

holiday euphoria not necessarily retirement bliss

Many city people choose to retire to small coastal towns, often places where they have enjoyed family summer holidays. It seems like a logical progression of ideas. Instead of settling for three weeks at Christmas, retirees can enjoy sun-filled summer holidays round the clock seven days a week.

But is the dream holiday location always the ideal place for people to spend their later years?

Most city-dwelling holiday makers have never experienced their favourite getaway in the off-season. A sunny, pleasantly bustling holiday town where cafes and shops are constantly open can look quite different on a rainy winter's day. Or in hot climates, the opposite may be true. A town that enjoys temperatures in the 20's in winter may turn humid and unbearable in summer. And while long-term residents may look forward to the end of the tourist season, many city-conditioned newcomers find the dullness of the off-season hard to get used to.

Some retirees report that it didn't occur to them to check out whether the clubs, sports and hobbies they'd always enjoyed in the city were available in the small town. It is easy to take the activities and events

available in the city for granted when you are too busy working to enjoy them. Activities such as china painting and other art or craft classes, gyms with comprehensive timetables, seniors' exercise classes, chess clubs, bridge, gardening clubs, theatre and so on may not exist in a smaller marketplace.

Furthermore, while most retirees enjoy excellent health, they need to take into account the availability of hospitals and medical facilities. Many people who have lived close to a range of specialist health-care facilities all their lives without needing them move away just as they move into an age group where the statistical likelihood of problems increases.

For some the decision to move away from the city is a financial one – the money they get from selling the family home often finances a home and income. But in many cases it is possible to scale down and still stay closer to friends and facilities. Of course moving away from the environment where people have spent their working life is not always the wrong one, but many people would do well to rent before they buy. That way they can keep their options open until they feel confident they have made the right decision.

the low down on high price agents

Many first-time sellers think they should entrust the sale of their principal place of residence to the real estate agent who puts the highest value on it. But what does big talk tell you about an agent's expertise? How can an intending seller tell whether there is action behind the talk?

Those who have been through the process of selling their home say it pays to do your homework before calling an agent in. They recommend that prospective sellers talk to people whose opinions they respect who have recently sold in the area. Word of mouth is the best source of current information about local real estate agents,

doctors or any other practitioners.

Once you have made your choice, ask the agent for a written submission so that you can make your own judgement. Look for level of service, commitment to feedback during the marketing programme and the flexibility to tailor advertising and expenses to suit your aims and needs. Experienced vendors advise against the false economy of the lowest-commission-highest-price agent. Go with the agent with the reputation. For 97% of homeowners, the family home is their single greatest asset, and the sale of it a once in a decade experience. Trust is everything.

PUT YOUR AGENT'S WEBSITE TO THE TEST

Listing your property on an agent's website is an inexpensive way of getting wide exposure. Research shows that some real estate agents generate more than 60% of their business from their website.

But if you are counting on Internet exposure to sell your home you need to feel confident that purchasers wanting to purchase in your area will be using the site as a source of property information. How can the layperson determine whether an agent's website will direct inspections to the property?

Put the agent's site to the test yourself. Is it user-friendly or can it only be accessed through a slow portal site? Is the information on it up-to-date? Purchasers clicking onto your property want to get there fast (does their home page download within ten seconds?) and they want plenty of information: price, full description, and lots of photographs. Early virtual tours were slow and unpopular but with the rapid uptake of broadband, they are so much easier to explore and buyers really love them. They also expect to get the complete address of advertised properties and the sales consultant's 24-hour contact details online.

You can also test their e-mail communication: buyers these days expect a reply to their e-mails within four business hours.

The website should also have a list of properties open for inspection – after all, opens change weekly and purchasers will have to keep coming back to the site to see what they can look at this weekend. If the information is out-of-date, purchasers are unlikely to visit on a regular basis. The Open for Inspection list should also provide a direct hyperlink to each property listing so that the full details of any property they are interested in are just a click away.

Purchasers using the Internet also want anonymity until they are ready to make contact with the agent and carry out inspections. The time for purchasers to make their details known to the agent is when they want to start inspecting real bricks and mortar. Websites requiring purchasers to give their details before providing information are unlikely to get repeat visits.

sales that don't happen

One of the worst things a vendor can experience during the selling of their home is an offer falling through before contracts are exchanged. One moment, everything seems certain and they can start making plans and the next moment they are back to square one. Is there anything the vendors can do to minimise the risk of this happening?

There are many reasons why potential purchasers fail to cross the finish line, but experienced agents are more skilled at detecting and eliminating high-risk offers. While agents are bound by law to submit all offers presented, experienced agents minimise vendor disappointment and loss of marketing time by advising clients not to accept offers they know are unlikely to proceed.

Sometimes offers are made by intending buyers who have not yet placed their property on the market for sale and who need the finance from the sale of that property before they can complete their next real estate purchase. Buyers in this

category are most often (not always of course) just beginning to assess the market. They have found a house they really like almost at once and before they are ready to act. Often they have not done enough homework to know market values and their offers are not based on a genuine understanding of the current market. Some continue to look around while waiting for their own home to sell even though they have agreed in principle to buy another property. Such purchasers are not deliberately trying to deceive or inconvenience property sellers when they pull out of a sale – they were simply too inexperienced and eager when they made their offer. Some purchasers offer to get bridging finance so they can proceed immediately; however vendors should realise that in most (not all of course) cases, the cost of bridging finance and the “what if” factor of not knowing what their own home will ultimately sell for, end up working against the sale.

Since professional real estate agents will advise against taking a property off the

market upon the receipt of offers from unqualified purchasers, no loss of time or money is incurred. The harm done by uninformed purchasers who retract high offers is more insidious. Often the offers made by purchasers who have not really researched the market are higher than the property's ultimate market value: in other words, the price is above what the vendor can realistically expect to achieve. Unfortunately, the effect on the vendor's expectation is lasting. Most vendors continue to measure all subsequent offers against the high one, even though it fell through.

In the anxiety of undertaking what for 97% of people is their biggest ever financial transaction, it is easy for vendors to forget that no mere offer in itself actually represents market value, let alone a firm sale price – until a qualified purchaser backs it up with cash. If vendors could dismiss unrealistically high offers with the same incredulousness that they dismiss unrealistically low offers, they would sell faster and for a higher price in the long run.

target buyers who will love your home

Many vendors are puzzled and upset when buyers find fault with their homes. But what does their fault finding mean and how can the feedback be changed for the better?

Many vendors think it's all about features and the lack of them – things like extra bedrooms or bathrooms or new roofs. And features are usually part of the equation. But in many cases, it's the other half of the equation that is important: the asking price relative to the features. The relationship between asking price and features is crucial; if the price for a house with a certain set of features is higher than other similar properties, purchaser interest is slower and those who inspect are likely to make negative comments.

If the asking price is right, there will be lots of inspections, positive feedback and early offers. If the “negotiation factor” is too big, purchasers will find fault and far from creating an incentive for purchasers to

make an offer, it is a disincentive because they think the seller is unlikely to accept a reasonable offer.

Properties in a highly sought after category or in locations where there is a shortage of property for sale usually have more room to inflate the asking price, but most vendors need to be aware of the Catch 22 situation caused by serious over pricing. If the asking price of a property is more inflated than other similar properties on the market, the agent may have to adjust the advertising copy, or purchasers will not be attracted to the property at that price. If the property's benefits are exaggerated, purchasers will be disappointed when the reality doesn't match their expectation. The irony will not be lost on most property consumers; the very strategy which less market aware vendors think will maximise their sale price could lessen market interest in the property, making it take longer to sell and ultimately reducing its selling price.

Overpricing targets the wrong market – purchasers whose expectations match their pockets in a way that the house does not match its asking price. Purchasers are quick to tell an agent if a property on their books is overpriced. They know that other buyers won't be rushing to make offers. It's not uncommon for purchasers to notice an advertisement or a signboard but not make their first inspection of the property until months later when the price has been reduced. By then they have the psychological edge which enables them to drive a harder bargain.

The right negotiating factor should make purchasers feel anxious that if they don't get in quickly they will miss out to someone else. The resulting climate of competition in the first few days and weeks of marketing is usually the best way to find buyers who will love the house and want to buy it.

