

Ins & outs

A GUIDE TO SELLING YOUR HOME THE PROFESSIONALS WAY



MAKE SELLING YOUR HOME
STRESS FREE

**Prepping
your home...**

learn a few tricks from the experts

**CHOOSING
THE RIGHT AGENT**

Good advice

Hints, tips and know how on selling your home

BROUGHT TO YOU BY

 **Professional's**

Professionals have helped thousands of property owners sell their home for the best possible price.

A smiling couple, a man and a woman, are looking at a laptop screen. The man is pointing at the screen. In the foreground, there is a large, stylized letter 'I' composed of several colored segments: red, orange, green, blue, and grey. The word 'Professionals' is written in white text on the red segment of the 'I'.

Professionals

**YOUR SUCCESS
IS OUR FOCUS**



Taking a professional approach to preparing your house for sale

Deciding to put your home on the market

can be an emotional decision packed with family memories, milestones and celebrations. Trying to see your home with fresh eyes, as a potential buyer, is one of the hardest things you may have to do but with the right help it can be made a lot easier. Your aim should be to present your home in such a way that it looks its absolute best and appeals to the right kind of buyer. You'll find it easier with an expert by your side. Choosing an expert you can trust is also a big decision.

Professionals Real Estate Group, with over 30 years in the industry and over 300 offices situated in centres throughout Australasia, offers a full range of real estate services, including, residential, rural, commercial and property management services. Professionals are client focused and committed to working for the vendor to achieve the best possible results.

Each agency is independent and offers a wealth of experience and knowledge of the local market.

Together, with our understanding of the selling and buying process, Professionals can help you sell your home successfully and at the best price.

PUT YOURSELF IN THE BUYER'S SHOES

Take a walk around your home with an impartial eye. If you notice anything that bugs you, chances are potential buyers will too.



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Getting your home seen in all the right places, to all the right people requires expert help. See how Professionals help.

A major part of the Professionals commitment to the community is the on-going partnership we provide to the Child Cancer Foundation. We are incredibly passionate about the work the Foundation does for children and their families that are affected by cancer. As a company we have raised over \$4 million to help "every child and their family walking the child cancer journey will never feel alone."



How does your house look from the street?

First impressions are crucial. Street appeal is what initially gains the attention of buyers. A buyer should be interested enough to be enticed to come in. If it looks good from the outside, there will be an expectation that it will be just as good on the inside.

Street appeal



TIPS FOR THE great outdoors



Front door

A newly painted front door with polished fixtures can become a welcoming invitation to buyers. Make sure the doorbell works.

Entrance

A simple welcome mat alongside flowering potted plants can contribute to kerb appeal.

Windows

Create a feeling of space with clean and sparkling windows. If windows have fly screens, ensure there are no holes or tears.

Fence and gate

If a fence surrounds the house it should be spotless, mould free and well secured. Gates should be well oiled with latches working. If possible they should be newly painted.

Garden and lawn

Roll up the garden hose and put away all garden tools. Clear all spider webs. Don't forget to get rid of all the rubbish and have rubbish bins out of sight. Lawns should be mowed, raked, edged and groomed to perfection. Prune the shrubs and trees to let natural light in. A few pots with colourful flowers put in groups around the garden will give the impression of a healthy, luxurious home.

Driveway

Driveways should be free of leaves, dirt and oil stains. Make sure any pathways are swept clean.

Letterbox

Make sure numbers are displayed prominently...you want buyers to find you. Give the letterbox a quick lick of paint if needed, and remove any junk mail.

Gutters

Make sure the drainpipes are clean and in a good state of repair.

Furniture

The outdoors can add significant value to your property. Help buyers visualise 'living the dream'. Arrange some outdoor furniture on your deck or patio, clean the BBQ and add some visual stunners such as a pair of big pots brimming with healthy plants.

Shed and garage

Have a good clear out of all rubbish so that the buyer can actually see the space available.

Paint

Make sure your outside areas look as well loved as the inside of your home with no cracked paint or holes. It has been said that cracked paint can reduce the value of a home by thousands.

A neat and tidy exterior sends messages to buyers that your home has been well maintained and cared for.



TIPS FOR the inside

CREATE THE RIGHT ATMOSPHERE

Buyers look for homes, not houses. Creating the right atmosphere doesn't need to cost a fortune. Make sure your home is clean and tidy but keep in mind, a home is a celebration of the everyday, so a little natural clutter such as a notepad by the telephone, a pile of hand-picked magazines or coffee table books can add to the homely feel.



De-clutter

Ruthlessly de-clutter and consider taking out furniture to make rooms appear more spacious. Take down posters, remove excess knick-knacks and keep cupboards orderly. Your items may be precious to you, but a buyer needs the visual freedom to imagine their sofa in your lounge room, their family in your kitchen and their BBQ on your deck.

Pets

Not everyone is an animal lover. The sight of a dog bowl, animal hair and saliva on your couch can put off a potential buyer, not to mention the smell of food and litter trays. One of the most common cause of allergies is from animals, so it is more than likely that one of the potential buyers may be affected. If your home is pet friendly make sure you deodorise the entire house and banish pet accessories from view.



Buyers are attracted to warm and welcoming spaces so be careful not to make your home too empty and sterile.

Emotional bond

Creating an emotional bond between buyers and your home is the key to selling success. You want them to really want and need it to increase the opportunity for capturing a better sale price.





creating atmosphere

The mood generated by lighting can have a vast effect on potential buyers.

Bright light makes a small space appear larger and softer light creates a warm, intimate feel. So if there are dim areas in your home turn the lights on, even if there is sunshine outside. Open all window coverings and leave some doors open, especially doors leading to living areas. This can generate curiosity and anticipation for what is to come.

An uncluttered interior makes a house look bigger than it is and a simple coordinated decor can be very appealing. Neutral colours, soft textures and plenty of light will make a room a pleasant place to be in.

Today outdoor living is almost as important as indoors. Clear windows of obstructions and let the natural light and outdoors in. As a buyer walks through the home, every positive point builds a subtle advantage in the minds of a buyer.

Create a comfortable temperature. If it's hot, put the air-conditioning or ceiling fans on. If it's cold, a fire or heater can be very comforting.



SENSE OF SMELL

It is important to create pleasant smells, but not overwhelming aromas as this may lead a buyer to think you are trying to conceal something. Pay particular attention to strong cooking odours in the kitchen, pet smells and cigarette smoke. Make sure the rubbish has been emptied.

Enhance smells with the use of candles, fresh flowers, fruit bowls or try boiling a cinnamon stick or lemon peel. These will give a fresh clean scent and can heighten appeal and emotional attachment.

WITH THE SOUND OF MUSIC

Don't be hesitant about playing soft background music, but make sure it is the right genre. Retail specialists have proven that light classical music makes buyers stay longer and spend more time and money. Why not use it to your advantage and make your home even more attractive to potential buyers.



Your bathroom and kitchen are high on the list of priorities, especially for women. As high traffic areas they are key features of a home, so they need to be functional and practical as well as beautiful.

BATHROOM

Bathrooms have the power to restore your soul. In recent times the trend is to transform them from purely functional spaces to super chic show stoppers.

There are a few simple tricks you can use to update your bathroom. Make sure shower screens, mirrors and grouting are immaculately clean and sparkling. Add new knobs, fluffy towels, or some aromatherapy candles and perfumed soaps for a touch of luxury to this key area in your home.



KITCHEN

Make sure the kitchen benches are clean and clear of clutter. Store away all the unnecessary appliances and ensure there are no dirty dishes in the dishwasher or sink. Remove any magnets or notes off the fridge. Tidy cupboards and the pantry as buyers often look in there. Polish sinks, taps, benchtops and appliances.



BEDROOMS

Bedrooms should be clean, tidy and clutter free. Open the curtains to allow the light in.

Make the beds and add a few extra cushions or pillows to create an inviting, sumptuous environment for an afternoon nap or good night's sleep.



LAUNDRY

It is very important that a laundry looks organised and practical. So make sure the washing machine is empty, clothes are put away, benchtops are clutter-free and the ironing board and clothes rack are stored neatly away.

IS YOUR HOME PHYSICALLY FIT?

You don't have to make expensive repairs or alterations to bring your home up to scratch for sale. However, buyers often notice the little things and overestimate the cost to fix them. They then use these costs to beat the price down. Little things can also make buyers suspicious that there may be other bigger issues with your home.

MINOR REPAIRS

It's really important that you fix screens, doorbells, locks and latches plus any handles or doorknobs that are broken. Replace lightbulbs that no longer work and fix leaking taps. A house that is well maintained is far more appealing to buyers than one that needs work.

SAFETY AND SECURITY

Exposed wires can cause safety concerns, so hide any unsightly wiring to stereos, televisions or computers. Missing switch covers and electrical plates should be replaced. All doors and windows should close and lock securely. Latches should be well oiled to open and close easily.

APPEARANCE

A property which is poorly presented and not well maintained is a red flag for the buyer. It exposes "beware there is too much work to be done here!"

CARPETS

It's amazing the difference professionally cleaned carpets can make.

FLOOR TILES

Throughout the house make sure the tiles are clean. A useful tip is to use bicarbonate soda and vinegar with a toothbrush to clean any stained grouting between tiles.



A BUYER IS LOOKING
FOR A HOME, NOT A HOUSE.
DRESS YOUR HOME FOR
SUCCESS.



Do the little things you
have been meaning to do.
It can make the difference
between making a sale or
looking stale.



■ the time has come

By now all your efforts will be evident and you may feel you want to tell the buyer how great your home is. However, most buyers will feel uncomfortable meeting you and will tend to spend less time in your home, asking less questions of the agent for fear of offending you.

At this crucial stage your Professionals agent is really the best person to communicate to the buyer positive aspects and desirability of your home. Remember, your agent is working for you.

Establish the positives

Sometimes what you think may not be a selling feature can turn out to be a positive point. Consider a small garden. Some people do not want the maintenance of a large yard, especially professional couples and retired people looking to downsize.

Perceived negatives can easily become positives, depending on what buyers want and how they look at it.

Trust your agent

Your agent is a skilled professional and will work with you to highlight those special features that will win the hearts of buyers.

Professionals has helped thousands of property owners sell their homes for the best possible price. This section is designed to help you understand the process of successfully selling your greatest asset and how Professionals can help you do it. However, if you need to talk it over give your local Professionals branch a call.

pathway to selling your home

**WE'VE HELPED THOUSANDS
OF PROPERTY OWNERS SELL
THEIR HOME FOR THE BEST
POSSIBLE PRICE.**



What are your objectives?

Before putting your property on the market, set out your objectives so that you and your agent are very clear on your aims. Whilst everyone's objectives are different, here are some common ones:

- To achieve the best possible price
- To suit a timeframe
- To keep inconvenience to a minimum
- To make the process as stress free as possible

Understanding the market



The property market fluctuates frequently so it's always good to know what sort of market you are in at the time of selling your property.

Knowing the current market gives you an indication of what sort of properties are being sold, how quickly and for how much. Each type of market has its own set of characteristics. Although this sort of information is commonly reported in the press, having an expert who knows the intricacies on a day-to-day basis in your local area will make all the difference to you.

Buyer's market

- The number of properties on the market are greater than the number of buyers
- Properties usually take longer to sell
- Prices are stable or sometimes they fall
- Buyers often dictate the selling price

Seller's market

- The number of buyers exceeds the number of properties available for sale
- Properties sell faster
- Prices generally rise
- Sellers may receive offers from more than one buyer
- Sellers gain prices close to the listed price, or over it

Balanced market


- The number of properties for sale is about equal to buyers
- Sellers will consider reasonable offers
- Prices are generally stable
- Properties sell within a reasonable time
- A good number of prospective buyers see the property

SEASONAL FACTORS

Anytime of year is a great time to sell your property. Spring is traditionally the time of year when most people list their property for sale. The backdrop of colour in a garden and mild weather tends to bring out the buyers in greater numbers.

However, there are generally fewer properties for sale during the winter months so if your property exudes that warm, homely feel, this may be a great time of the year to sell.

**Whatever the season, homes
do sell all year round.**



AN AGENT WITH STRONG
LOCAL AREA KNOWLEDGE,
AN EXCELLENT REPUTATION
AND A SOLID MARKETING
STRATEGY WILL SELL YOUR
PROPERTY FASTER.

HOW TO choose an agent

Give yourself the best chance

Whatever the market, there are always people looking for homes. To give yourself the best opportunity of selling your home in the shortest possible timeframe and at the best price, you need to select a qualified and registered real estate agent that you are confident has the knowledge, experience and skills to do a great job for you.

Be realistic

Some sellers make the mistake of selecting a real estate agent offering the lowest commission or promising the highest selling price for the home. This often misses the market of buyers and the best price, which can mean your property takes longer to sell because the agent doesn't have much invested in selling the property or has the property priced outside of the market.

Choose someone you can relate to

The presentation and communication skills of an agent are vital in selling your home to prospective home buyers, so make sure you are comfortable with the way they communicate and present themselves to you.



Experience and local knowledge counts

A good real estate agent with local knowledge and proven results will give you a realistic appraisal of the market value of your home. They'll also compare homes sold in the area which are similar to yours and be able to provide written documentation.

Ask your potential real estate agent these questions to help you make an informed decision...

- ☐ Can you give an example of how successful your company is?
- ☐ May I see your profile?
- ☐ What do you know about the market in my area?
- ☐ Do you live locally?
- ☐ How many homes have you sold in my area and what evidence may I see?
- ☐ Will you be personally responsible for selling my home or will I be dealing with a team of people?
- ☐ May I have permission to contact two previous and two existing clients who can testify as to the quality of service your agency provides?



What is a home appraisal?

A home appraisal is an inspection of your property by a real estate agent to help determine a realistic selling price and to identify opportunities that will make the property as marketable as possible.

The agent will make a comparative assessment of the property's value based on recent sales figures in your local neighbourhood. He or she will then arrange to go through the property, establish the key selling points and determine a value guideline for the property.

Valuable information to supply... A plan of your property

This will give the exact size of the land your home is constructed on.

Building plans for your property

The building plans will give the agent important information about the construction of the home, the name of the builder and any renovations that may have been introduced. This will enable them to better estimate the replacement cost of the building if it was constructed today.



Lists and age of special features

Items such as 'smart wiring', alarm systems, air conditioning or ducted vacuum systems are all features that may impact the selling price.

Any improvements you may have made

These may not be immediately apparent to the agent especially things like garden improvements, irrigation, insulation etc.

The information the agent has collected from the appraisal will then be used to develop a marketing campaign that will position the property in the marketplace.



Ask your agent to advise you of suggested improvements that might increase the value of your home.

MYTH

General listings make agents compete to sell your home faster for the performance fee.

BUT

The reality is that industry experience shows with a lower level of relationship and accountability, there is often a less successful and lower level of activity achieved with this option.

Methods of sale



WHAT IS THE BEST WAY TO SELL YOUR HOME?

There are a variety of ways to sell your home. While the majority of property sales are by fixed price/private sale treaty, it is often advantageous to consider other sale methods like tender, auction or price by negotiation. Your agent will work with you and advise you on the best method of sale for your property.

FIXED PRICE OR PRIVATE TREATY SALE

Benefits

- All buyers are eligible to purchase, whether conditional or unconditional
- The fixed asking price makes negotiating easier for the buyer
- Attracts only buyers in your price range

Considerations

- Fixed maximum price
- Removes a sense of urgency because there is no fixed sale date

AUCTION

Benefits

- Attracts highly motivated and competitive buyers
- Provides an opportunity for you to receive a maximum sale price as it does not set a cap price
- A sale on the day is a cash sale that
- Is completely unconditional and therefore allows you to control the terms of the sale
- Eliminate perceived negatives and objections to an asking price
- Established sale date creates urgency
- Allows you to sell prior to auction

Considerations

- Conditional buyers can feel excluded
- No indicative price may deter some buyers

TENDER

Benefits

- All buyers are eligible to purchase, whether conditional or unconditional by making an offer
- Creates urgency for buyers with closing dates
- Time pressure on you as an owner is reduced
- Privacy regarding what offers were received
- You may negotiate with buyers after the tender has closed
- Buyers can't attack the price so there is a good opportunity to maximise your sale price

Considerations

- Buyers are not placed in an open, competitive bidding situation
- Conditions may be attached to the purchase
- No indicative price may deter some buyers



Setting a sale price

The largest number of potential buyers will be attracted to your property in the first 30 days. That means it is important your property is priced to suit the market in which you are selling.

Overpriced

Research shows that if a home is overpriced it attracts fewer buyers, it takes longer to sell and eventually sells at a lower price than a correctly priced home when it first comes onto the market.

Underpriced

Underpricing can have potential buyers wondering what is wrong with the property.



PROCESS FOR LISTING

A listing agreement, or authority to sell, gives an agent the ability to act for you when selling your property. It is usually the first document you will be asked to sign. Make sure you take the time to read and understand it before you sign.

Make sure the details, such as the address of the property being sold and your name(s) and contact details are correct and spelt correctly.

The agreement will set out the following:

- Names of the official owners
- Legal address of property to be sold
- Price (if applicable)
- Method of sale (e.g. auction, tender)
- Sale terms
- Fees
- Marketing budget
- Period of authority

Owners are obliged to disclose certain information about their property. These are matters that may affect the buyer. They include:

- Restrictions affecting the property
- Planning and road access
- Outgoings and statutory charges payable (e.g. rates)
- A list of services connected to the property (e.g. sewerage, gas, etc)
- Building approvals granted during the owner's ownership
- Guarantee of any owner-builder activity
- Any notices from a public authority or government department affecting the property
- Your real estate agent will discuss with you the information and disclosures around the responsibilities of all parties involved in a transaction under the various acts.

Listing options

Exclusive agency

This is generally the recommended option. It will give you the complete attention of your agent, allow you to control the terms of the sale and will more often attract bonus activity in the marketing of your property.

Open or general agency listing

This occurs when you list your property with several real estate agents in your area. No one agency is responsible for the sale and achieving your goals. This method of sale often includes distributing several sets of keys for your home, plus several for sale signs outside your home.

TRUST IS EARNED NOT GIVEN

By choosing a Professionals sales consultant to market your home, your property will be backed by one of Australasia's most recognised and respected brands.

Making your property a star

Once your property is listed with Professionals, we will jump right into our agreed marketing plan to generate interest and attract potential purchasers to your property.

Your real estate agent will outline a marketing plan for your home. The objective will be to gain the highest price. Typically, most people who purchase a home already live in the area or adjoining suburbs of the property, which means your marketing campaign should be carefully targeted at potential buyers who live in your local area.

Websites, signage, letterbox drops, print media and online advertising are the most common mediums for property marketing. Today's home hunter is well researched and informed on the property market, so we ensure

that the photos, headlines, copy and overall style of the property marketing will hit the mark.

Some astute home sellers also consider additional technologies, such as video streaming to market their property.

Your Professionals agent will provide you with feedback during the selling process. This allows you to review the progress and make subtle adjustments and additions to the presentation of your home or the marketing plan. Adjustments throughout the campaign can make all the difference to you achieving your goals

Questions to ask about the marketing...

- ☐ Can you present me with a marketing strategy that covers the entire listing period?
- ☐ How will you advertise and promote my property?
- ☐ Do you provide feature sheets about my property?
- ☐ Do you have a referral network of potential buyers?
- ☐ May I see a sample of past homes sold?
- ☐ What marketing do you do differently to other real estate agents?
- ☐ How will you provide regular feedback to me?

FAQs

WILL I NEED AN OPEN HOME?

Open homes are an easy and relaxed way for house hunters to inspect a home and assess the interest to them without any pressure. If you have a busy life you only need to make your home highly presentable on a few specific occasions, rather than trying to keep a home spotless every day. Open homes are usually on the weekend and times vary. Additional inspections may be requested with highly interested buyers but these will be suited to you.

SHOULD I DROP THE PRICE?

The asking price should be looked upon as the starting point in the negotiations. If there is little interest it is advisable to review the price with your agent.

If you don't respond to market conditions and responses, then it will be difficult to sell your property when there are other similar properties in the area that buyers see as better value.

When considering whether to modify the asking price of your property, it's vital that you compare your property to the actual sale price of other comparable properties that have been sold in your area, as opposed to those properties still on the market.

HOW WILL I KNOW IF AN OFFER IS GOOD?

By law, all offers, irrespective of price levels, must be submitted to you by your agent. Each one is a sure sign of interest and is normally only a starting point in the negotiations. To say no to an offer is better than no offer at all. It is important to not be personally offended by any offer. You can simply say no. You still own your property and you then wait for another offer. We will work with you, discuss your options and always work towards getting the best possible result.

HOW WILL I KNOW WHAT PEOPLE THINK?

After each open home your Professionals agent will provide feedback and will also keep you informed on the market conditions and comments. You will also receive reports of all actions and activities, daily, weekly or fortnightly. The frequency is up to you!

Please accept the need for us to be truthful with you. This feedback offers ways to move forward and address any market concerns. Often a negative comment can be turned into a positive selling strategy.

WHAT SHOULD I DO DURING HOME INSPECTIONS?

Buyers will spend more time at the property if you are not present as they can talk to the agent without the fear of being heard by you as home owners.

Your consultant will know the features and finer points of your property and are well trained to present those features to an interested buyer.

HOW DO I PREPARE FOR AN OPEN HOME?

- Minimise your personal effects so potential buyers can visualise their belongings in the home
- Secure your valuables
- Create an atmosphere with subtle music in the background
- Have your pets stay at a friend's house
- Brighten up your home with fresh flowers and fruit
- Make sure the house smells pleasant
- Ensure your home is looking its best inside and out.

Crucial Dates



DATE OF THE OFFER AND ACCEPTANCE

A deposit is usually arranged on acceptance. Your agent can advise what deposit should be acquired.

The dates when all conditions of the offer are met. This is when the contract becomes 'unconditional'.



THE SETTLEMENT AND POSSESSION DAY

Sets down the date by which the property transfers to the buyer and all monies owing are transferred to you.

Acceptance

When a purchaser is ready to put in an offer with the real estate agent it will be presented to you for your consideration.

The initial offer to purchase should have details of any conditions to be put upon the sale, which may include a specific time within which to organise finance, a settlement date, a satisfactory building inspection report and anything else that may be necessary to complete the sale.

Advice on a contract of sale can be obtained from your

personal real estate agent and your legal practitioner.

This contract will be drawn up and presented to you for your consideration.

Assuming the contract is approved and any conditions are satisfied, the next stage is 'settlement'.

If the offer is unconditional, once you have accepted the contract, this becomes binding and the buyer is expected to provide a deposit.

A deposit is usually paid by the purchaser upon signing of a legal contract, however this may vary depending on

the conditions of the offer. The amount of deposit and when it is paid may be part of the buyers offer to purchase. If a contract is unconditional and the purchaser does not proceed to settlement the purchaser will most likely be made to forfeit their deposit under the terms of the contract.

If you have a conditional offer, satisfying the conditions of the agreement will be subject

to a time frame. Once the time specified has expired the conditional agreement should be confirmed as unconditional, or where the conditions cannot be met, any deposit will be returned to the buyer. If you should have an alternative offer during the conditional period you will need to discuss and consider very carefully (with your agent and legal advisor) the details of your options.

Every offer is a sure sign of interest and a great starting point in negotiations.

Once you have accepted the offer and signed a contract, your real estate agent will forward the contract to a legal agent/conveyancer of your choosing. They will administer the settlement which includes exchange of titles and transferring of funds.

There are various scenarios that can occur during the settlement period and the aim of your Professionals real estate agent is to make this as stress-free as possible while completing the sale of your home.

Sometimes, for whatever reason, the sale is not completed during the settlement period. To reduce the chances of this happening, it is vital to have the experience of your agent in managing the buyers and seeking a resolution for the issues on your behalf.

Pre-settlement inspection

It is normal practice that prior to settlement date the buyer is allowed a pre-settlement inspection to ensure the property is in the same condition as when they agreed to purchase the property. It is therefore important that you maintain the property between contract date and settlement date.

Settlement and possession day

Once the financial settlement has occurred, the keys of the property are handed over to the buyer on the agreed date. This is the moving day when you take possession of your new home and leave your old one. Your consultant and legal representative should have done all the paperwork so now's the time to start celebrating.

'Settlement' refers to the actual date at which the property is formally sold and ownership is transferred from the seller to the buyer.

Settlement



Glossary of key terms

AGENT/REAL ESTATE AGENT - A registered and licensed salesperson employed to facilitate the sale, purchase, letting or management of real estate property on behalf of the owner/s.

ALLOTMENT - A section of land subdivided from a larger portion of land generally referred to as a lot or section.

APPRAISAL - An opinion of your property's saleability and estimated market worth based on current market conditions and your property's characteristics, not to be confused with a registered valuation.

ASSETS - What you own.

AUCTION - The sale of a property by a bidding process on a given day. Properties usually have a reserve (minimum) price and if a bid doesn't reach this minimum the property is passed in.

BODY CORPORATE - Legal entity and management organisation set up for and by the owners of a complex or building responsible for administering, maintaining the building and its surrounds, including common areas like gardens, pool, parking and exterior.

BREACH OF CONTRACT - Not fulfilling one or more terms of the contract.

BRIDGING FINANCE - A short term loan, usually at a higher rate of interest, which helps people to cover the purchase of a property while waiting to sell or settle on theirs. The security is usually on both properties.

BUILDING REGULATIONS - These are designed to uphold the standards of public safety, health and construction. They are put in place by local authorities to control the quality of buildings.

CAVEAT - A document lodged by a person with a legal interest in a property, to ensure the property is not sold without their knowledge.

CAVEAT EMPTOR - Latin for 'let the buyer beware'. In certain cases this puts the burden onto the buyer to be satisfied before purchasing a property.

CERTIFICATE OF TITLE - A document which details the ownership of land along with the dimensions and other details. It is held by the lender as security for a loan.

CHATELS - Chattels are items that are generally fixed on the property and include carpets, light fittings, stove, dishwasher, blinds, curtains, fixed heaters, television aerials. Some BBQ's and pool cleaners may also be classified as chattels.

CMA - Comparable Market Analysis is the price comparison of your home with others that are currently for sale and those that are similar in size and location that have sold.

COMMISSION - The fee payable to a real estate agent for selling a property payable by the seller.

COMMON PROPERTY - Areas on a title which have joint ownership with another property, often common with cross-leased, strata title and unit title properties.

COMPANY TITLE - Title of ownership often associated with older apartment buildings.

CONDITIONAL CONTRACT - A contract that is agreed to by the seller and the buyer, where one or more conditions need to be met, usually within a specified time period, by either the seller or buyer. For example, subject to raising finance, to sale of the buyer's home, to completion of work on the property, to title search, to structural or pest reports.

CONTRACT OF SALE - A written document that sets out the terms and conditions for the purchase or sale of land and all improvements thereon.

CONTRACT FOR SALE OF LAND OR STRATA TITLE BY OFFER AND ACCEPTANCE - The contract between the seller and the buyer.

CONVEYANCING - The legal process of transferring the ownership of property and money, making sure that everything is legally correct as the property transfers from one owner to another. This is usually done by a settlement agent or solicitor.

COOLING OFF PERIOD - Set time where buyer can withdraw from the contract however, a penalty is incurred.

COVENANTS - Special rules and regulations which might apply to a property regarding its use.

C.T. - Certificate of Title. Document that shows the legal owner of a property.

DEPOSIT - A defined percentage of the purchase price, or an agreed amount, paid by the buyer which is held in Trust as confirmation of intention to buy.

EASEMENT - A right held by someone to use land belonging to someone else for a specific purpose. Mains, drains, footpaths and water pipes are usually covered by an easement.

ENCUMBRANCE - An easement, mortgage, or other liability on a property which impedes its use or transfer.

EQUITY - The value you hold in your home. The total value less any mortgage or other liabilities on a property.

ESCAPE CLAUSE - This allows the owner/s to issue notice to a conditional buyer, that unless that buyer confirms the sale as unconditional within a short stipulated time, then the owner can proceed with another offer from another party.

EXCLUSIVE LISTING/AGENCY - Only the agency appointed has the right to sell the property.

FSBN - For Sale By Negotiation. This is an undisclosed price marketing strategy where often a price bracket is used to advertise the property.

GENERAL AGENCY LISTING - A listing that is open for any agent in any company holding an agency license to work.

INTEREST ONLY LOANS - A loan on which only interest is paid periodically and the principal is paid at the end of the term.

INVESTMENT - The purchase of an asset such as real estate with the ultimate goal of generating income and producing capital gain on the resale of the asset.

JOINT TENANTS - The equal holding of property by two or more persons.

LAND TRANSFER OFFICE OR LAND TITLES OFFICE - A Government department where all property records are held and any changes are registered. These are public records so you can go there and look up any title to a property.

LEASE - A document granting possession of a property for a stated period without transferring ownership. The lease document specifies the terms and conditions of occupancy by the tenant, including period of occupancy, rent payable etc.

LIABILITIES - The outstanding debts you owe.

LIM - Land Information Memorandum - A report which can be requested from your local authority which provides information regarding the property, such as rates owing, drainage and building plans.

LISTING AUTHORITY - A contract between an owner and the real estate company selling the property. It is normally for a set number of days and sets out the commission rate and any additional costs. This states whether the authority is an exclusive, general, multi-list, tender or auction listing.

LOAN PERIOD - The number of years that a home loan covers.

MATURITY DATE - The last day of the term of the home loan agreement. The home loan must then be paid in full or a new home loan agreement is made.

MORTGAGE - The security over a property given to the lender for the repayment of the loan. The lender (mortgagee) has the right to take the property if the borrower (mortgagor) fails to repay the loan.

MORTGAGEE - One who lends money for the property.

MORTGAGOR - One who borrows money to purchase property.

NEGATIVE GEARING - Where the mortgage repayments exceed the income received from a rental property.

NEGOTIATING THE OFFER - As an owner, your Professionals sales agent will negotiate an offer with a potential buyer on your behalf. The key to getting the best price rests with the skill of your agent. The difference between effective and poor negotiation could amount to thousands of dollars. Once the potential buyer makes an offer, the agent will present it to you. You should assess each part of the offer, taking careful note of any conditions and either counter offer, accept or decline it.

OFFER TO PURCHASE - A formal offer for a specified price for a specified property, normally made on a sale and purchase agreement.

PASSED IN - A property is passed in at an auction if the highest bid fails to meet the sellers reserve price.

PLAN - This shows the house design, elevation of the house, number and size of rooms, kitchen, bathroom and laundry layout and the position of the house on the land.

POSITIVE GEARING - Where the rental income received is greater than the property mortgage and expenses.

POSSESSION DATE - The day the buyers take occupancy of the home. Normally when the ownership of the property transfers and the balance of the purchase price is paid to the seller.

PRINCIPAL - 1) The actual amount of money that has been borrowed to buy a property excluding interest. 2) The licensed operator of a real estate agency.

PRIVATE TREATY SALE - Sale of property via an agent through private negotiation and contract.

PRIVATE SALE - The owner does not engage an estate agent, but acts on their own behalf, dealing directly with the buyer and preparing the agreement.

PROPERTY FILE - Your local authority has a file for every property which contains potentially important information that is not contained in a LIM.

PURCHASER - The eventual buyer of the home.

REAA - An independent Government regulatory body for the Real Estate Industry in New Zealand.

REAL PROPERTY - Land, with or without improvements.

RESERVE PRICE - The amount below which a home owner will not sell on the day of auction.

RIGHT OF WAY - A legal right of access across a property.

SALE AND PURCHASE AGREEMENT - The contract between the buyer and the seller.

SECURITY - Property offered as backing for a loan.

SECTION - A section of land subdivided from a larger portion of land generally referred to as an allotment or lot.

SEMI-DETACHED - Two buildings joined by one common wall.

SETTLEMENT - Completion of a sale when the balance of the contract price is paid to the owner and the buyer is legally entitled to take possession of the property.

SOLE AGENCY - Only the agency appointed has the rights to sell the property.

STRATA MANAGEMENT - Legal entity and management organisation set up for and by the owners of a complex or building responsible for administering, and maintaining the building and its surrounds, including common areas like gardens, pool, parking and exterior (also referred to as a Body Corporate).

STRATA/COMMUNITY/UNIT TITLE - Most commonly used for flats and units, this title gives you ownership of a small piece of a larger property, including 'air space'. You have the selling rights to a particular unit and can lease, sell or dispose of your unit as you desire. You also have an undivided share of the common land and become a member of the Body Corporate which controls the maintenance and has stipulated rules governing occupation.

STRATUM TITLE - This title gives you legal ownership over a piece of property and also a share in the common land of the area of flats or units. It does not include "air space".

SUBJECT TO FINANCE - A condition inserted into a contract for the benefit of the buyer. This makes the contract subject to the buyers confirming that they have raised finance within a certain amount of time.

SURVEY - Confirmation of the property boundaries and improvements.

TENDER - A tender involves potential purchasers placing confidential bids for a property by a specific date. The bids may or may not include conditions and any bid can be accepted or rejected by the owner.

TITLE SEARCH - The process of examining the land title to ensure the owner has the right to sell and therefore transfer ownership. It details the names of the owners and other information about the property, such as encumbrances or caveats on the title.

UNCONDITIONAL CONTRACT - A contract for the sale of a specific property that the owner and buyer have agreed upon has no conditions or the conditions have been met, therefore constituting a sale.

VACANT POSSESSION - When the ownership is transferred by the sale of a property it will be empty, i.e. there will be no tenants living in the property, or leases giving someone else use of the property.

VALUATION - Assessment of the value of a property given in a written report, by a licensed or registered valuer.

VENDOR - A person who owns the property for sale, i.e. the seller/owner.

ZONING - Control of the use of land exercised by the local authorities.





Professionals*

**THE SUCCESSFUL PATHWAY
TO SELLING YOUR HOME**