

# A little refresher course needed

## *Learning to sell a house properly*

As everyone has heard by now, interest rates have fallen to their lowest levels in 40 years. Along with that news, Greater Nashville Association of Realtors President John Gifford trumpets that residential real estate sales for February 2003 were up a “whopping” 1.73 percent compared to February 2002 numbers.

With rates this low and prices this stable, logic would dictate that sales would be soaring through the roof. Yet, that is not the case.

During a recent conversation, Gifford pointed out that the Nashville area residential property sales have continued to climb month after month, setting new records each month for years. In that respect, perhaps, a 1.73 percent increase is significant. In fact, based on the recent performance of the stock market, there are numerous investors who would take that minor increase in the place of the losses they have incurred.

Perhaps home sales are experiencing only modest increases because people have forgotten how to sell houses. Therefore, a refresher course might be a good idea.

(At the bottom of this column, the identification tag notes the writer of these words of wisdom is, in fact, a real estate agent — better yet, a Realtor. With that disclosure in mind, a reader may find the advice given in this column to be somewhat subjective. So be it.)

The first step in buying or selling a house is to find a Realtor with whom the buyer or seller is compatible. There is a difference between a Realtor and your average run-of-the-mill real estate agent. Agents are bound only by the law of the land. On the other hand, Realtors are bound by a strict code of ethics to which they must adhere. In the rare

COMMENTARY



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case of a real estate transaction gone wrong, a non-Realtor must actually break a law in order to receive punishment. In contrast, a Realtor must answer to a trade association for any misstep. This affiliation provides the consumer a number of remedies that are much less expensive than waging a legal battle in the courts.

Before selecting a Realtor, several candidates should be interviewed. In Nashville, there are about 3,000 Realtors, each with her or his own style, attitude and philosophy. In the establishment of a relationship, it is of paramount importance that the Realtor and the client agree on what is expected from both.

Some sellers want feedback on every showing, while others do not. One tried and true philosophy regarding showings is as follows: If they make an offer on the house, they liked it. If they don't make an offer on the house, they did not.

Rick French of French, Christianson, Patterson and Associates says that he spends half of his time providing feedback to sellers

“Everybody wants to hear about their home just like they want to hear how well their kid did in the school play,” he says.

According to statistics released last fall, one guideline is that if a house is shown 10 times without an offer, the property is overpriced. French agrees.

“The gist of all the feedback is

really this: Do they want to buy the house or not?” French says. “If the answer is that they don't like the bathroom or the kitchen, it is really only relative to price. The seller is not going to replace the kitchen, so the price must be adjusted so that the new buyer can.”

When he makes his listing presentation, French promises to provide feedback to the seller and notes that the seller often complains that the previous listing agent did not communicate well as to input from potential buyers. He says that all sellers want feedback, but that they do not do anything to remedy the situation.

“Once I had an open house” French recalls, “and everyone who entered the home remarked that the house was fine, but that they didn't like the front door. I, personally, had never noticed anything wrong with the front door, but every single person that walked into that house — about 10 of them — said something negative about the door.

“I informed the sellers, who responded that they liked the front door and if I wanted to get a price on it, I could. Oh well.”

In summation, buyers should not let a relatively small inadequacy keep them from submitting an offer on a home. Based on French's advice, the buyer should prepare an offer that would allow the deficiency to be cured and keep the price within the parameters of the market. However, the negative feature should be called to the attention of the seller in order to justify the low offer. CP

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