

THE 2-2-7 RULE

Most people ask several agents to come and give them an idea of what their home will sell for. Sometimes they choose the agent who sets the highest potential price, and sometimes they go for one who appraised it as likely to sell for a lower figure. But whichever agent they choose, they are likely to want to set the asking price at the highest quoted figure. Unfortunately for them, home sellers almost always believe their properties are worth the highest amount quoted, and many less professional agents play to this in the hope of winning listings. But setting a too high asking price can work for them if they understand the 2-2-7 Rule of marketing.

Experienced agents know that sometimes home owners like to at least 'try' for a figure higher than they are really likely to achieve. Perhaps they need to 'prove' that a price is unrealistic before they can move on. But they also know that if the property does not sell at this figure, strategic timing in reducing the asking price is crucial to keeping buyer interest and achieving the highest price in the long run. The 2-2-7 rule sums up the essence of this timing strategy.

Provided the property is both well-presented (clean and tidy including maintenance of any lawns and gardens) and well-marketed, the system for reducing the asking price works thus: After two ads and no calls or two Open for Inspections and no inspections or seven inspections and no offers it is time to reduce the asking price. For a reduction to be effective, (i.e for buyer to react positively), it must be a minimum of 5%.

How does a vendor know if their property has been well-marketed? Good marketing does not mean spreading advertising money thinly across every advertising vehicle on offer. Check that your agent has done research of previous buyers to isolate the three or four main sources of enquiry for your local area. If they haven't done this, it may be time to choose another agent. *

MOST AGENTS CLAIM TO BE NUMBER 1. AT PESTANA REALTY, WE LET OUR CLIENTS DO THE TALKING FOR US. CALL US TODAY TO EXPERIENCE THE DIFFERENCE!

MAKE YOUR GARDEN WORK FOR YOUR HOME

It is often said that spending a lot of money on a garden can over capitalise a home and that money is better spent indoors than out. Is this the case?

It is true that many home owners get carried away with garden fever and don't ask themselves if the money spent on landscaping will be realised down the track when they come to sell. The amount allocated to landscape design and planting must be in proportion to the overall value of the home or it can easily add cost that doesn't add enough re-sale value. Home owners need to be aware of the percentage cost of the overall value of the home that landscaping represents; obviously there is a big difference in the amount that should be allocated to landscaping in a house worth \$300,000 and a house worth \$3,000,000!

Astute home owners soon work out that a drab and unimaginative garden will detract from the value of a home because it will not give buyers the feeling they want to live there. Even buyers who don't think they care about gardens and gardening are attracted to the overall picture of a property where house and garden complement each other so that the whole is more harmonious.

Driving around any town or city, it's not hard to come across square front gardens with rectangular lawns, borders and straight driveways leading to a garage. Naturally the houses wrapped by such gardens look equally ordinary and uninteresting. Unimaginative landscaping such as this still costs money but rarely adds that 'wow' factor when buyers start coming through.

What is often lacking in such gardens is a sense of mystery - one of the main elements of good design that makes even a small garden more appealing to buyers. It's not a good idea to design the garden yourself - unless you have appropriate skills. A keen gardener with a green thumb is not the same as someone who understands how to use plants in an architectural way to design and furnish a space with a sense of harmony and mystery.

If you are already lucky enough to have a beautifully designed garden, the thing to remember when presenting it for sale, is to make it look as if it requires no effort. Paradoxically, this effect is often achieved with a considerable amount of effort. Unkempt and weed-filled gardens draw attention to how much work may be involved in looking after them and therefore look the opposite of low maintenance. After all, if a garden is too hard for the current owner to present well at an important time like when it is being marketed then buyers will concentrate on how much work is involved and perhaps move on to a property that looks easy just because the work has already been done and the seams are not showing. *

* source - localpropertynews.net

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Welcome to the latest edition of Pestana Realty Market Roundup.

April
2011

Below is a list of recent sales in both Rochedale South & Springwood for the past three months.

On the back of this Market Roundup you will find two very interesting articles. We suggest you take the time to read them and feel free to contact us if you should have any questions.

Don't forget to list with us today and go into the draw to Win \$100,000!*

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The Pestana Realty Team.

SPRINGWOOD#

Address Jan-March 2011 Sold

84 Cinderella Drive	\$350,000	
70 Coleman Crescent	\$487,000	
5 Fortril Drive	\$380,000	
13 Jacqueline Avenue	\$380,000	
12 Jilbard Drive	\$420,000	
14 Juanita Grove	\$385,000	
2 Oxley Circuit	\$375,000	
8 Raelene Terrace	\$367,000	
38 Rholanda Crescent	\$415,000	

ROCHEDALE SOUTH#

Address Jan-March 2011 Sold

7 Chamberlain Avenue (townhouse)	\$249,000
5 Dalhousie Court	\$332,000
3 Davey Street	\$405,000
12 Gosford Court	\$420,000
33 Kallista Road	\$350,000
13 Kenthurst Crescent	\$358,000
24 Knight Street	\$373,500
20 Lancelot Street	\$430,000
53 Narelle Crescent	\$415,000
880 Rochedale Road (townhouse)	\$260,000

Total Sales for January, February & March 2011#

	Houses	Units	Houses	Units	Houses	Units	Houses	Units
	Rochedale South		Springwood		Slacks Creek		Meadowbrook/Loganlea	
Highest	\$430,000	\$260,000	\$487,000	\$000,000	\$000,000	\$257,500	\$405,000	\$000,000
Lowest	\$332,000	\$249,000	\$350,000	\$000,000	\$000,000	\$257,500	\$285,000	\$000,000
Median	\$389,250	\$254,500	\$380,000	\$000,000	\$000,000	\$257,500	\$362,250	\$000,000
Total Sales	8	2	9	0	0	1	8	0
	Daisy Hill		Underwood		Kingston		Logan Central/Woodridge	
Highest	\$560,000	\$000,000	\$735,000	\$265,000	\$339,000	\$299,950	\$308,000	\$180,000
Lowest	\$401,000	\$000,000	\$443,000	\$265,000	\$218,000	\$299,950	\$235,000	\$140,000
Median	\$405,000	\$000,000	\$688,000	\$265,000	\$249,000	\$299,950	\$265,000	\$167,000
Total Sales	3	0	3	1	5	1	9	5
	Shailer Park							
Highest	\$610,000	\$319,000						
Lowest	\$400,000	\$305,000						
Median	\$502,500	\$310,000						
Total Sales	8	3						

Source – rpdata.com

Note: The information contained within this market roundup is given in good faith, obtained from sources believed to be accurate. The views expressed are not necessarily the views of Pestana Realty or its agents. Information on individual properties is deemed from reliable sources, however we cannot guarantee its accuracy and interested persons should reply with their own enquiries. Content of this publication is copyright. No part of it can be reproduced without the written permission of Pestana Realty

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