

What works ... and what doesn't

It is important to know which types of exposure are effective in producing showings that lead to offers and which are not, so that efforts can be directed mainly toward the effective types. Statistically, **more than nine out of ten buyers purchase a home as a result of information provided by the MLS.** Signs and open houses account for the few remaining sales. Newspaper and magazine advertisements, TV spots, direct mail campaigns, personal contacts, et cetera, altogether account for an insignificant portion of all home sales. That is why you and your agent have spent so much time assembling and checking the MLS information.

Most buyers recognize the overwhelming efficiency of searching for their home online, compared with going to an endless number of open houses, driving down an endless number of streets looking for "For Sale" signs, or reading an endless number of real estate advertisements. So, you ask, why do agents and real estate firms spend time and money doing what does not work? The reasons vary, but some ideas follow:

- ◆ They mistakenly think it works.
- ◆ Everyone else is doing it.
- ◆ It makes their seller happy.
- ◆ It promotes the agent personally as well as the real estate firm's image.
- ◆ It brings responses from buyers who probably will buy a home other than the one advertised.

By some estimates, the likelihood of a buyer buying the exact home that he or she sees advertised is less than 1 in 300. Be assured that your listing agent will sell your home from an advertisement if possible, but most respondents will opt for some other home. It is interesting to note that an advertisement for *any* home, even roughly similar to yours, has at least a small chance of generating *your* buyer. This could happen whether the advertisement was run by your agent's company or by a competing firm.

The primary indicator of your price's suitability to the market is measured by the traffic generated; that is, by the number of times that your home has been shown. If your home is shown at least four or five times a week, you are probably on the road to having a contract within a reasonable time. An average of about 25 showings will be needed to find your buyer but individual results vary widely. If activity is slow, you must:

- ◆ Determine how to improve the marketing effort, or...
- ◆ Determine how to improve the property or its presentation, or...

- ◆ Recognize that an extended period will be required to find a buyer, or...
- ◆ Adjust the asking price. **Note well** that a price reduction of less than 5% will not be considered significant by the market. On the other hand, price reductions of more than 10% should be avoided.

(See <http://davidr.net/topics.html#TT414>)

Resist the temptation to take the easy way out by doing nothing except rekindling your hopes. Your *inaction* will almost certainly lead to another month of market *inaction* for your home.

At least once a month, and especially when you are considering a price change, your agent will run updates on competitive homes for your specific market area. Important factors are homes new to the market, homes sold recently, and price adjustments made by competitive homes.

During the marketing period, remember that all of the effort will pay off. But when you are halfway through your marketing period, you will see no milestone by which to measure your progress. You will not have 50% of a contract. Your offer will usually come out of the blue when you least expect it. So don't give up hope.

It is unlikely that you will need to change your listing agent during the marketing period if you made a careful selection initially. You might review the agent selection procedure if necessary.

(See <http://davidr.net/AgentSelection.html>)

Focus on the quality of information and advice you have received from your agent as well as the timeliness and responsiveness. Lack of an offer alone is not a good reason to switch agents. If your listing agreement is expiring, re-list for a reasonable period. Do not give your agent a vote of "no confidence" by re-listing for only a few weeks. On the other hand, if you do feel so unsure, perhaps it *is* time for a change.

Finally, remember to check your messages often and to minimize your time in the bubble bath: No one likes surprise visitors. If you plan to be away for more than a day, be sure to let your agent know how you can be contacted. **THIS CAN BE IMPORTANT.** Many buyers, especially job transferees on a house hunting trip, will not wait and hope that you might return tomorrow. If necessary, you can review, negotiate, accept, and execute an offer from anywhere. In short, to sell your home, do the right things and you'll get the right results.

*This series is excerpted from David Rathgeber's SELLING YOUR HOME in the Washington, DC Metropolitan Area
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