

TO SELL OR NOT TO SELL?

Things to consider before you hit the property ladder (again).





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Introduction.

Thinking about moving?

Your rambling garden is too much to handle on top of holding down a fulltime job. You're filled with a sense of dread as you embark on your one hour commute every morning. There isn't much left after mortgage repayments and you'd quite like a holiday actually. Your tiny lounge resembles the aftermath of the Santa Parade after a long day entertaining two under-fives. You are vacuuming your now thirty-five year old daughter's empty bedroom. Perhaps you simply fancy a change.

Everyone has a different reason. But whatever it is for you, the desire to move on is a big deal.

If you've been thinking about selling, but haven't made a move, what's been holding you back? Not enough information or a fear about the whole process? Not ready for the inevitable upheaval?

We created this guide for people like you – to arm you with the information and ideas to help you weigh up your options and determine if this is the right time to sell (or not).

It's got plenty of handy tips and checklists to help you make sense of it all. Take the test at the end to find out where you stand and work out the best course of action – to sell, or not. Either way, by the time you've read this guide, we hope you'll be feeling a lot more confident about your decision.



Why sell your home?

Why, why, why Delilah?

Before you start trawling through the property pages in search of your new dream home, it's important to stop and really think about why you want to move on. You only do this a few times in your life, so you want to be sure you're doing it for the right reasons, and you want to get it right.

To make the best decision you can, start by interrogating your motivations.

What would you look for in a new home that your current home doesn't have?

If your move is because of change in circumstances or life stage, what are the 'must-haves' and 'no-go' things that will make your transition successful?

Make a list of the reasons for your move and then take a reality check. Will moving home solve these problems? And think about the impact each reason will have financially. We've got more tips to help you with this in the coming pages.

Tip: Write down a list of the reasons why you think you want to move and put it on the fridge. Every time you go to the fridge, give relevant reasons a tick, or cross as your thinking evolves. If by the end of a month there's more ticks than crosses, then maybe it is time to seriously start thinking about moving.

When is a good time to sell?

Hey, what's happening out there?

Market conditions are an important factor to consider when looking for 'a good time to sell'. The value of your house may have increased dramatically (I feel rich!) but keep in mind you'll likely be buying into the same market (I feel poor!) particularly if up-sizing or upgrading is your key motivator.

Will the housing bubble burst? We all know the party must come to an end, but waiting for that moment and selling just before it happens is like sitting in the surf waiting for the best wave to come. In general, unless you're buying into a market with differing conditions i.e. moving to a different town or selling to invest in commercial property, the key thing to remember is that since you'd be both a seller and a buyer (for at least a short period of time) market conditions need not be a major influence in your decision to sell.



THE 4 SEASONS OF HOUSING

PROS

CONS

- Quickest time to sell
- Might be most convenient time to move
- Property shines and looks at its best



- Buyers are more picky
- Weather is unpredictable
- Neighbours might be renovating

- Buyers are actively looking
- Good time to sell a holiday home
- Days are longer



- Longest time to sell
- Fewer listings
- Pressure to sell before Christmas

- Motivated Buyers
- People want to move before winter
- Tap into the buzz



- Massive jump in listings
- More active time for the industry
- House might not look at is best

- Fewer Listings on the market
- Better chance of selling and being noticed
- More motivated buyers that are looking now



- Not the best time if your house is damp
- Too much shade might be an issue
- House might not look at is best

How to be a 'seasoned' pro

Seasonality in real estate is also worth considering. Does your house look at its best when the deck doors are open, the sun is streaming in and everything is dry? You could be led to believe that summer is the best time to sell. Yes and no. In New Zealand, most new property listings tend to pour into the market in February and March and again in October and November (close to 40% of all new listings in a year pour onto the market in these 4 months).

Unless your house suffers from damp or too much shade, perhaps taking advantage of the winter months when there are fewer listings (but still plenty of buyers) could allow your home to stand out and have less competition. So consider the choice to brave and be different. Check out our infographic on the left for a few seasonal pros and cons to consider.

All in good time

To maximise your hopes of getting the best price, it makes sense to sell when the time is right for you and you're not under pressure to sell. Easier said than done of course. But consider other factors beyond market conditions. If you have kids, will they have to change schools or sports clubs? Have you recently been through another upheaval, like a bereavement, health issues or a major change in your work? An even keel and a clear head will help you get a better result when the time comes.

Did you know that? ...

- The price of a property doesn't depend on the season
- November, December and March represent the highest proportion of sales per month
- In winter new listings are at least 10% lower than normal, but sales only decline by around 4%
- Winter is the best time for sellers to stand out in the market.

Tip: Every season can be a great time to sell a home, depending on how you approach it. It's much more important to choose a time that works for you and use the seasonal benefits to your advantage.

Are you ready financially?

Interest rates are at an all-time low. Your promotion came with a new pay packet. Your home is worth so much more now than what you paid for it. Your current mortgage is a piece of cake. It sounds like you are ready financially. Maybe so, maybe no.

So what's my house worth?

You may feel like this is skipping ahead, but this is a great time to get an appraisal from a real estate agent. Sure, you have a rough idea of what your house is worth based on what a dingy do-up across the street sold for a few months back, but what's the harm in an obligation-free unbiased estimate from an expert? This might be the end of your 'to sell or not to sell' journey. In any case, it will provide you with a framework for determining the financial implications of a move.

Did someone say spreadsheet?

Not everyone has a love of spreadsheets, but an essential step in making this big decision is to channel your inner geek and gain a clear picture of where you stand. Essential details you need to assess are the implications a move may have on your mortgage repayments, i.e. if upsizing to a larger standalone house, rates and utilities bills may increase, if downsizing to an apartment there will be body corporate fees to consider.

Tip: Work out a loose budget for the total costs of moving as a starting point before meeting with your agent, mortgage broker or lawyer. Include your current costs, work out your current equity and think about the major upcoming costs of moving into your next home.



We've created a handy worksheet to help you budget the total costs of moving.

DOWNLOAD NOW



Need some professional help? Enlist the experts for free.



Agent.

Will give you a good understanding of what your house may be worth and an insight into what the cost of your next step home will be. Can advise you of all costs associated with selling a property and clarify the steps involved in the process.



Mortgage broker.

Will evaluate your Worksheet (whilst providing constructive feedback) and offer a free jargon translation service on any new terms you may be encountering, as well as arranging the necessary finance when the time comes!



Your friends who went through this earlier in the year.

It's a great resource to talk to someone who has recently been through the process. Ok, they're not necessarily professionals, but they are unbiased and they've been there, made the mistakes and lived to tell.

Get a Professionals selling agent on your team



Find an agent now



Are you ready emotionally?

While there are plenty of online articles about the financial, legal and logistical ins and outs of selling, it's hard to find any advice on the headspace of selling.

Future proof your move (if at all possible).

It's hard to say whether your future top priority will be to have a flat lawn for a trampoline (you don't currently have children), or a nice big section for a veggie garden and your own olive grove (you currently have young children) but it makes sense to think what your future self may hold as priorities in a home. Visualise the way you and your future family will want to live. Will you really need 3 lounges and a triple car garage in a few years time?

Going through the packing, selling, buying and unpacking processes of a move themselves can be taxing, so be sure that you are ready for the actual move. Also look beyond your desire to box up all your worldly possessions only to unpack them again, maybe 5-10 years beyond that. What sort of lifestyle would you like to be living then? Will you be needing lots more room, or would you rather have a lot less maintenance and more time for travel?

From the names and heights of the nippers scratched into the doorframe that you can't bear to paint, to the slightly wonky wallpaper that represents your first DIY project – a home is a box of memories. Are you ready to up sticks and leave them behind?





**Actually selling.
There's more
to it than just
spring-cleaning.**

The annoying little broken things have been fixed. The front of the house has been washed. Paint chips have been touched up. Surfaces are clutter-free. You've updated the decor with a few chic, neutral accessories. Your home looks irresistible. You no longer want to sell.

Your home needs to stay looking irresistible every Saturday and Sunday for a month and also potentially for drop-in viewings outside of open homes. Can you maintain that level of perfection as a mere mortal with kids, pets and a full-to-the-brim diary?

Physically and emotionally packing up a family (or away) home won't be easy. Are you ready to leave the memories (and hard work you've put into your home) behind?

Only once you view your home as a product, are you emotionally ready to move on. How do you feel about that?



**Ok, I've got my
head around
selling.**

You're halfway there. Having bought a home before, you'll at least know what you're in for with buying your new home, which can also be filled with the disappointments of missing out on 'the one', and seemingly ridiculous expectations from sellers (ok when it's your house, less so when you're trying to buy!)






Are you ready to face potential homelessness? How about living in the in-laws' basement with your possessions in storage for months while property prices soar? Can you deal with the pressure of having to buy a house within your settlement period, the stress and cost of bridging finance?



Let's talk it over - how to persuade your partner it's time to sell.

Now maybe you arrive at a decision a little faster than your partner (who, incidentally took five years to choose a set of speakers). Which means, at some point, you will both need to have 'the talk'.

While you're mentally moving out and moving on, he or she is not there yet. It's possible that the subject hasn't even come up in conversation. Using your powers of persuasion combined with these tips will help you win them round to your way of thinking. You might even convince them it was their (brilliant) idea in the first place.

-  Think about what makes your partner tick. Is she the rational type? Logic and maths are your friends here. It may take a few simple financial calculations. Our [Worksheet](#) in chapter 3 will help.
-  If he's more the emotional type, you could broach the subject by expressing how you feel about the old house and the potential for creating new memories together in a new home.
-  Consider your current house a DIY testing ground where slips of the hammer or lapsed judgments around splashback colours need not be repeated. The new house could be a lovely fresh start.
-  Get the butcher's paper out; it's time for a pros and cons list. Think of this as a fun night in – with a purpose.
-  **Simply get them to read this book – it might be a good conversation starter!**

Tip: Before you dog-ear too many pages in *House & Garden*, it's important that you and your partner are both ready to move on.

Weighing up your options

Have your cake and eat it too.

Depending on your income and ability to service your current mortgage and that of a new property, keeping your current home as a rental property may be an option. In this case, you would be using your current equity as security on a second property, whilst becoming a landlord at the same time. This is where a chat with your mortgage broker or bank will really help.

Refresh, renovate, rent it out.

If you love your home and think you will struggle to find something else that ticks all the boxes then consider this as an option. Is it as simple as a fresh lick of paint and new carpet laid? Or if it is a substantial renovation that's required, be sure to work out the numbers and be careful not to overcapitalize. If better schooling, neighbour disputes or a long commute are your issues, a fresh of lick of paint or renovation won't be much help, unfortunately!

Out with the old, in with the new.

If creating a rental property empire or renovating fail to tick your boxes, a complete change in property could be what's on the cards for you. Ask yourself, is the time and money that you spent on your home in line with the amount that you may gain or lose in selling it?



Take the test.

So, is it time for you to sell?

Stay or go? It's time to confirm the right course of action for you. Try this fun (and completely unscientific) quiz – it'll clarify your thoughts and perhaps help you work out what your heart desires!



Eden or Wasteland?

The section looks:

- A. Like a marshy tidal zone, it's been flooded that many times.
- B. Not nearly big enough for backyard cricket, as the three broken windows will attest to.
- C. A veritable paradise of full sun, easy care species and excellent topsoil.



Ankle Biters

Your kids:

- A. Are battle scarred from trying to defend their territory in a shared room.
- B. Are close to finishing the one good school in your zone.
- C. Wouldn't dare let you move. After all, awesome treehouses and secret attics don't come along often.



Size matters

Your house feels:

- A. Tiny. You're feeling the squeeze so much you've considered stripping the wallpaper to gain an extra centimetre.
- B. Like an echo chamber. Those enormous teenagers have moved out and you're bouncing around in here like a pinball.
- C. Just right. Like Goldilocks said.



Beyond your Boundary

Your neighbours:

- A. Are so terrifying you've actually been approached by the makers of TV reality show 'Neighbours at War'.
- B. Keep to themselves mostly. Though you do see the curtains twitch now and then.
- C. Welcomed you to the street with a plate of freshly baked cookies and offers of free babysitting.



Tyranny of Distance

If you were to move it would be to:

- A. Does another planet count? Nowhere on earth is far enough away from the in laws.
- B. Maybe somewhere warmer in winter and cooler in summer. Does that place exist?
- C. Just down the road. We love it here.



DIY Disasters

The work that needs doing is:

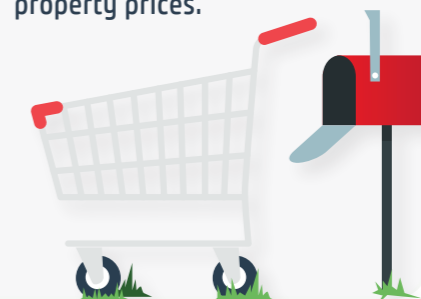
- A. Overwhelming. Gravity, time and rainwater are taking their toil. It's only a matter of time before this house returns to the earth.
- B. Manageable, if the husband stops 'fixing' things.
- C. Next to nothing. Thanks to those night classes in upholstery, wallpapering and joinery you took last year.



Out & About

The neighbourhood is:

- A. Becoming a little scary, quite frankly. The most popular choice of garden ornament is a supermarket trolley.
- B. Oka-a-a-y. Well, the schools could be better.
- C. On the way up. Along with property prices.



Now add up your answers.

If you circled mostly Cs, stay right where you are. You live in Paradise.

If there are mostly Bs in there, you should consider moving, but there may be a few things you could try fixing where you are.

If the As are winning, you already know the answer. So what are you waiting for? It's time to sell up and ship out!



Thanks for taking the time to read our guide.



We hope this has been a helpful way for you to weigh up the pros and cons of moving on, to determine if now is the time to sell (or not).

Next eBook in the series.

If you've decided that selling is for you, then register here to receive our next book in this series 'How to get ready to sell your house. A guide for Kiwi home owners'.

[Register for our next eBook in the series →](#)

Free Market Appraisal.

Or, if you're really ready to sell, why not enlist the help of the experts to get a free, no obligation appraisal of your home? We're the Professionals. And we'd love to help.

[Contact us for a free market appraisal →](#)

Please note that the information provided in this guide is of a general nature and should not be construed, or relied on as suitable for your personal financial situation.

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