

How a lack of FOMO could impact your selling price

by Paul Foster

‘FOMO’ – or fear of missing out – is an uneasy and sometimes all-consuming feeling. It has been especially poignant in the property market recently.

FOMO tends to kick-in late in the property cycle. The classic example is when buyers feel like everyone else has got on the property ladder, but they are missing out.



FOMO and the property market

FOMO was at its height around 2015 and 2016, when many buyers who had been holding off purchasing realised that house prices weren't going to stall after all. They then dived in to get their piece of the property pie.

Their procrastination was costly as they got involved in the late, frenzied point in the market. It meant they paid a premium.

There's certainly a good number of people – especially in Auckland – still kicking themselves for not picking that house prices would keep rising to their now dizzying heights.

While some have still never managed to enter the property market at all.

The real estate market has changed

Today we find ourselves in a different real estate environment – with much less FOMO:

- Auction clearance rates have plummeted
- Buyers are behaving with a patience that they haven't been able to afford for years
- Vendors are less likely to be able to throw any old property at the market
- Buyers aren't so eager to fight it out, which used to easily drive up sales prices

Looking to sell your home? What you should be doing in today's market

The changing market means it's crucial to use the right selling strategy. If you're looking to sell:

- Choose your real estate agent wisely – they must have smart marketing and strong negotiation skills
- Avoid the auction process – in the absence of multiple buyers, with each buyer willing to pay a premium, an auction shifts the power from you (as the vendor) to the people looking to buy.
- Put in a bit more effort to get your property to show-home standard – don't give buyers a reason to reject it

Five essential questions for choosing the best real estate agent

A great real estate agent will get you the premium price for your property. So, how do you ensure you get an excellent negotiator on the job working for you?

When you speak with a prospective agent, make sure you ask them these key questions – and ensure their answers are credible.

1. How will you get the highest price if there is only one buyer?
2. Can you show me your track record of most recent sales?
3. Can I have a list of names and phone numbers of all of these sellers?
4. What study have you done on negotiation?
5. What methods will you use to ensure the sale is the highest price in the market?

Take the time to give your prospective agents a thorough interview. It will pay off!

Looking for some honest and helpful advice on what's happening in the real estate market? [Talk to our team](#) today.