

Don't be afraid to stand out from the crowd

The great New Zealand past time – knock 'em down if they stand out above the rest.

In real estate terms, nothing could be further from the truth in today's market. If you don't stick your head up above the mob, others in your area or price bracket may well do so, and you will not be seen by prospective purchasers - thus slowing down the selling process. For those who are not afraid to sell and purchase on the same market – surely a rational decision – exposure to as many forms of advertising is absolutely necessary, such as large stand-out colour ads, website advertising, radio, and in some cases television. Obviously, the mediums chosen must relate to the particular worth, style, etc, of the property.

You may well ask - why do I have to pay for advertising? It is expenditure to further promote your property, over and above what we provide **free of charge**. It's like getting your car serviced. You get an invoice differentiating between 'Parts' and 'Labour'. In this case, 'Parts' is the advertising, and 'Labour' is our fee. **In other words, we are paid for selling - achieving a result.**

The market has changed. Buyers are in control. There are many potential purchasers drifting around the market, concerned about interest rates, whether the market has bottomed, but most importantly, if the property they are considering purchasing is priced for today's market. This is not a market where you can ride the roller coaster sell high / purchase low. Purchasers will have looked at all the competing stock, causing overpriced properties to sell other properties by making them appear to be great value.

Not helping the confidence of the present market is the fact that the Reserve Bank uses QV figures for the basis of reviewing interest rates. Unfortunately, the data used is 3 months behind the present market - resulting in a distorted median selling price, showing only a small drop in values relative to 12 months ago for our market. This distortion is caused by a higher number of top-end sales relative to the bottom-end of the market.

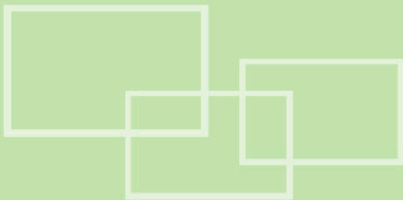
Market expectations are for an easing of interest rates in the near future.

Real estate data, as returned by our industry, shows several months of lower than normal sales and a drop of between 10% and 15% in market values). There is every reason to believe that this trend will not continue, and that higher number of sales will take place, as usual, in the spring and summer selling season. I expect that there will not be a recovery in values in the short to medium term. The question is:

Are you prepared to accept today's market forces?

Why not be a tall poppy? Place your property on the market early. Traditionally, there is less competition at the tail end of the winter - reap the benefit of less competition.

Become a tall poppy – the phone lines are open. Call me now.



Murray Green

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