

## HOW TO SET A SALE PRICE FOR YOUR PROPERTY

Setting a sale price on your property is easy with onthehouse.com.au! Using our search by sold option, you can determine a sale price the same way as your local agent.

Agents use what is called a comparative market analysis ("CMA"). A CMA is a document comparing your property with at least 3 properties sold within the previous 6 months that are of a similar standard or condition to your property and are within a 5km range. We have included a blank CMA at the end of this brochure for you to complete yourself.

Completing the CMA is simple. You should first search onthehouse.com.au for sold properties in your area. Ensure you search properties with similar features (e.g. number of bedrooms and bathrooms, land size etc). The best transactions to use for a direct comparison are those that are:

- Most similar to your property
- In the same or a similar region to your property
- Recent transactions

Don't worry if the properties you find differ slightly to your property, just include the differences in the comments column. You will use these comments when determining whether your property is worth slightly more or less than the properties you have found.

You should also search properties currently for sale. This will help you to get a good idea of current market conditions and values.

Visiting "open for inspections" is another great way to get an idea of your local real estate market. It enables you to compare properties with your own eyes. Also, drive the area to check out any new listings, read the local and regional newspapers and constantly check our website.

When comparing your property to those listed in your CMA, remember to consider the following:

- Features of your land including area, frontage, aspect and general topography and zoning;
- The size and quality of improvements on your land;
- The style, age and method of construction of your home;
- The analysed yield or income from your property (if any);
- The future development potential of your property;
- Depreciation and obsolescence of improvements, plant and equipment.

Once you have entered details of similar properties into your CMA, setting the price of your property should be easy. Compare each property with your property as well as the other properties on your CMA. If your property is in need of renovation, your price might be more similar to the lower priced properties on your CMA. Conversely, if your property has undertaken substantial renovations or has more features than most of the properties on your CMA, you should consider a price more similar to the more expensive properties on your CMA.

### Other things you should consider

- Easements can affect the value of your property. You should disclose any easements to potential buyers.
- Current market conditions will also affect the value of your property. A high volume of similar properties for sale at one time can have a negative impact on price. Conversely, little or no competition in the marketplace can often result in a premium price for a property.
- Some properties will always be in high demand, regardless of the current market conditions. These properties include:
  - Exclusive or one-off properties that cannot be reproduced. Properties with a unique heritage or architectural significance.
  - Properties that have an irreplaceable location such as beachfront, city centre, hilltop etc.
  - A high demand style. In many regions in Queensland, a modern brick home will be in high demand because the most common housing style is timber. In other areas (particular the trendy urbane renewal areas), buyers may pay a premium for an original, un-renovated colonial.
  - A business or commercial building that has premium market exposure. Such a building will always command a high rental return and have a high occupancy rate.

These unique and high demand properties can be difficult to place a value on as there are often no comparable properties sold with which to create a CMA. When searching for comparable sales you may have to look in other suburbs that have properties with similar attributes.

When properties are difficult to price it may be in your best interest to have buyers submit prices and allow the market to price it.

Alternatively, if still in doubt, a local real estate agent can give you a market appraisal for a small fee.

## COMPARATIVE MARKET ANALYSIS

Property: \_\_\_\_\_

Date: \_\_\_\_\_

General Comments:

Currently for sale	List Price	Comments (style of property, number of bedrooms, amenities etc)
1.	\$	
2.	\$	
3.	\$	
4.	\$	

Recent Sales	Sale Price	Comments (style of property, number of bedrooms, amenities etc)
1.	\$	
2.	\$	
3.	\$	
4.	\$	

**Subject Property: Estimated Sale Price \$**