

SELL YOUR PROPERTY **YOURSELF**

an easy step by step guide



CONTENTS

-
- | | | |
|---|---|--|
| <p>1. I learned how to sell a property.
So can you.
..... pg4</p> <p>2. Why you should listen to the advice
in this book
.....pg7</p> <p>3. Here's why most people rely on
realtors to do everything – and why
you don't have to
..... pg8</p> <p>4. Finish this sentence: I'm selling my
property because... ?
.....pg13</p> <p>5. Clarify why you are selling your
property
.....pg17</p> <p>6. Decide whether you are IN the
market or ON the market
.....pg18</p> <p>7. Understand what a buyer will ask
about your property
..... pg23</p> | <p>8. Understand what your buyer will
hope to keep when they buy
..... pg28</p> <p>9. Find a conveyancing lawyer
..... pg30</p> <p>10. Presentation is the best preparation
..... pg33</p> <p>11. Research to find an expected sales
price
..... pg38</p> <p>12. Use a free real estate agent appraisal
to your advantage
..... pg40</p> <p>13. Key questions to ask during appraisal
..... pg43</p> <p>14. Get a Registered Valuation
..... pg44</p> <p>15. Understand who will buy your
property and how to get it in front
of them.
..... pg47</p> | <p>16. No sale without professional photos
..... pg50</p> <p>17. Use these media to advertise
..... pg54</p> <p>18. Prepare for your open home and
feedback from viewers
.....pg61</p> <p>19. Someone is interested – Now what?
..... pg64</p> <p>20. Use these tips to negotiate the price
..... pg69</p> <p>21. Conditional agreement: what to do
next
..... pg72</p> <p>22. Settlement day, getting ready to
hand over your property
..... pg76</p> |
|---|---|--|



ulook
KAITAIA
windows & doors
BUILDERS & GLASS
09 428 0285
Hunting & Fishing
MeasureUP
Flooring Ltd
CARPET • WAX • COIL
LAMINATE FLOORING
KAITAIA
COLD BEERS • WINES • SPIRITS • RTTB
WIN ME
visit hazerealestate.co.nz

KIA ORA! I'M HAZELY

I'LL BE YOUR INSTRUCTOR AS YOU LEARN HOW TO SELL YOUR PROPERTY.

This book is a step by step guide for those who want to sell their own property.

I'm ready to pass on what I've learned, to you.

.....

I grew up in the little town of Kaitaia in the far north of NZ. After school I did what my parents always wanted me to do and set off for the University of Waikato to study a Bachelor of Management. I quickly figured out I never had the discipline or grounding and found myself living 'O' week for 2 years. As the second year was finishing up, Renee became pregnant with our first daughter Rylee. It was the perfect timing and excuse for me to get out of Uni and head home.

I moved back home, and flitted between jobs for a couple of years.

While I was changing tyres at the local Firestone store, I was sold a vacuum cleaner from a door-to-door salesman. I thought, 'Man - what a great product. How do I help people to get one of those vacuums?' He hired me and I went door to door selling vacuums for \$2500 each, which I believed was a bargain at the time.

After three months selling these vacuums door-to-door, I realised they actually weren't that fantastic. Our own one had started to have problems and while I was out on demonstrations, clients would ask me questions that the boss couldn't answer. After setting records selling in the company for three

consecutive months, my wife's uncle approached me with an offer: 'Hazely, how would you like to sell real estate?'

'Why not?' I thought.

15 years later and having matched hundreds of families with hundreds of properties, I feel I am qualified to pass on what I have learnt to you.

This book has been written for those that want to sell their own property.

It will give you a step by step guide on how to go about it.

I LEARNED HOW TO SELL A PROPERTY SO CAN YOU!

The problem, when selling vacuum cleaners, was everyone I was selling to shouldn't have been buying one.



LESSON:

Clients with plenty of money have worked hard to earn it, understand money is hard to come by and can see past emotional sales.

I received my real estate licence in July 2005, age 21.

I was off! The market was booming and somebody wanting to sell properties didn't have to do much to make good money in those times. I made a \$3.8m sale within 6 months of starting. I'd cracked it, so I thought. My mates who had just qualified out of university were starting on \$45,000 salaries. I was on a winner.

Enter the Global Financial Crisis of 2008 – similar to the COVID-19 recession.

Kaitia went from selling an average of 14-18 properties a month, with a median value of \$250,000 to 1-3 properties sold per month at a median of \$160,000.

Times were tough.

I had to get a second job on the door at the local bar and our parents helped

keep us afloat with 3 kids. I worked hard and managed to complete the odd deal, though it took 7-8 years for our market to bounce back.

The years were hard but started improving a little.

After trying to remain in the game during that time it has definitely helped me 'sharpen my saw' so to speak. I've learned sales, scripts and dialogues and how to follow a process, which all began with the vacuum sales. I had the script down to a fine art – except the problem, not everyone I sold a vacuum cleaner to, should have bought one..

The people buying a property must be people who really want and deserve your property. Let's talk about how you can find those people.





WHY YOU SHOULD LISTEN TO THE ADVICE IN THIS BOOK

You now have in your hand a step by step guide on how to save real estate agent commission fees which are on average \$18,000 in New Zealand.

It will bring you peace of mind if you lay awake in bed at night wondering if the real estate agent is doing the best possible to sell your property

You now have in your hand a step by step guide on how to save real estate agent commission fees which can average \$18,000 in New Zealand (often 2.5-3.5% of sale price).

If you engage a real estate agent tomorrow, they will follow the same process I am advising.

If I decided I didn't want to sell real estate anymore and I had a property that needed selling I would follow these steps IF I had the time!

A lot of people have the potential to sell their own property and that is why this book is relevant; still, there will always be a need for a real estate salesperson. We'll examine why that is.

Read this book and learn:

- How you can alleviate the need to pay a solicitor
- How to complete conveyancing yourself
- Learn pros and cons of selling your property yourself
- Understand the reason why over 90% of property sales are done through an expert agent

HERE'S WHY MOST PEOPLE RELY ON REALTORS TO DO EVERYTHING – **AND WHY YOU DON'T HAVE TO**

Why are over 90% of real estate transactions done through a real estate agent?

It's usually one of these three reasons.

.....

1. FOMO - fear of missing out:

Many people fear they'll miss out on potential value/ money, if they don't get a real estate agent to chase that supposedly big sale price. One comment often heard by private sellers from salespeople is 'I could have got you more than that' or 'you undersold it'.

It's hard to qualify such a statement, especially in a small market.

Human nature always suggests we want the most money for the product we have.

Our expectations are something that need to be managed from the start.

2. Lack of knowledge:

You just simply don't know where to start.

Like most industries it is very hard to start from scratch and find all the necessary information required to complete a real estate sales transaction like a professional.

Selling a property doesn't happen very often – in fact, it's on average once every 7-8 years after a person's first property purchase.

For this reason alone, often people either haven't got the time to learn the ins and outs of the process or simply don't want to.

If a real estate salesperson has only been in the industry for 18 months, why would you then want to engage them? That would be like taking your Lamborghini to the workshop and having the apprentice complete the work!

Real estate is one investment where you can have a lot of control of the selling price through presentation and the correct marketing strategy. In a rising market as mentioned above, anybody can sell real estate.

3. Time:

Some clients can obviously see value in what a real estate agent does in the process of selling their property and are happy to pay them their commission fees to save time.

Many non-professionals simply do not have the time to completely focus on the sale and what is needed to complete it. A good real estate agent earning \$300,000 - \$400,000 a year is most likely working 55-70 hours per week.

\$300,000 at 55 hours a week is a little over \$104 per hour. Not much more than your plumber or builder. So if you're an accountant, lawyer or anyone getting paid more than \$104 per hour then it might be worth you leaving it to the 'professionals' and paying the commission, rather than committing your more valuable time to this time consuming process.





FINISH THIS SENTENCE: I'M SELLING MY PROPERTY BECAUSE...?

Great! You have decided to sell your property. Why?

The first thing you should now do is write down why you are selling and hang it on the fridge next to the kids pictures.

There are many reasons why someone decides to sell their property and you need to understand why **YOU** are, and keep it at the forefront of your mind during the entire process.

If you need an extra room or need to shift closer to family this is your why.

Use it in a statement:

I/we are selling the property because

and

This will help me/us/our family by

We need/want to do this by the date of (Insert a date).

Understanding your why will help develop your marketing strategy and ultimately help you when it comes to negotiating later in the process.

This sale is going to cost you, (time, lawyers and marketing fees at least) not to mention the inconvenience of it all.

For a number of years now, I have dealt with clients who expect agents to give up their time and money in the hope that they might one day get a sale for a price that isn't realistic.

To me that means the sellers don't have enough reasons to sell.

GET REALLY CLEAR ON WHY YOU ARE SELLING





CLARIFY WHY YOU ARE SELLING YOUR PROPERTY

An experienced real estate agent is good at reminding sellers of their 'why'.

In my experience the seller's expectations are usually 10 - 15% above the market or 5-10% below the market.

If sellers weren't above the market, then there would be no need for an experienced agent.

Start going over your why now. Ask yourself these questions.

- Will my life be better if I sell? (Buying that bigger property will mean the kids will have their own rooms; I've always wanted to be able to walk to the beach; Schools zoning for the growing family.)
- What will selling allow me to do - Free up capital; be closer to Mum?
- Am I prepared to sacrifice cleaning, presenting, organising my life around selling the property?
- When do I want this to happen?

DECIDE WHETHER YOU ARE **IN** THE MARKET OR **ON** THE MARKET

In the market (advantaged)

Being 'in the market' means you are committed to the selling process.

Often you have a timeline to sell or a very good reason for wanting to sell.

Your objective when you are in the market is to analyse what the market is doing and respond accordingly. You will design a strong marketing campaign aimed at attracting a lot of people to either make an offer or give feedback on price.

If you are in a rising market you can probably afford to be a little harder during the negotiation process, however if the market is a 'buyers' (falling) market, then as the saying goes 'your first offer is probably your best offer'.

There is enough commentary and data online to do your research of what the market is doing. I will touch on where and how to get that research when we look at finding an expected sales price.

When it comes to marketing, if you're 'in the market', my advice is to invest more money in the **right** marketing.

If you're not getting people to come and view your property, then something is wrong with your marketing.



On the market (disadvantaged)

'On the market' generally means it doesn't really matter what the market is saying, you have a fixed idea of what you need or want before you sell.

When you're 'on the market' it is usually for one or more of the following reasons:

- You have to sell for xxx amount before you can move.
- You've over capitalised and cannot afford the loss.
- You're not ready to let go emotionally.
- One partner wants to move but the other does not.
- You're unsure if it is the right thing to do.
- You owe the bank more than what your property is worth in the current market.

All of the above reasons make the process of selling more difficult.

"On the market" sellers are often harder to deal with at negotiation time.

My advice is to not invest much into marketing unless you can afford to take the gamble.

As a real estate agent, most sellers refuse to invest any money into the marketing when they are simply 'on the market'. They usually list with multiple agencies and don't spend any money on advertising.

Some **good news** for 'on the market' sellers is the market usually catches up to them after a while. The **bad news** is, by the time that happens, the property has been on the market so long that it has gone straight past it and someone has probably brought it below market as no one else was interested.





UNDERSTAND WHAT A BUYER WILL ASK ABOUT YOUR PROPERTY



Check the rateable value of the property.

Since the rateable value of the property is publicly listed by many councils, your buyer will know.

Order your land title information

Order the title of information about the property from LINZ.govt.nz for about \$15.

This will let you know if you have a covenant, and it clarifies type of ownership.

My suggestion is to do some research on the type of title your property is.

Freehold and cross lease are the most common types and both are actually really simple. If you're unsure what type your property is then you can always ask a lawyer.

You can visit any local body website and request the rating information. Alternatively just give them a call.

Order a LIM report or property file from your local council.

This comes at a fixed fee and is different throughout NZ councils.

A LIM report (Land Information Memorandum) has a standard processing time allowed of 10 working days and costs between \$250 and \$350.

You can get a property file within approximately 48 hours emailed to you for the cost of about \$25 + GST (check your local council website for more accurate pricing).

Both can be ordered by any member of the public by

visiting your district council website and ordering online. It is a good idea to have a look at this for your own benefit, and be aware of the details as your lawyer can also easily access this information.

It also helps you to understand more about your property.

Don't worry if you don't understand everything that's in it straight away; at least you can give it to potential purchasers at the time of viewing to save time trying to find it later.

One of the main papers you are looking for within a property file or LIM is a signed Code of Compliance certificate. Make sure it is signed as sometimes it isn't.

You'd be surprised at how many people don't realize their property has no code of compliance.

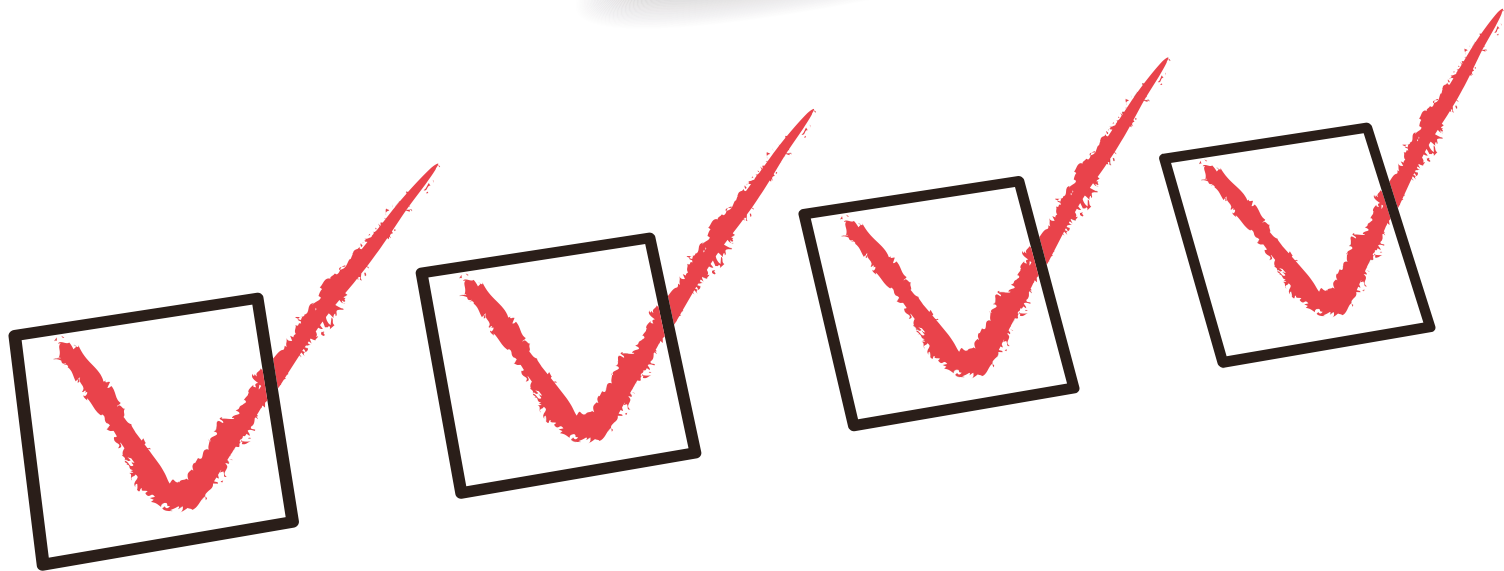
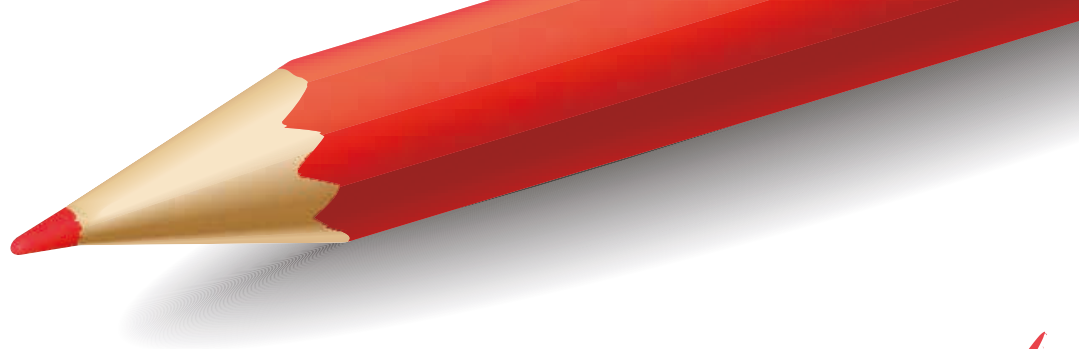


It is important you spend time thinking about your property and writing down not only the good, but also the bad.

Legal requirements around your property sale

You are not 'in trade' in a standard sale and purchase agreement – you are making a few declarations.

- In the fine print on the sale and purchase agreement that you have declared all the information you know about your property.
- If you know the roof leaks or the floor is rotten in the corner of the property, you have to declare it.
- The other warranty you make is all alterations made by you, have all been done with council consent or all of the necessary legal requirements.
- All the chattels you list on the sale and purchase agreement have to be in working order.



Make a list of everything you know about your property.

You're not going to use it all for the sale but it helps if you start thinking about it now.

Be prepared to answer phone calls with some slightly technical questions.

The most common questions are

- Are there any covenants (rules and restrictions)?
- How large is the section/house?
- What type of cladding/joinery is it?
- Roofing: condition, age and make?
- What year was the property built?
- Which chattels are staying?
- Is it insulated?
- Does the property meet rental regulations, especially around insulation?
- Is there any heating?
- Is the property within a flood zone?

You don't need to be an expert as these questions can be answered by the builder that the purchaser has to refer to. If you know a builder or if you have a friend that is a builder, ask them.

UNDERSTAND WHAT YOUR BUYER WILL HOPE TO KEEP WHEN THEY BUY

Make sure you are clear on what is going and what isn't. Outside pots (with plants) is a common discussion topic when settlement is just about to take place. Adjacent is a list of common chattels that often stay with a property. Take a look and compare it with what you have in your property. This also helps you when it comes time to write the ad copy. Listing some of the chattels helps the purchasers see the benefits they get when buying your property.

Features (Chattels)

- | | | |
|--|---|--|
| <input type="checkbox"/> Blinds | <input type="checkbox"/> Burglar Alarm | <input type="checkbox"/> Curtains |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Drapes | <input type="checkbox"/> Extractor Fan |
| <input type="checkbox"/> Fixed Floor Coverings | <input type="checkbox"/> Garden Shed | <input type="checkbox"/> Garage Door Opener |
| <input type="checkbox"/> Household Keys | <input type="checkbox"/> Heated Towel Rail | <input type="checkbox"/> Light Fittings |
| <input type="checkbox"/> Pool Accessories | <input type="checkbox"/> Rangehood | <input type="checkbox"/> Stove |
| <input type="checkbox"/> Telephone | <input type="checkbox"/> TV Aerial | <input type="checkbox"/> Waste Disposal Unit |
| <input type="checkbox"/> Cooktop/Oven | <input type="checkbox"/> Central Vac System | |

Features (Other Rooms)

- | | | |
|---|-----------------------------------|---------------------------------------|
| <input type="checkbox"/> Family Room | <input type="checkbox"/> Rumpus | <input type="checkbox"/> Study |
| <input type="checkbox"/> Sunroom | <input type="checkbox"/> Attic | <input type="checkbox"/> Basement |
| <input type="checkbox"/> Sleep Out | <input type="checkbox"/> Workshop | <input type="checkbox"/> Conservatory |
| <input type="checkbox"/> Separate Laundry | | |

Double Bedrooms:

Single Bedrooms:

[Save/Update](#)

FIND A CONVEYANCING LAWYER



If you have no mortgage you could complete the conveyancing process yourself.

Simply tell the purchaser's lawyers that you are acting for yourself and you will sign the documents they provide once they are drawn up.

If you are going to sell your property yourself you should engage a conveyancing lawyer early.

It helps to speak to and engage a local one as soon as possible, as a face-to-face meeting is needed in order to complete the anti-money laundering requirements.

A conveyancing lawyer is simply just a lawyer that works on transacting property.

They hold the funds in a trust account while the name on the title is being transferred.

A lawyer is going to cost you approximately \$800 - \$1500 or more.



TIP: It will take about 2-3 months from start to settlement (When you have to pay mortgage back)

You can start the selling process 3 months before your fixed fee is due to expire and build a delayed settlement into negotiations later on.

If you do have a mortgage, it is also a good idea to call the bank and make sure your mortgage is not fixed. You may have to pay break fees if the interest rates are lower than your fixed rate.

A break applies because the bank has promised the deposit holders a certain amount of interest.

They then took their money and gave it to you at a higher interest rate.

If you want a lower interest rate, you have to wait until those deposit holders have been paid the interest promised to them from the banks.

Don't let this put you off selling.

Usually the fee is pretty small.



PRESENTATION IS THE BEST PREPARATION

After being in real estate for over 15 years I can tell you presentation has a direct impact on not only the selling price of the property but also how long it takes to sell.

When your property is presented poorly, your customers have more objections to overcome.

If you're 'in the market' you shouldn't need to have the property listed for more than 3 months before a realistic offer is made.

Don't leave it until the last minute to do these jobs.

Preparing your property for sale should start at least 2 months before advertising.

If you whip over the long lawns a week before a viewing, people notice depending on how much work is required.

They think you haven't cared for your property.

It is a psychological objection that doesn't help when it comes to negotiation time.

Bang for buck is what you are after if you are going to spend money on your property.

Kitchens and bathrooms are the most expensive parts of a renovation. If you have the money, do it.

If not, spend time on 'street appeal.'

Clean and tidy is key, even if your home is a bit dated.

TOP TEN TIPS FOR MAKING YOUR PROPERTY ATTRACTIVE TO A BUYER

1. Make the most of your outdoor space

Gardens and yards can be great selling features but an overgrown mess isn't. Weeding, pruning and planting is vital to make outdoor areas usable and attractive to buyers. Hide rubbish including wheelie bins.

2. The small things count

Replace blown light bulbs, tighten the screws and hinges of cupboard doors, put the kick-board back in the kitchen, and fix the skirting board or beading along the laminated flooring.

3. Make the neighbourhood look as good as possible

How does your neighbour's property and garden look? Do they have an overgrown garden or have rubbish on display? Have a chat with them and maybe offer to cut their hedges or take the rubbish to the local tip for them.

4. Disassociate yourself with your property

Come to terms with the concept of parting ways with your property, so that you are truly ready to hand it to your buyer.

5. First impressions count

Most buyers will have made a decision about your property within a few seconds of standing outside your front door. Essential things to do include tidying the front garden, painting the front door or window sills if looking tatty, plant flowers and trim back bushes. Make sure your buyer can clearly see your property number. You want your property to have kerb appeal!

6. De-clutter and de-personalise

Potential buyers will want to imagine themselves living in your property, so it's best to take down children's posters, walls full of photos and make sure teddy bear collections are stored out of sight. Ideally, anything you don't use on a daily basis should be put away. Kitchen work surfaces, around the bath and on top of drawers all need to be clutter free. Viewers should be able to view your property without any distractions. Hire a storage locker for a month if you have to – at \$180 per month, it's good value. You are going to move, so start packing.

7. Freshen things up

A fresh coat of neutral paint in the hallway, new tiling around the sink, a new kitchen worktop or re-grouting around the bath are essential to keep your property looking modern and clean and appealing to a buyer.

8. The big clean!

Use this opportunity to clear out the under-stairs cupboard, dust above your wardrobes and shelves. Cleanliness and tidiness should never be underestimated so clean each room from top to bottom. Make sure your bathroom and toilets are clean and eliminate any animal and cooking odours to make your property smell fresh and appealing.

9. Define your rooms

If you have three bedrooms, then present your property showing you have three bedrooms. Don't use your third bedroom as a computer room or use your dining room as a makeshift gym. Buyers tend only to see usable space and will assume the bedroom is too small for a bed or the dining room is really too small to dine in. This will put buyers off and depreciate the value of your property.

10. Keep it neutral and light

Neutral colours will not put buyers off, but often bright or dark colours will. Keeping your property neutral will help buyers see how they can put their own stamp on the property. It will also help lighten any darker rooms. A mirror hanging in the hallway can give the illusion of space.

A BUYER'S MIND IS USUALLY MADE UP WITHIN 15 SECONDS OF LOOKING AT A PROPERTY.

THE REST OF THE TIME THEY ARE TRYING TO JUSTIFY THE DECISION.



**TIP: Invite a good friend
over and ask them if they
think it is clean enough.
Tell them you need them
to be honest.**

If your property looks good from the road then you can attract people in.

There is a diagram adjacent about what you are trying to achieve with buyers.

Ultimately, think of buyers in a pyramid. At the bottom of the pyramid there are potentially about 1000 people who would buy your property for 40% below market valuation; 800 people at 30% below market valuation; 600 at 20% and so forth. You want to find out how much that one buyer is willing to pay and in order to

do that you need to get people to view.

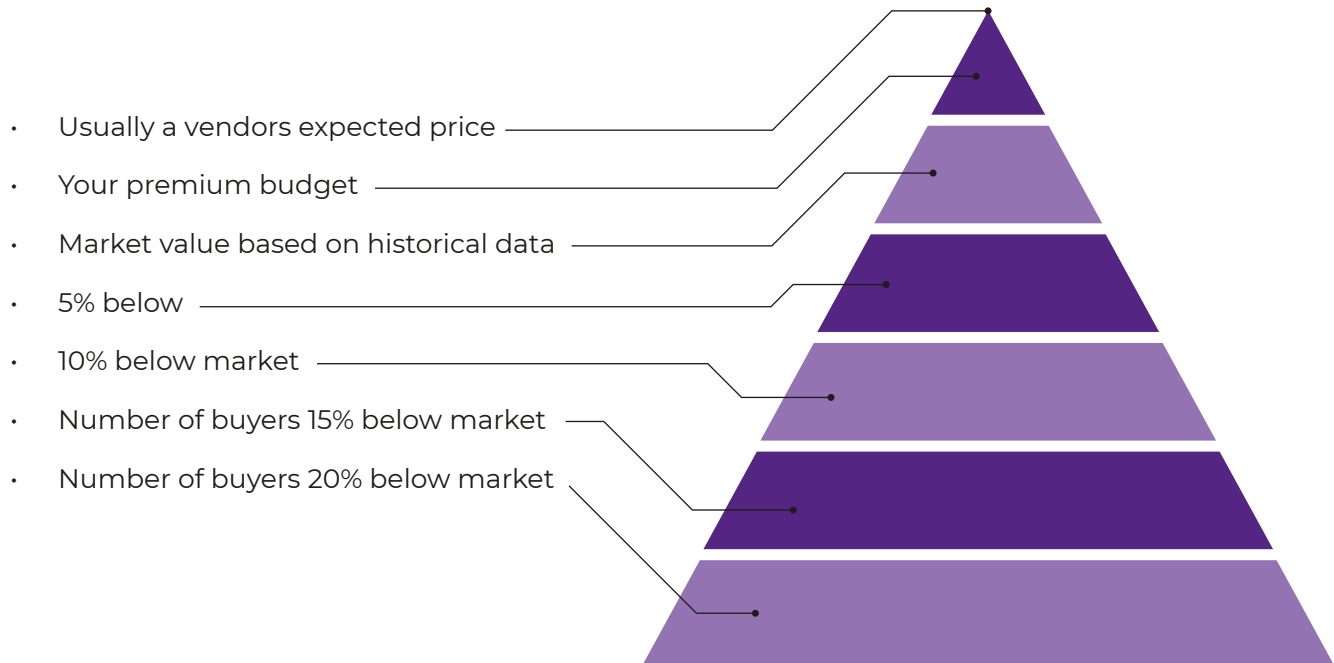
Spend your limited funds on the parts that people can see immediately upon driving into your property. They call it street appeal.

If you can afford to paint and fix patches in the property then I recommend you do it.

You will not over capitalize on these things.

A general rule is: If you think you have over capitalized, then the property wasn't worth what you thought it was before you started.

WHAT YOU ARE TRYING TO ACHIEVE WITH YOUR BUYERS





RESEARCH TO FIND AN EXPECTED SALES PRICE

You should use 3 different methods to find an expected sales range.

I say range because no two properties are ever identical. (Unless they are brand new in a subdivision).

Every property will have slightly different value in the market.

Find a range to expect to sell in.

When you are 'on the market' you must focus on the outcome. Your final price will be dependent on how good your negotiation skills are.

You are probably up to speed with what is 'moving' in your neighbourhood and for what price.

"The neighbour just sold for \$540,000 but they only had 3 bedrooms and the property is really small and gets no sunlight. I think ours is far better than their one. You might know 'Joe' down the road has his on the market for \$600,000 but it has recently been renovated, has an ensuite and a far better view than ours."

This is effectively an appraisal. All done by the vendor themselves.

If you don't know any of the local gossip/information, then the best way to get this information is go on trademe.co.nz and realestate.co.nz and search for properties that you think are similar to yours.

Take a drive past them.

This is to identify what other properties on the market look like compared to yours; ie. what else is your buyer going to look at that might be in competition with your property. It also helps to know when you are trying to negotiate later and the buyer is quoting other listings. They can often exaggerate the truth.



You need to try and find out what the real sales prices are for your area.

Don't rely on gossip for this part

This is a little harder than finding what is on the market.

Example: Whilst 'Joe' down the road was on the market for \$600,000, he actually sold for \$535,000.

'Joe' almost never tells anyone the truth and it isn't until the official REINZ stats come out that everyone finds out how much he really sold for.

Onerooof.co.nz offers some good information but quite often the data is 2-3 months old. Alternatively, look at Homes.co.nz for sale prices, but again it won't appear immediately after the sale as data takes awhile to get updated on these sites.

You need to start getting prepared for the sale at least 2 months before going to market, so you may need REINZ data to give you fresh sales intelligence.

USE A FREE REAL ESTATE AGENT APPRAISAL TO YOUR ADVANTAGE

It can be hard to get up-to-date information sometimes from 'Joe Public', so it pays to ring a few real estate agents to come around and give you a written appraisal

- Google search 'real estate agents in my area'.
- Try to find out a bit about them before getting them over.
- If there isn't much that can be found about them, then I suggest you don't use them.
- A great website to use is Ratemyagent.co.nz to research your agent - It is a feedback platform much like trustpilot.co.nz. Agents are not able to censor what goes on it.
- The first 3 results in a google search usually means people are investing in themselves and are generally making sales, so should know what they are doing.
- Look at who has the most signs in the town.
- Take note of the agent on the signs and stop and get their number.

Here is the script to quote on the phone you ring a real estate agent wanting an appraisal.



“Hi, I am looking at selling my property but don't know what it's worth yet. I'm not entirely sure if I am going to use an agent at this stage but I am going to be calling 3 agents and making my decision from there. Are you happy to come and complete an appraisal on that basis?”

This does two things. It makes the agent put their best foot forward to complete a competitive appraisal, but it also doesn't make a commitment to them to list.

It is common for agents to complete an appraisal and not get the listing, so don't feel bad if you don't list with them. It's part of their business model and they factor that in.

After you have received the appraisals, ring them all back.

Tell them you are going to try and sell it yourself to save on commission but you might consider them in the future if you are unable to sell on your own.

Most agents will be fine with you giving it a go yourself and some will try to convince you why you shouldn't.

These agents will give you a suggested sale price.

It isn't their final price that you should pay attention to – it's all about listening to how they arrived at the suggested sale price.



KEY QUESTIONS TO ASK THE AGENT DURING AN APPRAISAL

- Where do you think I should invest in marketing the most – what's your suggested strategy?
- Why have you picked the properties in your appraisal to compare with mine?
- Are there any other property sales that have happened in my area that you haven't put as a comparable and why?

Often agents will leave a sale or two out of the appraisal as they feel that price was either too high or too low. Sales evidence can be manipulated, and this is why it pays to get all of the information for yourself.

Remember all information is just that, information.

It is a matter of how that information is presented and deciphered which makes a difference.

By law, all real estate agents that present you with a written appraisal must include comparable sales.

The agent is required by law to write comments when making comparisons of your property with others. It means you can get their opinion of how the property down the road compares to yours.

You are now armed with all the information that you need to complete your own assessment.

GET A REGISTERED VALUATION



One valuation was \$450,000 and the other \$380,000, both had the exact same information.

It bamboozles me how this can happen!

If you still haven't got a strong idea about what your property is worth, you'll need a register valuer to step in.

Sometimes you might if you have very conflicting views from agents as often the valuer will dictate what the buyer will pay.

At the time of writing this, I had recently had a valuation done on a property I was purchasing.

The banks required me to get a registered valuation.

I decided to get two just for my own interest.

This is what I am talking about with interpretation and deciphering information.

Obviously, being experienced, I already had an idea of what I thought the property was worth.

The fact remains - a valuer can control the market to some degree.

90% of buyers require bank finance and the banks require a registered valuation to complete the transaction.

Sometimes you get the buyer to make an offer that is subject to finance.

The valuer comes along and doesn't see the value at that price, therefore you have to reduce your price in order to meet the registered valuation.

The valuer has effectively controlled the market.

Expect to pay \$700 - \$1000 upfront for a registered valuation.

If you have a fairly confident idea of what you think your property is worth then don't bother paying for a registered valuation.

But often, buyers always think private sellers overprice their own properties as they are not professionals and thus having a registered valuation to substantiate your asking price, can make all the difference.



UNDERSTAND WHO WILL BUY YOUR PROPERTY AND HOW TO GET IT IN FRONT OF THEM

This is the part where most people go wrong.

Writing good ad content for your property listing is important, and you need to know who you are writing it for in order to appeal to their needs. In the previous chapter you were asked to write down why you are selling your property.

In this chapter you need to start by writing down what you love about the property.

Why did you buy it? Be honest:

- Was it cheap? Good school zoning? The en suite bathroom? The potential?
- What have you done to improve your property?
- Did you build the garden shed and why?
- Improve the fence out front?

If you made improvement there must have been a reason and you have effectively solved the problem for the next people. It is good to state that in the ad copy.

Start with a blank piece of paper and start writing down all of the features of the property and what they do for you.

- ie. The fireplace is very efficient and excellent at heating the property in the middle of winter.
- ie. The fully fenced section is great for keeping our dogs in.
- ie. The neighbours are great.
- ie. The low maintenance section allows us time to relax in the weekend

Picture the people who would buy your property.

- How many people in the family?
- Will it be their first property?
- Is it more likely to be an investment property, second property?
- How much money would they be earning to be able to afford it?

When writing your ad copy you need to be very clear about who will buy it. Determine who you want to attract. Don't write it for more than one segment at a time.

The basic segments of the market are

- First property buyers
- Investors
- Second property buyers (someone upgrading their existing property)
- Someone retiring
- Someone new to the area
- A local who is changing neighborhood or moving closer to family or schools

If you think it could be for a first property buyer or an investor, pick one or make two ads aimed at them separately.



NO SALE WITHOUT PROFESSIONAL PHOTOS

Once you have written the ad copy for the property and how it is going to benefit the new owner you need photos.

Get a professional if you want it to look good. You need to be able to attract people to the property. Remember, very rarely is someone going to buy your property without looking at it in person first. The job of the advertising is to get people to come and take a look, and professional photos go a long way to help achieve that.

- This is going to be your first big investment so expect to pay between \$500 and \$1000 for a good photographer.
- TradeMe.co.nz only holds 20 photos per listing, so make sure to tell them that you only need 30 photos at the most.
- When trying to find a photographer, ask if they have a drone and can also do video. Video is an important factor now with the way social media and the internet has changed their algorithms (the way search results are displayed).



CHOOSING YOUR SALE TYPE

How you market is going to be a key factor in the final price you achieve.

The more people that you can get seriously interested, then the more you will sell for.

It is a simple supply and demand model.

If only your property is on the market, and there are 3 people that really want it, the value of your property increases.

Your 4 methods of sale are **tender, auction, with a price or without a price.**

Auction as an option

All you need to do is get your lawyer to draw up the auction documents. Google auctioneers in your city and follow the rest of the steps.

- Auctions work well in the bigger cities with population and in a rising or falling market.

- They create deadlines so you can plan better and you put pressure on buyers to take action.
- Auctions don't work if you can't get more than one buyer in the room. If this does happen then you will need to go advertising with a price.
- Need unconditional buyers.

Sometimes auctions sell for less than the market because owners just want it gone & have had enough stress.

Tender as an option

- Tender is the next best strategy if you're still unsure on the value of your property and would like to get market feedback.
- Same as the auction, follow the same steps but have your lawyer draw up the tender documents.

The strategy I recommend is to set a price.

- Manage your expectations around this and keep your 'why' in mind when doing this.
- It keeps things simple and less stressful
- Remember you are going to save 5% through not paying a commission so you can afford to be selling in the bottom end of the range if you have too.

Now you need to decide on where you are going to spend those tightly held advertising dollars.

It's time to create a calendar.



GOT YOUR PHOTOS? GREAT! NOW USE THESE MEDIA TO ADVERTISE

- ☑ TradeMe.co.nz
- ☑ Facebook.co.nz
(paid advertising and
local buy/sell groups)
- ☑ Flyer deliveries
- ☑ Signage
- ☑ Small ad in the local
newspaper.

This might cost you \$2000 or more.

You are trying to advertise to both an active and/or passive buyer.

Active buyers are most likely going to buy something in the next 180 days. They have TradeMe alerts set to their email and will be hunting and actively going to view properties.

It is more than likely it will be an active buyer that will purchase your property.

Passive buyers aren't really in the market but they might purchase it if the timing or property is right.

TradeMe.co.nz is now the number one source of engaging active buyers.

As a private seller, your property's reach can be limited as popular portals such as Realestate.co.nz and Oneroof.co.nz only allow professional sales people to advertise.



From experience, over 95% of buyers have seen the property on TradeMe before they purchased it.

Even if they saw the sign out front or a flyer in the mailbox, usually they will jump on TradeMe to have a second look.

While they are looking at your property, they are usually looking at other properties as well to judge your price expectations.

Most properties in most regions have a selling time frame of 30-45 days.

When you are in the market and you have not received an offer within that time frame, you are doing something wrong.

- The flyers, the sign, Facebook and the newspaper ads are all ways of attracting a passive buyer.

- The neighbour next door who wasn't really looking and would never have been browsing on TradeMe.
- The daughter who has been thinking that Mum needs to downsize and opens the mail box to find the small property around the corner which is just perfect.

All of these methods need to be designed and launched within 1 week of each other.

Let people know you are serious – print a sign.

Your sign board should be at least 900x1600 wide and stand prominently out the front of the yard or even down on the corner of the main road if you live in a cul-de-sac. Ideally erect it with 4x 1.8m poles. If the sign is not going on your property, you must have permission to erect a sign on council / neighbors land - you should check the guidelines and by-laws for your region.

Your flyer and sign board can be designed, printed and delivered yourself on vistaprint.co.nz for a low cost.

Make sure to only print enough flyers for one week of flyer drops at a time. The amount you print will depend on how much you can deliver around your region. Do as much as you can.

Only do one week at a time as you might need to adjust the price, or you may have a multi-offer in the first week and there won't be a need to print any more.

If you haven't got the knowledge, then you might have to visit your local print company. Remember this is going to be more expensive.

The newspaper advertising doesn't need to be big and flash.

People who still read a newspaper generally read it all.



**HOUSE
FOR SALE**

Just take a small ad with no photo, abbreviate your ad copy and add open home times.

- Your potential buyer might get told from someone about it before they see it for themselves.
- Older folks often have their kids looking for them.
- Your marketing campaign should be booked to run for at least 30 days with weekly flyer drops, newspaper ads and open homes - This equates to 4 flyer drops and 3 open homes.
- Total investment for these types of campaigns are going to be about \$2000-\$3000 depending on how good you are at shopping around to find the best price and how many flyers you drop yourself etc...
- Your flyer should go out mid-week before your open home so people have enough time to organise themselves to visit.
- The same with the newspaper advertising - Advertise at least 3 days before the open home date.

- Once you have decided what days and times you are advertising, having open homes, or have scheduled a viewing, write this in the calendar.
- If you're only thinking about selling 'on the market' and you have money and time to burn, then I'd suggest doing the above consistently to achieve a sale. However, if you're not within 15% of the price you arrived at above, then stick to TradeMe, Facebook and a sign.
- For around \$800 you can get your property in front of both active and passive buyers for relatively cheap.
- Just sit back and wait for either the dream buyer (Those are the sales you hear about at the pub once a year and it makes everyone think their property is worth 2 million dollars) or the market to catch up to your asking price.
- The market does eventually catch up which is why sometimes we see sales stats where the number of days on market pushes out.
- Those properties that have sat on the market for 2 years have finally sold due to the market catching up.



PREPARE FOR YOUR OPEN HOME AND RECEIVING FEEDBACK FROM POTENTIAL PURCHASERS



If you're selling and buying within the same month

there isn't going to be
much different in prices

Have open homes scheduled soon after your marketing has gone out, so it is still fresh in people's minds.

Remember, active buyers are wanting to buy so the longer you take to get to market, the more buyers you are going to potentially miss out on.

Seasons don't play a massive role in property prices so don't get caught up in when is the best time to sell.

The macro economy has more to do with property prices than winter or summer.

If you're trying to predict the best time to maximise the price on your property, then try guessing what's going to happen with interest rates and LVR lending restrictions over the next six months.

Now you are showing the property and getting enquiries.

If your advertising is working, you can expect to get phone calls, emails and people just showing up to the open homes without any pre-contact.

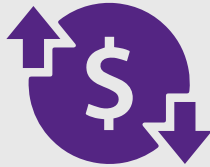
How you handle these enquiries can make or break a deal.

- At a minimum, make sure you have a copy of the title, the property file with CCC details, rates, a map of the section and a flyer on hand to give the purchasers at your open homes and viewings
- Make sure to gather contact details such as: their name, phone number and email. This is crucial if you are 'in the market'.

This is how you are going to find out what people think your property is worth.

They may not tell you on the day but will often happily give you feedback in the comfort of their own home when you phone or email them after their viewing..

- Even if they don't want to buy your property it is a good idea to get feedback. This way you can see if there is something you can improve before the next open home/viewing.



Each week you should have adjusted your expectations a little with what the market is saying.

If you haven't got an offer after week 3, then you are too expensive.

Here is an example on how to request feedback on your property.

"Thank you for coming on Saturday, I really appreciate you taking the time to look at my property. I gathered you may have had a look at a few other properties and was just wanting to know how mine compares?"

Take constructive feedback.

Science proves a buyer usually makes up their mind within 15 seconds of viewing the property. The rest of the time they are just trying to justify their decision. You don't need to sell anybody anything. They are already sold; you just need to overcome the reasons they are not buying. You don't need to follow them around the property but ask if they would like the guided tour, or if they are happy to browse. When they leave, ask them if they have any questions, if not, ask if you can call them in a few days for some feedback.

SOMEONE IS INTERESTED NOW WHAT?

If someone is interested, you now begin negotiations

Once someone has shown some interest you need to get them to commit.

Your advice to them is to get their lawyer to draft up an agreement.

- It is always good practice for purchasers to have their lawyer check any agreement before they sign it.
- It may be best if you have a sale and purchase agreement on hand to give them.
- You can often buy a Sale and Purchase agreement at your local Paper Plus.
- Try not to talk about the price on the phone or face to face.
- What you want to know is if they are close to what you would accept.
- If they are within 10 percent of that number then ask them to put it on paper with any conditions they need and you'll get back to them.
- Once they have got the offer drawn up with their lawyer, then they are showing some commitment to follow through.
- They now have some skin in the game.
- If it is not on paper, it's not a legal offer. "Talk is cheap" and not binding.



You have two things to negotiate with: Time and Money
The first thing to look at is the conditions on the offer.

The most common clauses are as follows.

- A finance clause. This means they still haven't confirmed their finances are good to go and require more time to organise this.
 - LIM report is ordered from the council and gives all reports relating to building consents, alterations and any council restrictions (Kiwi zones etc), it also provides details about the land such as subsidence and/or flooding etc.
 - A building report is obvious. They need a registered builder to confirm what they can't see or understand and that everything is in order.
- If an offer is subject to any or all of these conditions you can expect to wait at least 15 working days. Maybe longer if the banks or registered valuers have a delay.
- If you sign that offer with these conditions in, it effectively means no one else can come in ahead of those purchasers and you must allow them to confirm all the conditions they have specified.

The other component around time is settlement.

- You should have a plan of what you want to achieve by now so you know if the timing of their settlement is any inconvenience, then you either make them pay more for it, or you negotiate it to suit you.
- Settlement can be quite critical to stress levels when completing the sale of your property.
- There is a condition you can insert if the purchaser wants more than 15-20 working days to satisfy conditions and that is called an escape clause.

It gives the current purchaser 5 working days to confirm they are unconditional if you receive a better offer.



USE THESE TIPS TO NEGOTIATE THE PRICE

How long have you been on the market? Ideally you want to be on the market for at least 10 days. Just in case your advertising hasn't quite been fully immersed yet.

That is why I recommended you launch the entire marketing campaign together.

How much interest has there been? If you have had 5-10 serious parties through, then this offer is probably pretty good.

How big is your 'why'? Thus, your urgency to sell?

Negotiating tips to remember are

- Use time as your friend, but don't be disrespectful. A purchaser will understand if you need time to think about it but if you take too long. It can send a signal that you are not serious or you don't really want to sell.
- Try to communicate back within 24 hours.
- Always negotiate your price and conditions on paper (it keeps it simple and removes emotion from your decision).
- Have them countersign and pick it up or via email is the best method.
- Never agree to the first offer immediately. Always try for more.
- If they are serious buyers, they will let you come back to their first offer if they can't afford more.
- When negotiating don't stop advertising or showing the property. You want to create demand and an urgency with your buyer. Also, if your negotiations fail, you might have lined up another potential buyer to negotiate with.



CONDITIONAL AGREEMENT: WHAT TO DO NEXT

Once you have agreed on price and conditions, and have fully signed and dated the sale and purchase agreement, you need to send it to both lawyers (yours and the purchasers).

You will have what is called a conditional contract.

The property is not sold yet.

You need to continue marketing and showing the property to other buyers.

- You need to tell any prospective purchasers that you have a conditional agreement that is due to expire in x number of days.
- Encourage them to put in a back-up offer and take the time to do it. Even though it may seem like a waste of time, trust me, it isn't.

A back up offer puts pressure on the first purchaser to keep things moving.

You want to create urgency, so things don't just potter along and then your purchaser asks for an extension.

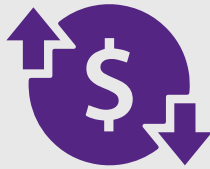
During this time the purchaser will need to organise a suitable time for a builder and registered valuer to come around.

Don't let them do these things until you have an agreement signed in writing.

You want them to be committed to the process.



CONTRACT



**If a potential buyer asks
for conditions on the sale,
this is script:**

“You would only be wasting your money unless we could agree on a price first. I think it would be better if you put an offer in writing subject to those conditions. I would be more comfortable with that.”

Most offers in the current market don't have the deposit due until all of the conditions have been satisfied.

This means that the purchaser does not have to pay the deposit until they are absolutely 100% sure they are buying the property.

Once they pay the deposit to your solicitor, they will be at the next stage of the process called unconditional.

If you have a mortgage on your property, the deposit will have to go to the lawyer.

Sales proceeds will have to go towards paying your mortgage first.

SETTLEMENT DAY

GETTING READY TO HAND OVER YOUR PROPERTY

Settlement is when they pay your lawyer the full purchase price and your lawyer transfers the title into their name.

Within 24 hours of settlement taking place, the purchaser has the right to inspect the property.

- The property must be left in a clean and reasonable manner.
- It also must be in the same state as when the purchaser made the offer.

It is too late for the purchaser to pull out of the deal but they do have legal rights.

- The purchasers' lawyer may try to withhold funds from the purchaser price but this is illegal unless you agree to it.
- The purchaser will have to follow the process through court action if they are not happy with some damage done or similar.
- When pre-settlement inspection happens, it pays to have everything clean and as tidy as possible.
- The purchaser will check things like the lights, power points, the stove and any made sure that all the chattels are working. The garage door remotes etc.
- The next day or same day once the lawyer has completed the funds and title transfer, they will usually ring you to congratulate you and let you know you can hand the keys over now.



A close-up photograph of a champagne bottle being poured into two flutes. The liquid is golden and bubbly, creating a dynamic scene. The background is out of focus, showing warm, glowing bokeh lights and hints of green foliage, suggesting a festive or celebratory setting. A semi-transparent white banner is overlaid across the middle of the image, containing the text.

THE PROPERTY IS NOW SOLD!
CHAMPAGNE TIME!

