THINKING OF SELLING YOUR HOME?

A guide to a better way of selling your home plus 8 important questions to ask

Bellchambers PROPERTY

A Better Way to Sell

THE PURPOSE OF THIS BOOKLET

This booklet is designed to provide potential home sellers, like yourself, with some valuable information to consider prior to listing your home with any real estate agent.

Selecting the right real estate agent to partner with is by far the most important choice you need to make. Getting this wrong can cost you tens of thousands of dollars. You only get one opportunity to sell your home so please take your time to ensure you consider the hints and tips in this booklet to ensure you don't undersell your home.

We start by telling you a bit about our story and why we created Bellchambers Property. Then we will give you some powerful questions to ask any potential real estate agent you are interviewing. Be sure to ask these questions and if you don't believe their answers are designed to get you the highest possible price, maybe consider speaking to another agent.

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OUR STORY

The strategies we use at Bellchambers Property were developed from a number of sources, my years of experience selling homes, our personal home buying and selling experiences and also my time working with one of Australia's leading real estate training organisations.

I am sharing our story here because there are quite a few lessons that can be taken from what we went through.

Jo, myself and our two children made the decision to move to the area after spending over 12 months travelling around Queensland living full time in a caravan (that's a whole story in itself that I won't get into here!). We all fell in love with the region and decided this is where we wanted to live for the long term.

We soon began looking for properties to buy and this is where things started to get interesting. Everyday we were either looking at new listings on RealEstate.com.au or doing drive-by's to check out properties and areas we weren't familiar with. One of the biggest issues we had was getting a response from an agent when reaching our for more information.

There just seemed to be a lack of interest from the agents that really didn't make any sense to us. You see I had been a real estate agent on the Gold Coast prior to us travelling. I worked with a company that strived to change the perception of the real estate industry by upholding extremely high standards.

One of the things we were very good at was communication and getting back to everyone as soon as humanly possible. So when we were making contact with various real estate agents here I couldn't comprehend the amount of agents that simply wouldn't return calls or respond to texts or emails.

The list of issues from the broad range of real estate agents we dealt with grew nearly every day. One agent in particular began our inspection with:

"I know the property is listed at high $700,000's however the owners are going through a nasty separation and the wife is now living in the home by herself. She can't afford to live here. I know for a fact if you place an offer with any number starting with a 7, I can get the deal done".

We hadn't even walked through the front door! This agent was supposed to be working for the home sellers. This start to an inspection absolutely astounded us.

Why would an agent tell a potential buyer that information? He was simply wanting to get the sale done quickly and at any price..

This goes against everything I believe a real estate agent should be doing. The real estate company I worked for had a very simple but very powerful set of criteria when deciding whether a strategy should be implemented into their 'tool kit' as a professional real estate agency.

The criteria every strategy had to pass was:

Is it Ethical and is it Effective?

When you base every decision on that question you end up with a strategy unlike any other in the typical real estate industry. This is what we have based Bellchambers Property upon.

Everything we do at Bellchambers Property meets that criteria. Everything we do is also intentional and everything ties back to our sole objective - **to get the highest possible price for the sale of your home.**

Of all the ineffective strategies used in real estate, the worst would have to be not disclosing a sale price for the property. A survey published on realestate.com.au states:

"72% of buyers said they would skip over properties that didn't include a price".

Why would you use a strategy like this to sell a property when 72% of the potential buyers instantly dismiss it. It simply doesn't make sense and isn't setting the property up to be sold for its highest possible price

If you are thinking about selling your home and the agent you are speaking to suggests you don't advertise a price, maybe consider speaking to another agent.

Another tactic we came across during our search for our new home was being asked to send any offers we wanted to make to the agent via text. On the surface that doesn't sound like a big deal right?

I have a few issues with this tactic however.

The reason real estate agents ask you to simply text them is purely because it is convenient for the agent.

I don't have a problem with working efficiently and using technology to do so. What I do have a problem with is using technology to simply make it easier for the real estate agent without considering the consequences to the home seller.

We were asked to do exactly that when making an offer on our new home.

Was it easy for us to submit our offer - **Yes.**

Was it easy for the agent to receive our offer - **Definitely.**

Did it make us want to submit our highest possible price on this offer - **Not at all!**

Importantly, prior to making that offer we were told the owners of the property were investors from Sydney and they were sold this property believing they could rent it out for much higher than was the case.

They purchased it 12 months prior and had multiple tenants in that time. The investment just didn't meet their original expectations so were keen to sell it.

It was listed as "Offers Invited" and we were also told they had rejected an offer of $768,000.

Jo & I were prepared to pay $790,000 for this property (it was very run down and needed a lot of work). We were also told that the only other people looking at the property at the time had decided it was too much work and we were "not competing against anyone" to purchase the home.

We did what most people do in that situation and started our offer lower than we were willing to pay. $20,000 lower in fact. The day we made this offer was a Friday (the relevance of this will make sense soon). We spent the rest of the afternoon going over the likely responses we thought we might get from the agent.

We both determined that the most likely outcome was the buyers would say no and to counter offer with a higher price. We went over the numbers again and once again agreed that the highest price we would pay was $790,000.

The return response from the agent took a lot longer than we thought and our minds started to imagine all the possible scenarios that could play out. We were starting to think that we weren't going to get this one as we had missed out on a few by this stage (not that the agent knew this). Like a lot of serious home buyers we had the alerts on realestate.com.au notifying us of any new listings in our search area. I came across one that I thought would be a great property for us to check out, it was open tomorrow also.

Later that afternoon we got a call from the agent telling us that he had presented our offer and told the owner that it was our final offer and we weren't prepared to pay any more. He told the owners this is the best price you are going to get for the property and the owners reluctantly agreed to our offer. Again not knowing **we would have paid an extra $20,000 if needed.**

We couldn't believe our luck. After months of searching we finally found a property and we got it for far less than we were prepared to pay.

To some people that might not sound like a lot of money, but how long would it take you to save $20,000?

At this stage our offer had simply been made via text. A non-binding offer that either party could have easily walked away from. The agent said they wouldn't get the contract to us until Monday as it was already after close of business on Friday. I thought agents worked weekends?

The relevance of this is I found a property that was open the next day that I thought was a great option to consider.

Luckily, for the owners of our property, Jo had now set her heart on our new home and didn't want to take a look at any more. If, hypothetically speaking, we went to that new open home the next day and fell in love with it, we could have made an offer on that property and walked away from our current offer.

We didn't. But in my time as a real estate agent I have seen it happen. That is a risk with consequences far too high for my liking.

So, why am I telling you our story? I'm telling you this because unfortunately our experience isn't unique or unusual. I've heard many similar stories over my years in real estate and I can't help but feel for the owners of these properties. These owners employed their agents to work for **THEM,** not the buyers.

There are a lot of lessons to be learned from our story. The issues were:

Poor In-Effective pricing strategy - Offers Invited

- Over-looked by 72% of buyers
- Limited competition
- Appears desperate
- Begins the negotiation from a position of weakness

Disclosure of Owners Position

- Knew they weren't getting the return they wanted/needed
- Knew they were keen to sell
- Knew they rejected $768,000

Disclosure of Competition

- Advised no one else was interested at this point

All of these factors contributed to the owners of our home not getting the highest possible price for their property. They lost out on at least $20,000 because of the In-Effective strategies used by the real estate agency and the agent themselves. I say at least $20,000 because there may have been a different buyer offering to pay more than us if better strategies were used.

By selecting an agent that adopted Ethical & Effective strategies the outcome for these homeowners could have been much better.

WHAT WOULD AN EXTRA $20,000 MEAN TO YOU?

A BETTER WAY

The previous owners of our property lost out on an additional $20,000. By selecting an agent that adopted Ethical & Effective strategies the outcome for these owners could have been much better.

By selecting a real estate agent that operated with better systems could have had a much different outcome:

List Price
An effective list price could have opened up a whole new group of potential buyers (72% more). Negotiating with multiple buyers is completely different to a negotiation with just one buyer. A list price that attracted more buyers may have uncovered someone willing to pay more for the property that we were willing to pay? A competitive list price could have created competition within the buyers in order to drive the final sale price up.

Buyer Strategy
An effective buyer strategy would have ensured we knew nothing about the owners personal situation or the lack of competition at the time of the negotiation. Additionally, a decent buyer strategy would have uncovered more about our personal situation and why we were looking to buy that property. If the agent knew what our pre-approved limit was, knew how long we had been looking and the amount of properties we had missed out on this information could have been used to determine an appropriate response to our first offer.

Negotiation Strategy
An effective negotiation strategy would have ensured that we as the buyers, paid the absolute most we were prepared to pay for the home. Rather than just trying to 'get the deal done' a better negotiation strategy would have made us pay the absolute most we were prepared to pay.

Timely
A sense of urgency would have ensured the buyers (Jo & I) were committed to their offer and weren't able to consider other alternatives prior to contracts being completed. Having us sign a contract the day the agreement was made would have reduced the risk of us looking elsewhere. If we had decided to look at the other property the following day the sellers of our house may have missed out on selling altogether.

We believe our systems and strategies are simply **A Better Way** to sell your home.

8 QUESTIONS

Here are the 8 questions you should ask any potential real estate agent you are considering working with to ensure you don't undersell your home by $20,000:

1. Who will I be dealing with throughout the entire process?

It is important to know who will be representing your property from the very outset to the final day of settlement.

A lot of agencies boast about having a large team with offices all over the country. It's not the number of people in the team that is important, it's who (and how) will be dealing with potential buyers throughout the entire process that is important.

Will calls be taken by administration staff that aren't trained in negotiation? Who will take buyers through your home and/or conduct the open homes? What about building and pest inspections and pre-settlement inspections?

Some large agencies use sales associates for what seem like simple tasks like opening the home for a building and pest inspection. This is fraught with danger. Contracts on properties can very easily fall through by an in-experienced agent or an associate attending building and pest inspections. Be sure that the person you employ to represent your property actually represents your property along **every step of the process**.

When the end result could mean an extra $20,000 in your pocket wouldn't you want the best negotiator looking after your interests throughout the entire process?

Is the Agent an Expert in Negotiation?

Ask 10 real estate agents if they are good negotiators - all 10 will say yes.

Ask the same 10 agents if they negotiate face to face - only the best will say YES!

2. What makes you different to every other Real Estate Agent?

In simple terms selling a house is easy. You can take some photos, put it on a few websites, open it up to buyers and wait for someone to make an offer. That will usually get you a sale. However, selling your home for the highest possible price is a different ball game altogether.

You need an agency on your side that has designed their systems from the ground up to achieve one sole purpose - **Getting You the Highest Possible Price**.

What systems and processes does their Agency use to ensure you are able to sell your home for the highest possible price?

If the real estate agent you are speaking to doesn't work for an agency that prioritises getting you the maximum sale price then what are they doing? The sole job of the real estate agent should be to get you the highest possible price, not just get you a sale. They are two totally different things.

Are they adopting technology to get you the highest price or to make **their** lives simpler? If it's not to benefit you, the home seller, then why adopt the strategy at all? The key to getting the most for your home is to adopt proven strategies that work. Strategies that put you in the best negotiation position. Sometimes 'old-school' techniques are better than fancy new apps because they have been proven to get you the best outcome.

And finally, are they wanting you to pay for large marketing budgets to promote themselves and their agency (as well as your home). This is a common strategy that has been used by real estate agencies for many years. It is simply designed to lock you in even if the agent isn't performing. Just because it's common doesn't mean its the best strategy for you.

3. Where will you promote my property and how?

In the past, buyers of properties used to work with real estate agents to find the right home. These days buyers are finding the properties themselves using online portals (the most popular in Queensland being realestate.com.au).

The key to marketing is getting your property in front of the right people, people that are actually looking (and able) to buy a property now. This can be done cost effectively yet still provide you with a great outcome.

Have you heard of the term Vendor Paid Advertising (VPA)?
VPA is when the real estate agent has you, the home seller, pay for the marketing upfront (or on finance). It is a common practice for home sellers to pay for marketing at the start of the listing campaign. It is common - but not necessarily in the best interests of the home seller.

Some large real estate chains give out awards for agents who sell the most VPA each year. Why would an agency chain care so much about VPA? It's because this advertising is promoting the actual real estate agent and their agency just as much as they are promoting your home. You are basically paying for the marketing of their business!

If the agent you are speaking to asks you to pay for the marketing upfront maybe consider speaking to another agent that is prepared to put their money where their mouth is!

The Marketing Handcuffs

When you are talked into paying thousands of dollars up front but don't get the service or results you were promised it is very hard to walk away from that poor performing agent as it feels like you have just wasted all that money spent on marketing for no result. Typical real estate agencies bank on you feeling that way and use it as a form of hand-cuffs to keep you signed up and expect you to accept the best offer they can come up with.

4. How much do you pay if your property doesn't sell?

This is a very important question. If you list your home with an agent and the property doesn't sell for any number of reasons, how much money will you lose?

You could have been misled into believing you could get an insanely high irresistible price for the sale of your home. Knowing deep down that it was an unrealistic price, however you put your trust in the 'expert' only to find out that your gut feeling was right and that high price wasn't achievable. What happens to the money spent on marketing then? How much are you going to get back? I think we all know the answer to that question don't we!

Now consider this from the agencies perspective. How did they benefit from your marketing spend? How much promotion has that agent and their office received from the money **you** put into marketing?

This is the common way to charge home sellers for marketing. But just because it is common doesn't make it right.

We believe you shouldn't pay anything until the job is done. At Bellchambers Property, we 'put our money where our mouth is', and back our appraisal estimates. If we can't achieve the price we said we could and your property doesn't sell then you don't pay a cent - **guaranteed.**

5. How do you conduct opens/private inspections?

What strategy does the agent you are talking to have for publishing your open home times online? The majority of agents will publish the open home times straight away on portals like realestate.com.au. For example, your property goes live on Monday and the open home times for the coming weekend are listed from the onset.

It might seem like a simple thing to point out but this can make a huge difference in the negotiation strategy for your property. Being strategic about when the times are listed can make a huge difference to the outcome of your property sale.

Is there a plan for when people want to view your home outside of the designated open homes? Do they want to bring people through any day and at any time? How are these potential buyers qualified prior to coming through your home? These are all important questions you need to learn the answers to.

6. What price should our property be listed for?

The two most common lies told in real estate are around the pricing of properties. One is obvious but hard to walk away from. This lie is referred to as 'buying the listing'. It's when the agent quotes a sale price that they know the seller wants but knowing too well that it most likely isn't achievable. After the property has been sitting on the market for a few weeks due to the price being far too high, this strategy involves the agent conditioning the home sellers down to a price that is more realistic. There is a huge risk in setting your listing price too high. It might sound great but if it is unrealistic then the buyers will know this also. The majority of the time the seller ends up with an undersold home using this strategy.

The second lie is less obvious. When the owners expectations are too high, rather than having the honest conversation with the home sellers, the agent will use a strategy that either doesn't put a price on the property, or a vague range to keep the sellers happy. This is done to 'win' the listing.

If you ask 5 real estate agents to value your home you will likely get 5 varying results.

The question to ask is who determines the final sale price of your home? Is it you, your agent, your neighbours, that random Facebook follower or the person willing to offer you a contract (the buyer)? The buyer who is wanting to buy your home ultimately sets the sale price at the end of the day.

The strategies the agent uses to maximise the end result makes all the difference. The highest possible price is only achievable if the agent applies proven strategies and negotiation techniques.

The difference between the Highest Possible Price and an average sale price is all in the agents ability to negotiate.

The Goal When Setting a List Price

The best possible scenario when listing your home for sale is to have multiple people interested in buying your home. If you set the list price too high you will eliminate a lot of the buyers as no-one pays more than they think the home is worth.

7. How does your fee compare to your value?

It's easy to select the real estate agent that quotes the highest listing price and offers the lowest fee. If all real estate agencies were the same and did exactly the same thing then this approach would be valid.

However, the real question is how does their fee compare to the value they bring? Are they the same as everyone else or do they have unique systems and processes in place to maximise the sale price of your home.

Selecting the wrong agent to represent you and your property could cost you $20,000. How does an additional $20,000 in you bank account compare to a 1% lower fee?

$800,000 x 1% = $8,000 saving
Better negotiation strategies = $20,000 higher sale price

A cheaper fee might seem attractive but what is it actually costing you in the end? The best way to choose an agent is to decide who will get you the highest price for your home. Not who is the cheapest.

8. What sort of guarantee will you offer?

This is an interesting one. How many real estate agencies do you know that will Guarantee their sales agents will do what they said they will do? We know of one!

At Bellchambers Property we provide you with a written guarantee that we will do what we say we will do and get you the price we said we could get. If we can't then you can walk away from the agreement at absolutely no charge. We believe in our systems and processes so much that we are prepared to Guarantee we will do what we say.

How many other agencies are prepared to do the same?

We have one sole objective:

Getting You The Highest Possible Price for Your Home

It's as simple as that. We believe we have A Better Way to Sell your home. And we are prepared to Guarantee it!

ABOUT SCOTT

Scott has had a varied range of careers since joining the Air Force at 18 years of age. These careers have included Financial Planning, a Printing business, Health Food stores and of course, Real Estate sales.

Real Estate was always something he wanted to try and was fortunate to be provided the opportunity whilst living on the Gold Coast.

It was everything and more that he had hoped it to be and quickly became the number 1 sales person for the Gold Coast office with that company.

Scott attribute's his success in real estate to his down to earth personality and 'non-salesy' approach.

"People know when they are being sold to and no-one likes that feeling. Treating people respectfully and honestly will always provide better outcomes for all involved"

Scott took a break from real estate sales when he & Jo had their second baby. It was something that he always intended to return to but that period of time was to focus on family.

Fast forward a couple of years and the real estate company he used to work for reached out with an opportunity. That company had purchased one of Australia's best real estate training organisations and asked if Scott could come back in a sales role.

"Coming back to the team that I had worked for and being around the group of professional real estate agents across the country re-ignited that spark for real estate sales".

The training focus of Ethical & Effective still felt right to Scott, there is no other way to conduct business as far as he is concerned. With their personal experience in purchasing a home in Innes Park it quickly became clear to Scott and Jo what their next business venture was going to be. The creation of Bellchambers Property has been a labour of love. Being able to design a business from the ground up that focuses purely on the best outcomes for the clients has been very rewarding.

WHAT ARE THE NEXT STEPS?

If you are ready to sell your home and think that Bellchambers Property would be a good fit for you, here are the next steps:

STEP 1 - ARRANGE A SUITABLE TIME FOR US TO MEET

Contact us to arrange a time for Scott to meet you at your home.

Scott 0418 566 755

scott@bellchambersproperty.com.au

STEP 2 - WE MEET UP FOR A CHAT

We meet at your home to discuss your real estate plans and where you would like to move and your time frames.

STEP 3 - THE LISTING PRESENTATION

During our meeting we will go into more detail as to why Bellchambers Property is the best option to represent you and your property sale. We will also discuss the details such as list price, marketing and fees.

STEP 4 - LETS FIND THE RIGHT BUYER

If you feel we are the best agency to get you the highest price for your home we can begin the process of looking for the right buyer for your home.

No Sale - No Charge

No Upfront Marketing Fees

Professional Photography

Listings on Major Real Estate Site

Proven Negotiation Strategies

A Better Way to Sell

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