Helpful Scripts for Vendors

RED is what should be on the front screen. The SCREEN NAME.
BLUE is what comes up as the presenter is talking.

START SERIES OF 27 SCRIPTS FOR VENDORS

MEET PETER GILCHRIST
My name is Peter Gilchrist
I started in real estate when I was 21 years old. It is what I have done my whole working career. For the last 30 years I have taught all round the world real estate sales people and in some cases whole franchises....how to do a great job for you in selling your house.
What I want to do in this series is share what I have learnt with you and get you and your agent on the same page, What I want for you is a great sale that you make consciously in a way that you can move on with your life and feel good about how you sold.
Now I want to just say this. Don't listen to a word I say.......in fact don't listen to anything anyone says...unless it makes sense to you in your situation. There are too many aspects of selling to cover in this short series so you make sure that what I say resonates with you or....figure it out for yourself using what I am saying here. If something comes up for you and you are not sure about what to do. Not sure about how to handle things, then send me an e mail. I will always answer you.

SERIES 1 (video)
Introduction to "Some homework to do before you go to market
In this video series I want to set the scene for you. I need you to do some home work before we get started on the actual list and sell process. So have a listen. Start a journal, and start getting this information together. We will come back to it over and over again.

SERIES 2 (Video)
Introduction to "Getting the Price Right "
You know one of the biggest issues you will have in selling your home is getting the price right. Instead of abdicating on this subject I want you to understand how it all works. Then you can make better decisions for your self.
So make notes and see how this all relates to you.

SERIES 3 (video)
Introduction to "Working with Your Agent"
The relationship between you and your agent is very important. Having worked with the best of the best in 5 different countries, I understand how to work with them AND to get the best out of them. In these videos I wan to give you some tips on how to work with your agent. How to chose them, questions to ask them and how to work with them on going.

SERIES 6 (Video)

Introduction to "Negotiating The Deal"

Negotiating the deal is a huge part of all sales. It is the most intimidating aspect of it all. Again I want you to know how this all works so you can make conscious decisions for yourself and are not reliant on others to get what you want.
Video about the re pricing video

Bonus So, you have been on the market too long??

Here is what to do... (Introduction)

With 100's of thousands of listings on the market and different market conditions in different areas one of the interesting things that can happen is you can put a full marketing program in place. You can even spend money, go through the whole mental anguish that comes with an auction program.....and nothing happens.
Like with all my programs I want you to understand what is happening. I want for you to be able to step back and look at what has happened so far and then hopefully see clearly what the issue is and give new instructions. If you are keen to sell. If nothing is happening and you have deadlines to meet. If you need to be somewhere else. If you need the funds to get on with the next chapter in your life, then watch this video and all will come clear.

SERIES 1 (video)

Some homework to do.
Before you go to market.

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So, Some homework to do

1. Getting clear on your objectives
2. Demand and competition – some homework
3. The three kinds of markets
4. Be clear what you are selling
5. How soon do you want to start?

SERIES 1

1. Getting Clear on Your Objectives

Welcome to this video about getting clear on your objectives for selling your home. The idea here is to ask yourself some questions around the process you are about to go through.
You should start with: "Why am I doing this?" "What is the goal?" Or a better way to put it is, "What is my intention here?" In the real estate industry, there's a lot of discussion around a seller's motivation. What's yours?

There are degrees of motivation. You might have just been offered a new job in another city. You will need to sell the house to be able to move. If you have only just been offered the job and you haven't taken it yet, your motivation on a scale of 1 to 10 might only be around a 2. If someone made an offer on your house, you might just say "hey, need to sort some things out first".

But once the job is secured and the start date has been agreed, then you are up to a 5 or a 6. And once you have actually moved away, either on your own or as a family, the motivation to sell becomes critical. So you need to think about: "How motivated am I?" and "When would I become way more motivated?"

Sit for a minute and think, "What is the best outcome here for me? If I could plan the ideal shift, what would I want to see happen?"We will keep coming back to this as we work through this programme, so I need you to write it down very clearly.
Let me give you some examples of what I am after:

"I need to sell my house because I am moving in four weeks to Sydney. I want to sell so I can buy there."
"I need to sell my house to pay off some debt. My mortgage is too big for me right now, so the sooner the better."
"I want to sell the house and move into a larger one because we have baby No 3 on the way and this house is just too small."
Be really clear about the objective, and write your answers down.

2. Demand and Competition – Some homework 4 things??

Another big subject that sellers end up coming back to is this: what is the market you are selling in, and what is the demand right now? Just think: if you got an offer on the second day of marketing in a raging seller's market, that is an entirely different offer to one on the second day of a raging buyer's market. One offer you might consider but not necessarily take; the other you would be wise to really think about. You see, different market characteristics mean different decisions.

As far as demand goes, no demand, or even slow demand, for a house like yours means just one thing – the number of days on the market can blow out. I have seen small towns where no one was buying and the average time on the market was six months. That's a long time if you're planning on moving to a new job in, say, a month! We need to factor that into the plan as we work through the best way to meet your objectives. In some cases, even a property priced below the market may still take a long time to sell if the demand is not there. So instead of getting anxious and worrying that "no one likes my home", we need to understand the dynamics that are at play here.

One of the other things worth considering is how much competition you have. Are there lots and lots of homes like yours for sale? Or is yours a sort of one-off type place that does not really have much competition? Again, things we need to know as we work through this whole transaction.
So do some homework on this. You need to get an understanding of the dynamics of your market. There are many websites you can go to to find this out, or you can ask around. This is one of the things you will be talking to your agent about.

3. The three kinds of markets

As I said in the previous video, which kind of market you are selling in makes a huge difference to your decisions. This is a big topic, so I'll run through the market characteristics quickly.

When you are in a buyer's market:

- The first indication is fewer buyers enquiring. Fewer at open days and less general enquiry during the week.
- There will be more "for sale" signs everywhere. More listings generally in your neighbourhood, more advertised on the net and so on.
- One of the reasons for that is that the average days on market go out. In some cases, houses can take, on average, 150 days to sell. That's five months!
- Competition can build up. More homes for sale means the possibility of more just like yours for sale, more for buyers to choose from.
- There are simply fewer sales in a buyer's market.
- Prices in these markets can be stalled, or dropping.
- The buyers have the power here, especially during the negotiation process. If you don't engage with their price, they simply walk down the road to the next property for sale.
- Auction results are low for "under-the-hammer" sales. The marketing process overall might get the result, but under-the-hammer sales can drop.

Now let's compare that with the opposite – the seller's market:

- There are more buyers around, more at open days. This can create pressure to make decisions.
- Fewer homes for sale, fewer "for sale" signs and fewer advertised on the web. That means buyers have fewer to choose from, creating more pressure.
- The average number of days on market drops. It can be as low as 20!
- Less stock means less competition on your home.
- The volume of sales is higher.
- Prices can be firm or rising.

• The seller has the power here. If you don't buy my house today, there will be another buyer along real soon.
• And lastly, sales under the hammer go up. Ninety-plus percent is not uncommon in a great seller's market.

Finally, the balanced market. This is where the sales match the houses coming onto the market. In this market, a particular house might put itself into one or other of these markets. A great house might put you in a strong selling position.

It is imperative you understand the dynamics of your market. Start reading, visiting websites and figuring out just what is happening out there. At the very least make sure this is something you ask your agent when you meet them.

4. Chattels – Be clear about what you are selling

Sit down and make a list now. What do you want to take? What will you leave?
This CAN be plants, fixtures, fittings, anything at all. Technically, you can take anything you want. However, ealize that if you start taking fixtures and fittings, it may need to be reflected in the price. So be reasonable. Telling buyers all the time that none of these shrubs are included and neither is the garden shed or whatever is not cool.

In most cases, it is best you do some work on this now. If you are committed to selling and there are things you want to take and you have somewhere they can go to, get them out now.
At the same time, it will be a big help to your agent if you write down relevant information about your home, such as distances to hospitals, schools and supermarkets, plus the things you love about it that other people might love too. And you can, if you wish, write the main points about it you would like to see advertised. This information will help them sell your home.
The process is beginning!

5. How soon do you need to start?

Part of becoming aware of the objective is to be clear around your timing. To do that, you start at the end result you want and work backwards from there to see just how long you have to get this show on the road.

You need to allow a good 10 days to 2 weeks to get your home on the market. It does depend a little on how you are going to market it, what method you are going to choose. But you don't want to be rushing things or putting pressure on yourself to make decisions. Some things can happen sooner like signs

Obviously, we can't know just what will happen, but you need to allow the average time on the market to get a contract on your home that is logical. Now realize that with auction, this may be only a month – it is one of the reasons you might go to auction. But let's say the average time on market in your area yes it does vary area by area is 30 days – that's quite a good market, by the way – and then you need to allow about another month until you actually receive the dollars. So, even in a great market, we're talking about 70 days. And if it is not such a good market, you will need to lengthen that days-on-market figure and, in some cases, come up with plan B if your plans involve a shorter time frame than that

SERIES 2

Navigating the pricing trap.

You know one of the biggest issues you will have in selling your home is getting the price right. Instead of abdicating on this subject I want you to understand how it all works. Then you can make better decisions for your self.

So make notes and see how this all relates to you.

PRICING YOUR HOME TO SELL

1) **Why agents get a bad rap**
2) **The need to price within the reaction zone**
3) **What happens when you inflate the price**
4) **How to estimate market value**
5) **Questions frequently asked about pricing**

6. Pricing – why agents get a bad rap!

It's simple. Any rift between the public's perception of this industry and reality comes from the difference between the emotional price a seller thinks their home is worth, and the market value.

As emotional as we want to get – my house is so cool, we are getting divorced, we paid 450k for it and so on – the market just doesn't care. They don't care what you paid for it. Some people are glad you're getting divorced – it makes them feel better!

On top of that, there is a market at play. If you get this, your sale will be quicker and possibly bring in more money. It is this simple:

Take two houses that are similar – same size, same age, same area. One sells on a reasonable market for 500k. Then the other one comes onto the market. Common sense would say it is worth 500k.
The real estate market is the same as any other market. If everyone is paying $22 for ANZ shares, you are not going to pay any more. That's how it works. But what happens is, we decide not what a house is worth, but what we need for it.

It gets worse. We actually price our existing house based on what we want to do after we have sold!
We want this buyer to buy our next house for us. We want them to pay more because we are separating, because we are building. This is illogical. It would be like having a Toyota (nothing against Toyotas) and wanting to buy a Porsche. You cannot put the price of the Porsche on the Toyota. It is exactly the same with your house.

So the agent has to juggle between the emotional price you want and the market value – to the point that if they don't agree with this made-up price or don't try hard enough to get it, the vendor throws them out in favour of someone who panders to them.

Decide before you start on how you want to play this. We need to stay as logical as we can here and note the facts, not the emotion.

An agent trained in Conversations will talk to you about this and how you want to play it. If we engineer it incorrectly, the agent has to play the game or run the risk of losing your listing and the commission that goes with it. This game is costly in the long run in terms of time and money and
I will show you that when we look at pricing later on. You get this right and everything else will flow off it.

9. How to estimate market value

The most common way the market, and also agents, valuers and buyers, value your home is by way of comparison.

This is how it works. Say a 150-square-metre ①unit on the second floor overlooking the sea sells for $500k. Then, a month later, the one next door comes up for sale. It is identical in all respects. Logic would say it is worth $500k. So, when valuing a property, we make comparisons and adjust for the difference. If the house sold last week has two garages and yours has one, we adjust accordingly. If the one down the road is on a bigger lot, we adjust accordingly.
You must beware of adding on invisible costs here. Take a look at this scenario. Two identical houses are built on lots ③of the same size. One is close to the road ④and it only cost $7,000 to put utilities in. The other is at the back of the site ②and the utilities cost $15,000. Would you pay another $8,000 to buy the second house? No, I doubt it. Some things just can't be added onto the price.

The most common ways we get this wrong is when we have spent money on the house. We do that for two main reasons. The first is enjoyment: the kitchen was adequate but you didn't like it so you replaced it. Again, it comes down to comparison. The market won't pay you the whole amount you spent on the kitchen unless it's reflected in the market value. A buyer may make an offer on your home first, or choose to offer more than the house down the road, but they won't just give you what you paid for it. The second reason for spending money is maintenance. Again, same story. One roof is brand new, the other is adequate. A buyer might up the offer a tad but they won't just add the cost of the new roof unless market value reflects it.

Getting up-to-date comparisons is one of the reasons you need an agent. You can find some of the information you need but often this is three months old. Agents know what sold yesterday. If you wish to be part of this process, get the list of comparables from the valuer or agent and take a look at homes yourself. You will pretty soon get a feel for the values in your area, and then you can apply them to your own home.

10. Questions Frequently Asked about Pricing

In this video, I answer three questions frequently raised about pricing.

1) Why can't I start higher? Surely I can just come down later?
There are a couple of reasons why this isn't a good idea. Start too high and you miss that initial marketing period when all the buyers that have been sitting just waiting for your home to come onto the market walk away because it's too expensive. Serious damage can be done here. I don't want you to 'try it out'. I want you to do the work and get it right first time. That is imperative. Put it on close to market value and watch what happens. Of course there are no guarantees, but the other way is just not logical.

2) But we need this much or that much to do what we want to do.
No one cares! It's that simple. No one cares what you need to do. I quite often say to sellers, "Then let's put it on the advertising: 'Sellers are building and need 20% over market value.' How would you respond to that as a buyer? "Yes, you guessed it. It is like if you have a Toyota and want to buy a new Porsche. Now, no reflection on the Toyota, but you can't ask the price for the Toyota that you want to pay for the Porsche.

3) We paid this much so we need to recoup all our costs and so on. It is an investment and we need this much to come out of it.
Not going to happen if the market is not there. Markets in all areas of commerce work this way. "We paid this much for our shares so we need to get that back." But if the price isn't there, you will have to wait. It works exactly the same in real estate.

SERIES 3

Working with Your Agent

The relationship between you and your agent is very important. Having worked with the best of the best in 5 different countries, I understand how to work with them AND to get the best out of them. In these videos I wan to give you some tips on how to work with your agent. How to chose them, questions to ask them and how to work with them on going.

WORKING WITH THE AGENT

1) **Dealing with agents... Some tips**
2) **Choosing an agent... 2 step process**
3) **Deciding the best strategy with the agent**
4) **Questions to ask your agent**
5) **Deciding the commission**
6) **Dealing with feedback**

11. Dealing with Agents – some tips

Ninety-plus percent of homes sold are sold by the real estate industry. Now, there is a lot of rubbish talked about the industry. On the whole, like in any industry, most agents, or certainly the ones I meet, just want to do the right thing. They are positive people, motivated, paid only on results. I talk in other videos about choosing an agent, but here I want to talk about you and your relationship with your agent of choice.

The big thing is, stay in the game. If you were going on holiday, you wouldn't ring a travel agent and say, "Book us on a holiday. You choose where! "That would be silly. It's the same with selling the house. There are decisions to make – timing decisions, budgeting decisions and end-game decisions. Your holiday; your choice. Your home; your choice. Don't just hand it over. Knowing what is going on could make a difference of weeks and weeks of time and tens of thousands of dollars. In the end, an agent does just want to get you sold and on your way. So you need to stay in this transaction to make sure your objectives are met. Bear in mind this idea, which Steven Covey teaches: those who do not have goals are at the mercy of those who do.

Now the thing that gets in the way of a great team, if you like, and a great sale, is emotion. An agent sees the sort of things we are talking about in this programme clearly. They want to get you there faster, but they are up against – yep, you got it – your emotions.

Look for the logic here. Factual stuff that, if paid attention to, will lead you to make commercially smart decisions. Get both of you on the same page – the agent understands where you are coming from, and you stay as logical as you can – and you will get an outcome you feel really good about.

Share all information about your circumstances. I have heard it before: tell the agent nothing. It's none of their business. If you tell them you are in a hurry, they will crunch the price! I say, tell the agent everything. If you are in a hurry, they need to know. Otherwise, you may find yourself on the market for months because they thought you had all the time in the world. We all have different agendas in life and in selling our house. And agents can help whatever the situation. If you still want to try for a price above the market and don't care how long you are on the market, tell them. If you need to get this pretty right from the start because you want to move on, tell them. Then you can listen to their strategies.

12. Choosing an Agent – A Two-Step Process

Choosing an agent is like choosing an employee. You set up an interview first, then choose the agent, then get on with the job together. Because you are staying in the process and making decisions for yourself, you choose the agent first, then do the work with them to see how you are going to market your home and at what price.

Here's an overview of the process:

- You phone an agent. Several, if you wish. Or send an email, or whatever.
- You set up a time for them to come and have a look at the house.
- You ask questions and look at their website. It's like interviewing someone for a job!
- They tell you their strategies.
- They leave the house.
- You choose the agent you want to work with.
- You make the phone call.
- They come back and go through a plan, based on what they found on the first visit. You now do this together, because you have chosen them. They can relax and tell you what is best for you and the sale.

There are several reasons for doing this in two steps – unless you live two hours out of town, of course – and not trying to figure out an asking price and selling method before you have chosen your agent.

For one, when I first visit, you can interview me. After I leave, you have time to talk about them. Remember, these people are going to be part of your lives, one way or another, for quite some time. Discuss each person you interviewed and decide who is the best. You have time to do this now. Sitting at the table with them is not the place to decide.

And then, from the agent's point of view, the professional will go and check a couple more houses so they get the price right with you. They need, based on the information you have given them, to go back to the office and get the appropriate personalised presentation together with everything that you have discussed as strategies. Before they visited, they didn't know what your home looked like, they didn't know which strategy would appeal to you. So they need to go and put it all together now.

13. Deciding the best Strategy with your agent

When choosing an agent, focus on strategies. Strategies are most important here. The size of the sign, which websites you are going on – all that is just detail that you will work on together.
A friend told me a short time ago how his company had just changed accountants. They felt their accountant was not saving them enough tax, so they went to another one. Very quickly, after looking at their operation, this second accountant showed my friend how to save another 100k in tax in the following year.

Now the interesting thing was that this second accountant's office was just around the road from the first one. The two accountants actually went to the same university together, they did the same degree and learned the same stuff. But one was able to save them 100k more than the other. They had the strategies to do this, you see. They interpreted the situation and came up with different strategies and ideas to save the money.

Selling your house is the same. All agents can put a sign up. They all have those. They can all get you on the web, but what we need here is strategies – ways of doing things that maximise your home's potential in whatever market you are in.

Here are some of the strategies your agent should be employing:

- How the agent deals with existing buyers. This is a vitally important strategy.
- Following on from that, whether they are able to run a property preview, in which they advertise the property and invite all their existing buyers to a pre-marketing open day. This can be done very quickly and, in some cases, the property sells on that day.
- When to start the campaign. The best strategy is to launch it on a Saturday morning, when everyone is looking at the web and has time to actually open any alerts they get for properties coming onto the market.
- Auction is a strategy and should be at least discussed, especially if you're in a buyer's market.
- Whether they believe high-profile or low-profile is the way to go. What is the strategy behind this?
- Whether to market with a price or without. What is the strategy here?

The main thing is that any agent you're talking to needs to be able to talk all these strategies through, or you may miss the best one to get you those top dollars.
I explain more about these strategies in upcoming videos.

14. Questions to ask Agents

One of the worst things you can do is to auction the house off to the highest-bidding agent! Don't do that. Choose the person you want to work with, based on the questions below and the strategies they explain to you. Then work out with them what is best to do.

Whether by phone or on their first visit, ask the agent these questions before you take them on:
- How long they have been in the industry.
- How many houses they have sold in that time.
- What the average sales price was.
- What the average days on market was.

Once they have seen your home, ask about:
- What selling strategy they suggest – e.g., auction, with a price?
- What advertising options they have access to.
- What they can do to fit in with your time line.
- Comparable sales they know of.
- What support they have. Do they have a PA? How much admin support do they have in the office?
- How many other agents work with them, and how many will be working on your home.
- Their database. Do they share databases throughout the office – that is, will you have access to all the registered buyers?

Ask straight out: "Why should I list with you?"

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15. Deciding on Commission

This is a hard one because there are so many different ways you can do this. Different states in Australia seem to have different acceptable rates. In South Africa, they charge up to 7%. The USA is the same. In the UK you will only pay 1.6 to 1.8%, but the service is poor compared with here.

However, there are a few different ways you could decide on commission. Some agents will show you the last 10 or so commissions they charged. Some will allow you to choose your own: they'll set the parameters between, say, 2.5% and 3% and at the end of the deal you get to choose based on performance. This has a sort of insurance factor. And there are flat-fee companies where it might still be a serious amount of money, but you know what you're up for.

You know, as long as you have chosen the agent wisely, this industry is well set up to do this job. Agents are gathering data all the time, they have insurance cover if anything goes drastically wrong, and they will do the running for you. And I have noticed over the past few years there are more and more requirements of this industry in terms of compliance.

So discuss it, decide on how you will do it, then move on and don't obsess.

16. Dealing with feedback

OK, so you are on the market. You might have run a couple of open days. You might have had some people through during the week, and of course a lot have seen your home on the websites. So what has happened?

First of all, it's important to stay objective. Don't become emotional. Don't shoot the messenger. Listen to the feedback and restrategise. Deal with what is real. Look at the information you are getting directly and then look at what it's indicating in terms of the big three.

One, the market you're in. In a seller's market, there should be lots of buyers. But if you have none through, there's a message in that.

Two, your motivation. How soon do you want this to happen? Can you afford to wait? These are your decisions.

Three, your asking price. How close is the asking price, if there is one, to the market value? Does this have to be reviewed?

Look at restrategising in terms of things you can change and things you can't. You can change the marketing, if need be. Don't be silly about it but you can change a headline if it will attract different types of buyers. You can change the photos, if that will help, and show very different angles or features. You can change the house, if that will help, but be practical. If the feedback is that the drive is too steep, you can't change that. It isn't the house for buyers who care about that. But if the feedback is that the kitchen is too dark and there's a tree you've been meaning to take out that will let the light in, then get to it.

Once the house is on the market, you can feel like nothing is happening. Go back to the big three and figure it out. Work with the agent to make changes, no matter how small. Keep moving. You should be getting feedback from the agent at least once a week, at a minimum. Otherwise, call them and arrange for a review of what's happening.

SERIES 4 (video)

Watch these videos to help decide whether to auction.

AUCTION

1) **Overview of how auction works**
2) **Questions frequently asked about auction**
3) **So should I just put a price on it?**

17. An Overview of how Auction works

Auction is essentially a three-stage ①strategy to maximise the price and minimise the time it takes to sell your home. It serves notice that you are serious about selling.

In stage 1②, you throw the net out wide and go after every buyer who is looking in your area. You take the price off simply so you get more buyers to work with. Depending on your circumstances and the market, you may sell before auction day. Most agents allow that to happen.

If that doesn't happen, you sit down with the agent or auctioneer the day before ③the auction and work through the information you have gleaned from the market in the weeks leading up to that point. Using that information, you set up the strategy for auction day.

Stage 2, the auction ④ itself, may be only a few minutes long. You sell, you celebrate.

Stage 3 ⑤happens only if you don't sell, in which case you sit down with the agent again and work through what has happened so far. Usually, you then put a price on the property based on that – the feedback you have received and so on.

With auction, you get all options. In the first stage, if more than one buyer wants to make an offer, you can call for their best offers to be on the table at a pre-determined time. If you don't sell and go to stage 2, you have an auction. And if that doesn't work, you have a normal agency situation. It is three strategies in one.

One of the best things about auction is this that it does no damage. If we put a price ⑥on the property that is too high, buyers will walk away, and it can be hard to get them back. Damage ⑦ is done. If we go to auction⑧, they stay through the process. They wait to see what happens and if it appears right, they will offer or bid. No damage is done. You go after the best buyers, the cash ones, but if none of them engages, the others are still there waiting to see what happens, and you can engage them.

As long as you see it for what it is – a strategy containing all three options, in the right order, to maximise the outcome on your sale – auction is often the best way to go.

18. Questions Frequently asked about Auction

In this video, I answer four important questions frequently asked about auction.

1. ①But they don't work; they don't seem to sell in this area.

You see the auction sign go up, then a few weeks later it comes down again and a "for sale" sign goes up. Yes this happens, depending on the market you are in. Sales under the hammer can vary. But when you take the whole process over three stages, it has a higher success rate than a normal agency.We measure and so should you, the MODERN AUCTION on the three stages outlined in my last video.

2. ②Doesn't it cost more to sell by auction?

Only in terms of paying a professional auctioneer and for any advertising that is agreed on. The actual fees for selling are the same. You can run an auction on high-profile advertising or low-profile, just the same as for listing at a price. We will talk about advertising later in the series.

3. ③If it doesn't sell, haven't we burnt our bridges?

No, you haven't. Stage 3 is important and you will be well on your way to getting it right, using all the feedback you have from the auction's first two stages.

4. ④But when I was looking to buy, I couldn't go to auctions because I wasn't cash.

Doesn't that mean we miss out on a whole lot of buyers?

*No. With auction you are going after cash buyers first and foremost, but you don't lose other buyers. If **you** had seen a house you really loved, you would have gone to the auction and watched what happened. So we get all the buyers. Then, if cash buyers don't pick it up, we go after the other buyers who have houses for sale or need to arrange finance.*

Detailed questions, such as how long an agent wants your home for or exactly how much advertising is required, should be covered in the outline of the plan you and the agent will put together.

19. Should I put a price on it?

If you decide against auction, you will need to decide whether to market your house without an indication of price. In this video, I make a couple of points to help you make that decision.

In a raging seller's market, there is a point to leaving the price out. There are lots of buyers. They all come through and then are told to put in their best offer. This is the best negotiating place to be in. So in a seller's market, by all means talk to your agent about that.

Auction is also a marketing strategy that, initially, doesn't indicate price. The very fact it's an auction means that, in stage 1, no price is given. But on such and such a day, you will be calling for interest and seeing what is there.

If you're selling in a buyer's market, I don't recommend no-price marketing. My experience here suggests you either auction the house, which makes your home stand out and brings some intensity to the campaign, or put a well thought-out price on it. In a buyer's market, there is usually too much going on, and too much choice, for buyers to be bothered with a house that has no price.

You need to watch the agent's methodology here. If they suggest you market without a price, they could just be being lazy, trying to get your listing without having the hard conversation about price that you need to have in a buyer's market.Having said that some agents are very experienced in this arena and work it to your advantage. So listen then do what makes sense to you in the circumstances you are in.

I hope that gives you enough to work out which way you need to go.

SERIES 5 (video)

The coach helps with the process of selling

The process
1)Developing a plan to sell the house
2) Building a marketing plan
3) How buyer numbers impact the strategy

20. Developing a plan to sell the house

By now, you will have chosen the agent and pretty well know the strategy you are going to use to get moving. So now we need to build the plan: put it all together into the detailed list of things we are going to do to sell.

Some work was done recently with focus groups, where some 200 people were asked what information they wanted from an agent to enable them to make a complete plan for selling their house. The most important things they wanted to know were:

- ① What was going on in the market.
- ② Whether the agent had buyers.
- ③What the price was likely to be.
- ④How to go about marketing, and the costs involved in that.
- ⑤What to do to the house to make it worth more and sell faster.

I'm picking those are the questions that are on your mind right now.

A professional agent will follow through each of these issues in sequence. Don't let the agent move on to the next one until you have dealt with the ones before. After working through them all, you will be in a position to go to the market with total confidence

I talked in videos 2 and 3 about how to work out the market you are selling in. In the videos coming up, I'll run through the rest of these issues – buyers, pricing, marketing and the house.

21. Building a marketing plan

In this video, I go through the steps involved in making a marketing plan and explain what you need to pay attention to.

I want to stress at the outset you don't have to spend much money at all on marketing. You could even run an auction by just putting up a sign and distributing fliers to the buyers registered with the agency. All good, and you will get a reaction. But that is not the point. You have options here and we need to look at what they are.

With anything you are selling, the more people the marketing reaches, the greater its effect. That's all we're talking about. How many people do you want to get to? Are you going for it, or will you let the market take its time and come to you? What's the time frame? Are you in a hurry or cruising? You are more likely to get closer to your asking price if you have in place a fully structured marketing plan. So you don't have to do anything much, but considering you are selling one of your biggest assets, you should look at your options with your agent.

The first thing to do is design the ultimate marketing plan for your home. What would be the best way to let your home prove itself on the market? You can always come back and change things later if it costs too much.

The second thing to look at is timing. Work out on your calendar when you want to get started. Ask your agent what options you have within that time frame. Work out how many ads would make for a great marketing campaign, no matter what strategy you're using.

Work out the timing for putting up the sign, for going on the web, for team viewing of the property, for the first ad and for subsequent ones.

The next thing is the publications and marketing options available. The agent will take you through these, including the websites you can upload to. Now, you need numbers on these. Don't go into them just because you like them. You need to know two things: the circulation and the pass-on rate, which is the number of people that read the publication over and above the number printed. Then you need to look at the size of ads within all these media: the best size for newspapers, the best size for websites, and the options available.

After that we look at the cost. Add it up and take into consideration what you are selling here. I have seen advertising programmes on million-dollar homes that are 30 to 40 thousand dollars.

That's 4% of the value of the property. One more bid at an auction or one more buyer forcing a multiple-offers situation and that advertising is looking like a great investment. Ask about the payment options for this. Some companies let you put it on a card and others will take the advertising cost on sale. Talk about that if it will help.

22. How buyer numbers impact on strategy

When analysing the buyer situation, there are two numbers you need to know. They are:

- ①how many registered buyers the agent's office has, and
- ②the results of their buyers' match – that is, how many on their list should, in theory, want to come and see your house.

This information is the first indication you have of the demand that may or may not be there for your home. It also gives you an idea of how to strategise the marketing.

If there are lots of potential buyers, you should definitely run a property preview. If there are very few, it is probably not worth bothering with that. It also means you need to be careful how you go about marketing. On the one hand, you don't want to miss the buyers, if they are there, by putting on too high a price. On the other, you need to be careful with the launch or you may get no response.

SERIES 6 (Video)

The keys to negotiating a great deal.

Negotiating the deal is a huge part of all sales. It is the most intimidating aspect of it all. Again I want you to know how this all works so you can make conscious decisions for yourself and are not reliant on others to get what you want.

Negotiating the deal.

1) **What to consider when assessing an offer**
2) **Negotiating variables other than price**
3) **The golden rule of negotiating**
4) **Work these through before you say yes.**
5) **An advanced way to decide about an offer**
6) **What if you get multiple offers**

23. What to consider when assessing an offer

When you get the news an offer is pending, you will be in one of two situations. You're in a standard sales process where you must decide whether to take it or not, or you're in an auction situation and you must decide whether to go to auction or take the offer in front of you.

There are no hard and fast rules about whether to take an offer. Everyone's motivation is different and markets are different in different regions. What looks like a great offer to one is not acceptable to another. But there is a list of selling indicators you should work through before making a decision about an offer. If you don't work through a constructive process, you may just shoot from the hip, so to speak. And those decisions we are inclined to regret. If you do the work at this stage, you should be very clear what to do.

Assess your situation by working through these questions. Write down the answers.

First, what is your objective? What was it when you first started out? How does this offer fit with that?

Second, what is the market at present? Look at numbers of "for sale" and "sold" signs, media reports, buyer activity at open homes, average time on the market, the auction clearance percentage and the state of the economy overall.

Third, what marketing has been done? What advertisements have been placed? What has the response been? That is, how many have been through at opens and by appointment? How many views have there been on the web? How many people have shown interest? Who are the interested parties right now? What are the offers so far?

Fourth, what is the feedback on the house?

Fifth, how is the price situated? What feedback have you had on it? What's the gap between that price and indications of value? Have any valuations been done?

What is the agent's feedback on the situation?

If you're going to auction, answer all the above questions and then examine interested parties in detail and look at how much time is left before the auction.

24. Negotiation variables other than price

If an agreement is close, but not quite there, you can sweeten the deal for the buyers by being flexible on other issues that might be important to them. Look for the things on the contract that you can change. Don't just talk price.

Ask the agent what the buyer's thinking is on the following issues.

- The possession date. Sometimes an earlier possession date, or a later one, will encourage them to pay slightly more.
- The chattels. These are very important. What if you offer to leave whiteware in the house? Who knows what they would think of that. To throw in something that is important to them but of no interest to you can swing a deal.
- The deposit. Get legal advice here, but either a larger deposit or a smaller one may help one or both parties and free up negotiations.

Think laterally. Ask questions. Find out their circumstances. Why are they buying? Where are they coming from? Sometimes, giving them access to storage on your property (if that is possible, and sometimes it is) will allow them to offer more.

25. Work these through before you say yes

When you do get an offer, you have three options, really. First, you can accept it and it's a deal. Second, you can reject it and risk the chance the whole thing is over. Thirdly, you can negotiate. Just work through the selling indicators outlined in the previous video and then decide what to do. Decide from your point of view, especially if you are in a seller's market. Listen to the agent as part of the feedback, and then figure it out for yourself. You will feel much better about it if you do.

If you are unsure, you can work through the scenarios in your mind by playing a 'what if?' game. First, ask yourself, "What if we take this tonight? How will we feel in the morning? What can we then proceed with? How do our plans look?"

Second, ask yourself, "What if we don't take this and we lose the buyer? How will we feel tomorrow? How does it affect our plans and original objective? How does it sit with that?"
Third, ask yourself, "What if we renegotiate? Go back with another figure and lose them? How will we feel then?"

Don't take a predetermined position. I can't tell you to take an offer or not take an offer. What I can share with you is my experience of people taking positions. They dig their heels in because they think someone should come up to a higher figure. Do not put your life on hold over a few thousand dollars. Stay objective here, work through the information and the answer should be there for you.

Sometimes sellers get anti the buyer just because they are not responding how they want them to.

If it's not coming together and you're up for it, ask to meet the buyer. Go face to face with them over the last few thousand. When you and they see that you are just two very normal people trying to do the right thing, things come together very quickly, in my experience. Just ask them to explain their offer and where they sit right now and you will be amazed at what happens next.

If you get an early offer, whether you should take it depends on a lot things. Don't just dismiss it because it's only four days into the marketing. Look back at the selling indicators I outlined in the previous video and work through the information. Make an informed decision. If it's a buyer's market and you turn down an offer that came quickly, it might be a long time before you see another one.

In the next video, I look at some of the variables you can look for in a negotiation.

26. An Advanced way to decide about an offer

In this video, I outline an exercise you can try if you are really struggling to decide about an offer.

After you have worked through the selling indicators outlined in video 24, try this exercise to help even more. This is something you could discuss without the agent there. It will get you very clear about what to do.

Let's say you're moving to another city for a promotion. Work through this with me. You have only three options.

Option one: Don't go. Stay where you are. Problem solved. Not an option? Fine.

Option two: Keep the house and rent it out, then rent or buy when you move. If you take this option, you must realise two things. First, you are keeping the house at the offer you have now. Some think when they hang on to a house, they will in future get the amount they want. This isn't true. The money has gone. If all indicators show the offer is at market value, you are keeping it at that price.

The second thing to realise is that, with the best intentions of the best property management company in the world, the house will not stay in the condition you leave it in. Not only is there normal wear and tear, but tenants do not look after a house the way the owner does. Not an option? Fine.

Option three: Meet the market. Now I want you to work through what this sale does for you. What will you do with the money? Will you move now? Have a new life? A new house?

Look forward to what is in store for you on the other side of this sale. Hmmm. Clearer now?

27. Getting Multiple offers

In this video, I comment on the situation where you have multiple offers. Multiple offers can arise in the following situations:

- before an auction;
- on a property that's marketed without a price; and
- on a property that's marketed with a price and is attracting large interest.

In any situation where multiple offers arise, you, as the owner, are sitting in the box seat. This is a fantastic position to be in. Now you have the control. Any thoughts of "how much lower can we go", which a buyer might have, go out the window. Now buyers must put in their best offer and not leave anything off the table. They have to work out what the property is worth to them – how high they are willing to go to get it.

You will get top price. It is not unusual in these situations for a property to get more than asking price. I want to emphasise that the way to get to this position is to follow the instructions outlined in these sessions. Do the work, stay engaged in the process, and you will find that getting multiple offers can happen more often than you think.

28. Getting the house ready for sale

A couple of things I want to make clear. You need to walk around your house with fresh eyes. In fact, that's something I think you should do each year: walk around your house as though you have just bought it. What would you do? What are the things you've always wanted to do? Make a list.

Now this doesn't mean we're going to do them all. I see TV programmes where the answer to getting homes sold is to repaint the bedroom a special shade of yellow. This is rubbish. The first thing to look for is things that buyers will 'HORRIBILISE' – the little things that they make a huge issue out of. The doors need painting? Five thousand off the offer. The back yard is a mess? Lower the offer. These are the things we need to fix first.

Finish the unfinished things – rooms that still need a wall, the room you stripped off but didn't get around to painting. Do those things straight away or the buyers will horribilise them.

You started putting in a bathroom but haven't put the fixtures in yet? That may well be worth doing. Yes, it will be at a cost, but otherwise the buyers will cost it in, and more, to finish it. Tidiness is a real key – the first-impression stuff. So tidy up and finish what needs finishing first.

Another coat of paint? Nah, don't do that. A new kitchen? Hmmm... be careful here. Get the agent up sooner in all these cases and ask them what you should be doing. New kitchens, build a garage; dodgy stuff in terms of getting your money back.

Another reason for saying this is I don't want you to put yourself under stress here. Enough of that comes with a normal shift; we don't need deadlines to work to that just are a hassle. That's another reason to get an agent up sooner, so you have the time to do this sort of thing.

SERIES 7: BONUS: You have been on the market too long:

Nothing is happening after months on the market: Introduction

Welcome back. You are watching this video because you have been on the market for months and are getting no results. If you are in this situation, you will need to review the following issues:

1. **Your objective.**
2. **The market.**
3. **The marketing done on your house so far. 4. The house presentation.**
5. **The gap.**
6. **Your overall situation.**

Watch the following video, which covers each of these topics, and decide where you need to make changes. The video is recorded by Peter Gilchrist, who is an expert in real estate and in taking people through the process that's required to get a result. Good luck!

SERIES 7: Nothing happening... Been on the market too long.

The video to watch!

Video C44
Series 7: SO YOU HAVE BEEN ON THE MARKET FOR TOO LONG NOW

Welcome to this short video on how to re – strategise if your home just does not seem to be selling
Sold signs going up all round but nothing seems to be happening on yours
You May even be in a market where there are lots of buyers and nothing is happening.
I want to show you how to get moving.
Now I need you to have watched some of my other videos

1)Getting clear on your objective
2) Understanding the market you are in
3) You need to see How demand and competition works
4) How to work out the market value of your home
5 How pricing works, and what is "the gap".
6) And the last video you should have seen is....FAQ On pricing

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Now what I want to go through with you is a way to strategically sort out what is wrong and get things moving. Once you have watched those videos

1) I want to look at what has happened so far with your marketing
2) I want to look at feedback on the house itself and if there is anything we can do there
3) I want to look at the feedback on the price. The GAP
4) Then I want to teach you the 4 principles you need to understand, to make a decision
5) And lastly I want to give you an advanced way to look at this if you really want to think this through and get on your way.

Once we have gone through this you will be able to give the right instructions to your agent.

Now I want to say something important right here. In one of the other videos I made, I talked about motivation. It comes in degrees. If you are watching this video and your motivation is very low. If you don't care whether you sell or not unless it is at an inflated price, then this video will not help you. I am talking to those who need to get going. You want to sell but at the moment you have not seen a logical strategy on what you need to do to get sold, feel right about it and move on with whatever plans that you have. If you are not motivated. If you know already you are way over priced, then you are probably better to get off the market and save everyone a lot of time and effort. Having said that, it is your prerogative if you want to sit on the market and wait for the imaginary buyer.

Please just understand the relationship between the market you are in.....price....demand...competition ....and time. I sometimes say to sellers the buyer from your home is being born as we speak, I know it is going to take that long to sell.

So lets get started:
1) What has happened so far. Make a note of these things:
How long have you actually been for sale>
How many ads have been placed
Were you happy with them
Is there any change you want to be made to them??The headings, the photos?
How many hits on the internet have you had
How many inspections so far?
What offers have there been so far. At what level were they?

2) So the next thing we look at is
What has been the feedback on the house itself.
Here you should worry about the big things and the small things.
What is the feedback? There will be 2 parts to this
a) things you can do something about. Tidy the back yard. Remove those trees so there is more light.
b) Then there are things you cant do anything about.

Steep driveway....ignore cant do anything. Not close enough to schools....ignore cant do anything about it.

Make a list of the things you can action here and discuss them with your agent. Arrange to change the energy getting some of these as many as you can.....done. Realise that a lot of agents have maintenance people that may be able to do this for you if you do not have the time.

I want to talk for a minute here about going overboard. A lot of reality TV shows focus on re painting, re landscaping, doing all sorts of things to the property to get a magical sale at a huge price. And you will see that in a lot of cases this makes no difference. They are looking at the wrong aspects of a sale. Yes...tidy up the place. Clear the floor spaces. Make sure the outside is tidy. And look for anything that buyers can "horribilize" when they come through. Get rid of that rust on the spouting. Weeding help ...cut the lawns but painting a room yellow??? Replacing the whole bathroom, this becomes a whole new deal. You are now entering the investment market on your home. And the reason it doesn't always work is because in the end it will come down to.......ye you guessed it the market...price...demand....competition....and time. Spend time strategizing around this and you will understand what needs to be done.

3) Okay now we want to look at the feedback on the price. Understand this.....Buyers become experts. If you have looked for a house in an area you want to live, you know you become an expert. You know what a home is worth within minutes of being in it..... If you think it is too dear you vote with your feet and walk.....And its hard to get you back cause we all look at a house that's been for sale for too long,..... differently!

So what did the buyers say. Most agents are good at reporting the comments. What you need to know is how many were at the bottom of the scale. How many in the middle and how many were over the top even for your expectations.What was the overall feedback on price.We look for the reaction of serious buyers here. A buyer who comes through, is not really in the market, just coming to be nosey, discount their opinion. We are looking for the buyers who really have looked around.

Don't judge it yet just hold the information right now we have a ways to go.

Some other things to consider here:

- What is the gap between the feedback and where your asking price is?
- If you watched the video on how buyers work out what a house is worth then you know how this works. Buyers compare your home with what has sold in the area and are very clear what your home is worth.
- Things change. Some of you watching this video will have listed 90 days ago.When you first listed? Did you go through the comparisons. The houses that have sold and indicate the price being paid for similar homes to yours? The agent should have taken you through them.

Now this is important

- **What has changed since you listed your house?**
- **What local listings have sold and how does that impact on the indicative price of your home today?**
- **What market conditions have changed?**
- **What has happened to investors**
- **What has happened to first home buyers**
- **What changes in policy to bank lending have occurred**
- **What has happened on the world stage....interest rates. Etc**

Something worth looking at here is what is the assumption you can make about the market for the next 6 – 12 months. Is it likely to go up or down. We don't have a crystal ball but if we look strategically at these things we can get an idea.

What listings have come onto the market since you listed.How do they impact the price on your home. Remember the market works by comparison. Sales lead the buyers to make conclusions about the value of your home.

So using all this great information. ....heres the question.....what is your home really worth??
And what is THE GAP between what it is really worth and your asking price.!

The 5 key things you need to consider

1) I need you to check with your agent on 3 things

a) Ask them for a list of homes their company has sold in the last 90 days. You will see they are selling houses. Some will be in your price bracket.

b) Ask them for a list of all the listings they have right now. You will see your competition. Some will be in your price bracket.

c) And finally ask them for a list of homes sold with the asking price, the selling price and the % difference between those 3 things .....on it. You will see 3 things on this list. You will see the average difference between the list price and sales price in your area. In my experience this is around 4%. You will see that they sell homes for full price. And you will see that in some cases they sell homes for actually MORE than the asking price. If buyers see value they pay it!!

d) Oh and by the way the other big thing I want you to see here is that you cannot blame the agent for what is going on. Unless they have made mistake after mistake which I doubt has happened it is the strategy that is wrong. Fix it and you will be amazed at what happens.

2)Now this is important. You need to be clear here. Remember I have already said the market does not care what YOU want to do here. They don't care you need to sell for 800000 so you can build you dream home. They don't care you are separating and need x amount to get on with your lives. Or that you paid x for it. Or even that you have a valuation for x. None of this matters . In the end they come back to comparisons. How it stacks up against other sales made in the area. Simple as that.

3) I also want talk about the "heart" buyer. Yes of course every house COULD....COULD sell for 100k more than its worth . But this market....these buyers are getting more and more educated. It used to be the agents had the info and no one else had it. Now days I can tell you the indicative price for your home in 5 minutes if I have access to an I pad. So you need to work through this info. Then work out what your original intention was when you first listed your home on the market. What is your intention. How long do you have. Do you have 6 months to wait for a fictious buyer that may NEVER eventuate. OR do you want to sell now and get on with your life. Huge question to ponder.

4) Number 3 is to BE REAL when you are working through this information. Put the EMOTIONS aside. You CANNOT expect a buyer to pay for your next house.....or to help you re coup money on your investment. Be careful when you look at "WHAT YOU NEED". Buyers don't care.

5) This is one of the most important points to be made in this video. Buyers respond to value they do not respond to asking price.

If they see value they pay it. This is why you do not need to put a premium on your home. Houses are selling every day for full price. It is a total mis nomer that if you have worked out you home is worth 800000 you need to put 880000 on it. That is 10% above the value and the chances are the buyers will not respond. Nothing will happen. Put the right price on and they will pay it if they see value.

As I said on a previous video the price needs to be less than 5% above the indicated market value. Where is yours sitting??

If buyers think the asking price is too high they vote with their feet and walk away.
It is very hard to get someone back to a house that no one else wants.

I hope this helps and you have enough to have honest conversations with yourself and with the agent about what needs to happen.

Make the changes and you will be amazed at how quickly you get on your way.

quickstart@petergilchrist.com.au

SERIES 7: Bonus video 2: An advanced way to look at what needs to happen here

You only actually have 3 options

1) Stay where you are. Do not do whatever it is you are planning. Stay where you are and keep the home. Mmmmmm.....not an option in most cases I think

2) Keep the house but go ahead and do what you want to do. Move and then rent the property. Understand 2 things here

a) If you keep the property you keep it at the indicated price. The other money has gone. If you think it is worth 880 and all indications are that it is only 800, you are keeping the home at 800k

b) With all the best intentions in the world the rental debt will do a great job but the property will still deteriorate with time

3) You only have 1 other option. MEET THE MARKET. I consult with sellers all the time.
I get it. Your building. Your sick. Its your elderly parents home and they have been there for 30 years. As I showed you in a previous video, your EMOTION holds up the sale. It in some cases holds up the rest of your life. A brand new home for your family. Getting close to your kids? Doing other investments? All fantastic things to do and being held up by emotion

Look at all of these things. it is not just about dropping your price. It is about taking into account everything I have talked about, getting the GAP realistic and then get sold and get on with your life.

May I see this works even if you have been on the market already for months. The market is dynamic. Once you get this right it will sell.

I would wish you luck but I hope you see now that luck has nothing to do with it.