

# Section B

Detailed Marketing Pages

# Detailed Marketing & Sales Plan

## DEVELOPING THE RIGHT STRATEGY

We are committed to selling your house for the highest possible price in the least amount of time. All of the steps suggested in our marketing plan are designed to ensure that result!

### **Experience:**

Kevin Murray and the Vanguard Team have many years of experience in realty sales, but we also have grown up through the gritty aspects of this industry and have intimate knowledge and experience with challenging homes. The process requires a bit of work and creative marketing to achieve your maximum return. We are excited about making this happen for you.

### **Flexibility:**

We have had great success in selling homes and other properties following similar marketing plans. Each plan has a common Vanguard theme, but the plan is tailored to the individual property, and each plan remains dynamic as we learn more about your needs and the special needs of the property.

### **Compassion:**

This is our business, but it is a very personal business. While we enter this relationship as professionals, this is a family experience for all of you, and likely not an easy time. It is hard to part with a home which has such emotional and sentimental value. Clearly in these confused economic times the right path is not always clear, and the perception of a best choice today could seem less clear down the road.

We are not strangers to this type of process; we have each worked on many family-based sales, including estates, divorces, bankruptcies, etc. Through this we have learned how important emotional and sentimental concerns are to our clients. We also provide the point person with rich detail on the process which they can share with the family and are available for direct discussions with all of the family members, as desired. Please rely on us as a resource in this process.

## CONDITION OF THE HOME

Clearly understanding the extent of repair issues is critical for making the right choices for bringing any home to market. As we will discuss below, most younger buyers are using FHA financing in their home purchases; if this home cannot be brought up to FHA standards, then you will lose a large portion of your resident-buyer pool. This is not to say that no resident buyer will purchase your home, but you lose those using the 3 ½% down payment opportunity offered by FHA, with loan balances available up to \$729,750.

### **Inspections:**

As a first step, and at our expense, we will have a licensed pest control inspector examine the property and generate a report. We will also have the home inspected by a licensed contractor, and solicit bids for recommended repairs and improvements. Once these inspections are evaluated, we will bring a licensed real estate appraiser to the property to consult with us on valuation strategies.

# Detailed Marketing & Sales Plan

## **Evaluation:**

My initial walkthrough, will determine whether some minor attention to the hardware and fixtures is needed, along with economical solutions to flooring and a simple coat of fresh paint in some areas.

Based on the advice of professionals and information from the reports, we will get bids for recommended improvements and create a sensible plan for your review and approval.

We have an extensive inventory of furnishings and décor items. We will provide basic-level-staging to you at no expense (see Complimentary Staging page). We provide wall-art, towels, bedding, and some furniture. Typically, we do not see any benefit of going beyond our basic staging, since filling a home with large items is typically counter-productive.

## **Preparing the Home for Sale:**

Once we develop a plan with you, we can begin coordinating the repair/staging process. Depending on the extent of updates, this may take from 3 days to a few weeks.

Typically the Vanguard Team can manage the projects, and help to coordinate any vendors and deliveries to the property. In many cases we can pickup materials and have them onsite.

## **MARKETING THE HOME**

Getting the word out to the right buyers in an easily accessible and understood format is the key. No home appeals to every buyer, but it is clear that there is a market for homes of this size and vintage in the greater Walnut Creek area. First we need to make buyers and agents aware of the home, then we need to draw them to the home, then we need to demonstrate how the home fits their needs and desires.

Marketing to buyers and agents is subtly different and typically is achieved through different media channels. It is also important to understand that you typically have to convince both the Buyer and the Agent that this the right house, as the former makes the decision, but the latter has some “veto” power (subtle and direct). Loosely it can be likened to a push/pull, where we push the Buyer, but pull the Agent.

The marketing message should not only emphasizes the home, but also the community and the excellent schools. We tailor each package to the unique attributes of the home and community. Where school statistics are strong, this is demonstrated in our literature. It is also important to stress other community amenities such as swim clubs, athletic programs and City services.

## **Marketing through Agents:**

We will send an email to the local agent community and our clients to let them know that your home is coming to market, and when it will be held open for clients and agents. We will also mail or hand-deliver a printed marketing package to the most productive local agents.

We will conduct one or more “Brokers Tour” open house viewings from 10:00 am to 2:00 pm, on the designated tour days for your area. These viewings allow agents to preview the home and us to have direct dialog with the agents. A great buffet lunch with refreshments will be served to entice agents to linger, and have a chance to appreciate the home. We offer valuable prizes to

# Detailed Marketing & Sales Plan

agents who compete in our home pricing game, which helps us to fine tune our pricing strategy (see Predict Your Fortune). This has proved to be very popular and is a great icebreaker.

## **Buyer's Agent Commission:**

Commission is negotiable and should be based on the difficulty of "selling" the home along with the level of involvement in preparation of the home. The total commission to be paid is divided between the Buyer's Broker and the Seller's Broker, typically known as the "Selling Broker" and "Listing Broker" respectively. It is important to analyze these as two distinctly separate issues, and there is no compelling rationale to say that an "even-split" is appropriate, though that is a custom.

If the Listing Agent offers a discounted service, then that should be limited to their end of the commission. Arbitrarily subtracting from the Buyer's Agent's pay check is counter productive to your marketing efforts, especially in a tough market.

It is important to look at the commission trend in the marketplace, to make sure that you offer an incentive rather than a disincentive. In some cases, adjusting the commission is less expensive than lowering the price; for example, a 5% price drop is a small number to the Buyer over time, but large to you today, where increasing the Buyer's Agent commission by 1% is a very big number to them and relatively small to you. This tends to get the home included in more tours and is especially effective where the home is hard to show, otherwise inconvenient, or where the agent is not confident that the Buyer will be impressed. A strong incentive can make the Buyer's Agent the Seller's best friend in escrow.

## **Multiple Listing Service:**

The predominant source for buyers is the Multiple Listing Service (MLS). We post the maximum number of photos to the MLS; these images are carefully selected to present the best features of the home. We also tie our MLS listings to the home's dedicated webpage, and offer agent incentives for visiting the property. A popular approach is drawings for cash, wine, and bay tours on our company yacht "Done Deal."

## **Direct Marketing to Buyers:**

We hold our homes open on select Sundays from noon to 5:00, which is an hour before and after the normal 1:00 to 4:00 window. This gets us more activity, especially picking up people on their way out and way back home. We've found that the most productive time is from 3:00 to 5:00, and sometimes we stay later if the people keep coming.

We put out as many as 10 open house signs to direct the maximum number of people to the home. Open houses are advertised in The Contra Costa Times, Oakland Tribune, and SF Chronicle. Open houses are also advertised on Zillow.com, Realtor.com, Trulia.com, Craigslist.com, SF Gate.com (Chronicle), InsideBayArea.com, and Contra CostaTimes.com, and in the MLS.

We will also mail post cards and or place phone calls to all known developers and investors in the area, who are likely to have an interest in this property for a rebuild, remodel, or as a rental-investment. Through years of interaction in the residential and commercial markets, we have developed a significant proprietary database with hundreds of potential buyers.

## **Internet Advertising:**

# Detailed Marketing & Sales Plan

Most younger buyers now start their search on the internet, and come to Open Houses on their own. In addition to our proprietary sites, we will create a custom webpage to post on CraigsList.org and other home listing sites and will feed and update the listing on these and many more. The most productive sites are: Zillow.com, Trulia.com, RedFin.com, Realtor.com, CaliforniaMoves.com and there are many others that are growing in popularity. Through professional affiliations, our listings are featured on most if not all major brokerage sites.

## **Printed Materials:**

We will create striking and effective color brochures and other marketing pieces for the property. We have many formats including traditional 8 ½ x 11 flyer, 8 ½ x 5 ½ booklets, post cards, along with other handouts and mailers. All of these tie to your home's dedicated webpage.

As we bring the home to market, we will mail post cards to neighbors, and addresses in the surrounding local area, describing the property and inviting people to the first open house.

## **Photography:**

We start by taking many pictures of the home and then study these photos to see what shots, angles and lighting will be most appealing in our advertising. We also use these shots to help us plan the staging of the home. This home will present some challenges, as it will not follow the traditional approaches.

Once we have the home in marketable condition, we will engage a professional photographer to shoot photos and prepare a state of the art virtual tour. The photographer will also provide high resolution still photos to use in all of our marketing. We will consult with them about the online presentation.

## **Dedicated Web Pages:**

Before going to market, your home will be featured on a dedicated webpage on the following sites, which will include professional photos, virtual tour link, and a detailed description of the home at [www.Web4Homes.com](http://www.Web4Homes.com)

This link will be used in all advertising. We see emails and print advertising as the first step to pull potential buyers into the detailed and rich information we can provide at the web-pages. Having multiple addresses significantly increases the traffic to the pages.

## **Signage:**

A "Coming Soon" sign is a great way to generate a buzz in the neighborhood. This can go up while the home is being evaluated, inspected, and updated. When the home is ready for viewing, we will switch to an "Open Sunday" sign to be displayed the week prior to the first open house.

# Detailed Marketing & Sales Plan

## THE SALE & ESCROW PROCESS

### **Negotiating:**

Negotiating the price and terms is a critical step, which should be planned from the beginning. Each situation is different, and we are prepared to react to about every scenario, but we'll outline a few basic approaches and observations which are common to most deals. We offer some examples in a following section: **Successful Negotiating Strategies**

### **Paperwork:**

All of our contracts, disclosures and other communications with the Buyer and Buyer's Broker will be typed, and typically produced through specialized software. The Broker reviews and typically produces all material paperwork. We do not delegate this important work to assistants or clerical personnel such as "escrow coordinators." Additionally there are not hidden charges for clerical services or escrow coordination – we work either for a straight commission or predetermined flat-fee.

Typically handwritten contracts submitted by Buyer's Brokers will be typed and proofed before we ask you to accept them.

### **Disclosures:**

Seller and agents have a duty to disclose to the Buyers all known facts and conditions which materially affect the value or desirability of the property. However, disclosures are not speculations. If you think that there might be a problem, but are just guessing this is not a disclosure. In the case of trusts and estates the disclosure laws are significantly limited; however, there are exceptions, particularly if modifications to the home are made under the current Trustee's watch.

By California state law agents also have a duty to conduct a reasonably competent and diligent inspection of the property listed for sale. This includes only readily visible and accessible areas excluding crawl-spaces, attics, roofs and any other areas of limited visibility and access.

We've found a couple of easy rules of thumb:

1. Disclose to others as you would prefer they would disclose to you.
2. If you are wondering whether an item should be disclosed, you probably should disclose it.

Having complete and written disclosures signed by the Buyers, protects the Seller and Broker from future liability. All disclosures will be in writing, there will be no oral disclosures. We require that the Buyer sign an acknowledgement that all information that has been represented to them has been included in the written documents and that they are not relying on any oral communication in their purchase decision.

# Detailed Marketing & Sales Plan

## **Buyer Inspections & Requests:**

We know what is real and what is foolish. We have not only been involved in hundreds of transactions, but we have also had hands-on experience in construction and repairs. We not only recognize what is reasonable and customary for a Seller to acknowledge, we know what costs are reasonable for repairs and/or credits.

This is critically important to you, because many Buyers and Agents perceive the inspections phase as an opportunity for a second round of negotiations. It is not uncommon for a Buyer in competitive bidding situations, to get the home off the market at a high price, then beat-down the Seller with unreasonable demands for credits or price reductions. We've seen this game from both sides and know how to deal with the issues, to your advantage.

## **Financing & Appraisal:**

We monitor progress to keep the deal moving at the highest value. We have had many years of experience as loan brokers, in underwriting and other aspects of the loan process. We know how and when to ask the right questions of the Buyer to make sure that the deal is going forward, and or not going south.

We also know when an appraiser is doing a good job and when the property is being undervalued by a lazy or unscrupulous appraiser. Keeping the Buyer's feet to the fire in the loan process is critical to prevent delays in closing escrow. Financing and appraisal issues are the most common cause of delayed escrow closings.