

# The Home That Just Won't Sell

By Camilla McLaughlin

*Think you need magic to move your way-too-long-on-the-market listing? Don't despair! Here are some creative and effective ideas from leading agents who know how to get results in any kind of market.*

Once real estate's white elephants, homes that just seem to stay on the market are becoming a staple in many locales, sending seasoned agents back to their toolboxes to unearth long-forgotten strategies and leaving many newbies wondering if it will take the wizardry of Harry Potter to turn "For Sale" into "Sold" on some signs. Showings may number in the hundreds or there may be none at all. The price might be too high or perhaps just right. No staging, too much staging, too many bedrooms, too few bedrooms, not enough baths, good photographs, bad photographs. No matter what the circumstances, nothing is more

**The principle of sacrifice is at play in this advertising for a unique home. Stan Barron, owner of Stan Barron Properties in Austin, TX, uses a focused marketing message that sacrifices a large portion of potential buyers in order to flag the attention of the small group who will buy.**



1) A "wow" design with interesting horizontal lines. 2) Elevated spaces create an outdoor space. 3) The site sits on a hillside, the house has beautiful symmetry. 4) Strong visual interest between contemporary roof line and open stairway.

**If this small, new home for \$369,000 doesn't excite you...check your pulse...you may be dead.**

**H**ave you ever picked up one of those "Home and Garden" magazines, flipped through the pages and stopped for a moment—that it would be like to live in one of these places perfect houses?

There is a house like that in Austin, and it just came on the market located on the hillside area, the address is 1700 River Trail (the neighborhood is just south of Hudson's Cove The best location).

Built by Kelly Bennett, the house represents a breakthrough for housing in this area at a tempting price.

The key here is the house's small size—only three bedrooms, two-and-a-half bath design with approximately 2,000 square feet.

If the size, location and price meet your guidelines, stop whatever you are doing and get to the house pronto. Don't worry about the location a particular or after your own quest into the real estate.

Most of the house's appeal is made possible by the exterior, landscaped exterior. Think about other houses you have looked at. Most are on lots that are even larger. In comparison, this one is approximately 1/3rd the size, and it allowed the "building" team to create the "wow" factor—a series of "wow" moments that are not easily replicated by its materials—stone, metal and custom-crafted stainless steel and custom-crafted stainless steel and custom-crafted stainless steel.

Take one step inside, and you will be amazed. The owner designed the house from the inside out to define the exterior spaces. What is so compelling is the sense of flow and openness from the interior you walk in. The proportion and scale of all architectural elements like you imagine that is so compelling you will actually "feel" your mind and volume. You will actually sense the flow—calmness and elegance—regardless of how you feel like walking through. The natural space inside the house is carried through through the site's natural light and the use of natural light. It is not hard to imagine this house filled with light, natural and the main piece of art.

The kitchen is another example—the natural stone woodwork against the dark floor provides a pleasant contrast. The custom granite work of stainless steel cabinets are lined with a series of open shelves—open shelves, glass and glass. Counters are solid granite, if you ever remember, the house and you can make friends for a lifetime. There are three pull-up bar stools at the island work station, and just think of a glass of wine while you are cooking or entertaining.

The master bedroom is also on the first floor. There are walk-in closets and a private spa area.

**Multi-purpose Garage**

There is one additional, and unique feature—two extra bedrooms. Taking full advantage of the large lot, the garage is attached—two "old" bedrooms the same—distance of three feet from the main house, but built-in as part of a basement. This created a beautiful, and private outdoor space area in between (using multiple oak trees

as well, see photos on the web). As a result, all of the main living area can be built the percentage open. Imagine the view. With a beach and coral bottom, you have an ideal spot to relax with a good book under a palm tree. It makes an even better place area for children. You could create a beautiful sculpture garden and enjoy the view from the house. You could create a garage with glass walls that is exactly what you are looking at in the top right photo. The "well dressed" garage area can serve as a studio or play room for kids.

The house also gets into access to one of the best swimming pools in the area. There are three decks, a private area and four built-in spas on the web. The house is located on a hillside, the house is well built and the world is only 100,000. The design is unique, the design materials and features are unique, and the lot is unique and private.

For more information, contact the builder's agent, **Stan Barron Properties** at 512.245.8998. To see more additional photos plus a brochure and see the site visit [www.stanbarron.com](http://www.stanbarron.com)

IMAGE COURTESY STAN BARRON

perplexing than the home that just won't sell, but, rather than a magic wand, the solution requires an eye for detail, an inquisitive mind and a good measure of out-of-the-box thinking — and, of course, a solid foundation in all the basics.

"There is no magic bullet to selling real estate. Rather, there are a number of almost negligible elements that combine to create a very significant whole," says Ken Baris, President of Jordan Baris Realtors in West Orange, NJ. "You show me an expired listing, and I often find that the listing information was not completely filled out, there might be limited remarks about the property, the photography is bad and it might not have been in the right places on the Web," he observes.

When Chad Goldwasser with The Goldwasser Team/Keller Williams in Austin lists a home that won't sell, he takes it off the market for two weeks to refocus before showcasing it on Realtor.com, as well as a number of other sites including Craigslist. "You have to go back and look at pricing, condition and marketing, and make sure those things are done really well," he says. During this time, he also promotes the property to his database of 8,000 buyers, telling them the home will be coming on the market in two weeks.

"As far as properties that have been on the market for some time, of course the first strategy would be to price aggressively," says Loree Scarborough, a top producer at Coldwell Banker Coastal Alliance in Long Beach, CA. "Then, it would be to give the property a different look on the Web and in print, using new images and different verbiage."

## TURN NEGATIVES INTO POSITIVES

Often the issue isn't price or condition, rather it is a problem with the marketing, says Stan Barron, owner of Stan Barron Properties in Austin, TX. He illustrates this point with a home in one of Austin's best neighborhoods that had 300 showings and not a single offer. "Not even a lowball," Barron interjects. A discussion with the seller offered few clues. On site, Barron discovered that "there was no backyard at all," the fence was only yards from the back door. "I looked at the marketing materials and realized the missed opportunity. The flyer was beautiful," he says, "but it never mentioned the yard. I wondered why they had glossed over an objection the consumer would immediately see."

Rather than hiding the lack of yard, Barron made it the centerpiece of his marketing, which trumpeted: "*Tempting buy in Tarrytown if you like the idea of no yard maintenance.*" The home sold almost immediately to a grandmother who didn't want any yard work, but wanted to live near her grandchildren.

Baris used a similar tactic to promote a Montclair, NJ, home lacking parking or even a driveway. "The house was just about on the sidewalk," he says. An ad that asked, "*Do you hate shoveling and landscaping?*" delivered buyers, an older couple who had retired their car and didn't want a lot of maintenance.

Such marketing is daring but effective, according to Barron, whose pedigree includes a stint on Madison Avenue. "What a good ad should do is make the house stand out in a way that has the strength to attract

the right audience. It totally changes the dynamics,” he shares. At work is a classic advertising strategy, the principle of sacrifice, which Barron says uses “a marketing message that is so focused that you sacrifice a large portion of the potential buyers, but in doing so you flag the attention of the small group who will buy.

“Professional quality photography is a must as well as a headline that screams ATTENTION and copy that tells the story of the house in an interesting way and allows the consumer to see herself enjoying the house,” advises Barron.

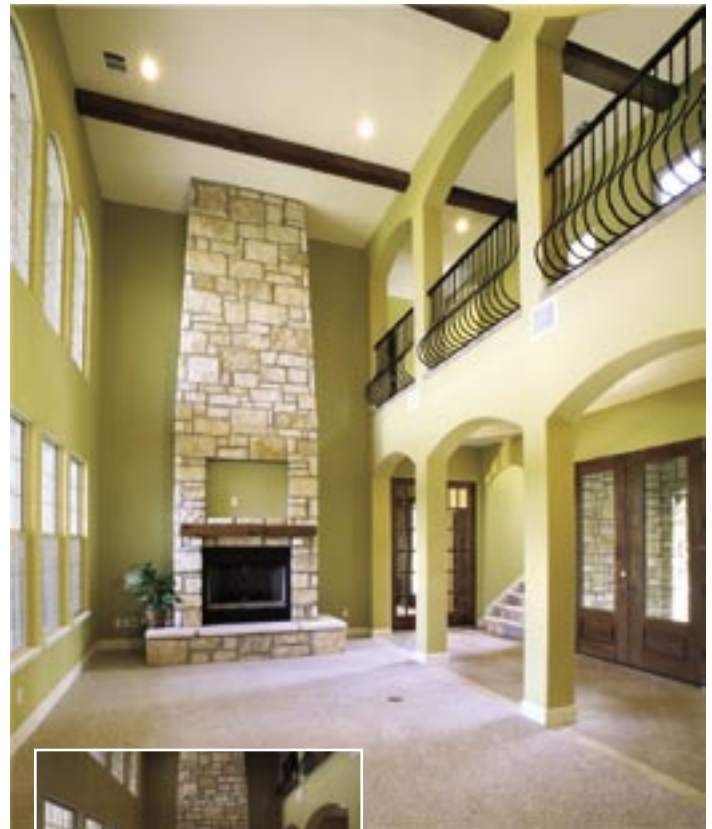
For any home that doesn’t follow the typical four-bedroom, two-and-a-half-bath model, Barron says it is essential to “go in with an open mind and find out what makes the home different and embrace what the home offers.”

## QUICK CHANGE ARTISTS

To uncover a property’s hidden potential Baris elicits his agents’ help. They view the home and then go back to the office for what Baris describes as a “free-wheeling discussion,” welcoming even the craziest idea. “We had a property on a busy, main intersection with a lot of street noise, not a great house for families. In the focus group someone pointed out the basement had high ceilings,” he recalls. At Baris’s suggestion, the owner closed off one room in the basement and made it into a home theater. “We turned the house into an ideal bachelor house and sold the sizzle,” he says.

In many instances, the most expedient remedy is to change whatever is preventing the home from selling, whether the obstacle is price, worn carpeting or even an owner’s presence during showing. “The days of having an allowance for worn carpeting or painting are over,” comments Robert Jenson with RE/MAX Central in Las Vegas.

“If you can change the problem, change it,” advises Mario Greco with Ruloff Residential Properties in Lincoln Park, IL. “People are often



**Take a look at the difference between a mediocre photograph (left) and one that was taken by a skilled photographer using the right lighting (above). Which is likely to attract more interest in the home?**

PHOTO COURTESY STAN BARRON

## Pointers on Pricing

Price is key to every sale. “It really does come down to price and the hardest thing to do as a listing agent is to convince the seller that the house isn’t worth what they think it is,” says Mario Greco.

According to Joe Meyer, who often counsels Realtor groups on pricing, the story of “the house that wouldn’t sell” begins not with the house, but with the agent preparing to go out on a listing appointment. “The first step is being totally prepared, which a lot of sales people really aren’t,” he says. Being prepared, according to Meyer, involves doing a complete market analysis, incorporating more information about the market than a typical competitive market analysis.

Under “For Sale” comparables, he includes information about amenities and renovations, and he emphasizes days on market. “Just because a homeowner has a home on the market doesn’t mean they have it priced correctly.”

Under “Solds,” he includes the date of the contract, which often predates the closing by months, as well as anything, such as seller concessions, that would influence price. Under “Expires,” he includes price adjustments made prior to expiring and how many times it was listed.

All of this gives an agent tools to back up a suggested list price by showing prices that were not successful for other sellers. Meyer also suggests calculating how much the value of the house depreciated while it was on the market and how much money the sellers lost carrying the house during this time.

Use media reports to back up your case, Meyer says. Thanks to the media, Greco says, sellers now look to him for advice, e-mailing and calling to ask when, rather than should, they drop the price.

very resistant to it on a personal level. You have to get past the personal aspect as well as any resistance to cost,” he says, noting that the solution is often less expensive than any concessions sellers might have to make, and they also save on the costs of carrying the home for a protracted time on the market.

In an older home with five bedrooms and one bath, Baris had the seller turn one bedroom into a walk-in closet and lavish bath. “Suddenly, the home became completely desirable and the seller netted more after the cost of the renovations because they created value,” he says.

In spite of attention paid to staging, Carolyn Helmlinger, CEO of Coldwell Banker Mid-America Group Realtors in Des Moines, IA, says many homes are still not presented in their best light. Goldwasser says he frequently discovers baseboards and windows that haven’t been cleaned or planting beds that haven’t been mulched. “All those little things make a difference and most agents don’t realize how important it is to convey those things to the seller,” says Goldwasser, who advocates wiping off tops of water heaters and removing screens.

In vacant homes, the punch of the vibrant colors currently in vogue can be overwhelming, says Mark Nash, an author and Coldwell Banker agent in Chicago. “That look is OK with furniture and artwork, but it doesn’t make any sense when the rest of the picture is gone.”

If the home is too streamlined, Nash finds buyers tend to hurry through a showing. “They need a few things in the home to slow them down. Especially with first-time buyers, if there is nothing in the room they can’t envision putting their furniture. You have to fill in the blanks for them.”



**For a unique, one-of-a-kind property, Chard Roffers of SKY Sotheby's in Sarasota, FL, says an auction can be an effective way to make a sale.**

signage and flags. In the past, they may have used three signs; now they use 10.

Lack of attention from local brokers was one reason why a coop on New York's Upper East Side remained unsold after six months even though sales in Manhattan were brisk. "The home wasn't getting traffic," says Max Dobens, a Vice President with the Jackie Teplitzky team at Prudential Douglas Elliman. Dobens organized a "day of beauty" event at the home, bringing in different vendors. He even enlisted a plastic surgeon. Prizes included a consultation with the surgeon and sessions with skin care professionals. The event brought 40 brokers to the property.

Just before the holiday, Dobens listed a townhouse that had been gutted for a renovation. He turned the bare-bones house into an art gallery to stage an event during New York's busy party season. An artist friend agreed to exhibit her work and invite her customer base. Team members went around wearing Santa Claus hats and Dobens garnered coverage by a local television station.

Successes like this don't happen by accident. Dobens says they take me-

**Turn a negative into a positive. Ken Baris, President of Jordan Baris Realtors in West Orange, NJ, had a property with a dark and unappealing basement on a heavily trafficked street — not an ideal home for families. He recommended converting part of the basement into a home theater, promoted it as a great "bachelor pad," and the property sold.**



"Buyers still want to see that warm fuzzy feeling," and the home must stand out in a crowded market, shares Scarborough.

### CAUSE A HUBBUB

Once a home is listed, "you've got to become like the town crier ... call every agent you know in your local board," says Joe Meyer, an internationally recognized trainer and consultant. And, he adds, "beg them to come to your open house. If they see many brokers there, they will feel it's a hot house and bring clients."

To drive traffic to open houses, Helmlinger's agents use unique

## Value Range Marketing

Cropping up in a number of markets is value range marketing (VRM), which originated in Australia and was introduced in the U.S. in the 1990s by Prudential Real Estate. Rather than offering a property at a single price point, VRM establishes a price range, for instance \$450,000 to \$500,000. However, it doesn't mean the seller will accept the lowest price point, but that they will entertain offers in that range.

Proponents claim it generates more offers because it exposes the home to a broader group of buyers while those opposed say it only confuses. Since there is more to an offer than a dollar amount, a range might actually reflect how a seller could react to an offer. For example, a bid at the low end for a cash deal might be quite acceptable, but a low-end offer with a string of contingencies is quite another matter.

"We're finding that there is place for it," says Phil Jones, co-owner of Coldwell Banker Coastal Alliance. "It works in some situations. It exposes the property to more buyers and may start negotiations that otherwise may never have begun."

ticulous planning. "Everything has to be managed. Invitations were mailed and all of us were also on the phone personally inviting brokers."

### PIQUE INTEREST

Use concessions and incentives a little differently, recommends Meyer. For example, instead of a \$10,000 price concession, he might suggest a \$5,000 price break paired with a \$5,000 gift card to Lowe's or Home Depot. For a luxury property, the price break might go up to \$10,000 with a \$10,000 gift certificate to a high-end furniture store.

Cars, trips, plasma televisions are all great incentives, he says. Often, prospective buyers will come to see the house simply because they are intrigued by what you are offering and curious to see the house that comes with this bonus.

### CREATE A SENSE OF URGENCY

Buyers today are in no rush to buy, says Scarborough. To create the needed catalyst, Meyer takes a clue from retailers. He might advertise an open house as a one-day sale, perhaps offering a price reduction, to both brokers and consumers, writing a little different ad copy for each. For instance, one ad said: "All offers must be in writing with a check. Sorry, no early previews." Then, he holds the open house for just 45 minutes. The end result is usually the same number of buyers who would have attended a three-hour open house but having a number of buyers in the house at the same time creates a feeling of intense competition.

Nothing is more immediate than the sound of a gavel. Chard Roffers, co-owner of SKY Sotheby's in Sarasota, FL, says auctions are "an effective vehicle to drive sales, particularly for unique, one-of-a-kind properties." He recently sold an equestrian property, "perfect for polo," in a new subdivision that was off the beaten path. It had been on the market for two years with three different firms. With four parties bidding, it sold for \$6.9 million, almost a million above the previous best offer, and closed in 30 days.

While there may be a scarcity of magic wands, practitioners may find these strategies are the next, best thing.

*Camilla McLaughlin is a veteran journalist who writes frequently on real estate topics for leading industry publications. Reach her at [cammccla@comcast.net](mailto:cammccla@comcast.net). ■*