

RealEstateNews

INFORMATION TO HELP YOU WHEN BUYING OR SELLING | Edition 14 |

A 'WIN' for Buyers and for Sellers

GARY PITTARD

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The agent who is entitled to the highest selling fee is the agent who is capable of getting the highest selling price. But this does not mean that the buyer should be the loser.

The only way to get the highest price for a seller is to discover the maximum price any interested buyer is prepared to pay. To do this, the agent has to get a buyer interested in a property by first attracting the buyer to his or her office. This means making it easy for the buyer to come to the office. Being open weekends and outside working hours is the first basic step to attracting buyers.

Most buyers can pay more than they first reveal. It is a good idea to show buyers homes they are likely to love, regardless of the price they say they can pay. Many buyers purchase a home between ten and fifteen percent above what they intend to pay.

Here's an example: A couple say they are looking to buy up to \$500,000. They can probably go higher. The question is: How much higher? This is what the agent must discover. What is their maximum?

The agent should ask the buyer this question: "What would you do if you found the ideal property, one you truly loved, your dream home, and this home cost \$520,000?" Most will say they would pay \$520,000, which is \$20,000 more than the maximum price they told the agent in this example.

The world's best real estate salespeople know their buyers intimately. A good real estate salesperson, a skilled negotiator, will know more about what a buyer is likely to do than the buyer will know. This is the hallmark of a great negotiator.



After the agent has a good idea of what a buyer will pay and what they will buy, the next objective is to find a home they love. When the heart and the head meet, the heart always wins.

The agent should show houses without focusing on the price. The idea is to get an idea of what they like before discussing a specific price. The agent also has a moral obligation to make sure that the buyers can afford any home they see.

For all the hype about Open Homes, they are not as effective at helping the agent to qualify the buyers and help them find the home they love. If the agent puts the buyers in a car - offers the buyers personal service - the agent can spend time and get to know exactly what sort of home the buyers will buy.

Sure, with a good agent, the buyers will not buy at bargain prices, but they will find a home they love at a price they can comfortably afford. Isn't this what all buyers want?

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Quote the Price You Want, Not a 'Bait' Price An IMPORTANT WARNING to Home Sellers

GARY PITTARD



LETTER FROM EDITOR

Well it certainly has been a year that many would like to forget with regard to real estate.

Whilst prices have dropped though, there still are sellers doing quite well in their changeover costs- so remember to sell first and then buy in the same market and you'll be safe.

It's nice to be able report some good news for a change! - there's now a lot more buyer enquiry and plenty of sales activity so prices in most price ranges are starting to stabilize. Let's hope it continues throughout 2012!

Thank you to everyone who has supported us this year- thank you for all your referrals.

Rest assured we will continue to help as many as we can to buy and sell safely.

We wish everyone a safe and happy festive season.

Here's to a prosperous 2012!

Best Wishes
Tim Altass

It sounds good in theory – quote a low price to 'lure' purchasers in, and then work to get the price up from there.

But if this is such a good idea, then why do NO negotiation EXPERTS favour this method?

Bait prices trap sellers as well as buyers.

Never allow an agent to use a low false price to 'bait' buyers. If you use a price range or guide or a 'by negotiation' strategy, you are encouraging buyers to offer you less. Your 'bait' price will 'hook' you more than the buyers!

Sure, a lower 'bait' price may attract more buyers but it attracts the wrong buyers. The lowest price the buyers see will become the highest price they want to pay.

And never tell anyone – including your agent - the lowest price you will accept because that too can quickly become the highest price you will get.



This article is adapted from the seller booklet, **How To Get the HIGHEST PRICE for Your Property**. To have a complimentary copy home delivered, please contact the agent who sent you this newsletter.

The Tim Altass Team would like to wish our clients past and present a *Merry Christmas and a safe and prosperous New Year!*



The true value of your home

As a seller there are
**five things you want from
your real estate agent...**



Maintaining the Investment

PETER O'MALLEY

There are some realities about owning & managing an investment property that landlords should accept before they become landlords. If not, the investment property that was meant to serve you as a rock solid performer can cause unwanted expenses, energy and stress.

It is commonly accepted that tenants on the whole will not maintain a property as well as an owner-occupier would. We are not here to make judgements on this point, rather just let you know the facts. When you do have a tenant that takes good care of your investment property, ensure that you take good care of them.

Landlords make 1 of 3 mistakes with their investment properties around this fact.

1) They under invest in the maintenance of the property –

If you buy a brand new investment property with a 10 year plan but neglect the maintenance of the property, you end up selling an un-renovated property. The capital gains in the general market can be wiped off due to the deterioration of the property. When finance costs 7% and rental returns are 4% before expenses, it is not a great surprise that many landlords have difficulty finding spare cash to maintain their investment property.

However, it is far cheaper to maintain a property than renovate one. A stitch in time saves nine!



2) The second mistake that landlords make is they don't inspect the property often enough.

Relying on a condition report from the property manager is not sufficient supervision of the property. Maybe it should be sufficient, but in reality its not. Many landlords are horrified when they finally inspect their property having not inspected it for several years. The actual condition of the property is so far removed from the condition reports they have been receiving that it defies logic. This is a shattering reality when the superb residence you originally leased out is now a battered wreck.

The 1% you negotiated off the agent's commission won't be much compensation if your agent does not keep your investment property to a high standard.

3) The third mistake that landlords make is they allow issues to fester.

When the landlord is happy to let maintenance issues slide or insists they are done on the cheap (& nasty), they set the expectation standard for both the agent and tenant. As a landlord, it is important that you insist your investment property is maintained to a high standard, both through your actions and words.

All properties experience wear and tear. It is the landlord's responsibility to address it. If not, over time, the festering issues become major problems.

If you know the mistakes that other investors have made, you have a better chance of avoiding them. If you maintain the investment, the odds of achieving an acceptable return increase.

TRUTH at all times; **RELIEF** from the stresses associated of the selling process;
AWARENESS of factors influencing the sale of the property;
EFFORT to sell the property; and of course, the **HIGHEST PRICE**

Interesting, buyers want the exact same things, EXCEPT they want to pay the LOWEST PRICE. A good agent knows how to close this gap, using their negotiation skills to achieve the best possible price for the seller.

There are 3 things that need to be in place to achieve the highest price: the right pricing strategy, the right marketing; and the right presentation.

The first step in pricing your home right, is to establish the true value of your property. If you do not understand the true value, you risk rejecting the best offers. Home sellers who are realistic about their asking price have the best chance of selling for the highest price.

The best way of determining the value of your property is to hire

an independent valuer. It's money well spent. It will help you determine a fair asking price.

A great question to ask is: "If you sell my home for less than the price you quoted me do I still have to pay you the commission you quoted me?". Getting a guarantee for the price quote helps protect you from potentially being misled about the the value of your home.

**Call Tim Altass Real Estate
for more information on any aspect of
buying or selling real estate.**

REAL ESTATE CAREER

\$110,000 secure salary and bonuses

- Our sales people enjoy the best in support, ethical training and teamwork. One team now sharing three eastern suburbs locations, all the enquiry and 2 days off per week.
- This is the way real estate should be - NO auctions, NO bait pricing, high salaries and bonuses and enough time off to enjoy a life outside of work.
- Having earned "Approved" accreditation from the Jenman Group we're extremely busy.
- We're looking for mature minded people with no real estate selling experience, who own their own home and have a

proven history of stability.

- Qualifying period starts at \$77,000 and bonuses and 11 day fortnight roster.
- If you believe you can sell and would like an income over \$150,000 (this is the lowest income in our sales team) within 12 months - we'd like to hear from you.

Perhaps you too can join us for many years.

Please email your resume including a letter of introduction to: mary@timaltass.com.au

Tim Altass Real Estate | Morningside, Bulimba & Carina | 07 3395 5955

I was very impressed with the professional approach of all the staff from Tim Altass Real estate. In the way they as a team approached the business of selling my home.

Peter Watson was my sales agent. He considered me and my families privacy at all times. He worked around us, to do his business of selling the house.

I loved the by appointment only inspections, as it just bought buyers through the door that were genuan.

Peter and the other staff work as a team and gave me always after these inspections a curtsy call and feedback of prospect buyers.

As everyone knows the housing market is a buyers market at the present and very competitive. This did not stop Peter Watson or the Tim Altass Real Estate team to slow down. Within three and half weeks they were able to get me an excellent result.

I can just whole hardly recommend Peter Watson and the Tim Altass professional team for selling your property.

I wish you and the team all the best for the future. **R. Williams**



Are you looking to lease your investment property?



Contact Tim Altass Real Estate to discuss what we can offer you in the management of your property.

The Property Management team at Tim Altass Real Estate currently have quality tenants waiting for the right property.

To find out if any of these prospective tenants suit your investment property contact ☎ 3395 5002 www.timaltass.com.au

Maximum return with Minimum of stress

- Best Market Rent
- High Quality Tenants
- Experienced property management team
- Regular monitoring of your investment
- Stress free management



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