



LISTING TO CLOSE EMAILS

Marketing Reminders Email

Timeline: Send around day 10 of being active in MLS – Part 1 of 2

To: Seller

Subject: [Property Address]

Dear [Seller],

Just wanted to touch base, I am _____ (**(talk about their situation with activity, and what we are seeing in the current market) **

I did want to take a minute and remind you of some of the things I am doing to make sure we are reaching as many buyers as possible. As you know your home is listed in MLS (the largest website in which homes are listed for sale). The interactive floor plan that I included with your listing increases buyer views by 70%. In addition to MLS, your home is featured on key home search sites namely Zillow, Trulia, and Realtor.com as well as hundreds of other sites. We do monitor and update the key sites on a regular basis and because of our volume of listings and contracts we have, our listings receive preferential treatment and placement.

As you can see, I am doing everything in my power to sell your home. I am going to follow up in the next couple of days with some additional reports from some of those above-mentioned sites (Zillow and Trulia do not have the functionality to run reports). If you have any questions or feedback in the meantime, please feel free to let me know

Sincerely,

Agent

REALTOR®

Main: 800.924.6563



Marketing Report Email

Timeline: Send 2 days after 1st marketing email – Part 2 of 2 – Attached the reports mentioned in the email.

To: Seller

Subject: [Property Address] → Market Reports

Dear [Seller],

I wanted to follow up from my email the other day with the additional information I mentioned. I have attached marketing reports from Realtor.com and Tourvista ***or Matterport*** so that you can see how many views there have been on your home.

Below is an explanation on how to interpret each report:

1. The Realtor.com report indicates how many times your home appeared in someone's search results list, and how many times it was viewed by someone. To be clear, this means that any time someone searches the city or zip code of your home, and your listing appears, it gets counted as a "search". The "view" is counted every time someone clicks on your specific listing.

This report also includes data from smart phone apps and other sites owned by the Realtor.com network. This is explained at the bottom of the report as well.

2. The Tourvista report is for the interactive floor plan, and it indicates each view/tour along with the date and time it actually occurred.

*****or*****

2. The Matterport numbers show the Impressions, Visits and Unique Visitors of those who viewed the 3D Showcase. An impression is registered when someone views a page containing a 3D Showcase or clicks on a public 3D Showcase link. A visit is registered when a space loads. A Unique Visitor is someone who visited the 3D showcase one or more times.

Add ShowingTime report if applicable. I also wanted to include the ShowingTime report that shows the total number of showings and the feedback responses received which is broken down in a pie chart with percentages.

As you can see buyers are viewing your home _____, unfortunately we are just not getting as many people in the door as we had all hoped for. **(Insert something)**

Let's set up a time to talk tomorrow once you have had a chance to review the data, what time works for you?

Sincerely,
Agent
REALTOR®
Main: 800.924.6563

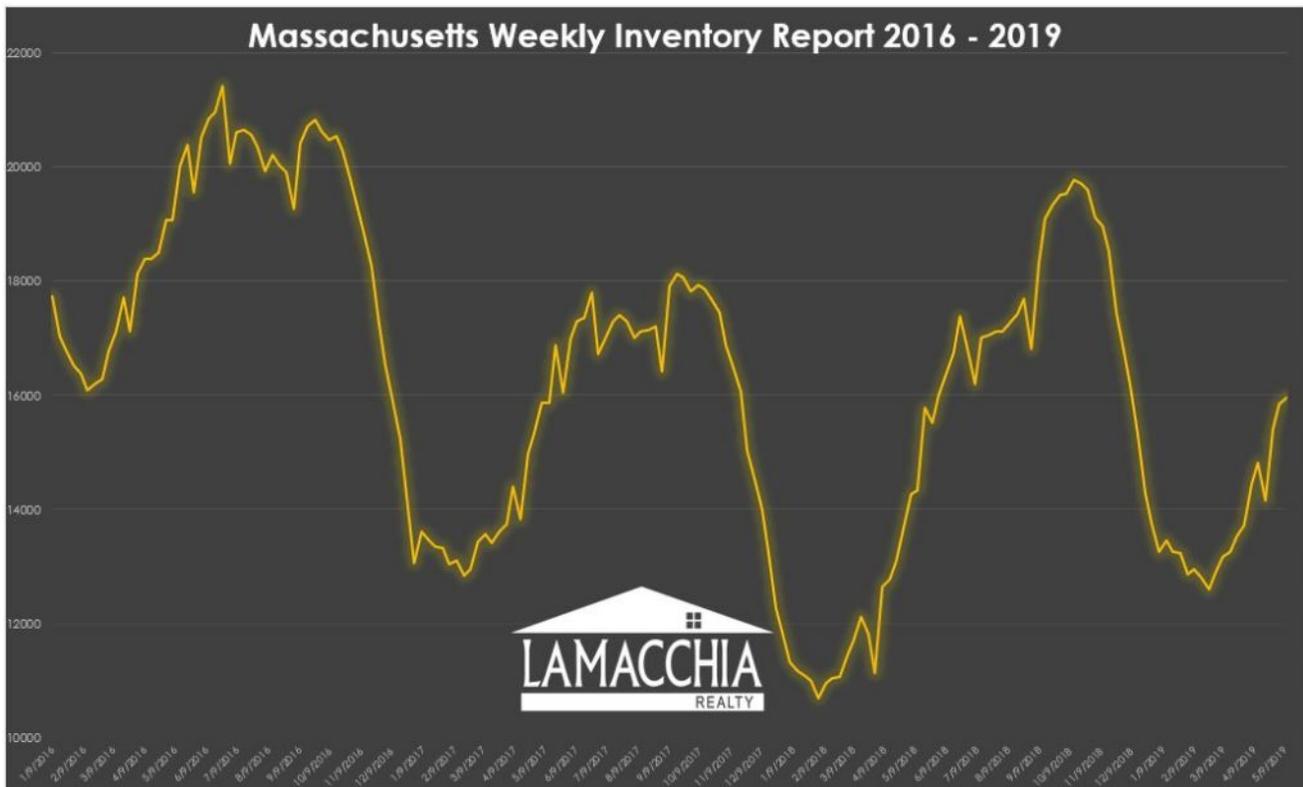
The Art of the Price Adjustment

lamacchiarealty.com/art-of-price-adjustment

Price Adjustments: The Season is Upon Us

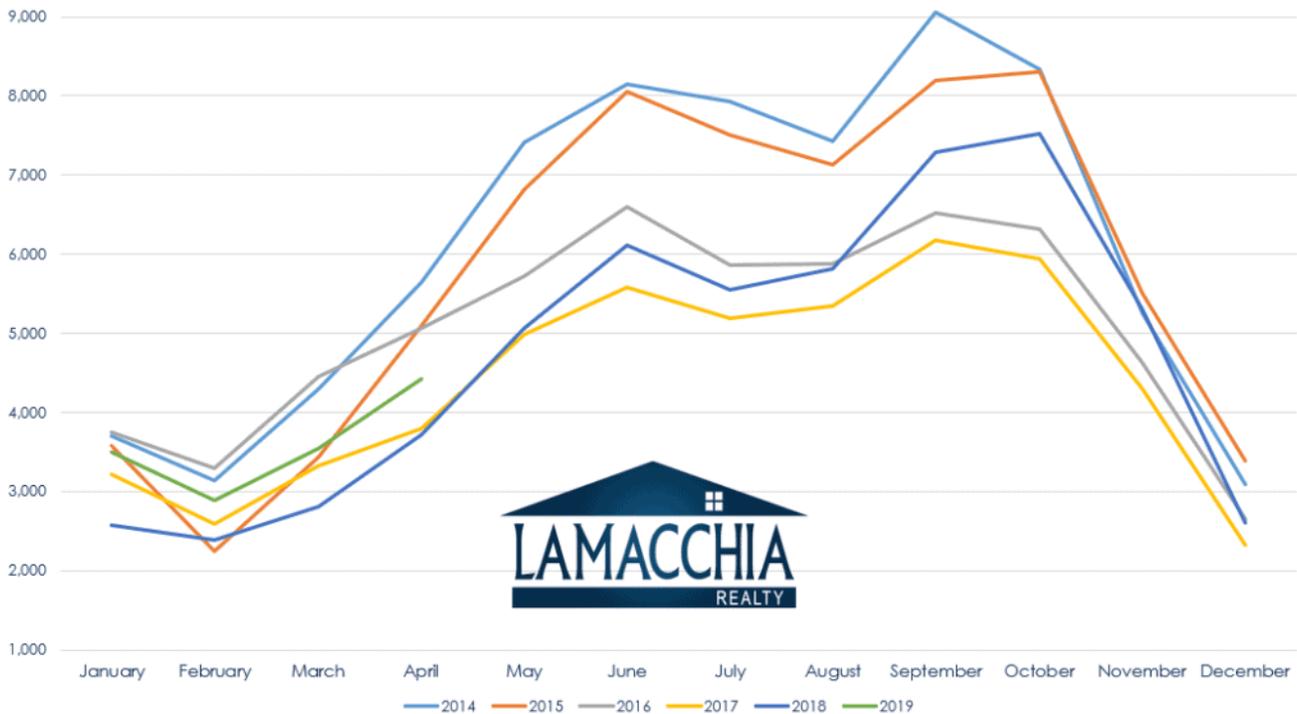
With summer just around the corner, the market is slowly beginning to turn in the buyer's favor. We are currently in the short term balanced market, but before long, buyers will have the upper hand.

Due to this shift, which we expected and predicted in our "Don't Worry Buyers, This Won't Last Forever" blog, homes are sitting on the market longer than they did even a month ago, which is expected given that many buyers have found the homes they were looking for in the winter and early spring. As a result, there's less of a demand for the available inventory which creates the perfect climate for price adjustments and we will see them increase in the weeks and months to come.



As you can see in the graph below, June is typically when we see the first peak in price adjustments, with the largest number generally occurring in the fall.

Homes That Made Price Adjustments — 2014-2019



It comes with a negative stigma for sellers to hear that a price adjustment is recommended. But if the home has been available long enough, it's time to consider adjusting the list price to gain more visibility from more potential buyers.

An experienced real estate agent or Realtor will make it very clear from the beginning that pricing right is the key to selling faster and for more money. But even with all the data at hand, determining the exact price isn't always easy, especially in a fast-paced market like we have seen since the beginning of the year. There are factors such as comparative active properties, recently sold properties in your area, condition of the property, and current market conditions to take into consideration when pricing a home. Even if the home is priced appropriately, the market could shift quicker than anticipated and a price adjustment may be the next best step.

How do you know your house is overpriced?

1. Your home is priced much higher than properties in your area

Your Realtor will complete a comparative market analysis of the homes sold in your area in the past 6 months. This is a common method to determine the target price range for your home. Neighborhood homes are valued relatively close to one another if their size and condition are relatively similar. If you price your home even \$50K over the rest, your home may be overlooked. This is a strong sign that a price adjustment is in order.

2. Infrequent showing requests

The first thing that buyers see when they browse homes for sale besides pictures, is the list price. If that price doesn't reflect the images of the home and the area, they're not going to bother to come see it. If you don't have any requests for showings and if an open house yields an underwhelming crowd, you should review your list price and lower it to attract more buyers.

3. A month goes by without an offer

Due to the inventory levels this past winter and spring, many homes sold for over asking in multiple offer situations. If your home has been on the market without any strong offers, it may not be priced correctly. In typical real estate markets, a seller should receive at least one offer within the first two weeks of listing the home. If a month goes by, contact your realtor to discuss an adjustment on the list price.

4. You hired the agent who recommended the highest price

It's not necessarily wise to go with the Realtor who said to list your home for the highest number. That could be a sign that they're not fully understanding the market in your area and that they may underdeliver. Make sure you fully grasp why your Realtor suggests the price that they do by asking them to show you comps in your area that have sold recently and that are currently active on the market. If their price is outlying the comps, you're risking the loss of a fast and strong sell price.

When should you adjust the price?

If you're questioning whether it's time to adjust, then it's time to adjust. If three to four weeks goes by without a strong offer or a decent response to the listing, adjust the price. There's no sense in delaying the inevitable and the sooner that you attract more buyers, the sooner you're likely to receive requests for showings and offers.

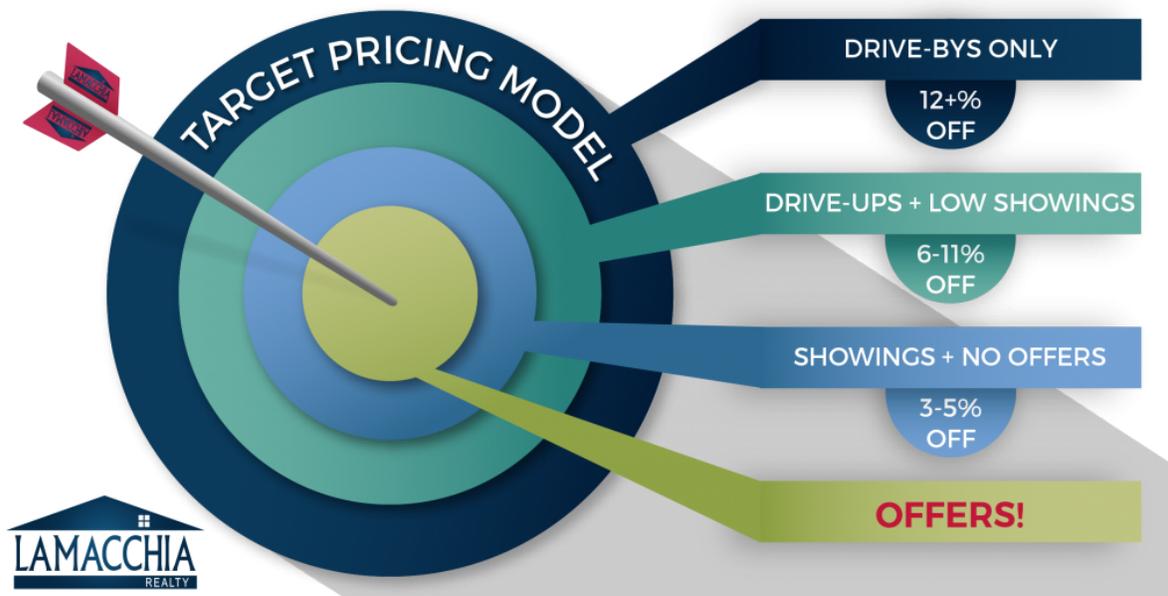
How much do you adjust the price?

Lamacchia Realty has been selling homes since 2005 and tracking data to develop an effective model on pricing homes. The Lamacchia Realty Target Pricing Model has been implemented in the selling process since 2007.

Despite an earnest attempt at correctly pricing at the start, adjustments may have to be made on the list price to attract more interested buyers, as previously explained. You'll see in the graphic below how to determine the level of reduction that needs to be made.

You can see that if you accurately priced your home, you are in the bullseye and receiving strong offers. If not, the areas around the bullseye will tell you roughly how much of an adjustment is recommended.

Get Your Price on Target



- If your home is receiving showings but no offers, somewhere between a 3-5% adjustment should be made.
- If you're receiving a small number of showings and only some drive ups, you probably need somewhere between a 6-11% adjustment.
- Not getting any showings at all is a red flag that at least a 12% adjustment is necessary. When this happens, sellers are usually the most hesitant to adjust because they just cannot believe no one has even come out to see the house.

There are factors and variables involved in a price adjustment that your experienced Realtor will be able to review with you.

Consider the Price Brackets

Along with comps and the Target Pricing Model, price brackets are a helpful tool to use when adjusting the price of your home. Simply put, lowering your price to the next bracket will expose your home to those people searching within that lower level.

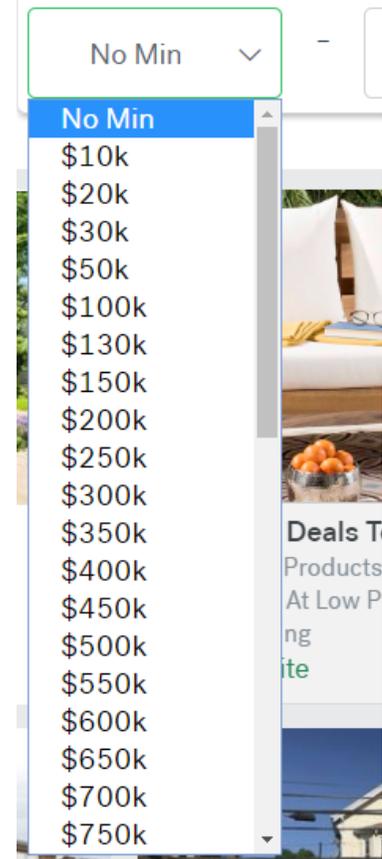
Real estate websites set up their property search tools with price brackets. The person searching for a home will select the area, the number of beds, baths and as well, their price range. If your home is currently listed at \$475,000, everyone searching for homes in the \$500K range will see it, but you're missing every person searching for homes under \$450K.

The limitation with *only* following the Target Pricing Model is that if you are on the market at \$429,000 and you adjust your price by say 5%, you will end up at an adjusted price of \$407,550. If that is what the target pricing model calls for you can do it but in this case, it would be a lot smarter to shift down to \$400,000 so that you can reach new buyers. Your home will fall into two brackets, the \$350K to \$400K as well as the \$400K to \$450K, if they're in \$50K increments. Although you're listing for \$7,550 less, you may receive multiple

offers which could develop a bidding war. Bidding wars generally get homes sold for over asking, so you could theoretically make that money up in the end.

To illustrate this scenario we went into MLS and utilized the “Marketing Overview” feature which tells you how many additional matches you will receive from lowering the price.

From the image below, if the current list price of \$475,000 was reduced by 5%, the new price would be \$451,250. In the red text, you’ll see that by this reduction, the sellers will attract 70 more people. Please also note that the home will remain in its current bracket of \$450K to \$500K.



Market History Original Listing Price: \$475,000 Current Listing Price: \$475,000	Total Days on Market: 6 Current Contact Matches: 1587
Price Change Reflection: \$ 451250 <input checked="" type="checkbox"/> New Matches Only <input type="button" value="Calculate"/> 70 New Contact(s) Matched (for List Price: \$451,250)	

From this image below, however, you’ll see that if the current list price of \$475K was reduced \$1,250 more than that initial 5% reduction, the sellers home would attract almost 400 buyers! For that small amount of money, 323 additional people will be reached than if the reduction was limited strictly to 5% which attracted just 70. Now, this home is in two price brackets, the \$400K to \$450K as well as the \$450K to \$500K.

Market History Original Listing Price: \$475,000 Current Listing Price: \$475,000	Total Days on Market: 6 Current Contact Matches: 1587
<div style="border: 1px solid gray; padding: 5px;"> Price Change Reflection: <div style="display: flex; align-items: center;"> \$ <input style="width: 100px;" type="text" value="450000"/> </div> <div style="display: flex; align-items: center; margin-top: 5px;"> <input checked="" type="checkbox"/> New Matches Only </div> <div style="text-align: center; margin-top: 5px;"> <input type="button" value="Calculate"/> </div> <div style="color: red; font-weight: bold; margin-top: 5px;"> 393 New Contact(s) Matched (for List Price: \$450,000) </div> </div>	

When a listing in MLS has a price change, agents are notified as well as buyers with saved searches that match the home's criteria. If the listing in this example actually changed their price to \$450,000, 393 active buyers would be notified that this home is available to be purchased as well as agents. This is an incredibly effective way to gain interest in a listing that has otherwise sat on the market without much of a response.

Final Thoughts

In the book Zillow Talk by Spencer Rascoff and Stan Humphries Chapter 15 talks about Pricing. One of the points they make is about price adjustments. They say "If you overprice it's better to admit your mistake and cut the price all the way down to the true market value in one fell swoop." They are right.

Sellers tend to see a lot of value in their home and lowering the list price can feel as if they are telling people that the home is less valuable. That is an emotional response to a business transaction, and although understandable, it's not going to achieve the bottom line of selling the home for as much money as possible.

Earlier this year, we discussed how 2018 was a year of change in the Real Estate market. The amount of price adjustments were up and the percentage of price adjustments to homes for sale was up 9 out of the 12 months. This came out to a 14% increase throughout the year.

As mentioned in our previous blog, there are 5 considerations when pricing a home. Exploring comparative sold properties, the market climate when those comps were sold, comparative active properties, the current inventory and the current market. Even if the seller and their experienced agent do their best to price well, it may become evident that an adjustment is in order after a few weeks. Using the target pricing model and revisiting those 5 considerations along with paying attention to the price bracketing will help refocus that target price and get your home sold.