

# exit strategies for a soft market

How do you get the best price for your property when the heat has gone out of the market?  
The author of *The Insiders Guide to Buying Real Estate*, Patrick Bright, offers a few tips.

Patrick Bright, believes there are only really two reasons a property doesn't sell... either no one knows it's for sale or the asking price is too far off the mark.

In a soft market, getting these two factors right becomes even more critical.

A soft market typically has one or more of the following factors creating it.

- Over supply of stock (more people selling than buying)
- Lack of buyer motivation or urgency
- Buyers perception and confusion about the state of the market

So how does a seller overcome these issues? The best way is to hang in there till the market firms up if you don't really have to sell. However, if you do have to sell, consider the following strategies.

## Accurate pricing

Even though auction clearance rates are down it still might be the best way to attract prompt attention to your property. However if you're not comfortable with an auction, make sure your price is pretty close to the money.

For example, in a booming market you could put a property worth \$900,000 on the market for \$950,000 as it

wouldn't take that long for someone to offer somewhere in the middle.

However in a soft market, assuming today's real market value for your property is \$900,000 and you're asking \$950,000 for your property (thinking you're leaving some room for negotiation), you could miss gaining the interest of cashed up buyers.

You don't want to be in a position where the property starts to go stale on the market and you have had a couple of price reductions because you've discovered that the real market value for your property has dropped down to \$890,000 or lower. You may have to put it on the market at \$880,000 to pick up any interest.

If you have to sell in a soft market, and sell promptly, make sure you adopt a selling strategy accordingly. In a soft market accurate pricing is critical.

## Agent Selection

A soft market is where your selection of selling agent becomes ever so critical. The best way in any market, for that matter, is to do a little research on how to select a selling agent and be guided also by referral from someone who had a good experience.

## Marketing

Make your property stand out from the crowded market place. Make a list of all the reasons why you chose the

property and why you have enjoyed living there, and ensure that these are incorporated into the marketing campaign and brochures.

If you want a buyer to make a prompt decision on your property, provide the tools to do so - have pest, building and/or strata reports on display. For the cost of a few hundred dollars it will be money well invested to lure a buyer to your property over another.

Be flexible with inspection times. Have structured open inspections at least twice a week and be accommodating with private inspections outside your scheduled open times.

Finally, be clear on what you are prepared to take for your home before you place it on the market. If a good offer comes in early, don't make the mistake of waiting to see if you get a better offer next week. A buyer keen to purchase then and there, may not wait. If the offer is what you were hoping to achieve (based on a realistic price expectation) take it, as you may not see as good an offer until the market picks up.

Article written by Patrick Bright who is the author of *The Insiders Guide to Buying Real Estate*. For more information visit [www.epspropertysearch.com.au](http://www.epspropertysearch.com.au)

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