

Finding opportunity in SA's slow property market

While the current property market conditions may be far from ideal, with change always comes opportunity and for savvy investors there are now many to be found, says Jill Lloyd, agent and area specialist for Lew Geffen Sotheby's International Realty in Claremont and Clarepark.



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“This is especially true for sellers who are looking to purchase another home with the proceeds of their sale.

“Yes, it’s true that at the moment most do end up selling their homes for less than they would have liked – but they will also probably be buying their next home at a reduced price too and will therefore also be getting a great deal.

“And don’t forget that if you are selling your house for less, you pay less commission and if you are buying for less, you pay less transfer duty, so actually, it’s a win-win situation.”

Play the game

She advises sellers to entertain all offers and to not be offended by what they might consider to be an unacceptably low offer for their lovely home.

“Play the game and remember there is always a middle ground to be reached. If a purchaser is serious about buying your home, the chances are you will reach a price point that suits both parties.”

She adds that by the same token, buyers must not be too embarrassed to make an offer that is considerably lower than the asking price as negotiation is part of the game – and it is, after all, a buyer's market.

“And, being a buyer's market with reduced prices and increased options, it's definitely the perfect time to take advantage of the brief window of opportunity to enter the market for the first time or upgrade.

“Remember that the real estate market always works in cycles with upswings followed by downturns, regardless of the prevailing economy or political sentiment.

“And those who take the plunge during a downturn not only get a property they may not normally be able to afford, it's also a rewarding investment when the market turns again.

Accurate pricing critical

Southern Suburbs co-principal, Claude McKirby, offers sellers sage advice for achieving the best possible price in the shortest time - and for seamlessly coordinating the sale with a new purchase in a difficult market.

“The most critical factor is accurate pricing from the onset because if your property stays on the market for an extended length of time and the price keeps dropping, buyers will begin to wonder what is wrong with it and the chances are that you will sell for considerably less than you could have realised.

“Ask your agent to show you comparative properties currently on the market and recent sale prices in your area so that you can determine a realistic and competitive price.

“A professional agent and agency will have access to CMA (Comparative Market Analysis), Propstats (Property Statistics), P24 sales trends, Windeed and other sources in order to guide and educate the seller regarding their options.

“And, with so many more property options currently available, one can easily sell one's house before attempting to buy another which will improve your bargaining power and you don't risk losing your dream home because the purchase is subject to the sale of your existing home.”

Lloyd concludes: “There *are* still buyers out there, but it's critical to align yourself properly in the market and have the right professionals onside who can guide, advise and fight in your corner if necessary.”

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