



SCHWARTZ *Report*

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February, 2016

THE CASE OF THE INVISIBLE HOUSE

Two questions: Do bigger ads make consumers “dumber” about value? Do no ads equal an invisible house? Being in and around the real estate business for most of my life, I am still confounded by the amount of importance that sellers and real estate agents continue to place on print advertising. When I first came into the business, I spent an inordinate amount of time drafting ad copy to be submitted to the newspaper. It seemed to take forever to come up with the right turn of a phrase. It was a mostly wasted effort trying to convey just how beautiful, spacious, well located and or indispensable a new listing might be for prospective buyers. I had missed an important point. Real estate ads are designed to make the telephone ring not to sell that specific property. At that time, however, except for the Multiple Listing Service (MLS) there was no other way for an individual real estate office to announce to the world that a house was on the market.

The MLS served to notify, as it still does, the interested agent population that a listing had been taken. It provided them with a description of the property, sometimes with its room sizes and lot dimensions and usually a black and white photo of the front of the property. This information was considered confidential, for your eyes only stuff, by the MLS. The agent’s task was then to match these descriptions with the specifications their buyers had given, contact them and hopefully generate a physical inspection of the new offering. No advertising was required as this information was intended to be in the agents’ hands before publication in the newspaper. Heaven help the fellow who put an ad in the newspaper before getting the information to his colleagues. That oversight was considered a hanging offense.

My, how times have changed! Layers of new technology now ensure that buyers are directly informed of the new listing. Buyers already in the market are now informed, either by their own efforts on line, or by any number of criteria specific programs that search the data base. They are alerted to status changes and new offerings before an agent can even reach out to them. In the past decade and a half, buyer use of the internet has changed dramatically. In 2001 8 percent of buyers said they found their home on the internet. In 2015, according to a National Association of Realtors (NAR) homebuyer profile, 43 percent of buyers found the home they ultimately purchased there.

Looking more closely at the survey results, more than three quarters of the respondents found the property that they ultimately purchased either on line or through the efforts of a real estate agent. That compares to one percent from print newspapers. Actually, the old standby yard sign is nine times more effective than print advertising. Agents will tell you that a sign call is more valuable than an ad call because the prospect is often sitting curbside in the car looking at the property. Our signs, for example, have home text and QR code technology that allow a mobile device to use its GPS feature to immediately display property details including a full property description. That description includes full screen color photos, along with the ability to map the listing and view dates and times of any open houses, or schedule an appointment to be shown the property.

The available technology today has actually divided showings into two categories, physical and virtual. For example, listing a home on pattersonschwartz.com is like having an open house on the property 24/7, 365 days a year, as any interested



party can take themselves through a virtual tour of the place. The industry calls this a "hit". By some ratio, virtual tours should convert to physical showings. A lot of virtual hits and few or no resulting physical showings is a bad sign indicating that the property is not appreciated by the market, usually meaning that it is overpriced.

The seller will inevitably and sometimes belligerently ask why no buyers are looking at the house. I would argue it is not because they are unaware of it. Given all of the informational options, they are keenly aware of it if it is remotely within the

spectrum of their parameters. They are simply playing the game of rule-in or rule-out to save the time and aggravation of physically visiting a property. So they know of it and, for some reason, have decided that it is not worth seeing. In 99% of the cases, the value is not there for them physically or financially. Therefore, they have moved on to considering something else. Buyers purchase by comparison and all of this technology makes comparing easy and streamlined. Competition gets the best offerings sold first. So let's not believe that the house hasn't sold because it wasn't advertised more aggressively to a wider swath of "dumber" buyers.

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for a detailed overview of the current real estate markets in New Castle & Kent County, DE, S. Chester County, PA and Cecil County, MD.

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27 Quick and Easy Fix Ups to Sell Your Home Fast and for Top Dollar

DE, MD, PA – Because your home may well be your largest asset, selling it is probably one of the most important decisions you will make in your life. And once you have made that decision, you'll want to sell your home for the highest price in the shortest time possible without compromising your sanity. Before you place your home on the market, here's a way to help you to be as prepared as possible.

To assist homesellers, a new industry report has just been released called "27 Valuable Tips That You Should Know to Get Your Home Sold Fast and for Top Dollar." It tackles the important issues you need to know to make your home competitive in today's tough, aggressive marketplace.

Through these 27 tips you will discover how to protect and capitalize on your most important investment, reduce stress, be in control of your situation, and make

the best profit possible. In this report you'll discover how to avoid financial disappointment or worse, a financial disaster when selling your home. Using a common-sense approach, you will get the straight facts about what can make or break the sale of your home.

You owe it to yourself to learn how these important tips will give you the competitive edge to get your home sold fast and for the most amount of money.

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