

If You're Not Serious, Don't Sell

Firstly, a big thank you to everyone who's responded to my newsletter over the past few weeks – your feedback has been very welcome and most interesting. One common thing I'm hearing is that people appreciate an agent "telling it how it is", although those who've known me for a while would confirm this is just how I am. I believe being straight is the only way both parties benefit from the agent/client relationship.

Of course sometimes my honesty backfires, because one of the things I won't do is give false hope when it comes to giving sale price estimates to home owners who are thinking about selling. Other agents don't necessarily follow the same credo I do, or perhaps they just don't know how selling property actually works, but whatever the reason, sometimes a vendor will decide to go with an agent who "promises" a high sale price in the listing presentation. In a market like the one we've been facing lately, those vendors are inevitably coming back to me after the other agent's promises fail to materialise – the only problem is, by then they've spent \$10k or more on marketing, they've wasted six months, buyers perceive the property as "stale" and prices have gone down even further.

It's likely these vendors don't realise some agents don't care if they don't sell your property – they're quite happy to take your listing under false pretences just for the marketing, to give themselves a profile.

In the spirit of telling it how it is; vendors must be prepared to meet the market if they are serious about selling. In the current environment, that may mean the best possible price is less than they'd like it to be, which is why I tell vendors if they're not serious about selling, not to bother putting their property on the market right now. If they think there is any chance they will get a premium in the current market, they're living in a fairy tale because it's just not going to happen. Harsh words perhaps, but I want to be very clear about this.

If you do need to sell or decide you want to, best to face facts – there is more stock on the market than ever and fewer transactions. Conditions do not look like they will improve anytime soon. Bite the bullet and accept market value sooner rather than later to minimise losses. This doesn't mean you should only sell if you are forced to – on the contrary, if you're buying back in you'll likely make any perceived losses back and then some. But if you're just thinking you'd like to sell up if someone offers the "right" price, I recommend you think again.

I look forward to helping you make good property decisions,

Michael Knights