

A person wearing a light blue button-down shirt is holding a white spiral-bound notebook. On the notebook page, a blue arrow is drawn, starting from the bottom right and pointing towards the top left. The background is a soft, light blue gradient.

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sell your home for  
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# for most of us, the family home is our **greatest asset**

From the moment we first take possession of our home and begin making repayments on our mortgage, we begin to understand what our parents meant by “sacrifice”.

We strive not only to make the monthly mortgage repayment but we also try to add a little extra each week or each month in order to reduce our debt.

In the process we give up many of life’s little luxuries in order to add to our monthly mortgage repayment. We sacrifice small pleasures to be rid of the bank and the debt that much quicker.

And so, our mortgage becomes a de facto forced savings programme. By reducing our debt more quickly than our bank may have originally specified, we are increasing our equity in our home and therefore developing a sizeable asset.

Then one day we have a bright idea!

We think, “Let’s sell and move up to a bigger, brighter, better home for the family”

From the moment this thought appears on our horizon we begin to “study” the local real estate market. We start to devour the real estate pages of our local paper, we look forward to browsing the pages of the weekly real estate magazines, we spend hours browsing various websites and “junk mail” from real estate agents suddenly takes on an air of authority and importance.

Above all else, however, is this one overriding thought!

“How do I maximise the sale price of my property?”

After sacrificing so many little luxuries for so many years we all want our biggest investment to pay handsome dividends when we sell.

But... what can the average homeowner do to ensure a great price when their property sells?

Over the years we have seen some people do well when they sell and others not as well and in the end it all boils down to 9 simple rules.

The price you achieve for your property is dependent on how well you understand and apply these rules. And yes, you might read these rules and say they are nothing more than applied common sense but our experience as real estate agents would indicate that common sense is not as “common” or as widespread as you might think.

Take your time as you read between the lines... absorb everything.



# presentation is (almost) everything!

When we decide to sell our car the first thing most of us think of doing is to wash the car thoroughly, maybe even to polish the exterior paintwork. Some of us might go so far as to have a professional detailer come in and return the car to an almost new appearance.

Surprisingly, not everyone thinks of doing the same for their home prior to listing their property for sale.

Why? Perhaps some people fail to appreciate how a buyer might view their home.

Perhaps others simply don't know what to do in order to restore the sparkle to their home.

There are probably many reasons; either way, the following simple checklist will be a good starting point.

- Walk up to your house and take a critical look. What can be improved? Look carefully at the gardens, the lawns, the front windows, the gutters and downpipes, the driveway the general streetscape, etc. This will be a buyer's first impression of your property. Is this how you want a buyer to remember your property?
- Add some colourful annuals in pots near the entrance. Add a mat that says, "welcome".
- Make sure all external gates and hinges operate without squeaking.
- Remove garden equipment from the lawn, tidy the patio and clean the BBQ.

- Replace "holes" in the garden with new plants; replace worn or broken panels, posts or palings in the fences.
- Clean the pool - and keep it clean.
- Wash all windows inside and out.
- Wash down all walls - paint where necessary.
- Wash all floor areas - steam clean all carpets.
- Clean under all sinks - buyers will look.
- Buy showy new towels and matching soap for the bathroom areas - buy potpourri for other rooms.
- Fix leaking taps - replace burnt out light globes.
- Keep all kids toys in boxes - keep all kitchen benches free of clutter - keep all bedroom walls free of posters.
- Open the blinds during an inspection - lots of light is very important.
- If you have pets keep them out of the house and out of the way of any potential buyer.

There are a dozen more ways to improve the presentation of your property. This list is only a starting point but the important thing is to take the time to spruce up your home before you begin the selling process.

Given how many people do nothing to improve the presentation of their property simply doing something will not only strengthen your chances of a sale, it will probably improve the potential sale price as well.

# create an optical illusion

The longer we live at any one house the more furniture (formal and occasional), the more “knick-knacks”, the more of everything many of us seem to accumulate.

Our homes seem to “fill up” with our possessions.

Now take a look at a builder’s show home. Can you see the difference? A builder’s show home is furnished - but only just. There’s just enough furniture in each room to illustrate its purpose - and very little else.

Now have a look at each room in your house. Can you reduce the amount of “extras” in each of your rooms?

When you reduce the amount of clutter, reduce the amount of additional furniture and “knick-knacks” in a room you create an optical illusion - the room begins to look bigger.

When you apply this thinking to the whole of your house the entire home begins to look bigger. Now ask yourself... would your home sell for more if it were bigger? The answer is yes, but the solution doesn’t have to cost you thousands. Most property sellers can create the illusion of a larger home by simply reducing the amount of “extras” in their home.

## Here’s a few tips ...

- Strip each room systematically back to the bare essentials.
- Next, have a garage sale and sell everything you have stripped from each of your rooms. But be ruthless - if you don’t need it, get rid of it. And don’t worry about selling it - remember the old saying “one man’s trash is another man’s treasure” – almost everything will sell at the right price.
- If there’s anything left you might need to organise a storage unit until you move to your next home. You can often hire a half-garage at places like Kennards or Millers, which are not terribly expensive.

Remember, it’s very simple; a larger home will usually sell for more. And you can create the illusion of a larger home at very little cost by simply reducing the number of your belongings in the home.



# forewarned is forearmed

## obtain your own building & pest report

When a buyer decides to purchase your property, their solicitor or legal representative will generally recommend they obtain both a pest report and a building report on your property.

A pest report identifies hard-to-see problems such as termite and borer infestations as well as more obvious problems such as cockroaches, mice, etc. On the other hand, a Building Report will identify possible problems with the physical structure of your home.

This is what often happens.

First the buyer and the seller agree on a sale price - generally lower than the original asking price. Next, the buyer obtains both a pest report and a building report.

One of these reports highlights a previously unknown or unseen problem. As a result, the buyer either decides not to proceed with the purchase or insists on a large discount off the already discounted sale price to compensate for the problem.

If you're thinking of selling your property you probably want the highest and best possible price. You certainly do not want to be ambushed by an unseen problem in a building or pest report - especially one that puts you in a position where you have to reduce your price in order to complete the sale.

The solution is simple! Obtain your own reports prior to listing your property for sale, correct any problems that might be discovered and begin the sale process confident in the fact that you are now unlikely to be ambushed by an unforeseen problem.

# choose the right agent

Most people sell so few properties in their life they fail to understand that the choice of the right agent to sell their home can make thousands of dollars difference in the final sale price.

**Here are 3 simple tips to help you choose the best agent to sell your property;**

**1. Brands mean nothing.** Most real estate franchise companies want you to believe that each of their branded offices deliver a similar level of service. This is not true. Each franchised office is owned by an independent operator who pays to use the name of the franchise company but does not necessarily adhere to the recommended operating systems of their franchisor. Therefore, the service you receive from a "Brand X" real estate office in one suburb or town can differ greatly from the service you get from the same brand in another suburb or town.

**2. Survey your local area.** Drive around and note down the agent that seems to have the most FOR SALE signs erected. This agent will also have the most buyers on his books for properties in your local area after all, buyers are attracted to the agent with the greatest variety of property for sale. Also, note the agent that has the most SOLD signs erected in your local area. This agent is the most active agent - they actually sell homes. Often these two agents are one and the same making your choice that much more simple. The simple answer is that the most active agent will generally secure the best price for your property.

**3. Survey your friends and neighbours.** Ask them who they bought their home from, ask them about the service they received, ask them who they would list their home with. Get a general feeling about who they think is the most active agent in the area and who would do the best job selling your home.

The choice of the best agent is critical so take your time, study your local marketplace and make an informed decision about the one or two agents you will interview based on your conclusions.



# forget the agent's fee

Some years ago the NSW state government deregulated real estate agents fees. Since that time agents have been able to charge whatever fee the market would allow.

And so now, in suburbs across Sydney, there are agents with very low prices and agents with relatively higher prices.

In some suburbs agent's fees can vary greatly. Unfortunately, there is a commonly held belief that all agents do the same job. Therefore, many people wrongly surmise that it's smart to shop for the agent with the lowest fee.

Nothing could be further from the truth. In fact, the opposite is true.

The agent with the highest fee generally does more marketing (at his or her own expense) and is better trained to negotiate a higher sale price for you than the agent with the lowest fee.

Therefore, choosing the agent because their fee is lower can be a recipe for disaster.

Here is the best approach.

Think in terms of the net sale price of your property - that's the eventual sale price of your home less any fee charged by the agent.

At the end of the day, most people would be happy to pay the agent a reasonable fee so long as they (the property owner) achieved their net sale price.

When it comes time to employ an agent to sell your property be sure to tell them the net sale price you need to achieve.

The agent can then add their fee to your net sale price to arrive at the initial asking price of your property.

In this way you'll end up with the price you need and the agent will earn the fee they deserve.

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# marketing you need to advertise

Some agents would have you believe that it is not necessary to advertise a property in order to secure a buyer at the highest and best price.

This is nonsense!

It is a well-accepted and proven fact that a broadly based property marketing campaign will achieve competitive interest from the buying public and therefore the best chances of a sale at the highest price.

In some suburbs, a property owner will be expected to pay for the cost of a marketing campaign in addition to the agent's fee. In other cases, the advertising component is included in the agent's fee.

In either case, you should expect a written marketing plan from the agent you choose.

Such a plan should specify when and where advertisements would appear so that you are able to track the campaign for the sale of your property.

No matter what agreement you reach with your agent for the sale of your property, be sure that it includes a well considered marketing plan. Such a plan will invariably increase your chances of a sale at the best price.



# price your property correctly

The sale of residential property in Sydney generally takes one of two forms.

A private treaty sale is one where an asking price is advertised and potential purchasers are invited to enter into negotiations with the owner for the purchase using the asking price as the initial benchmark.

An auction sale is one where no asking price is advertised and potential buyers are invited to compete for the property by bidding at a specified time and place where the property is to be auctioned.

In either case, as the owner, you should be in control of the pricing of your property - either the initial asking price (in the case of a private treaty sale) or the reserve price (in the case of an auction).

You can do this by taking the time to research property prices in your own area before your home comes on the market. It's simple and doesn't take a great deal of time.

## Here's how ...

1. Carefully read the property pages of your local newspaper every week for about 3 weeks. As you read, be sure to circle any advertisements for properties that seem similar to yours and are located in the same suburb.
2. Visit at least 3 real estate offices in your area, read the advertisements in their windows, take note of any property that seems similar to your own.
3. Research your suburb on the various real estate websites for properties similar to your own. Also use the web to research recent sold properties in your area.
4. Obtain whatever property magazines or other publications that may be available in your area. Again, circle any property that seems similar to your own and is located in your suburb.

Once you have undertaken the simple research steps described above you will be able to properly assess the likely selling price of your own property - here's how...

- First, take the average price of properties for sale in your area that appeared to offer similar features to your own.
- Now, deduct 15% from this price.
- You now have a high price and a low price - creating a possible sale price range for your property.
- Statistically, the eventual sale price of your property will most likely be in the bottom half of this price range.

Many factors can contribute to the eventual sale price of a property and the process described above will never be 100% accurate. Nonetheless, it is generally very useful for most property owners when determining an approximate eventual sale price for their property.

Once you have an idea of the probable sale price of your property, you will be better able to handle any offers to buy your property from potential purchasers. Moreover, such knowledge will invariably lead you to a better price for your property through informed negotiations.

## price your property correctly

One final matter needs to be addressed on the issue of price.

If your property comes on the market at a certain price and fails to attract an offer within the first 21 days of marketing it is a sure sign that your initial asking price was over ambitious. You will need to correct the price in order to maintain the momentum created by the first 3 weeks of marketing.

If you fail to correct the price at this point the property runs the risk of “going stale”, buyers will avoid it from this point thinking it is overpriced.

It is far more prudent to correct the price and secure a sale than hope that a buyer will pay you an overmarket price for your home.

Property owners wishing to obtain a more accurate assessment of the eventual sale price of their property are advised to contact a registered property valuer that specialises in their area.

## let your agent do their job

Most property owners feel very strongly about the positive attributes of their own home. Sometimes however, a property owner’s enthusiasm for their home can result in a lost sale.

When an agent calls to arrange an inspection with a potential buyer the best thing a property owner can do is leave the house and let the agent do their job.

The vast majority of real estate salespeople employed in agencies throughout the country are well versed in the finer points of property sales. If their buyer shows a glimmer of interest, most salespeople will pursue that interest until it becomes a sale or is otherwise exhausted.

Unfortunately, some owners, in their boundless enthusiasm for their home often take over the

inspection when the agent arrives on their doorstep with the buyer in tow.

Almost 100% of property buyers feel very uncomfortable in circumstances such as this and, therefore, do not respond positively to the property.

The result is generally a lost opportunity.

So, no matter how enthusiastic you may feel about your home the best advice is to make yourself scarce and let the agent do the job you are paying them to perform.

The result will invariably be a sale in a quicker timeframe and at a better price than you would otherwise have achieved.

# negotiating the best price

The most crucial stage of any property sale is negotiating the final sale price. If you get it right you can sometimes bank an extra couple of thousand dollars.

On the other hand, if things fail to go to plan you could cost yourself a couple of thousand dollars.

Here's a list of our best negotiating tips to ensure the best possible price for the sale of your property.

- Never say YES to the first offer, no matter how close it is to your asking price.
- Never say NO to an offer – always provide some counter offer, a price lower than the asking price but a price at which you are still prepared to sell.
- Answer all offers quickly – certainly no longer than over night. Buyers can quickly lose patience and interest.
- Do not allow your “feelings” about the home to cloud your logic when it comes time to answer an offer.
- Trust in your own research. We are all surrounded by well meaning relatives, friends and neighbours all of whom have good advice for you whilst you are in the middle of negotiating a sale price for your property. In the end you must remember – you've done the research and you know better than anyone else the value of your own home.

- At the end of the day, remember that any property is worth what a willing buyer is prepared to pay and a willing seller is prepared to accept – but both parties must be “willing”.
- Negotiation is all about compromise. You give a little and the buyer gives a little until you arrive at a mutually acceptable position – but there must be some “give” from both parties.
- When you are negotiating on the sale of a property, remember there is more than the sale price to negotiate. What about the time for settlement, the inclusions and the exclusions, the deposit etc.

## and finally

Your home may or may not be your most valuable asset but when it comes time to sell you deserve the highest possible price.

As the owner of the property, you can now exercise a degree of control over the final sale price by following the tips on the previous pages.

When it comes time to sell your property be sure to include Starr Partners on your list of possible agents – it would be our privilege to serve you.

**What's next...** If you would like to take the next step on your path towards selling a property simply call our office, 6 days a week and speak with a member of our sales team – they will be happy to answer all your questions.



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