilled negotiators know when refusing to negotiate is the best strategy. Vendors who won't negotiate miss out on genuine purchasers and end up selling for less in the long run when the property becomes stale.

Whether you're a purchaser or a vendor, leaving a window open for negotiation usually means you won't get the door closed on the sale.

Vendors who don't negotiate never find out the highest price their would-be purchaser is prepared to pay.

Even if they don't like the highest offer the information is useful for future comparison with other offers.

One of the biggest mistakes purchasers make is to back off from making an offer when they think a property is substantially overpriced.

They think vendors won't come down to what they are prepared to pay. However walking away from a property you like is the ultimate non-negotiation stance.

Paradoxically this can be the time when purchasers get their best buys because other people are equally offer shy and there is no competition.

Such properties often end up selling for less, particularly if they stay on the market at an inflated price. Once the property has been on the market for enough time to reduce the price to close to market-value, increased interest frequently drives negotiations back up to the asking price or more and someone misses out.

## the best times to buy or sell

When is the best time to buy or sell a home? It is an important and complex question and not one to be treated lightly.

Important because the purchase or sale of a home is a major transaction, for most people the biggest they will ever make. Its timing looms large, for the outcome is central in so many aspects of their day-to-day lives.

Complex because of the transaction's financial and emotional mix and the need to consider the needs and wishes of all family members. In answer to the question, there are advantages to be had by buying or selling at any time of the year.

Homes look their best as the cold of winter gives way to sunny days and nature awakens after the long winter sleep. They can look great when the weather is perfect. And the mood of buyers is more benign, too. Spring is certainly a great time for selling. And for buying.

That stretches into early summer and the forward-looking optimism that the new year brings before the torrid heatwaves begin.

Autumn and winter are also good times to buy and sell. Cold weather sharpens the critical faculties. Buyers are more alert when inspecting a property in far from perfect weather. Flaws and blemishes become more obvious when it's wet and chilly. But shrewd sellers have their measure. A roaring log fire burning in the hearth makes a house warm and friendly so that prospective buyers see it as a safe and welcoming haven.

Housing markets in winter are less hectic. But in my experience, prices in the dead of winter (and the height of summer) tend to hold up, perhaps because listings are fewer at that time.

But house-hunting in spring and early summer is carnival time when buyer interest reaches its pinnacle. This is the time of year when people are on the move. To new jobs, entering new career paths, tackling

new responsibilities, upgrading to a new home or taking a positive step out of the rental market.

It is a time of optimism when people set out to achieve their goals. A time when 'For Sale' signs proliferate and display villages become hives of activity.

Serious buyers go about the task of finding a new home in a methodical manner. They draw up a list of their 'must haves' and 'preferences', tick off likely properties in the real estate classifieds and go off and inspect them. They soon get an idea of current values. Then they talk with lending institutions to see how much they can raise. The wise ones haggle for the best deal they can get. Then they set about the serious business of choosing and closing the sale quickly, for competition is keen at the height of the selling season.

If you are considering buying, selling or investing call us for a friendly, obligation-free chat.

