

Selling your home in a soft market

THE heat may have gone out of the property market but there's no reason why you can't sell your house for top dollar. EPS Property Search buyers agent and author of *Insiders Guide to Buying Real Estate* Patrick Bright believes there are really only 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, Mr Bright says these two factors are critical to get right.

A soft property market exists because there is an oversupply of stock (more people selling than buying), because buyers lack motivation or urgency or because buyers are confused about the state of the market.

If you can't wait for the market to firm up, Mr Bright says the trick is to stand out from the crowd of sellers who are trying to gain the interest of a reduced number of often indecisive buyers.

Although auctions are commonly used in a hot housing market, Mr Bright says this sales method can also be useful in a softer market — it may be the best way to draw prompt attention to a house which is unique or has something special about it.

Auction clearance rates are down, however, and many sellers aren't comfortable with the process. If you choose to put it up for sale instead, Mr Bright reminds sellers to be spot on with the price tag.

"In a soft market accurate pricing is critical," he says.

"In a booming market you could put a property worth \$900,000 on the market for \$950,000 because it wouldn't take that long for someone to throw an offer at you 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) then you could miss gaining the interest of cashed-up buyers."

In this situation, Mr Bright advises advertising the property for no more than \$910,000.

"If you feel that the market in your local area has the potential to fall further before it plateaus I would advertise it at \$899,000 and take an offer that is \$890,000 plus."

Mr Bright says the seller is better off taking a \$5000 or \$10,000 loss now rather than letting the property go stale on the market and having to drop the price later to attract interest.

"I have seen dozens of vendors make this



If your house is languishing on the market, your approach may need some tweaking

mistake over the past 18 months," he says.

"If you have to sell in a soft market and sell promptly make sure you adopt a selling strategy accordingly and that you price it right."

If a good offer comes in early, Mr Bright advises against making the mistake of being greedy and expecting higher offers to come in.

"And if you receive an acceptable offer week one or two into an auction campaign, take it. If the buyer is keen to buy then and there, they may not wait around till auction day hoping you'll accept their offer then."

In the quest to make a property stand out from the crowd, Mr Bright recommends making a list of all the reasons you like the property and making sure that list is incorporated into the marketing campaign and brochures. What are the benefits of

living in the property? Why did you choose it in the first place?

He also advises having pest, building and/or strata reports on display.

"If you want a buyer to be able to make a prompt decision on your property give them the tools to do so," he says.

"If buyers are considering a couple of properties and yours is the only one with inspection reports on display they are more likely to pursue your property first over the others."

"For the cost of a few hundred dollars it will be money well invested in luring a buyer to your property over another."

Mr Bright advises doing structured open inspections at least twice a week and to be very accommodating with private inspections outside scheduled open times.

JOANNA TOVIA