

### WHEN BUYERS ACT TOUGH

Most purchasers have to undertake some form of negotiation when they buy a property. How much or how little they can afford to negotiate depends on the market; negotiating too hard in a sellers' market is never worth it as there will be many other buyers keen to pay more just to secure a property. It is worth considering the strategy of negotiating from the asking price to an acceptable selling price – and realising that there are many things that inexperienced buyers say in the stress of the moment that might make them miss out.

Many so-called experts say that buyers should hide their interest in a property. While it is foolish to tell a selling agent that you are so keen that you will do whatever it takes to secure the home, it is equally foolish to denigrate the home to try and hide your growing attachment to it. Most agents can tell stories of vendors who have chosen to take less for a property in order to sell to someone they think will love it and look after it, and will turn down purchasers who appear not to be 'suitable' – especially if they have two sets of purchasers willing to pay the same price. After all, if you have lived in your home for ten years, planted the garden and painstakingly renovated the house yourself, who would you rather sell to? A nice young married couple who have admired your garden layout and want somewhere for their toddler to play and have made a realistic offer, or a brash investor who has come up with a list of faults in order to justify a low offer?

Furthermore, comments such as 'I've seen other properties that are better than yours and cheaper' rarely work. Sellers are human too and some will even cut off their nose to spite their face if they are riled by comments made by purchasers they think a mercenary or insensitive. Business is business, but it is carried out by human beings who are often motivated as much by their emotions as by logic – and if there are more buyers that houses for sale, vendors can afford to indulge their spleen and not lose any sales dollars over it.

Ultimatums also rarely work. A buyer who says: 'That's my final offer.' will very rarely get a vendor to reduce the price while a buyer who nibbles away, going up a little at a time will often bring a vendor down lower than they initially planned to go\*

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### DON'T PUT WORDS INTO THEIR MOUTHS

Some (less professional) agents have strong motivation to quote high when assessing the value of a house for sale – they want the listing. In fact, the more professional agents don't do this because it wastes everyone's time and often leads to a no-sale stalemate. Sadly, the more unrealistic vendors are about their own property and the less informed they are about the market and real estate in general, the more likely it is that agents will feel the need to up the potential selling price. But there are things you can do to encourage frank dealings and make sure they don't over quote to get the listing. What are they?

Firstly, don't put words into their mouth. Don't tell agents you're after a certain figure and that you won't sell for less. Unless your house is seriously unusual, agents can 'guess' very accurately to within a few percent of what a property will sell for and you want them to tell you what they think, not parrot back your own wishful thinking. Of course they're not really guessing – their assessment is based on years and years of selling similar properties under various market conditions – and they have statistical data bases at their fingertips.

Secondly, listen carefully to their lowest figure and don't try to push them up; it stands to reason they will go as high as they can because they know they're in competition with other agents for the listing. If you've done your homework and you are truly objective you will know in your heart that they are right. Resist the temptation to place a dollar value on the emotional attachment you have to that deciduous tree in full autumn glory (because you planted it 10 years ago and watched it grow and don't want to leave it behind, especially since the family cat is also buried there) or those paved areas (because you laid them with the help of your father who died recently) while at the same time overlooking the inconvenience of the steep driveway (you put up with it all these years) or the laundry that's out the back.

Most home owners don't realise the emotional weight they expect their home to translate into dollar terms, just as they think they're own children are the most beautiful, the smartest, the best at sport. But they need to remember that if they appear emotional and unrealistic, agents will simply reflect back to them what they want to hear. It's a bizarre irony that when the reality check of buyer indifference comes along, many home owners ultimately blame agents for overpricing their homes when they themselves created the competitive environment that caused the asking price to be set so high\*

\* source – localpropertynews.net

Welcome to the latest edition of Pestana Realty Market Roundup.

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pestana.com.au

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!\*



The Pestana Realty Team.

### SPRINGWOOD<sup>#</sup>

### ROCHEDALE SOUTH<sup>#</sup>

Address	March-May 2011	Sold	Address	March-May 2011	Sold
4 Abel Street		\$380,000	4 Amanda Street		\$330,000
16 Achilles Drive		\$340,000	25 Boongeen Street		\$410,000
60 Barbaralla Drive		\$435,100	10 Delsia Street		\$406,050
123 Barbaralla Drive (Townhouse)		\$284,325	70 Dorset Drive (Townhouse)		\$308,500
131 Barbaralla Drive		\$360,500	79 Dorset Drive (Townhouse)		\$270,500
3 Benbow Court		\$520,000	3 Drewie Court		\$480,000
6 Caloola Drive		\$435,000	7 Finfoot Street		\$435,000
51 Coleman Crescent		\$450,000	61 Greenview Avenue (Townhouse)		\$340,000
46 Dennis Road		\$340,000	3 Hush Place		\$380,000
14 Gamenya Drive		\$405,000	5 Noela Court		\$590,000
3 Hibbertia Court		\$390,000	10 Palara Street (Townhouse)		\$270,000
25 Jacqueline Avenue		\$445,000	599 Priestdale Road		\$310,500
21 Lauretta Avenue		\$370,000	641 Priestdale Road		\$360,000
37 Lenore Crescent		\$420,000	33 Tolverne Street (Townhouse)		\$225,000
23 Raquel Avenue		\$381,500	6 Tora Street		\$343,000
10 Ravenna Street		\$444,000	28 Torview Street		\$427,500
26 Shortland Street		\$320,000	892 Underwood Road		\$392,500
87 Springwood Road (Townhouse)		\$277,000	11 Winston Street		\$395,000
350 Springwood Road		\$495,000			
6 Winchester Court		\$350,000			

### Total Sales for March, April & May 2011<sup>#</sup>

	Houses	Units	Houses	Units	Houses	Units	Houses	Units
	<b>Rochedale South</b>		<b>Springwood</b>		<b>Slacks Creek</b>		<b>Meadowbrook/Loganlea</b>	
Highest	\$590,000	\$340,000	\$520,000	\$284,325	\$345,000	\$220,000	\$580,000	\$215,000
Lowest	\$310,500	\$225,000	\$320,000	\$277,000	\$232,500	\$210,000	\$240,000	\$185,000
Median	\$395,000	\$270,500	\$397,500	\$280,663	\$298,000	\$215,000	\$346,200	\$200,000
Total Sales	13	5	18	2	5	2	11	2
	<b>Daisy Hill</b>		<b>Underwood</b>		<b>Kingston</b>		<b>Logan Central/Woodridge</b>	
Highest	\$830,000	\$359,000	\$676,000	\$278,000	\$325,000	\$166,000	\$305,000	\$240,000
Lowest	\$377,000	\$359,000	\$330,100	\$254,000	\$260,000	\$166,000	\$205,000	\$152,000
Median	\$480,000	\$359,000	\$412,500	\$266,200	\$275,000	\$166,000	\$250,000	\$191,000
Total Sales	5	1	8	2	7	1	13	11
	<b>Shailer Park</b>							
Highest	\$690,000	\$299,000						
Lowest	\$300,000	\$232,000						
Median	\$452,000	\$275,750						
Total Sales	22	2						

# Source - rpdata.com

\*conditions apply

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