

“Whyyyyyy....Is My Home Not Selling!#G@! Darn it!”



(Pay particular attention to the Weeds!)

Sometimes the life of the Home Owner trying to sell their property with an agent can be stressful. I professionally detest getting calls from my clients asking me the dreaded: “Heh, what’s it going to take to sell my house?!” “When are you going to sell my house?” “What is the problem?”

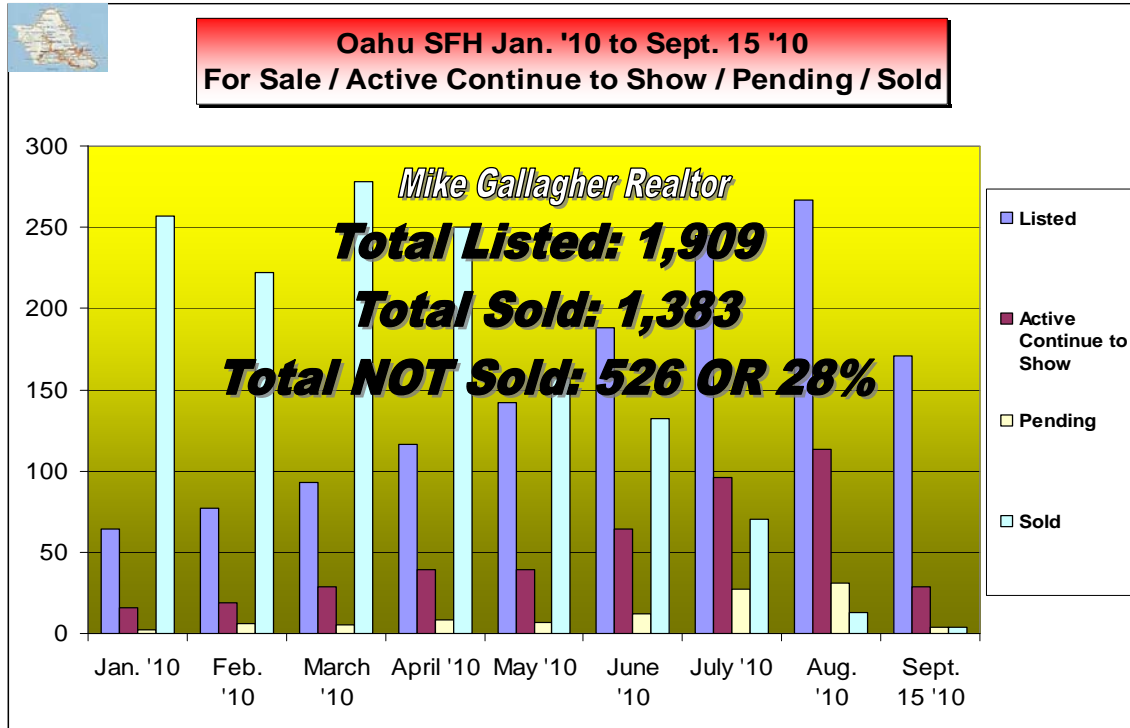
The last time this happened to me I swore I was never going to be in a position to get these type of phone calls from my clients ever again.

I believe my clients are my friends, they are not ‘just’ clients. I share many of the same desires, challenges we all experience in our jobs, families, relationships with our friends, dreams and our desire for quality recreation and ‘down time.’ I share all this with my friends who can also be clients, as quite frankly, who doesn’t want to take care ones friends? From a professional Real Estate Agent’s stand point, it sure is a lot easier to generate business from whom we know and trust than to try to chase people who do not know you nor I, them. I believe you give your friends a wonderful experience helping them with their real estate needs when they ask you to and good things happen called referrals, repeat business...more business.

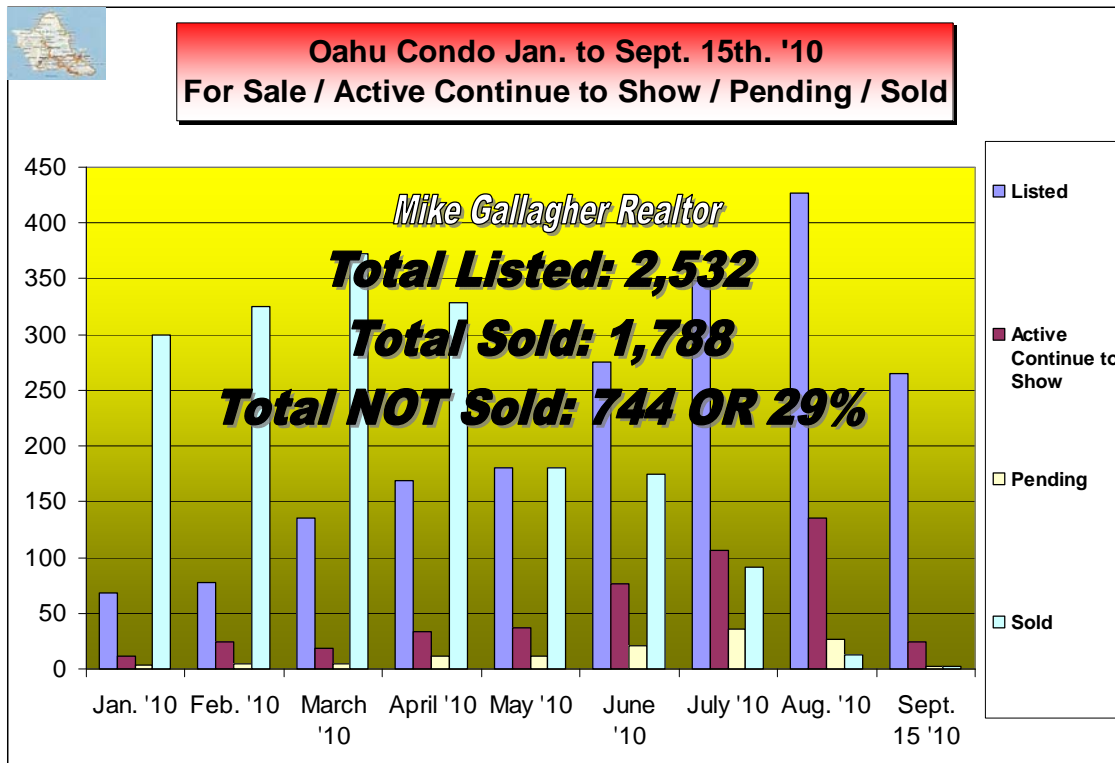
Getting the dreaded question: “Heh, when are you going to sell my house?” has even more importance to me, as this question came from friends, people I know. I do not want my friends to think I cannot do something for them in my profession as a Real Estate Broker. It is important to me to be the best I can be in my profession and to rise above the mediocrity in our profession and be part of something positive that can have long lasting effects upon the improvement of many lives.

This is precisely why I then started to utilize a unique, tried and true method of selling homes.

Before I explain my method of successfully selling homes please see below.
Please...Get Your Brain Around This:

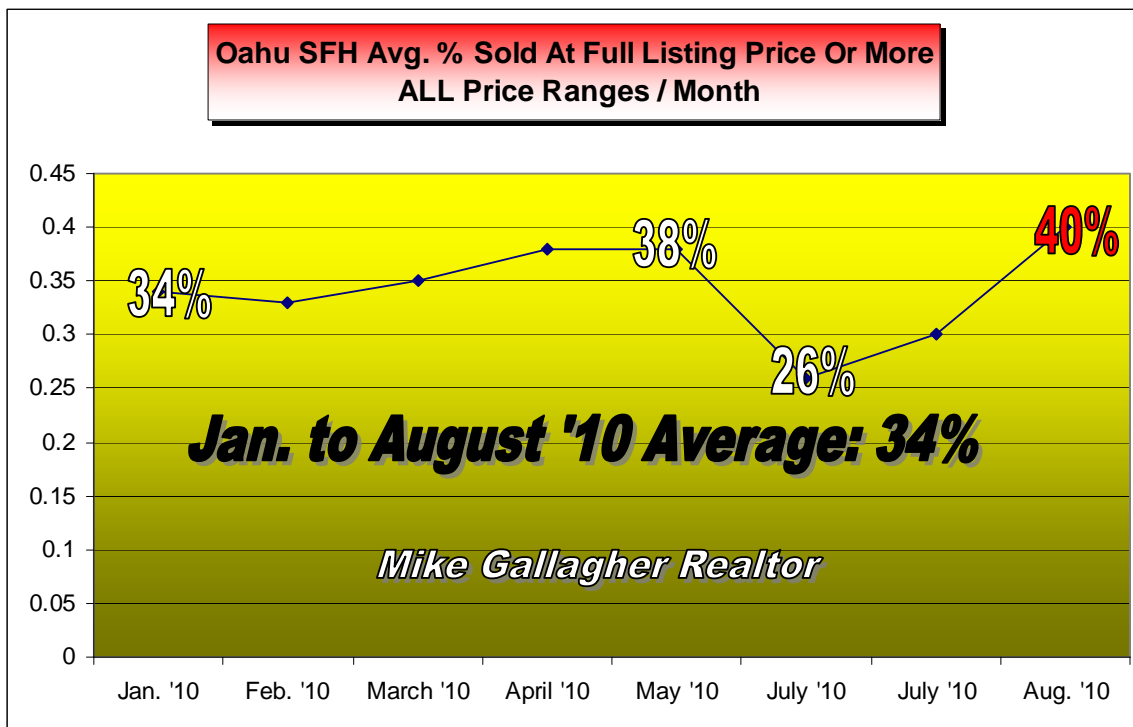


This means that **58** Single Family Homes For Sale **each month** of this year did **not** sell. No sale. Nada. Zilch. Zippo.

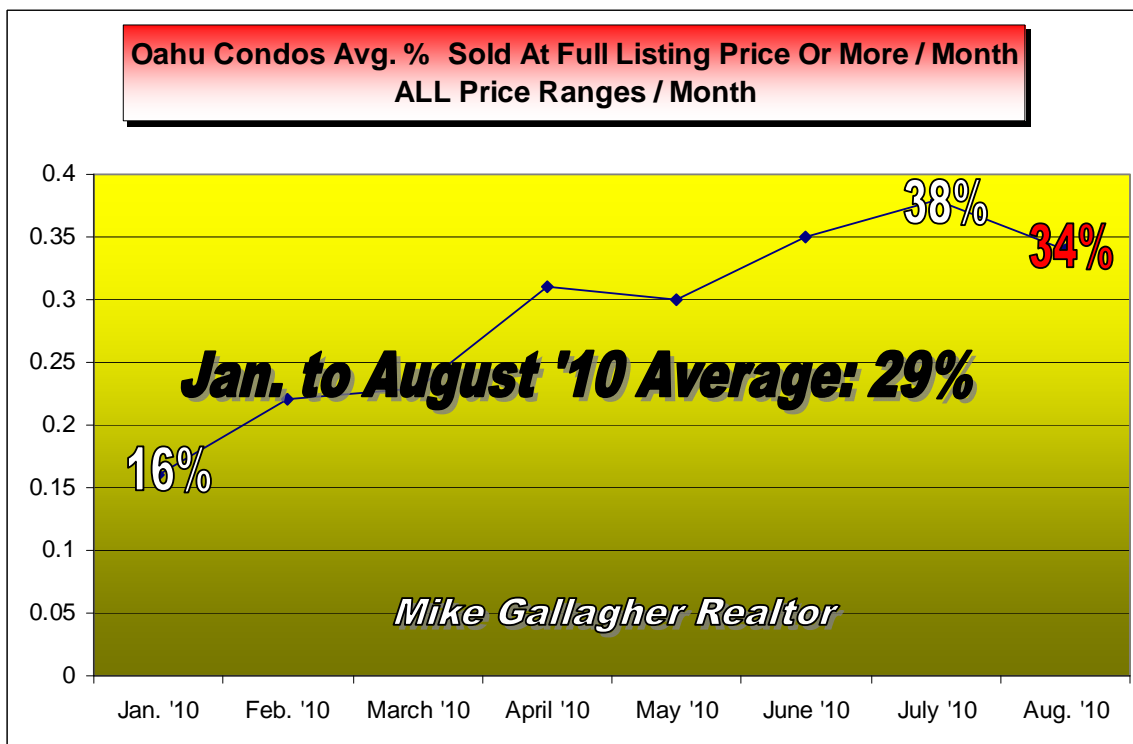


83 Condos For Sale each month of this year did **not** sell.
 What could be more embarrassing than having to tell your friend and client:
"Sorry, I could not sell your home."

Are you still with me? Here is where it starts to get really interesting:



Year to date, **66%** of ALL Single Family Homes did **NOT** sell at Full +

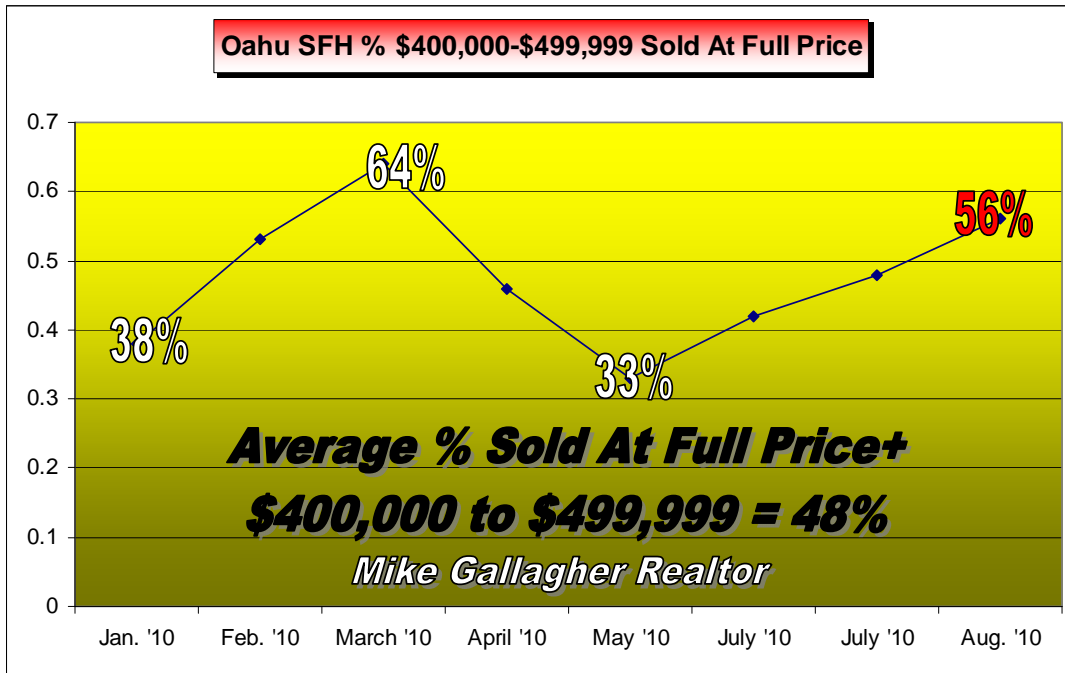


Year to date, **71%** of ALL Single Family Homes did **NOT** sell at Full +

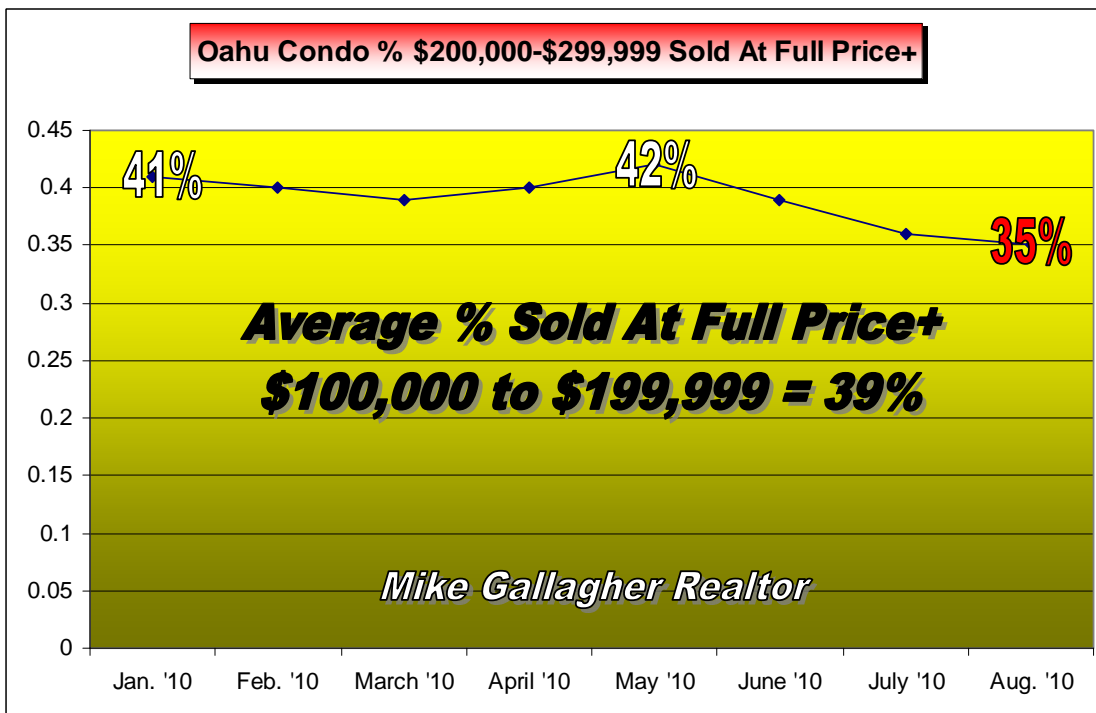
Once you digest this interesting information you may be interested to know what the **Average % of Listings that Sold At Full Price Or More, By Price Range** look like.

You can find these graphs on my website at www.hawaii realestate statistics.com
There are just too many graphs to show you here.

Here are some examples:



At this price range **52%** of all Single Family Homes did **NOT** sell at Full Price +.



At this price range **61%** of all Single Family Homes did **NOT** sell at Full Price + . The Honolulu Board of Realtors and the Star Advertiser at the behest of their deep pocketed advertisers do not want you to know this above information. They also only want you to concentrate upon the List Price to Sold Price Averages.

Here is the month of September Solds C.M.A. (last page of C.M.A. Only) Please note the List to Sale Averages and the summation at the bottom of the page:

CMABuyer

118	1004591	1-3-6-001-084-0000	56 Niuhi St	WAILUPE AR	12,382	2,104	4	3	0	1954	FS	\$1,595,000	\$1,480,000	9/03/2010	93	\$703.42	97
119	1003403	1-3-7-017-042-0000	168 Maono Pl	HAWAII LOA	7,857	3,527	4	3	1	1985	FS	\$1,698,000	\$1,670,000	9/09/2010	98	\$473.49	114
120	1008832	1-4-3-017-032-0000	406 Dune Cir	BEACHSIDE	11,741	2,201	4	3	0	1956	FS	\$1,975,000	\$1,880,000	9/02/2010	95	\$854.16	13
121	1007485	1-5-8-006-056-0000	58-114 Napoonala Pl	SUNSET/MEL	15,828	2,775	4	3	1	2008	FS	\$2,395,000	\$1,999,999	9/15/2010	84	\$720.72	22
122	1002378	1-3-9-028-003-0000	6 Poipu Dr	KOKO KAI	42,651	8,695	7	6	1	1964	FS	\$6,995,000	\$5,850,000	9/08/2010	84	\$672.80	143
123	1006831	1-3-8-002-021-0000	5949D Kalaniana'ole Hwy	PAIKO LAGO	47,737	7,995	5	6	0	1964	FS	\$8,200,000	\$7,000,000	9/10/2010	85	\$875.55	90
Average					17,448	1,807	4	2	1			\$779,617	\$741,549		97		57
					Number of Properties: 123												
					(SalePrice / LivSqFt) : (Average 741549 / Average 1807) = \$ 410.38												

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Look at the bottom of the C.M.A. the total Average % sold to Listing Price is located to the right of the Average Sold Price of \$741,549 at the bottom of this C.M.A. page. The average is **97%** of all 123 listings sold between Sept. 1st. and Sept. 17th. were sold at 97% of Listing Price. The difference between the

Average Listing Price of \$779,617 and the Average Sold Price of \$741,549 is **5%**. How many sellers want to give away **5%** of their listing price? This is just bad business sense for a Seller and I will show you why. But is this also bad business sense for most Real Estate Agents?

Isn't it the job of most Real Estate Agents is to tell you (the Seller) what you *want* to hear?

Then isn't the job of most Agents to get **Price Reductions** of the Listing Price from the Seller when the home does not sell because it is priced too high, while at the same time the Days On Market are going up?

Apparently the answer may be **YES** when you stop and consider that **less than 35% of all listings are selling this year at Full Price Or More.**

RECAP:

- 1) Less than 35% of all listings are selling this year at Full Price or More. Does Not Matter, Condo and Single Family Home Both, Less than 35%.
- 2) It is a very bad thing for the D.O.M. or Days On Market to go excessively up as no matter what the seller has dropped the price to, once the D.O.M. is high, every buyer out there looking at the listing will think:

"What is wrong with this Home?"

Let us take a closer look at one of these homes that Sold on the last page of this above C.M.A. and how they got to sell at less than Full Price:

#	Mls #	Street Address	Field Name	Modified Date	Effective Date	Old Value	New Value	Property Type
1	1005889	1543 Aalapapa Dr	Status	5/03/2010 12:29:16	5/3/2010	incom	act	res
2	1005889	1543 Aalapapa Dr	Contingency Date	8/18/2010 15:29:42	N/A		Aug 18 2010 12:00AM	res
3	1005889	1543 Aalapapa Dr	Status	8/18/2010 15:29:42	8/18/2010	act	cont	res
4	1005889	1543 Aalapapa Dr	Status	9/01/2010 12:04:17	9/1/2010	cont	closed	res
5	2915374	1543 Aalapapa Dr	Status	12/02/2009 13:13:00	12/2/2009	incom	act	RES
6	2915374	1543 Aalapapa Dr	List Price	3/17/2010 08:48:31	N/A	1595000	1495000	RES
7	2915374	1543 Aalapapa Dr	Roofed Liv Area	3/17/2010 08:48:31	N/A	2000	1987	RES
8	2915374	1543 Aalapapa Dr	Status	5/03/2010 00:01:02	5/3/2010	act	EXP	RES

Your search criteria: proptype='res' and division=1 and zone=4 and section=3 and plat=3 and parcel=7 and cornum=0 and

This home above started off selling at a listing price on December 2nd. 2009 at \$1,595,000 and was price reduced by \$100,000 on March 17th. 2010. This home then went on to sell finally at \$1,225,000.

There are several points to take away from this experience above:

- 1) The D.O.M. or Days On Market as stated in the C.M.A. were **108** days. But this home was listed and sold under two different M.L.S. numbers by the **same agent**. If we combine the two different M.L.S. D.O.M's we get **214 days**, not 108 days.
- 2) Remember? Long D.O.M. = **"What is wrong with this Home?"**
- 3) Ultimately the seller only received **77%** of their original listing price and finally sold at a reduced **-\$370,000** Off Of Their Original Listing Price.

You can certainly believe the Seller asked this agent something like:

"When are you going to sell my house?" The Seller probably asked this several times.

**THE SECRET TO SELLING A HOME IS TO:
PRICE IT CORRECTLY!**

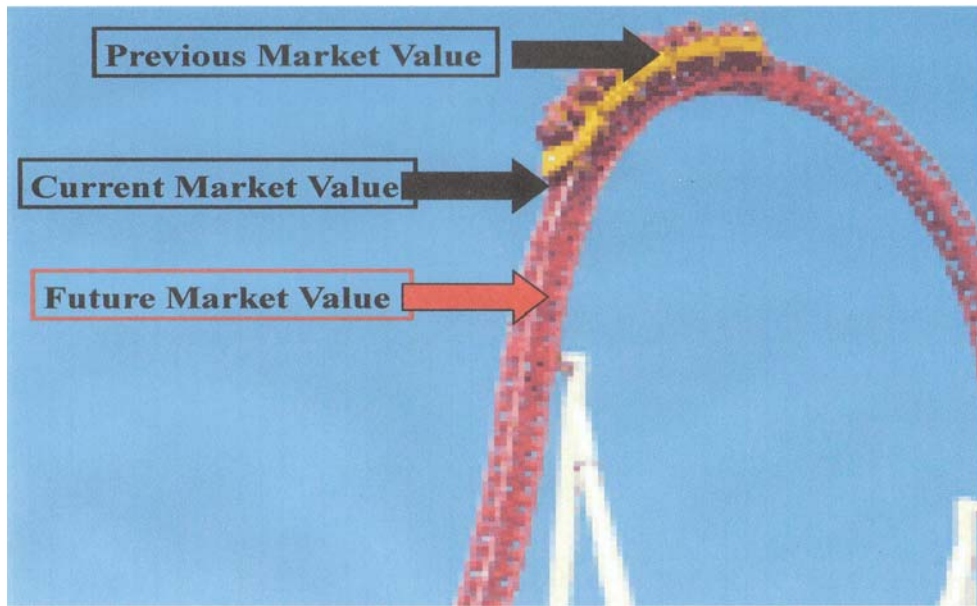
We are in a Declining Market. One day you are priced correctly and the next day you are not priced correctly. The more days you are on the market the worse your original asking price becomes. The secret here is to price your home correctly so that you are slightly ahead of the market decline where the price, the features of the home generate enough **excitement** (not interest, **excitement**) that your home gets lots of buyers who want to see it and...

Lots of Buyers = **OFFERS!**

If the home is priced correctly you will receive:

COMPETING OFFERS AT OVER ASKING PRICE!

Now how cool is that?!



Now let us take a look at someone in **Lanikai Kailua** again (Just to be fair)
 who did get...
MORE THAN ASKING PRICE!

Property Type: Single Family Properties Status: Sold																	
Subject Property																	
#	MLS#	Tax Map Key	Address	Nbrhd	Lnd SqFt	Liv SqFt	BR	FB	HB	YB	LT	List Price	Sale Price	Sold Date	% LP	\$ SqFt	DOM
1	2817099	1-4-3-008-061-0000	751 Aalapapa Dr	LANIKAI	9,096	2,080	3	2	0	1996	FS	\$1,100,000	\$1,100,000	7/07/2009	100	\$528.85	207
2	2900057	1-4-3-001-006-0000	1591 Aalapapa Dr	LANIKAI	9,363	2,124	3	3	0	1979	FS	\$1,400,000	\$1,200,000	12/23/2009	86	\$564.97	328
3	2908888	1-4-3-002-019-0000	236 Poopoo Pl	LANIKAI	10,007	2,879	4	3	0	1991	FS	\$1,615,000	\$1,615,000	9/14/2009	100	\$560.96	31
4	2904453	1-4-3-003-016-0000	212 Poopoo Pl	LANIKAI	11,277	3,528	4	3	1	1989	FS	\$2,150,000	\$1,900,000	8/14/2009	88	\$538.55	77
5	2911447	1-4-3-004-088-0000	1352 Mokolua Dr	LANIKAI	19,142	4,167	4	4	0	1982	FS	\$3,770,000	\$3,800,000	10/14/2009	101	\$911.93	8
6	2901508	1-4-3-005-053-0000	1206/08 Mokolua Dr	LANIKAI	14,890	2,707	6	4	0	1935	FS	\$3,995,000	\$3,500,000	6/30/2009	88	\$1,292.94	97
7	2911713	1-4-3-008-044-0000	822 Mokolua Dr	LANIKAI	11,193	3,969	5	3	1	2003	FS	\$5,995,000	\$5,500,000	11/20/2009	92	\$1,385.74	19
Average					12,138	3,065	4	3	1			\$2,860,714	\$2,659,285		93		110
Number of Properties: 7																	
(SalePrice / LivSqFt) : (Average 2659285 / Average 3065) = \$ 867.63																	

#	Mls #	Street Address	Field Name	Modified Date	Effective Date	Old Value	New Value	Property Type
1	2911447	1352 Mokulua Dr	Status	8/26/2009 15:21:42	8/25/2009	incom	act	RES
2	2911447	1352 Mokulua Dr	Status	9/02/2009 15:10:46	9/1/2009	act	cont	RES
3	2911447	1352 Mokulua Dr	Contingency Date	9/02/2009 15:10:46	N/A		Sep 1 2009 12:00AM	RES
4	2911447	1352 Mokulua Dr	Status	10/09/2009 15:01:47	9/1/2009	cont	pend	RES
5	2911447	1352 Mokulua Dr	Status	10/15/2009 12:32:34	10/14/2009	pend	closed	RES
6	2911447	1352 Mokulua Dr	Off Market Date	10/15/2009 12:32:38	N/A	10/09/2009	10/14/2009	RES

- 1) The home comes onto the market 8/25/09 (I had to go back a ways to find a home in Lanikai that sold for more than Listing Price).
- 2) The Home goes into Escrow with an Accepted Offer AND turns Pending on 9/1/09
- 3) Home Closed and SOLD on 10/14/09

50 Days, This Home is Gone! Sold!

Everyone is Happy and the Seller makes an *extra* \$37,700.00

Before I wrap this up I just have to show this other occasion in pricing a condo recently where the Seller lost **25%** of the original asking price:

#	Mls #	Street Address	Field Name	Modified Date	Effective Date	Old Value	New Value	Property Type
1	2815686	725 Kapiolani Blvd	Status	9/29/2008 08:19:41	9/29/2008	incom	act	CND
2	2815686	725 Kapiolani Blvd	List Price	9/29/2008 08:30:35	N/A	99888	998888	CND
3	2815686	725 Kapiolani Blvd	Status	1/28/2009 16:07:42	1/28/2009	act	with	CND
4	2904518	725 Kapiolani Blvd	Status	3/31/2009 09:14:38	3/31/2009	incom	act	CND
5	2904518	725 Kapiolani Blvd	Status	8/22/2009 08:33:37	8/22/2009	act	with	CND
6	2913503	725 Kapiolani Blvd	Status	10/13/2009 15:21:01	10/10/2009	incom	act	CND
7	2913503	725 Kapiolani Blvd	List Price	12/01/2009 18:06:53	N/A	998999	909000	CND
8	2913503	725 Kapiolani Blvd	List Price	1/15/2010 13:32:55	N/A	909000	899000	CND
9	2913503	725 Kapiolani Blvd	List Price	4/05/2010 21:15:32	N/A	899000	850000	CND
10	2913503	725 Kapiolani Blvd	Listing Expire Date	4/09/2010 15:06:09	N/A	04/10/2010	10/10/2010	CND
11	2913503	725 Kapiolani Blvd	Coop Broker Commission	5/14/2010 09:01:13	N/A	2.5	3	CND
12	2913503	725 Kapiolani Blvd	Contingency Date	8/02/2010 19:02:23	N/A		Aug 2 2010 12:00AM	CND
13	2913503	725 Kapiolani Blvd	Status	8/02/2010 19:02:23	8/2/2010	act	cont	CND
14	2913503	725 Kapiolani Blvd	Status	9/06/2010 11:39:57	8/2/2010	cont	pend	CND
15	2913503	725 Kapiolani Blvd	Off Market Date	9/10/2010 15:12:11	N/A	09/06/2010	09/10/2010	CND
16	2913503	725 Kapiolani Blvd	Status	9/10/2010 15:12:11	9/10/2010	pend	closed	CND

- 1) This home came onto the market 9/29/08 and it finally sold on 9/10/10. That is almost **ONE YEAR LATER** and it sold for **-\$248,000 less** than it's original listing price or **-25%**.

This is why I still have Friends and Clients. I had to learn how to do this...Price a Home Correctly.... to keep my Friends and Clients!

I wish you all a Wonderful Fall Season where we have plenty of events planned for Halloween, Thanksgiving and E gads!: [Christmas!](#)

If anyone has questions, please call me. I will answer all your questions if I can and if I cannot I will find someone who can.

Thank you all for your readership, Friendship, to all my friends / clients, Mahalo!

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