



The Ultimate Guide to: **Selling a House in Taranaki**

From the people that have been doing it for over 100 years.

Prepared October 2022

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Introduction

Selling a home can be a daunting experience for many people. There are many processes to go through from deciding if it's the right time to sell your home, finding a real estate salesperson, prepping the house for sale, selling your home to packing up and moving. The entire process of getting out of one home and into another can be overwhelming.

That's why we have created this guide, to help you decide whether selling your home is the right move for you or whether you should simply remodel your home or just stay put.

From finding the resources to help you gauge what your house is worth to getting ready to move out this guide aims to give you all the information needed to ease the stress of selling your home. Whether this is your first time, or whether you're a seasoned seller this guide will be with you every step of the way.

So, without further delay, let's get started!

Real estate terminology

House selling can be filled with acronyms, inside lingo and phrases that seem designed to leave the uninitiated scratching their heads and needing an expert. Here we highlight some of the more common phrases used and translate them into plain English.

Vendor - This is you, the seller. Anyone selling a house (or anything really) is a vendor but in the real estate world, it's used a lot to describe the person selling their home.

Listing - This is your home! Real Estate companies will call their book of houses for sale their listings and your home may form part of this catalogue of houses. While you might say 'houses for sale' a real estate company will say 'available listings'.

Valuation - What your house is worth on paper, the banks tend to use this information. For a Registered Valuation you will need to engage a Registered Valuer. Ultimately the market decides what your house is worth and while good marketing, presentation and market conditions can increase your house's appeal a house is only worth what it sells for. A valuation gives you an idea of what it may fetch.

Appraisal - This is a real estate salesperson's estimation of what your house is worth. While online tools can use publicly available information to give an estimated valuation, a real estate agent or salesperson can pick up on features that are appealing to the local market that a computer can't. That's why an appraisal is a good idea!

Deadline sale - A marketing phrase aimed at increasing interest in a listing. It promotes the property as only being available for a set amount of time. Some deadline sales will not accept offers prior to the advertised date, but this will be clearly stated.

Offers - These are amounts various buyers would be willing to pay for your home. It will include any conditions the purchaser has in their offer. In order to be binding, offers should be made on a Sale and Purchase Agreement.

Market value - This is best summarised as the value a house is likely to achieve if neither party heavily dictates the property value. For example, in a buyer's market the buyer will be able to dictate a lower price as there are lots of listings and not a lot of buyers. In a seller's market the low supply of housing and high demand from buyers means sellers can control pricing a bit more.



When is the best time to sell your home?

Is there a right and wrong time to sell? There is a myth that summer is the best time to sell a property. While images may look better, and the outdoor area might become a focal point (good if yours is very appealing) the truth is that there are buyers around 365 days of the year.

It's worth remembering that during popular seasons there are likely to be more properties on the market, therefore the competition is a lot higher. This is where selling your home outside the popular seasons could have its benefits.

So what is the right season to put your home on the market? Talk to your salesperson as there are a number of different factors that you need to take into account and each season comes with benefits and drawbacks, some of which are unique to our stunning region.

Summer - December, January & February

Historically, more properties are sold in summer than any other season, and with longer days and warmer temperatures it's easy to understand why. However, there are some significant disruptions to consider too.

Late December is considered a bad time by some because it is coming up to Christmas and people maybe

winding down and thinking of other things. However, this is also a time that many are on holiday or taking some time off so they have more free time on their hands. In early January general buyer activity drops off as families often head away on holiday. Solicitors and other specialists are unavailable to provide necessary services during this time so delays can occur.

The peak season for buyers is around mid to late January, and a good number of new properties consistently arrive on the market right through the summer months. Many owners tend to time their sale to result in a closure before the shorter days and wetter autumn weather arrives as this makes things like moving house a lot less unpleasant!

Autumn - March, April & May

If your home is positioned well for winter sun, warm and insulated, this might be the best time to sell, when fewer properties are competing with yours.

One of the reasons why the autumnal market still results in lots of sales is that people are wanting to buy and move before winter. In many cases the right house will attract buyers no matter when it's sold so holding off selling due to the time of year is rarely encouraged.

Winter - June, July & August

A lot of homeowners miss an opportunity here as there are always buyers looking to purchase a home, regardless of the time of year. The sellers that are prepared to market their home during the winter face far less competition from other listings, and as a consequence, may achieve premium prices. This can be a great time to sell, so if you are ready – don't hold off!

Taranaki sees its lowest temperatures during this time averaging around 7-8 degrees celsius.

The days are also shorter so that evening drive-by that potential buyers might undertake might not yield as much! It's important to note that if your house is on the chilly side that winter may highlight this issue to potential buyers, while any home that's nice and warm will give prospective owners a nice warm feeling when they walk through the door.

Frosts are most common in areas where the land is flat and the air is unable to move and so are likely to be prevalent further inland than in the coastal areas of Taranaki. Towns like Eltham, Stratford and Inglewood are more likely to experience a morning or evening chill than the coastal towns of Opunake, New Plymouth, Oakura and even Hawera. Most regions in Taranaki experience their highest average rainfall during this period.

Nationally it's worth noting that May, June and July often see the longest days to sell so a listing may stick around on the market for slightly longer than anticipated but this is normal.

Spring - September, October & November

Buyers have an appetite for spring property from the start, and it is the early bird that catches the worm. Regionally the spring season can have some of the most blustery days, this doesn't always affect open homes or house listings but might mean a strict policy of closing the door after each visitor! Spring usually has an increase in listings with November commonly seeing the highest number hit the market across the country.

Many vendors have been preparing their homes over the winter with the intention to launch their marketing campaigns during this time. Many vendors aim for their house to be listed and sold before the Christmas holiday season. Spring has more competition for the attention of buyers due to the number of houses on the market, therefore, a greater choice of properties available. Because of this, property presentation is critically important and should not be overlooked.

Median house prices in different areas throughout Taranaki

According to data from Real Estate NZ and the REINZ Monthly Property Report, 2022 saw the following changes in the Taranaki housing market.

Compared to other regions, the House Price Index for Taranaki was the fourth strongest performer over the past 3 months and the strongest performer over the past 12 months. The median days-to-sell has been easing over the past year and the median price trend continues on the same incline as the past few years. However, this does show signs of flattening out.



While other companies leave the small district centres and try to service them from New Plymouth, McDonald Real Estate Ltd choose to be part of your community by retaining offices in all our provincial centres. We believe this keeps us in touch with you, our customer, and the local market. It also ensures we have a finger on the pulse of what's happening with potential buyers.

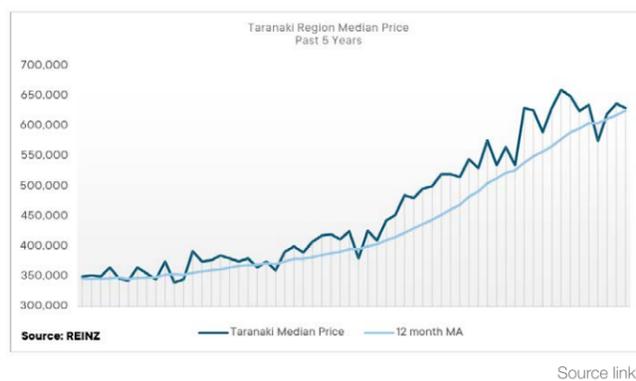
In fact, McDonald Real Estate Ltd's Head Office in Stratford has been in the same position since the early 1920s! We take pride in occupying the best sites in each centre, and people know where to find us. So while a digital presence is important we're the only local real estate agent to have a physical office in almost every town in Taranaki.

Average days to sell a house

According to REINZ Monthly Property Report from September 2022 the average number of days it takes to sell a house in Taranaki is 32 days.

While other regions in New Zealand have volatile housing markets, due to their reliance on tourism or seasonal property interest Taranaki is very resilient to these macro conditions. Taranaki has a strong workforce centred around oil & gas, and the ongoing demand for this energy, and the regions progressive look at alternative fuels, places Taranaki at the heart of fueling NZ.

This has resulted in a robust housing market in Taranaki. There's a consistent supply of buyers looking to get on the property ladder and with overseas energy specialists moving here needing housing almost every price bracket has buyers looking for the right property.



Waitara

- Median listing price for a house is \$505,000
- Increase of 18.8% over the past year

New Plymouth

- Median listing price for a house is \$840,000
- Increase of 9.4% over the past year

Oakura

- Median listing price for a house is \$1,215,000
- Increase of 40.5% over the past year

Okato

- Median listing price for a house is \$629,500
- Increase of 7.8% over the past year

Opunake

- Median listing price for a house is \$454,375
- Increase of 16.5% over the past year

Inglewood

- Median listing price for a house is \$665,000
- Increase of 19.8% over the past year

Stratford

- Median listing price for a house is \$582,500
- Increase of 26.6% over the past year

Eltham

- Median listing price for a house is \$392,500
- Increase of 12.1% over the past year

Hawera

- Median listing price for a house is \$504,900
- Increase of 14.7% over the past year



The data in this guide was collected in October 2022 from: Real Estate NZ, Reinz, and Real Estate Investar. For the latest data, visit these websites.

Please note: This data is not from McDonald Real Estate. For specific, updated company statistics, contact our team



The importance of appraisals

As you can see Taranaki is a special place. From coastal metro hubs to rural retreats there's a property type for everyone and this wide variety of buyers means an array of attributes that can raise property prices or lower demand.

Many people are looking to free online property valuations that many websites are now offering to get a sense of what their property is worth. While this is a great starting point for potential sellers to get an idea of what their home may be worth, real estate salespeople are a far better source of accurate information on this front.

Online valuations are based on calculations made without an expert setting foot on the property; these calculations can not consider the unique features of the home. While the online valuation tools use publicly available data, like recent sales in the area and overall market trends, a real estate salesperson can spot something not available publicly.

General Manager Daniel McDonald says; "The problem with calculating house values using algorithms alone is that they cannot account for human emotion, which is a massive part of the house buying process."

"People often tell us that they fell in love with a view, the indoor-outdoor flow, or a kitchen layout and we are yet to see an online valuation that is capable of considering these features."

Even though online valuation tools give you a great insight into how much your property may be worth, it is important to remember that they can't give you the insights a trained and experienced salesperson

can, before listing your home. The average ranges used in most of these online valuations are 20% or more, which is far too wide to be considered a professional opinion.

From a newly landscaped section to a brand new extension or kitchen, the online tools cannot factor these into their valuations while a real estate salesperson's on-site appraisal will adjust their estimate accordingly.

There may also be highly desirable, or less desirable features that are unique to your local area. For example, during the 1970s coastal homes in New Plymouth were very unpopular due to perceived damage due to the sea air, fast forward half a century and these are some of the most desirable properties. In Stratford, a North Westerly-facing home might be quite desirable as this is likely to capture not only the sun but also views of the mountain. While in Egmont Village a house lying on a North West to South East plane can soak up the Northerly sun while the back of the house gets the views.

It's not just views that are important in Taranaki. While off-street parking might be a must in more populated areas of the country this isn't always an issue in Taranaki (if the property is even near the road!). Buyers in Taranaki might rate privacy, distance to local amenities, a shed or large garage more highly than a deck, walk-in wardrobe or heat pump. Each town, suburb and even street has different factors affecting it so it's best to get a local expert in to check.

The sales process

Appointment scheduled

Once you contact McDonald Real Estate one of our agency salespeople will arrange a suitable time to come and carry out an initial viewing of the property. They will also discuss ways in which to maximise the value of the sale. The salesperson will arrange a time to present a market value report of your property.

Presentation

After the initial viewing of your property, the salesperson will return and present to you a Current Market Analysis of your property (known as a CMA report). This report shows what other similar properties have sold and are on the market for, putting these two equations together along with the salesperson's experience, this will ascertain a market value range of what you could expect your property to sell for.

Listing

Once the CMA report has been presented and you are happy to then list your property, the salesperson will run through a listing form with you. This form sets out the particulars of your property along with all the warranties and compliance confirmation. You will be informed of the marketing options and costs along with the potential commission payable. In basic terms the listing form sets out the rules of listing your property.

Due to the Anti-Money Laundering and Countering Financing of Terrorism Act (AML), when listing your property, the salesperson will need to collect some identification.

Marketing

Following on from the listing and AML verification the salesperson will implement your marketing plan. (See page 14 for our advice on marketing.) Before going live on the internet or in the newspaper your salesperson will ensure you are happy with the way your property will appear in marketing.

Qualifying buyers

Prior to bringing any potential buyers through your property, the salesperson will qualify the buyers to ensure they are "serious".

Private viewings

After qualifying buyers, the salesperson will arrange a suitable time to bring buyers through your property. If a buyer is keen on your property the salesperson may have to bring the buyer back for a second or third viewing.

Open home

The salesperson will discuss with you the option of an open home. Whilst it's tricky for the salesperson to qualify a buyer prior to an open home the salesperson

is trained to spot potentially interested buyers, who may then request to come back for a private viewing. Open homes are designed to create competing interest in your property but are optional.

Sales and purchase agreement

Once the salesperson finds a buyer that wishes to make an offer the salesperson will arrange for a sales and purchase agreement to be drawn up. A sales and purchase agreement is a standard legal document that in basic terms sets out the rules to hopefully sell your property. It will highlight the buyer's offer and the buyer's conditions. In a normal process, the buyer will sign the contract first. You will be advised through the listing and selling of your property and you can ask for legal advice at any time. Upon the presentation of the sales and purchase agreement you will have one of three choices;

- Option one: Accept the offer
- Option two: Decline the offer
- Option three: Negotiate offer

Should option three be your choice then the salesperson returns to the buyer and offers them the three choices before eventually you have a mutually agreed contract, signed by all parties and sent to your solicitor. It's important to remember in Real Estate the salesperson always works for the vendor as you pay 'us', therefore we always try to get the best price & conditions for you.

Under contract

Once your property is under a mutually agreed contract the salesperson will commence to help the buyer satisfy the conditions. This could involve bringing a builder or a valuer through your property.

Unconditional

Once the conditions of the contract are all satisfied the purchaser's solicitor will send your solicitor notice that the property has gone unconditional. In basic terms, your property is now legally sold. The buyer then pays their deposit (normally 10% of the agreed sale price).

Settlement and possession

Following your property going unconditional a confirmed settlement and possession date will be set, this is when the buyer pays the remainder of the money to your solicitor. Once confirmation of this, your salesperson will hand over the keys to the buyer so they can take possession of your property.

Top tip: The Real Estate Authority is the governing body for real estate in New Zealand and there is lots of information for vendors and purchasers on their website rea.govt.nz

Marketing

Once you've found the perfect real estate salesperson they are then able to list your property. This involves them taking the main details of the house, photos, video, floorplan and preparing the marketing materials so potential buyers can find your house.

Almost all real estate salesperson will list a property on realestate.co.nz and may pay a little extra to have it as a feature or boosted listing. This can help your listing get in front of more people (impressions) but might not make one buyer enquire over another. At the end of the day, house buying is very personal and many buyers have strict criteria for the property they're looking for. 'Featuring' your property will help if your house is in a competitive segment but if it's one of a kind you will get plenty of attention anyway!



Other ways a real estate salesperson will help your property get noticed is by featuring it in the local advertising magazines or websites.

This might include:

- Showcasing your home in their office windows.
- Promoting the property on their social media channels.
- Including your property in an e-blast to their email database.

While many real estate firms leave the individual salesperson to promote their own listings, companies like McDonald Real Estate will share listings to their company followers, which often covers a larger audience.

Free marketing packages - They are often used as a sales tactic to get a homeowner to list with the perception that they're getting a lot of this marketing at no additional cost. This can be a good and a bad thing. While we don't entice people with free marketing packages there's a level of free promotion we do for all listings. We'll pay for online advertising and search engine specialists to make sure we rank as high as possible.

After discussing with your trained salesperson, we then leave it up to you to decide which additional marketing, if any, you can do. In a seller's market less marketing is required because more buyers are being proactive in their searches. In the current climate a free marketing package might be unnecessary, so don't let it sway your decision-making.

So how do you decide on the best real estate agent or salesperson to sell your home? Well, it depends on the home you're selling and the types of buyers you're after.

For example, our team of real estate licensees are all Taranaki locals, which means they know the area like the back of their hand. They know what local buyers are after and they can give you a realistic idea of what your property will get in the current market.

They are also well connected, which means they have their ear to the ground when it comes to which buyers are looking for what. Because they're heavily involved in local sports teams, clubs, schools and community organisations they get to hear about people's house-hunting needs before they may have even started looking.

The McDonald Real Estate team shares knowledge across the local offices. So a seller in Eltham might find a buyer in Hawera as the real estate teams check in to share listings to find suitable buyers.

There's also the human factor. This isn't a big city where getting listings out the door as quickly as possible is the game.

The team at McDonald Real Estate appreciate that you're probably selling the farm that's been in your family for generations, or the family home where the kids grew up. Because many more houses in Taranaki are family homes rather than part of a property portfolio we know that you'll ultimately want to work with someone who will care about your home. We know that even though the price is important you also want the next owner to love the place as much as you did. And that takes more than a zero fees gimmick or a free marketing package.



Understanding the methods of sale

Selling by negotiation and deadline

Many property sales in New Zealand are by advertised price, deadline sale or negotiation. This means that a buyer can make either a conditional or unconditional offer at any time. If a house is listed with price by negotiation, this means that prospective buyers can make an offer based on their perception of what the property is worth, the seller can then negotiate with them on the price.

Traditionally when an offer is made, your real estate salesperson will present that offer to you on a standard sale and purchase agreement. If there is more than one offer, the sale can then turn into a multi-offer process. If none of the offers meets your expectations you can then negotiate through your salesperson with anyone who submits an offer.

Selling by auction

The most exciting sale method is definitely by auction, and in most situations the auction bidders must make unconditional bids, so it can be a fast way to achieve an outstanding price. However, auctions are usually a very public event, and nervousness is normal as the auction approaches, so it isn't for everyone. In an auction campaign the property is showcased in an online or in-person event and sold to the buyer with the highest bid after the seller's reserve price has been met. If you are selling a property by auction, you will need a sole agency agreement with an agent. You must also set a reserve price before the auction. The reserve price is the

lowest price you are willing to accept for the property and is confidential to you, the salesperson and the auctioneer.

Selling by tender

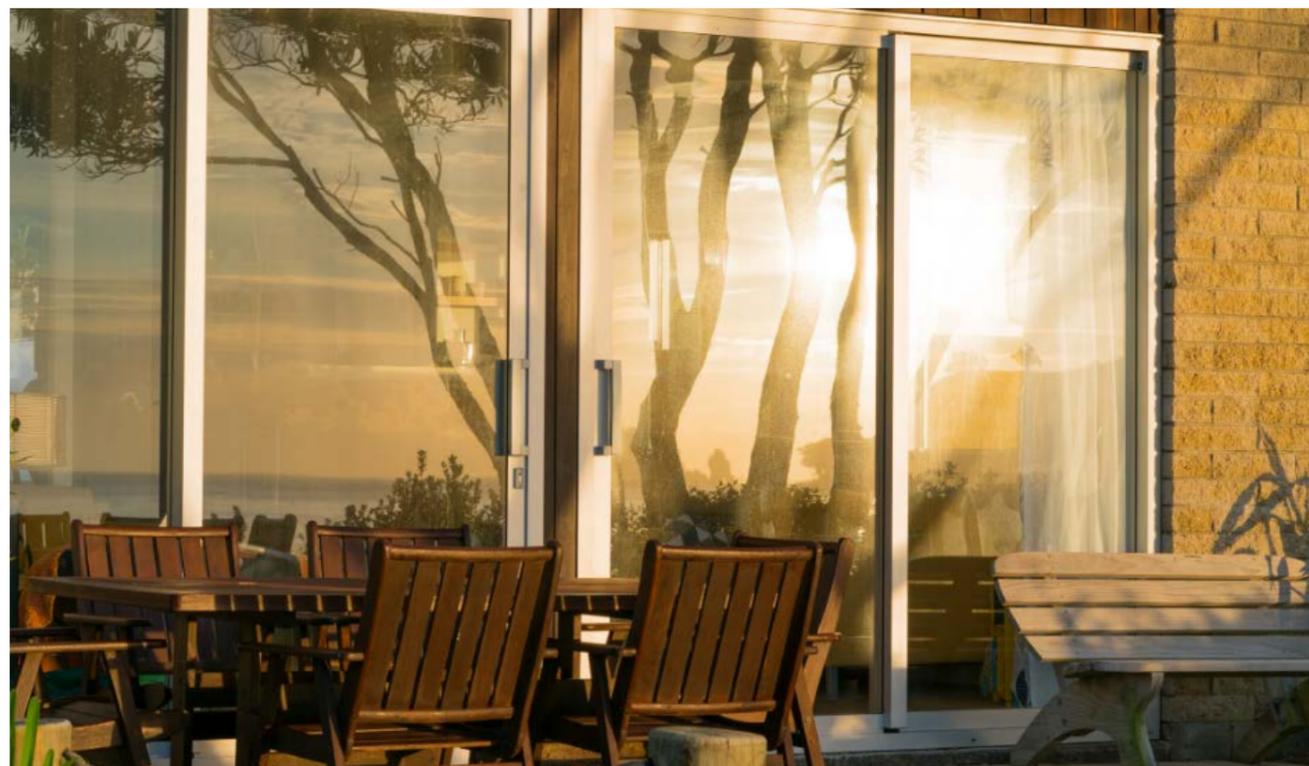
When a property is being sold by tender this means that the buyer makes a confidential written offer to the real estate salesperson before a set deadline. The buyers offer can be conditional, however, the seller can attach conditions to the sale. For example; stating the settlement date or listing the details of the chattels that come with the house.

The multi-offer process

This process gives all potential buyers an equal opportunity. The vendor is not obliged to accept an offer during this process. The vendor may accept one offer, reject all offers or choose to negotiate further with one particular offer.

A multi-offer process can also be used if a property has failed to sell at auction or in a tender or deadline sale process if a buyer has made an early offer. In these cases, a salesperson may initiate a multi-offer process where all interested parties are invited to submit their best offer.

Buyers must be made aware if they are in a multi-offer situation. Most agencies, including McDonald Real Estate, will provide a form to the buyer explaining how the offers will be handled.



Staging your home ready for market

Professional home staging and property styling companies are becoming more and more essential when it comes to maximising the value of your property and wowing potential buyers.

Interior design know-how goes a long way in making a home look its best. A statement couch and on-trend accessories can help your property feel more modern, increasing the emotional appeal of the property in the buyer's mind.

Staging your home ready for the market doesn't have to mean that your home has a complete makeover. A stager or interior designer can simply come in and rearrange your furniture and give you tips on how to better position your home for the market. It pays to not only prepare your home for the open homes but also for your marketing photos and video. Good listing photos could be the difference between someone attending or not attending an open home.

These days, buyers are not used to using their imagination, so engage the services of a stylist to help you present all your rooms in their best light.

For more information about staging your home, speak to your trained Real Estate salesperson.

Top tip: It is often said that 95% of viewers have difficulty visualising their things in your home, which means only 5% can. Appeal to the broadest population possible.

Note: If buyers cannot visualise your home for sale as theirs, you risk losing them to other properties. You need to help them visualise, with good presentation.

Preparing your home for sale

The benefits of using a licensed agency to sell your property is they will help prepare your home for sale. Trained salespeople know what potential buyers will be looking for.

The salesperson will make recommendations as to what you could do to increase the appeal of your property before any marketing, most times this can be of little cost to you but could reap great rewards on the sale. This conversation normally takes place during the appraisal and listing stage. Your salesperson will also make recommendations as to what you should do prior to any viewings and/or open homes, they will look at the simple things like which door is best to bring the buyers through, have the fire on in the Winter, the sun umbrella up in the Summer etc...



As soon as you and your family make the decision to sell your home, start a master list to keep track of potential home repairs and other tasks, from tiny to major. Preparing your home for sale is an important step and one that shouldn't be treated lightly. If you or your family don't have time to get your home in good condition for sale, you should consider paying someone to do it for you. There are plenty of professional companies that can do this.

However, it does pay to be mindful that not all jobs can or should be completed as it may be unlikely you will be able to recoup the full cost of home improvements in the sale of your home — so make the most of your money and choose fixes wisely.

We have created an essential list of key jobs that should be completed when preparing your home for sale.

- **De-clutter** - If you have a lot of stuff and it's cluttering up your house, try to tidy it up or put it away in storage. This will give a room a more spacious feel, and you might be able to highlight storage solutions in your home, which is always beneficial.
- Ensuring all taps and oven knobs in the kitchen and plugs throughout the house are in working order.
- **Clean** the kitchen including oven and cupboards
- Make sure there are no dripping taps both inside and outdoors
- **Paintwork** – is it marked, old, or chipping in some areas? It is amazing how a lick of fresh paint can make a room look brand new
- **Carpet** – although more expensive to change outright, if it's looking dirty or tired consider getting it professionally cleaned.
- **Weed** the garden and make sure the lawns are always freshly mowed
- **Great street appeal** - it is amazing the difference a high-pressure hose can make. Unless you are selling a "renovator's delight", ensure the paint is fresh, the garden is tidy and green, and the lawn is trimmed.
- **Clean out the garage** - if you haven't already, start moving out those boxes from the garage. This is the perfect time to do that spring clean. If needed get some storage organised off site and start moving those boxes out. Don't leave them in your garage; it makes it too obvious that you do not have enough space or storage in the house.
- **Smells** – It seems simple but bad smells can put a buyer off. Make sure any rubbish is put out and anything that may potentially create a bad smell cleaned up. Even things like avoiding cooking particularly smelly food right before someone views the property can help.

If you are unsure about what improvements should be done to help add value to your home, talking to a licensed Real Estate salesperson is a great place to start. They will be able to offer experienced advice on what buyers are looking for.

Obligations during open homes

Selling a home can be a stressful time and open homes don't make the process any easier. However, being prepared for an open home is one of the most important steps when selling your home, especially if you're wanting to receive high-quality offers. Your real estate agent will help you get ready and may even offer some pointers but here are a few things that can help you get ahead when yours is one stop in many on open home day.

When you're selling a property you get to decide how the open home process is run. This is usually outlined with your real estate salesperson during the marketing plan stage. The salesperson will advise you on the timing of the open home including how often they will take place.

Open homes don't only attract potential buyers, they can also attract neighbours or serial open homers. Therefore there is no law to say you must have an open home. You can choose to have private viewings by appointment only which will be arranged and completed by your chosen agent. These may take more planning and there could be a few of them but you could expect more serious buyers to attend these types of viewings over the generic open home.

After an open home has been completed - your real estate salesperson will report back to you to let you know the level of interest.

If you are selling privately, you have full responsibility for running any viewings. This can be time-consuming and has the potential to be distressing if you're not braced to hear other people's criticisms of your property.

Your salesperson will inform you how best to ensure open homes are run safely. All potential clients are required to fill in a register prior to entering your home, the salesperson will gain the buyers name and contact details. McDonald Real Estate suggest all items of value are removed from sight before an open home takes place.

Top tip: Before your open home: Buyers want to picture themselves living in a property, so remove anything that's too personal. If the property will be empty during an open home consider staging it to help people imagine a home full of life.

What's selling in your area

Use the McDonald Real Estate tool to see what has sold in your area recently & what is currently for sale in your area.

CLICK HERE
to see the latest
in your area.



Thanks for reading the ultimate guide to selling a home in Taranaki.

We hope our insider knowledge from over 100 years of selling homes in Taranaki has helped you understand the process and the things you should consider when choosing to sell your home.

If you would like to get a free no-obligation appraisal done on your property, our team would love to help. Simply click on the button below.

[Request a free property appraisal](#)

