

Four aspects to know about your neighbourhood before selling

By  Adrian Goslett

1 Jul 2016

As the market transitions and more inventory becomes available to buyers, sellers will find themselves in a far more competitive environment.



© Ron Zmri – 123RF.com

For some time conditions have favoured sellers, with high demand and a low supply of inventory, however the market is slowing shifting as buyers are adopting a wait-and-see approach to the market. As a result, sellers now have to be aware of the competition they face in their own neighbourhood, before they decide to list their property.

Here are a few aspects that sellers should consider about their neighbours before they list their homes:

Who is renovating?

If possible, it would be advantageous to tap into the neighbourhood grapevine and see who is renovating their kitchen and upgrading their bathroom fixtures. These upgrades generally add value to a property and attract a buyer's attention. A real estate professional who specialises in the neighbourhood will be able look up the listing and sale prices of those homes to find out if the updates made a difference to the bottom line.

How long are homes sitting on the market?

Before listing, sellers should keep an eye on how long it takes for a home to be sold in the neighbourhood. This will give some important insight into how long they can expect their home to be sitting on the market and plan accordingly. The FNB Price Index indicates that, on average, a home is on the market for around 12 weeks before it is sold. Depending on the neighbourhood, properties available and buyer demand in the area, it could take less time or in some cases a bit more. It all depends on the specific circumstances that surround that particular trading environment. Other factors can also come into play such as pricing the home correctly at what is perceived to be fair market value for the area.

Take stock of the available inventory

It can be difficult to obtain a competitive price when inventory is high and buyers are few. All the sellers in a particular neighbourhood will be competing against one another for the same pool of buyers. If there are several homes for sale within a relatively small radius, it might be worthwhile to wait for a while before listing the property. An experienced agent will be able to provide vital information with regard to the current market trends and the best time to list the property.

Stay up-to-date on any area planning and zoning news

While buyers want to purchase a property that is within proximity to amenities, they won't want to stay there while major construction is underway. Sellers should keep au fait with any upcoming public projects that could impact their property listing timing. If there are any potential projects, the seller can discuss a selling strategy with their agent to work around possible issues.

A real estate agent with extensive working knowledge of the local market will be able to put all aspects into perspective when considering selling. Sellers will benefit from using an agent that has an understanding of the unique dynamics surrounding their specific neighbourhood.

ABOUT ADRIAN GOSLETT

Adrian Goslett is CEO and regional director of RE/MAX Southern Africa. He joined RE/MAX Southern Africa in 2005 as a franchise development consultant, supporting various regions and offices. Throughout his career at RE/MAX he has held various positions. In 2010, after successfully leading 160 offices and over 1500 agents in six countries through the worst years real estate has ever seen in South Africa in 30 years, Goslett was appointed as CEO of RE/MAX Southern Africa.

- Predictions for the 2023 housing market - 7 Dec 2022
- When will housing market activity return to normal? - 16 Sep 2021
- Interest rate holds steady in face of economic instability - 23 Jul 2021
- What to do when a tenant asks for pets - 28 Jun 2021
- Should bond equity be used for debt? - 3 Jun 2021

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>