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So, you've worked out what type of home you want to buy, where you want to look and how much you can afford to spend. Now it's time to go house-hunting.

Real estate agents go to great lengths to attract as many potential buyers as possible to their listings so it's not surprising that everywhere you turn you'll find advertising of houses for sale, and that revenue from real estate ads is the backbone of many of our nation's newspapers.

Specialist real estate publications are plentiful – take down the 'no junk mail' sign for a while and you'll be amazed at the number of property magazines and fliers that arrive.

An increasingly popular method of house-hunting is via the internet. There are a few composite New Zealand websites, including the Real Estate Institute's www.realestate.co.nz as well as those specific to individual real estate companies. Some sites even include a virtual tour, like www.open2view.co.nz – a great way to visit a home without leaving your armchair. Many of the traditional print-based newspapers and magazines also offer an online search facility.

However you search, you will eventually come into contact with real estate agents. How well you work with them will be important in finding the right house.

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Dealing with real estate agents

Trawling past real estate agency windows is a popular Kiwi pastime whether you're in the mood for buying or not. If you are serious about buying, go in and let them know what you're looking for. They need to know that you are a genuine buyer. If possible, work with one agent from each agency, so you don't have to explain who you are and what you're looking for every time you speak with them. Don't assume that one phone call is enough. Check in with them regularly for the best results. The buyers who make the most noise get their phone calls returned first.

Real estate agents will usually be happy to show you around the homes they're marketing at a time that suits you (although occasionally a seller will insist on only showing their house at scheduled open homes).

Agents can be a valuable source of local information, but remember they're likely to talk up the market. They're working for themselves first, their vendors second, and you – the potential buyer – third.

They can also often let you know, in advance, of properties which are due to be listed but aren't yet, or those with vendors who want a very

discreet sale, without newspaper ads or 'For Sale' signs on the front fence.

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Driving around the neighbourhood you are interested in will let you see any 'For Sale' signs in the front gardens of properties. If you see a house you love but which isn't obviously for

sale, you could always try knocking on the door (or leaving a note) and asking the owner if they would be interested in selling. With the certainty of getting some doors slammed in your face comes the chance that you'll get one positive response and maybe even a bargain.

Before you talk to any agents, decide what price range you'll tell them you're looking in. Some buyers are adamant about not giving any indication of their price range at all, however this is an unnecessary paranoia and just as unhelpful as the agent not giving a potential price range estimate for the property for sale.

You don't have to reveal all of your budget details, but it's important that you establish that you are in the ballpark as quickly as possible, otherwise you are wasting your time. Make sure it's a reasonable figure for the areas you want to buy in, but don't feel compelled to reveal your absolute top dollar.

The more specific you can be in describing your requirements to an agent, the more helpful they can be. They'll also know from your definitive description of your needs and wants that you're serious about buying – not just kicking tyres – and they'll be more inclined to invest their time in helping you with your house hunt.

Reinforce your status as a genuine buyer by telling them, for example, that your house is on the market, that you have a pre-approved loan, or that you wish to move by a specific date. If you say you are looking to buy any time in the next 12 months, you are likely to get a less enthusiastic response. Bear in mind that agents don't earn anything until the property is actually sold.

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Talk to different agents at open homes. If you are impressed with their way of thinking or feel you can develop a rapport, try to get them to follow up for you on other listings. But always keep your relationship with the agent at arms length. Don't get too close.

Questions to ask the agent

Inevitably, in your dealings with the selling agent, questions will arise from both parties. These are some of the questions you should be asking to gain important information:

Why is the vendor selling?

Often the agent will reveal information that can be valuable to your negotiating position. If you find out that the vendor is highly motivated to sell because they have already bought somewhere else, or that they are going through a divorce, or about to relocate overseas, then this

might influence any offer you make. Conversely, they may be 'testing the market' and not really need to sell.

How was the asking price arrived at?

Some asking prices are more realistic than others. You need to know how a price has been calculated as being reasonable. Often the vendor will insist on an inflated price in the belief that the house is worth more than it actually is. The onus to justify (or at least rationalise) the price needs to be put squarely on the shoulders of the seller and their agent. If the agent refuses to justify the price then it is likely that they are asking too much. Proceed with caution and be prepared to walk away.

Do they have a list of other sales in the area?

Real estate agents often talk about the market when justifying a price to would-be buyers. "The market is indicating low to mid \$500,000s" they might say. What they often mean is that two of the five potential buyers that have been prepared to discuss price at all, haven't rolled their eyes in horror at the mention of this price. The only market you should be interested in is the real one, ie, what buyers have actually been paying for similar houses in the area during the past six months. All real estate agency groups have access to comparative sales data and should be able to provide you with this information quickly and free of charge. If they are not already using this type of information to market the house and demonstrate the value of the asking price, it again raises doubts about the house's true worth.

Open homes

If you're available at the right times, open homes – usually held on weekends – are often the simplest way to see lots of properties. Make a list of what you want to see and when they're open, and try to devise a plan to get yourselves around them all. If you're looking in several suburbs, try to do the open home trail in one suburb at a time, or you'll end up wasting a lot of time and petrol.

You can save yourself some time by checking out houses before the open homes – if you get there and realise the location or the style of the

WORD TO THE WISE

Don't reveal all of your feelings. If an agent knows you've fallen head over heels for a house it is likely that they will use this knowledge to eke out the very best sales price for their client – the seller.

house just aren't what you want, there's no point returning for the open home later.

Be aware that open homes are often timed to show off a property's best attributes, for example, when the sun is in the living rooms, when the tide is high if it's near the harbour, when the road outside isn't bumper-to-bumper with traffic or when the breeze isn't coming from the direction of the local rubbish dump. Don't just rely on this viewing alone; if you are keen on the property ask to see it at different times of the day.

Take your list of needs and wants with you and score each feature as you go through the various houses. Take your time. Collect any information the agent may have. That may just be the advertising flier or a more comprehensive information pack which includes a copy of the title, list of chattels and sometimes a Land Information Memorandum (these packs are more usual for houses which are to be auctioned).

Private sales

Of course, not all properties are sold through real estate agents. Some people market their own homes, and do their own negotiating. They may use one of the private sale companies that have set up specifically for this market.

Don't assume that because these sellers aren't paying agency fees that they'll be selling their properties any cheaper. Also, dealing directly with the seller can be frustrating and stressful – it all goes back to that aversion many of us have for haggling. It's a lot easier to tell a middleman that you think the décor is dire, but difficult to tell that direct to the seller's face.

Using a mouse to buy a house

The internet has transformed the home-buying process. Whether you're in Dunedin, Dunstable or Durban you can click on any of the major New Zealand real estate sites. From there you just tap in your requirements - neighbourhoods, house types, number of bedrooms, price range, etc - and in seconds you can be viewing homes for sale that match your criteria.

Besides the individual agency sites, the Real Estate Institute of New Zealand has its own composite website, www.realestate.co.nz with more than 73,000 listings. Other sites with listings and search functions include www.trademe.co.nz and the ever so clever open2view.com, which includes floor plans and virtual tours for selected homes, although you can end up feeling queasy if you look at too many of those spinning rooms.

Heraldhomes' own search4homes.co.nz provides print advertisers with an additional web presence, and also has property profiles and information stories written by *Heraldhomes'* journalists and expert columnists.

For Aucklanders, Barfoot & Thompson's website, www.barfoot.co.nz, is updated hourly, and offers the facility to create a favourites folder and to register a buyer's search specifications (eg, 3+ bedroom house in Mount Roskill for between \$300,000-\$350,000) so that you automatically receive email alerts when a home matching your specifications is listed.

Each of the thousands of properties for sale has an icon marked "Tell me about the Neighbourhood". When clicked up pops an extract from the book *Where to Live in Auckland* describing the suburb, its amenities, schools and the sorts of people who live there.

Barfoot & Thompson reports an astonishing nine million detailed page visits per year, translating to a house listing being viewed by a potential buyer every three seconds, 24 hours a day, seven days a week.

Another benefit agents' online search sites offer the buyer is the ability to identify the approximate price expectations of the seller.

Many houses are marketed as "By Negotiation" but without an asking price. This frustrating Kiwi sales practice can be undermined by online buyers searching by price range, eg, \$400,000-450,000.

The search results might still show individual homes without an associated price but at least you know the agent has tagged the property in this price range.

If you think you've found your dream home, you can, for a fee, order a CD of its property file online, or a LIM report from the local council (eg, www.aucklandcityproperty.com) to identify any issues or development restrictions.

It's important to have an idea of a house's value before making an offer. For \$69.95 Quotable Value (www.qv.co.nz) provides an essential property guide package online, including reports on a property's details, local sales, rating valuation, sales history, school zones, property trends and, most importantly, an estimate of its market value.

The websites of the major banks are becoming a resource for homebuyers. Most of them have calculators to show how much you can borrow and what your repayments will be. The National Bank has launched www.homebuyerscentre.co.nz which is billed as a one-stop-shop for homebuyers, with case studies, online pre-approved loan applications and expert advice.

IN A NUTSHELL...

- **Check out properties advertised for sale – through newspapers, the internet, specialist publications and real estate agency windows.**
- **Establish relationships with various agents, demonstrate that you are a serious buyer and use them as an information source.**
- **Ask questions to find out more about the motivation of the seller and how the asking price was arrived at.**
- **Make the most of open homes – take a score card, and be aware of any negatives that might be masked by the open home timing.**
- **Don't be put off private sales, but don't assume the properties will necessarily be cheaper.**