

## march news

### market news

we are now well underway in the summer selling season. as predicted we have experienced some changes in our market due to the cost of borrowing. this may be relatively short term as the market adjusts.

there is no doubt that we now have seen the peak for this cycle of growth. we mentioned in our december newsletter that market demand was most likely the strongest we had experienced for some years and proved to be an environment that was unsustainable.

### supply/demand

our auctions commenced on february 23<sup>rd</sup> with continued demand for good quality property. our firm has achieved a 95% success rate at auction so far this year which is 22% above the melbourne average. we observed that some property sold far in excess of reserve price with extremely strong bidding whilst other property was passed in without a single bid. This factor tells us that the market is becoming more discerning in a time where, after five years buyers may finally have some leverage. !! (great for our clients who are thinking of upsizing!!)

### how can we improve our success when selling?

there are a number of factors that always need to be attended to in maximizing the outcome of your property.

1. ensure your property is spotlessly clean (buyers have no problem buying a home that needs work if it is as clean and neat as a new pin...and priced right!)
2. fix any niggling jobs around your home. ie: windows that don't open properly, doors that jam, dripping taps, chipped paintwork, sliding doors that stick, loose handles and so on.
3. clean and tidy and mulch the garden and make sure any weeds, garden rubbish and overhanging trees etc are trimmed.
4. ensure that your window coverings are clean and open and close smoothly on runners.
5. sweep paths and gutters, around the front fence on the pavement.
6. if your garden has suffered badly from the drought, buy some seedlings and plant them in pots around your front and rear doors so you can still have color without overusing water.
7. never underestimate the value of a professional home presenter. we endeavour to have lisa our "clutter counsellor" to visit all of our clients homes prior to going on the market to ensure that nothing is left to chance and that your property is absolutely ready for sale.
8. finally, I know that a lot of these factors are written about constantly, but when I attend open for inspections in general it is amazing how many of the above jobs are left unattended!

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## market timing

as I mentioned in my last newsletter timing is everything...trying to read the market is very difficult. one of the facts about the current market is that money is costing more at the moment ie interest rates are rising. the impact is certainly being advertised in every publication that we pick up on a daily basis. however, it is important to remember that newspapers have to make their information readable and this often involves isolating particular incidents to sensationalise a subject. I find the evidence to examine when considering selling is the auction success rate. this factually determines what the market sentiment is and allow us to reasonably assess if the conditions are favorable to sell or hold! BUT, there is one huge consideration here to remember and that is: if you are buying and selling the same market conditions or in a falling market, the market can work for you! remember, if the market comes off 10%, incrementally it is a higher net figure off the higher priced property. so if you are upsizing, it can be more lucrative to sell in a falling market.

## auction vs private sale

when we examine the two marketing strategies, it is important to offer a buying opportunity to the public in a safe, transparent, time proven environment. since the new legislation was introduced in 2003, private sales have all but disappeared from our market. I can unequivocally say that we must always market within an environment that buyers know and trust. this means allowing them to buy a home where they have open and transparent information giving them the confidence to purchase knowing that the price that they pay is similar to what another buyer would have paid at the same time. this accurately describes the auction system; an open fair competition where the buyer can observe first hand what the market is saying.

however if you are buying, you will find that in this climate agents may be far more receptive to selling prior to auction. this is due to a slight swing toward buyer leverage in the market as more properties continue to be offered for sale thus increasing supply. don't be afraid to ask the question. It may just buy your next home!!

## our news

our auctions are continuing to be extremely well attended and with our success rate of 95%, I am proud to say that our follow up systems and marketing processes are becoming established forms of extremely effective communication. our introduction of quoting recent sales instead of "quote range" is proving to be one of the most effective communication tools to our potential buyers that I have observed for some time. we provide potential buyers who are attending our open for inspections three or four recent comparable sales in the immediate area instead of simply giving them a range. this allows the buyer to immediately realise that we have current market knowledge, we are approaching the marketing of the home from a factual point of view thus building a significantly higher level of trust with the buying public. this translates into a better buying experience and ultimately a better outcome for our vendors and is based on nothing more than simply being honest.

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