

Real Estate News

Information to Help You When Buying or Selling

Issue 053

First impressions count

By Andrew Trim, author of *Real Estate Dangers and How to Avoid Them*

In this issue:

Page 1

First impressions count

Page 2

Seasons Vs Conditions

First impressions count
Continued

Page 3

The cost of advertising

Page 4

What do you want from
your real estate agent?

Property management



Body language expert Allan Pease suggests individuals form up to 80 per cent of an opinion within four minutes of meeting a new person. Much of the future relationship is based on these first impressions. Pease states that these first impressions are based on appearance. The first and lasting impression is visual. Poor first impressions take an extraordinary length of time to reassess and overcome.

Potential buyers judge a property the same way.

How does it look at first glance?

Neat, tidy and well-maintained, or messy and run-down?

How does it feel
when you walk in?
Warm and welcoming,
or cold and harsh?

A property's presentation affects both the price negotiation and time on market. Unmown lawns, untidy hedges and cluttered, dirty, messy houses are the most common

Continued page 2

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Seasons vs conditions



Rent Guarantee

Edwards Windsor prides itself on its industry-low vacancy rates and rent arrears, and as such offers a Rental Guarantee. We will guarantee your rent will be paid, even if your tenant falls into arrears.

Yes, that's right, if your tenant doesn't pay your rent, Edwards Windsor will!

From time to time, circumstances do arise where a tenant is unable to pay their rent. In this instance, Edwards Windsor will cover your rent until the tenant can pay. You will always receive your full rental due every month.

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Markets often experience a sharp decline in stock levels during winter. Prospective vendors tend to hold their properties back from the market waiting for the warm weather and the flowers to sprout in spring. A spring campaign also dovetails nicely with the end of year and being settled for the forthcoming New Year. This collective mindset often brings excess stock levels to the market in spring whilst leaving the market undersupplied during winter.

With market conditions extremely buoyant this year, prospective vendors will need to weigh up the selling season vs market conditions. This is not to suggest market conditions will decline during spring. But there are no guarantees in life and some vendors will undoubtedly be tempted by the high prices on offer in the current market.

The key question in determining when to list your property should be, 'when will it sell better (for the best price)?' Whereas many sellers ask themselves 'when will the property present its best?' in the assumption a better presentation means a better price.

In 2020 the market enjoyed a strong rally during winter after the COVID-19 lockdown in autumn.

At that stage, many felt the winter rally was a potential false dawn and

prices wouldn't hold. A deluge of listings came to the market in spring which actually created sluggish market conditions from September through to late November. The market only regained confidence when stock levels dried up and buyer demand outstripped supply in December. This supply was tight through to March 2021. As we now know, the prices soared on tight stock levels in the early months of 2021.

A lot of sellers also prefer selling in spring because they will trade their existing home for a new one – which is easier to do when stock levels are higher. One alternate solution to 'buy and sell in spring' is to 'sell in winter and buy in spring'. The way to structure such a move is to insert a delayed settlement clause into the contract of your winter sale. This will allow you to sell in winter when stock is tight and buy in spring when stock levels rise.

Just as winter can be a surprisingly good time to sell, so too can the early summer, between late November and Christmas. There is a mistaken belief the market 'shuts down' in the run up to Christmas. Nothing could be further from the truth though, as transaction numbers often soar in December.

First impressions count

Continued from page 1

causes of a poor first impression. When living in a property, it is easy to overlook small, easily fixed faults.

You don't have to spend thousands of dollars to make a good first impression. You can probably get by with some elbow grease and simple cosmetic changes.

First, stand back and consider the property with fresh eyes. Imagine this is the first time you have seen it.

What stands out?

Long lawns need to be mowed twice over two weeks: they look better the second time around. Trimming the hedges makes all the difference to a first impression. Clean the outside using a high-pressure hose

to remove dirt, small stains and cobwebs. Sparkling, clean windows reinforce the feeling of space and cleanliness.

Declutter the inside to make the house seem bigger, then do your best to keep the inside clean. Buyers don't like dirty, smelly houses. Cleanliness is paramount to a successful sale.

Attend to small repairs, such as loose door handles or doorstops and holes in screen doors. Simple, inexpensive repairs such as these add far more value than costly changes.

It's fine for a property to appear lived in, but importantly it needs to be clean, tidy and well-maintained.

The cost of advertising

By Andrew Trim, author of *Real Estate Dangers and How to Avoid Them*



The real estate industry has convinced itself and the marketplace that the more exposure a property gets during the selling process, the better the outcome. Paying for exposure through expensive advertising presents two dangers: the loss of any upfront monies paid and the real possibility of an eventual lower selling price.

The Real Estate Institute of Queensland websites states:

It is no secret that the greater the exposure a property has to the market, the greater the number of buyers who are aware of the listing.

While this may seem logical, it's worth digging a bit deeper. For example, is there a level of exposure that does more damage than good? When marketing a property for sale, does it need extensive exposure?

Scattergun exposure to thousands of non-buyers can devastate the eventual selling price. Simply put, every person who sees a property but doesn't buy it further erodes the eventual selling price.

Maximising the selling price of a particular property needs smart,

effective and targeted exposure only to buyers considering a property with its features and benefits.

Most buyers begin their property search online. After registering for regular updates from at least two of the major real estate websites, they receive a daily email with new listings, regardless of whether the owner of these properties paid for an upgraded advertisement. Instantly, most genuine buyers will see all new properties that suit their criteria.

If an agent recommends you pay for an upgraded listing on a real estate advertising website, this simple check will help you decide if it's worth the cost. Carry out a property search for comparable properties to yours on a property advertising website using the following steps:

1. Select your suburb – remove surrounding suburbs.
2. Put in your type of property (house or unit).
3. Add the number of bedrooms.
4. Set price criteria that straddle your expected price by about 10 per cent. For example,

if your expected price is approximately \$425,000, search \$400,000 to \$450,000.

It's rare to come up with more than twenty properties, and often there will be fewer than five.

Properties that sell when advertised via an upgraded position on a website would have sold anyway – even without the extra expense.

If an agent suggests an advertising campaign involving upfront marketing costs, ask them to pay for it. If the agent is so confident their marketing plan will result in a sale, they should be happy to front the costs.

A good agent will always be happy to receive reimbursement for marketing costs after the sale is completed, which mitigates the risk of financial loss for the seller. Selling a property is stressful enough for the owner without adding necessary financial risk.

The right agent has smart, effective marketing strategies and will happily back their services and skills to offer a sale with no upfront charges. Paying prior to sale is simply not necessary.

Investor Support Service

Edwards Windsor has an **Investor Support Service** for anyone looking for a leading property management company or to prepare for their first or next investment property. Take advantage of the complementary services below:

We are happy to:

- Carry out comprehensive rental appraisals and give supporting data for ANY properties you are looking to purchase, regardless of the sales agency you are working with.
- Give a comparable market analysis on each property.
- Investigate current rental statistics.
- Give advice on improvements required.
- Provide compliance advice on property.
- Attend pre-settlement inspections.
- Give general tenancy and legislation advice.
- Provide advice on what tenants look for in a property.
- Help with advice on securing a suitable tenant.
- Access the knowledge of our experienced sales and asset management teams.
- Arrange a smooth transition in switching property management company if you so wish.

We offer this service free of charge.

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