



PROPERTY SELLER'S GUIDE

Your Ultimate Guide for Selling Property

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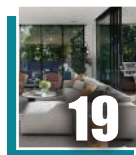
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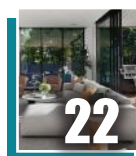
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PROPERTY REPORT



FINAL SUMMARY



At Aura Property we want to inform you as much as possible about all the strategic matters when making a decision to place your property on the market.

This is not a typical seller's guide that mentions things like, making sure your lawns are neatly edged or to have all gutters freshly painted, whilst those items are required, they are really common sense. In this guide we cover several key topics and explain how to effectively sell your property and more importantly create competition and achieve a premium sale price.



Topics include: Understanding buyer behaviour, how buyers enquire on properties & especially anticipating how buyers negotiate. These tips will benefit you when the time comes when buyers make offers to purchase. We also explain the various pricing strategies and how they each work differently, and which is the best fit for you and your property.

We believe this guide will be helpful in any market and know that the market can change and the need

for you to be familiar with statistics like, the number of days on market, current number of listings ratios, geographical sold results & auction clearance rates, and we will cover these in this guide.

If you have any questions about any of the information contained, we will be more than happy to elaborate and give more specific information when we meet. Lets' get into it.



UNDERSTANDING BUYER ENGAGEMENT

When you're selling, it's helpful to understand buyer engagement. Most buyers spend 10 - 12 weeks in a pre-purchase period that is characterised by three distinct phases – research, engagement and commitment.

During the first phase, research, buyers start looking at properties online. They start to establish what they want, what's available and what they can afford. Most of this research is carried out online and can take anywhere between two and four weeks.

Engagement is the next phase. This is where buyers begin exploring neighbourhoods, driving by properties and creating a shortlist. By the end of the engagement phase, buyers have usually narrowed down their shortlist to between three and five properties.

The final stage is the commitment phase, and this is where buyers get their finance in order, inspect shortlisted properties and make offers, bids or expressions of interest.



Research, Engagement and Commitment Phases

Throughout the 10 – 12 week, an interesting phenomenon often occurs in which there's an upward trajectory in the buyer's budget. By the time buyers are ready to commit, they've often increased their budget by 10%-15% (finances and loan limits permitting). That means that if they were originally budgeting for \$800k, they are likely to have extended this to \$850k - \$890k!



So, why does this upward trajectory occur?

One reason is that as buyers attend open homes and become more familiar with the market, they often realise additional funds are needed to acquire a property that meets their requirements. A second reason is that during the final commitment phase, buyers typically expand their research beyond the internet to include print media and engage with real estate agents.

Whilst the internet is an invaluable tool, it can cause buyer frustration due to listings for properties that are actually under contract and unavailable. By incorporating print media and engaging with local agents, buyers become privy to more genuine listings, coming soon properties and off market opportunities. This, combined with the significant investment of time and energy in the previous months, means that most buyers are keen to make offers and prepared to pay an additional 10%-15% for the right property.



DAYS ON MARKET MOMENTUM MATTERS

When you list your property, you want to get the highest possible price in the shortest possible time. Understanding the impact and importance of days on market can help you to achieve this.

Days on market can range from 10 - 20 in a hot market through to a whopping 180 days like we saw in the recession of the early nineties. Whilst property market dynamics are out of our control, there are measures we can take to encourage early offers and fewer days on market.

The first three to four weeks on the market represents the peak activity period. During this time, it's important to invest in strategic online and print promotion and present your property in its best possible light. In these early weeks, real estate agents are focussed on building interest and demand and encouraging multiple offers. After this time, buyer numbers tend to taper-off and as time goes on, buyers may assume a property is overpriced or defective.

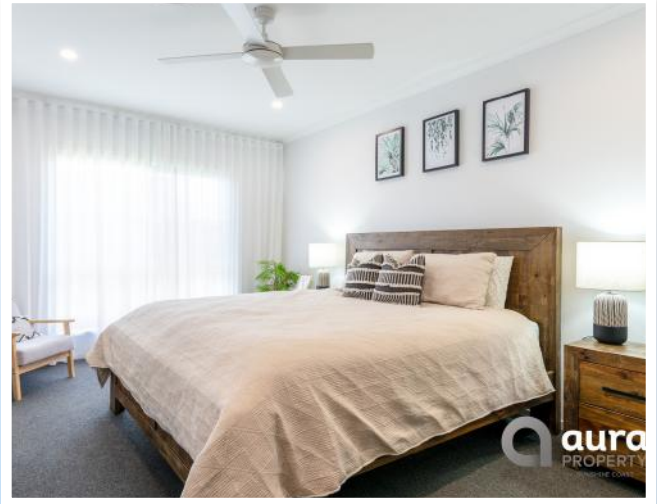
When it comes to days on market, less is more. Buyer interest is highest in the first few weeks and that is when you have the best chance of getting multiple offers and a premium price.

When your property is in its 'Prime Time' window, and matched with a buyer in 'Commitment Phase', that's when the magic happens.



BUYER INTEREST & INSPECTIONS

Whilst the number of buyers interested in a property will vary based on the market and property price point, there are some buyer number ratios that we typically see.



On average, you can expect around 30 property inspections and the majority of these will optimally take place during the first three to five weeks during scheduled open homes. Well attended Open Homes are vital as buyers can see visible evidence of competition and this helps in generating premium offers.

From those inspections, there will be around seven or eight parties who are ready to buy and genuinely interested in your property. These buyers will also be looking at other properties, so this is the time to capitalise on interest and engagement and to solicit multiple offers. Two to four possible offers are not uncommon at this stage.

A high level of buyer interest and property inspections are key to driving demand and offers and achieving a premium sale price. For this reason, we generally counsel sellers not to sell offmarket or to skimp on promoting their property because maximum exposure is required for maximum results!

INSPECTION QUALIFIER



BUYER ENQUIRY SOURCES

One of the most frequently asked questions that we get as real estate agents is where our buyer enquiries come from. A significant 40% of buyer enquiries come from online sources such as realestate.com, domain.com and the various Aura Property sites and platforms. This is up nearly 30% from a decade ago. The online medium is time efficient and cost effective and allows us to cast a wide net and reach maximum audience numbers.

The second biggest buyer enquiry source is print media which accounts for approximately 22% of enquiries. Despite the dominance of the internet, print media remains a popular and effective tool. Unlike online sites which often have old or expired listings, print media is current, accurate and features the hottest new listings. Older buyers also tend to prefer print media.

Signage and open for inspections are responsible for around 20% of enquiries and often reinforce what potential buyers may have seen online and in print. Social media engagement is an increasingly influential medium and roughly five to eight percent of our enquiries come from social platforms such as Facebook, Instagram and YouTube using the tool of the future, Retarget Marketing. Aura Property has a large social media presence, and all our agents have Aura social media accounts.





The Aura database is another important source of buyer enquiries. The database records all Aura clients as well as all buyer enquiries. When we get a new property listing, we put it through the databases' Buyer Match Profile and send the listing to all possible matched buyers via SMS and Email immediately. Approximately 15 - 20% of our sales come from buyers in our database. We also get enquiries from letterbox drops, networking events, referrals and word of mouth recommendations.

As you can see, it's all about maximum exposure and casting a wide net. We want to strategically employ all relevant resources and mediums to showcase your property, create demand and get a premium sale price!

PREMIUM PRICE

Like most sellers, you're probably wondering how Aura can get a premium price for your property? Well, we'd love to share some of our secrets!

First and foremost, it's our number one priority, it's our goal to get the best possible price for our clients. The reality is, in a buoyant market, pretty much anyone can sell a piece of real estate. The real skill comes in building interest, identifying genuine buyers, eliciting multiple offers and negotiating to get top dollar. It's a non-negotiable KPI for us and we leave no stone unturned when it comes to achieving this.

If you look at the pricing pyramid diagram below, you'll see the three types of buyers. In the first section is the Emotional Buyer. These are the buyers that we love as they're willing to pay above market value due to an emotional connection to a property. Next, in the middle of the triangle, is the Conservative or Likely Buyer. These buyers generally make an early offer but less emotional and reluctant to increase much and avoid multiple offer scenarios. Lastly, in the triangle's bottom or third section, is the Bargain Hunter or Uneducated Buyer. This group is the most challenging and labour intensive, looking for bargains or have just started looking and reluctant to commit.

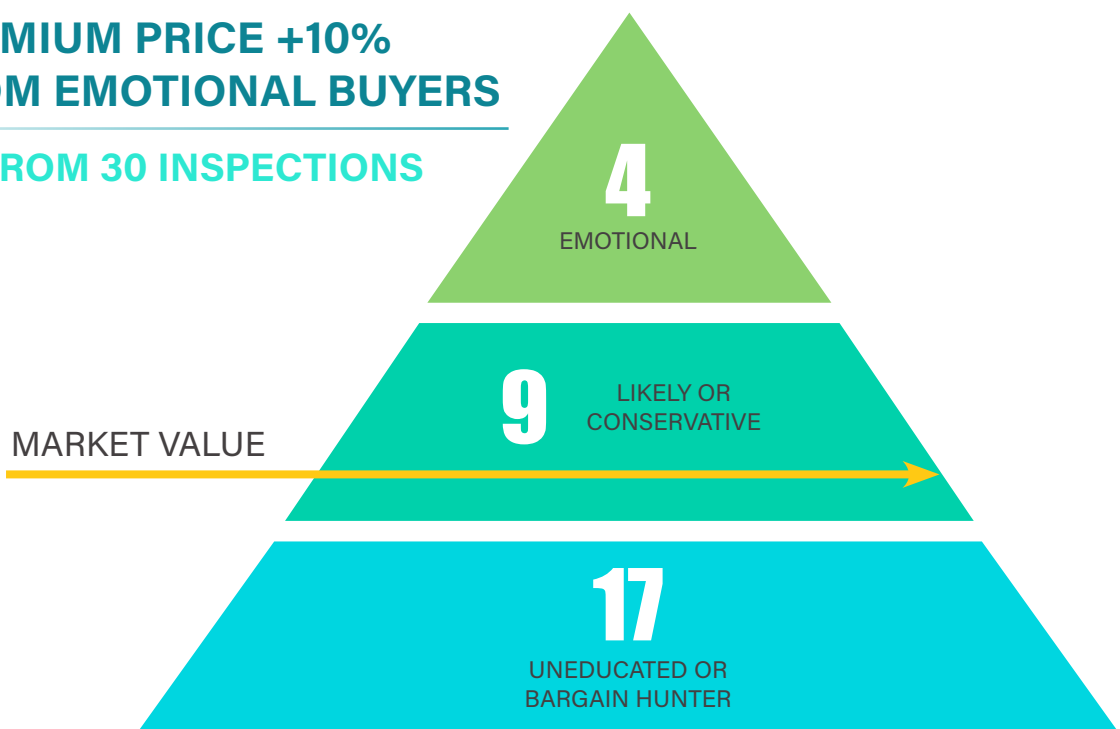


The presence of these core groups creates three price points for your property. Let's say that the market value for your property is \$800,000. The likelihood of getting more than that is slim unless you have a large pool of buyers. To illustrate this point, let's say that over a four-week period you have 30 property inspections. Statistically, four of those would be emotional buyers, 11 conservative/likely buyers and around 15 bargain hunter/uneducated buyers. Conversely, if you only have five or six property inspections, you have a much lower chance of attracting emotional buyers. That's why the Aura team is so focussed on getting maximum exposure and strong inspection numbers and why we so often achieve 10%+ above market value! We encourage sellers to see beyond the imaginary price points between buyers so that we can attract a larger pool of buyers and achieve a premium price.

Aura holds many suburb sales records across the Sunshine Coast, and this is due in large part to our premium pricing strategy. We've had some incredible record results including one property that was valued at \$1,250,000 and which we sold for \$1,527,000! If you want a premium service and premium sale price - we are your property people!

PREMIUM PRICE +10% FROM EMOTIONAL BUYERS

FROM 30 INSPECTIONS



PROFIT NOT COST

Our goal is to sell your property for the best price and to attract a premium of up to 10% above market value, but some people astonishingly question whether it's worth striving for that extra 10% or they tell us about an agent who can sell their property for a lower commission and without the need for promotion or even worse, 'Off Market.' Our response is to use the illustration below and to show how the right agent should represent profit rather than cost and that's it's definitely worth it.

Let's take a look. Agent A doesn't believe in profiling or promoting properties and they may offer a discounted commission in order to get the listing. Due to minimal promotion and exposure, they will likely attract 8 - 10 groups through the property. If they sell for \$850,000, spend zero on marketing and charge 2% commission (approx. \$16k), the actual net result for the client is \$834,000.



In contrast, Agent B is experienced in property profiling and presentation and can expect to get between 30 and 45 buyers through a property. By creating a high level of exposure, engagement and interest, Agent B is well positioned to get their client a premium price. Let's say that Agent B gets \$890,000 for the same property, charges 2.5% commission (approx. \$20k) and invests \$5,000 on

marketing. The net result for the client is \$865,000 – that's a substantial \$31,000 more than Agent A!

You can see in this example that Agent B (also known as Aura Property) are 100% focussed on property promotion, buyer numbers and achieving a premium sale price for you.



PRICING STRATEGIES

Pricing strategy is a subject that sellers are always keen to discuss. There are essentially three main pricing strategies:

SET PRICE

OFFERS OVER

NO PRICE

SET PRICE

A set sale price is the most common pricing strategy and is popular with buyers as it offers price clarity and transparency. This strategy does however have some potential drawbacks for sellers. Firstly, a set price can place a ceiling or cap on the ultimate sale figure. For example, if a property is listed at \$899K then most buyers will assume that there's some wiggle room and come in with a lower offer. Some will offer around \$850K and a few will even make a cheeky offer around \$800K. A good agent will work with these buyers to raise their offer/s and to get to the asking price or above. A set sale price work well when there is a lot of interest and multiple offers, but it can be limiting when there is only one offer.

OFFERS OVER

A second common pricing strategy is 'offers over.' This approach has become more common in recent years, especially during the 2020 - 2022 property boom. Whilst some buyers aren't fans of this strategy due to its lack of specificity, it is popular with sellers as it removes any ceiling on price. Whilst a good agent can often achieve over and above a set asking price, it can be easier to achieve when the listing is 'offers over.'

NO PRICE

Whilst some buyers are adamant that they wouldn't inspect a property listed without a price, consider this example: If there was a small cul-de-sac with three homes for sale at \$750K, \$950K and one with no price, and all had Saturday opens homes. A \$750k buyer would look at the \$750k and the no price property, and vice versa for the \$950k buyer looking at the \$950k property and the no price one. The number one reason a buyer will not look at your property is the price, not because it doesn't have one.

As you can see, there are pros and cons for each pricing strategy. The strategy that you and your agent employ will depend on the market, competition and personal preference.



SELLING STRATEGY THE WRONG WAY VS THE RIGHT WAY

When it comes to selling your number one asset, there is a right way and a wrong way. Let's compare the wrong way with the right way (aka the Aura way!).

Some sellers or agents will try to save time or money upfront by selling off-market. Off-market properties generally have minimal promotion and tend not to be shown in their best light. Buyer turnout is typically low (3 - 10 buyers) which translates to low or no offers and extended days on market (50+ days). Low inspection numbers and extended days on market typically result in a price reduction of up to 10% and a chance of selling within 90 days of just 30%.

Conversely, by listing your property with a strong and ambitious campaign, you're able to attract more buyers and achieve a premium sale price. At Aura we employ numerous resources and techniques that ensure maximum property exposure and interest including:

- ▶ 24/7 illuminated signboards
- ▶ Professional photography, floorplans, videos and drone footage
- ▶ Targeted marketing campaigns
- ▶ Premier listings
- ▶ Print media
- ▶ Property staging

Presenting a property in its best possible light is something that we stress to sellers. We want to attract maximum buyer numbers (30 - 40), stand out from the competition and create an emotional connection with buyers. The goal is to achieve a premium price and, wherever possible, to keep days on market under 40. As previously stated and longer than this and buyers become concerned that a property is overpriced or flawed. Unlike the off-market strategy, our approach has a 90% success rate and a minimal price reduction (if any).



So, let's compare these two selling strategies based on a property listed for \$900,000. Using the off-market strategy, after an extended period on the market and a 10% price reduction, the property would sell for around \$810,000. The second proactive, on-market strategy would see the property sold within 40 days, a price adjustment/negotiation (if any) of no more than 3% and a sale price of \$873K. That's a significant \$63,000 profit difference between the two strategies!

One major hurdle that many sellers face is not having access to funds for marketing, staging, renovations or repairs. Aura Property can help clients resolve this with quick and easy access to up to \$25,000 interest-free! We had one property appraised by another agency at \$900,000. We helped the owners access the \$25K and after a total spend of \$32K on painting, landscaping, decking and marketing, the property sold for \$1,150,000 (nearly \$250,000 above the other agent's appraisal price!).

A photograph of a modern, light-colored house with large glass doors and windows. In the foreground, there is a paved outdoor dining area with a round wooden table and four black chairs. A ceiling fan is visible inside the house. The house is surrounded by a green lawn and a wooden fence in the background.

Most things in life are not black or white, but when it comes to selling there really is a wrong way and a right way. If you want a premium price, then property promotion, presentation and buyer numbers really do matter!

PROPERTY REPORT



If you'd like some more accurate assessment of your properties value which may take into consideration things like aspect, natural lighting, landscaping, views and other elements that may not be measured online, feel free to get in touch and we can call by.

Appraisals are totally obligation FREE and we can also provide a Rental Estimate at the same time.

CALL US NOW!



FINAL SUMMARY

There's a lot to consider when placing your property on the market and if you have any question at all we would love to help. We include here for your benefit a link for you to download a free estimate of value of your nominated property instantly including up-to-date live data using one of Australia's highly recognised data sites.

Most of the information contained in this report is not available to the public for at least 90 days, so here's your chance to get the most up-to-date info at the click of a button. You can receive an unlimited number of reports so feel free if you have multiple properties to get cracking.

If you'd like some more accurate assessment of your properties value which may take into consideration things like aspect, natural lighting, landscaping, views and other elements that may not be measured online, feel free to get in touch and we can call by.

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