

# MYTHS ABOUT REAL ESTATE.



Real People | Real Service | Real Estate

## HENZELLS GUIDE TO SELLING YOUR HOME.

“**Selling your home is not rocket science,** but it also doesn't need to be as hard as some people make it for themselves.”

Andrew Winter  
Selling Houses Australia.

Henzells can help you understand and deal with the processes in selling or buying your property.



Real People | Real Service | Real Estate

# WHY WE NEED TO BUST THE REAL ESTATE MYTHS.

---

If you think you're better off selling your home without a real estate agent or that you only need to advertise online or that auctions are too expensive, it might pay to think again.

Myths and misconceptions are all too common in the property world and with more than 80 years' experience serving the local community, Henzells has heard them all.

Real People, Real Service, Real Estate – it's more than just a motto at Henzells, it's the heart and soul of our business. We know how to simplify the property process and cut through the nonsense which is why customers have trusted us with their business for generations.

Unfortunately we have seen the same mistakes repeated over and over again, and most of the time it's because people don't have the right team behind them.

Choosing the right agent is the most important step in achieving real estate success.

**Since 1935 Henzells Agency has been responsible for the marketing of the vast majority of properties in the region and has been able to deliver consistent, sustained results due to our unrivalled industry experience and local knowledge.**

Our agents are market experts and highly trained professionals – the people you can rely on to separate fact from fiction.

*Roy Henzell & Garry Waters*



# MYTH ONE:

## You don't need a real estate agent to sell your home.

While it may seem tempting to try and sell your own property to save on commission fees, it could prove very costly in the long run.

Licensed real estate agents are trained professionals who know how to negotiate not just getting you the best price but also helping navigate the potential legal minefield of buying and selling to your advantage.

For those that may be tempted, consider what you may say to buyers who inspect your home, whatever you say, buyers will know that you have no independence or in depth market knowledge.

Buyers are more educated than ever before and once they discover you are trying to save money on agent commission, will often just offer you less.



## NET RETURN FROM HOUSE SALE

	AGENT A (Commission Cutting Agent) 2.45% Commission	AGENT B (Your Agent) 2.95% Commission
Sale Price	\$553,000.00	\$565,000.00
Commission	\$13,548.50	\$16,667.50
Advertising	\$0.00	\$2,750.00
Your Return	\$539,451.50	\$545,582.50

2

## MYTH TWO:

**The best agent is the one who offers the cheapest commission.**

The old adage 'you get what you pay for' is as true in the property market as anywhere else.

As with most things there is often a big difference between a cheap product or service and getting value for money.

Rather than choosing your agent by commission rate, your decision should be based on their track record of sales results and knowledge of the local area.

Choosing your agent just because they have the lowest commission may seem like you are getting the best outcome, however this can quickly end up providing less value for money and costing you more in the overall scheme of things.

The best agents are the ones who care about your individual circumstances, are skilful negotiators, have an intimate knowledge of the local area and are committed to achieving your goals rather than their own.



# 3

# MYTH THREE:

## I only need to advertise online.

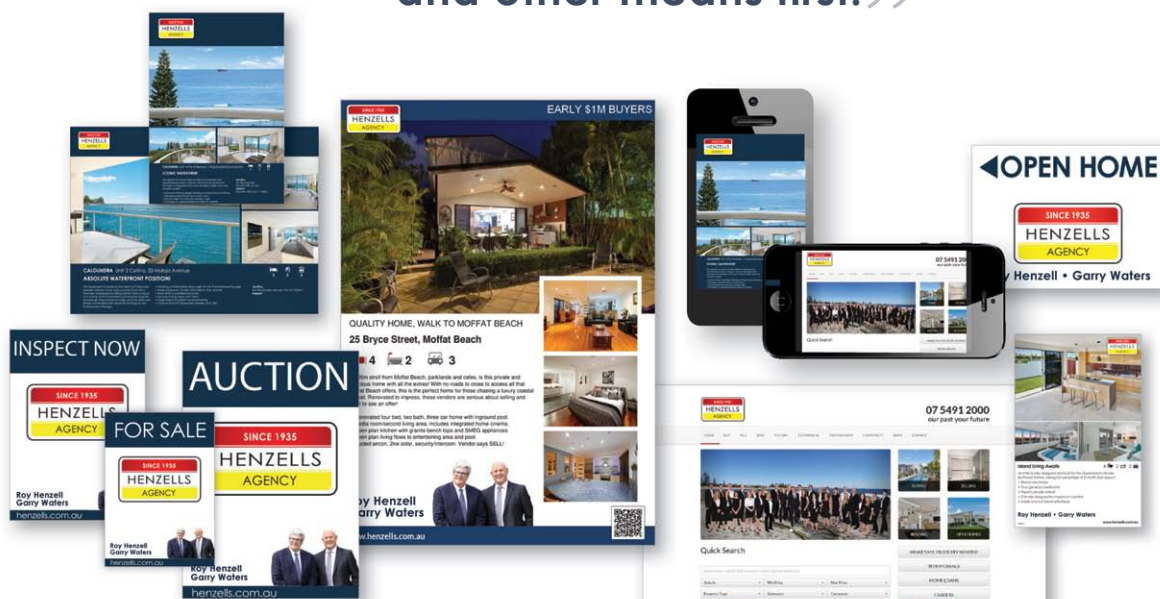
A good online strategy is important for success, but it is only one piece of the puzzle. The aim with marketing a home is to maximise exposure for the property and get as much traffic through the door as possible prior to sale.

In simple terms, the more people we can attract to the property the more buyers we will have.

**“The more buyers and competition, the higher the final sale price.”**

Experience tells us that a multi-faceted approach including print advertising, quality window displays, database marketing and even old-fashioned letterbox drops - worked in conjunction with intelligent internet campaigns - gives the best chance of a favourable outcome.

**“Buyers who look online often find property offline through print, signs and other means first.”**



**Research confirms** that a combination of online and print advertising is influential in selling properties **faster AND for more money** than online ads alone.

{ Data from emma™ (Enhanced Media Metrics Australia) found that of the 1.8 million likely property buyers, more than one million people read property content in print or online formats, **and all buyers are more likely to read print than online content.** }

emma™ also found that when it comes to house hunting, buyers with an income of more than \$100,000 are 33% more likely to read newspapers than the general population, and 74% of them use property content from news publishers.

“The combination of print and online means less time on market.”

Media Option	Success Rate	Time On Market	Price Achieved	Increase in Success Rate	Increase in Price Achieved
ONLINE	64%	48 days	\$473,746		
ONLINE + PRINT	72%	40 days	\$501,443	+12.5%	+5.8% <sup>[1]</sup>

[1] CoreLogic RP Data Australia - Media Maximiser January 2015. Based on sales of houses and units.

“You don't know where the buyer for your home may come from, so by NOT doing certain things you may miss buyers.”

# MYTH FOUR:

## If we renovate, we'll get top dollar.

---

The short response is, not always! So you need to ask yourself if it is really worth the effort. Before adding features to your home in order to attract a higher price, it is a good idea to research what properties that already have those features are selling for in the neighbourhood to gauge whether the return on investment will make it worthwhile.

It may pay to get an agent in to discuss the proposed changes so that they can give you an idea of what the property may sell for once the work is complete.

Major renovations aside, it certainly pays to present your home in the best possible light prior to sale which may include a thorough makeover, professional clean, a tidied yard with new garden mulch, fresh paint and repairing minor flaws.

If considering larger scale renovations, you need to think carefully about how much you are committing to and what your budget will be. A good agent will be able to advise the best approach for a successful sale.

“**Think carefully about what you are committing to...**”





# 5

## MYTH FIVE:

Potential means a better price.

---



“Another common misconception in real estate is the belief that buyers will pay more for a property because it has potential.”

The reality is that in dollar terms, potential counts for very little until it is realised and that comes from expending both extra money and effort.

A property's potential does have some value in marketing terms in that it can help create a degree of excitement about your home and get traffic through the door.

However, achieving significant increased value on the basis of what a home may eventually be worth rarely occurs.

# MYTH SIX:

## Listing out of curiosity is worth a shot.

In our experience, a seller listing their home out of curiosity rarely creates the urgency required for a quick and successful sale. Like achieving any worthwhile goal, effort and motivation are key drivers of success.

Testing the water or just placing a home on the market to see how it goes is not motivation enough and could do more harm than good.

Buyers today have easy access to technology that allows them to see when your property is listed, how long it has been on the market and when a property isn't selling when others around the area are. This information is commonly used by buyers when shortlisting or negotiating the sale.



Without genuine motivation and drive to sell, a home may not be presented at its peak or marketed to its full potential, stifling its true value.

“A sea change, downsizing, upsizing, a change in family circumstances – these are genuine reasons to sell, not curiosity.”

# MYTH SEVEN:

## I'll get more if I go to auction.

---

Auction remains a popular sale method due to a number of advantages such as generating competition for the property and creating a sense of urgency. With no maximum price, there is also the opportunity to achieve a figure beyond your expectations, while the minimum reserve price provides protection.

It is just one method of sale and it is wrong to think all homes that go to auction sell above the reserve.

Some auction properties sell above the reserve, some below the reserve, others sell prior to auction and some don't sell on auction day at all. The best approach is to do your homework and work closely with your trusted agent to find the right method of selling your home based on your own unique circumstances.

“An interesting statistic is that most properties that are marketed as an auction spend less time on the market which means auctions are an effective way to get a quick sale.”

# MYTH EIGHT:

## Auctions are too expensive.

---



Many sellers are put off going to auction because they are worried about the expense. That should not be the deciding factor.

Selling by auction will set you back a few hundred dollars for the services of a licensed auctioneer. It pays to pick a good one who you have either seen in operation or who comes highly recommended, because the right (or wrong) auctioneer can make all the difference.

If you decide not to auction on site, you will need to organise a venue which is another additional expense. Other than that, all other costs are the same as selling your home by private treaty.



## MYTH NINE:

**My home is special, it will sell quickly.**

---

Even if your home is special it doesn't mean it will sell quickly.

Beauty is in the eye of the beholder and it is human nature to be a little biased when it comes to your own much-loved family home. What is wonderful to you may not be to somebody else and expectations should be built on market conditions, research, and advice from your agent rather than blind optimism.

A good Sales Agent will provide you regular updates and a written report on a weekly basis to keep you informed on buyer feedback about your home, price and market conditions.

# MYTH TEN:

10

## I'll start with a high price so I can work down.

---

The growth of the web has brought a new generation of highly informed and astute buyers who can access all the information they need on their smart phones or with a few clicks of the mouse.

More people than ever are also studying the property section of their local paper and getting out and about attending open homes to get a true feel for the market. Starting with a high price, with a view to negotiating down if needed, is an all-too-common pitfall.

The vast majority of buyers are already well aware of the true value of your home and will skip your property and move on to another opportunity if they feel it is overpriced.

Setting a lower price close to what you would accept will attract more buyer interest and this competition will help achieve a higher final sale price.

# MYTH ELEVEN:

11

## The best time to sell is spring.

---

Ah Spring. The gardens are in bloom, birds are chirping, houses are bright and cheerful and property buyers are emerging from the winter gloom ready to spend a fortune.

It sounds like a fairy tale and it is.

Spring may be a good time to sell your home but so is winter, autumn and summer.

The best time to sell has nothing to do with what season it is but whether you're ready and motivated.

Success in the property market hinges on a handful of key factors. The right price, the right marketing strategy and the right agent who understands the local area – these are the non-negotiables if you want results no matter what the season.



# MYTH TWELVE:

12

## I'm not selling until I get the price I want.

The problem with this common mistake is that the price somebody wants for their home and the true value are usually different things.

Obviously all sellers want to attain the highest possible price for their property but there is no point persisting in thinking a home is worth more than the market will offer or settling on a set amount of money and refusing to budge.

It is important to be realistic when setting a price.

Communicate with an agent who knows the area well, do your research and look at what similar homes in the area are selling for to arrive at an accurate assessment of your property's value.





[www.henzells.com.au](http://www.henzells.com.au)

#### CALOUNDRA

**t:** 07 5491 2000    **e:** [sales@henzells.com.au](mailto:sales@henzells.com.au)  
49 Bulcock Street, Caloundra QLD 4551

#### CURRIMUNDI

**t:** 07 5493 7023    **e:** [sales@henzells.com.au](mailto:sales@henzells.com.au)  
Shop 16, Currimundi Market Place, Currimundi QLD 4551

#### PELICAN WATERS

**t:** 07 5491 2000    **e:** [sales@henzells.com.au](mailto:sales@henzells.com.au)  
Cnr Pelican Waters Boulevard & The Corso, Pelican Waters QLD 4551