

## **Selling? How every week on the market loses you money**

South African homes sell within 11 weeks of listing, according to FNB statistics, and 87% of sellers are forced to drop their asking price by 9% on average.

This means, on a bank-financed R1m home, at current interest rates (with no deposit and over 20 years), sellers will pay R9,984 per month, according to Standard Bank's online home loan calculator. If their home takes 11 weeks to sell, they will pay more than R27,000 in bond repayment costs during this period.

Considering the fact that national home prices have risen by around 8% in the year to end-June, according to BetterLife HomeLoans (and only 2% after inflation), and buyers on average sell within eight years after purchase, the R1m home would be worth around R1,63m. If almost 90% of sellers are forced to drop their asking price by 9% on average, that means sellers end up losing R146,700 on the asking price of R1,63m (R1,48m).

With the 11 weeks of mortgage payments (R27,000) added to the average of 5% in estate agent commission (R74,165), sellers end up with R1,37m on their sale (a profit of R370,000 before interest, municipal costs and inflation are considered).

It's clear that time on the market is a seller's worst enemy. So, how do you sell quicker?

### **Price-to-value ratio**

Your listing price needs to be realistic. Consider all the positives and the negatives of your home, its fittings and fixtures, as well as the liveability of the suburb, nearby amenities and general safety and security of the neighbourhood. "Buyers are well-informed and know what kind of value they can expect within their price range, and if a home doesn't reflect that, they're not going to be making generous offers," says Tony Clarke, MD of the [Rawson Property Group](#). "There are many instances where overpriced homes linger for months on the market and eventually sell for far below their real market value in the end."

### **Marketing**

More than 60% of property searches start online, according to [Property24.com](#) CEO, JP Farinha. This means that the photos you or your agent upload need to market the home in the best possible light. This means taking high-resolution images that are shot from the corners of the room in landscape orientation; shooting from a high angle as opposed to a low one; and ensuring the camera is flush with the horizontal lines of the kitchen counter tops, window sills or floor skirting. Clarke adds that detailed and accurate descriptions listed on well-respected property websites will help to speed up your sale. "It's always wise to approve the photographs and written description of your property before your agent posts them publicly," he says. "And if you're not happy, don't feel obliged to move ahead with sub-par marketing material."

### **Staging**

"Sellers who effectively 'stage' their homes are far more likely to sell their properties faster and achieve a higher price," says Sandy Geffen, executive director of [Lew Geffen Sotheby's International Realty](#). "It's important to remember that the decision to buy a home is strongly influenced by emotion and it's therefore essential to engage buyers emotionally by highlighting your home's best features and making it as appealing as possible."

To do this, sellers should de-personalise their homes without making them look un-lived in and impersonal. “Pack away all the personal knick-knacks such as kid’s drawings on the fridge, memorabilia and kitsch ornaments, but do modernise frames of family pictures and keep those on display, because they make a home feel warm,” says Geffen.

Other tricks include de-cluttering, removing sight-line impairments such as randomly placed objects which are out of place in their surroundings or imperfections like chipped paint or dying plants, de-odourising the home and cleaning the floors and carpets.

“Create a positive mood by switching on lights in dark, gloomy rooms and open all the curtains and blinds,” says Geffen, noting that setting the dining room table goes a long way to creating a homely atmosphere. “Add a colourful runner topped with a small fresh flower arrangement, attractive pottery dish or fruit bowl for an eye-catching yet neutral effect.”

Your home’s entrance and kerb also needs to be inviting. “The most often overlooked area in the spruce-up process is the property’s entrance; from the pavement and garden gate to the front door, where the potential buyer may even spend time waiting for the agent with nothing to do but scrutinise the view presented to him or her,” says Geffen. “Regardless of how much effort you have made inside the house, if the buyer’s impression is negative from the get-go, you’re already at a disadvantage.”

For every extra week your home sits on the market, you lose. So price correctly, market effectively and stage smartly.