

Pac Man Is Getting Full Seller Communication - Demand Dropped

Good morning _____, I need 5 minutes of your time to read this - thanks in advance!

There is no way to create a strategy to market a home for the **most it can possibly sell for** if you don't understand exactly how that market is behaving. I came across some interesting information that I think you should see. As we push to get your home pending, these pieces of data are important for our strategy and expectations. Sharing with you because I want you to see how I think and the information I'm using to make recommendations to you.

Take a look at the graph below (insert a local graph of contract ratio information here)

This is the contract ratio graph - it is one of the very best ways we can measure **demand** for home sales because it is the number of homes that buyers have put under contract versus how many homes are not yet sold. In March you can see Phoenix hit a high above 278 - this means that for every **278.6** homes under contract there were only 100 left unsold - buyers were like hungry Pac Men, eating up homes faster than they could go up for sale - this was out of control demand. In 4 short months that number plummeted to **48.9** - so **ONLY 48.9** homes under contract versus 100 sitting waiting to be sold - ***Pac Man appears to be getting full and slowing WAY down. We went from the hottest market Phoenix has ever seen to warm approaching cold in 4 months.***

Alright Why Should This Matter to Me?

The obvious - I know you know high demand/low supply drives prices UP. So when we see this HUGE shift in demand downward then we know **prices will come DOWN** - this is outside of our control.

The less obvious and what we CAN control - This data shows us ***how difficult it is to hook a buyer in the first place.*** My intense focus right now is GETTING YOU A VIABLE BUYER who is willing to pick your home over many many others to write an offer on. This is the heavy lifting. Here's how you can help me be successful:

1. Access - when I come to you with some interested buyers who want to view the property, **please be flexible with me.** WE DO NOT DO DAILY SHOWINGS FOR YOUR CONVENIENCE, but we will need to get buyers into your home at some point and need that to be a priority for you. When they do come through, please be sure your home is show ready and pets are away and you have left so they can feel most comfortable.

2. Don't take any fair offer for granted - When we do get that offer, we need to be very careful about how we respond. We should not puch back over trivial things. We should ask ourselves... "is an additional \$5,000 worth us losing this buyer and staying on market longer as demand continues to drop which may possibly cost me more in the long run?" **The big win here is getting a buyer to commit and make a fair offer for your property** - the smaller details need to be handled with extreme care.

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3. **Expect Repairs/Credits** - When the buyer requests repairs we need to be sure we are wise in our responses - being a stickler over repairs could cost you that hard-to-come-by buyer.

4. **Be The Next In Line** - If we are on market and getting no requests to show or offers, ***this means that the price isn't attractive enough to be the next home sold.*** In a market like this it is best to position your home as the next in line to be sold. I will continue to let you know how much outreach we are receiving back on your property and if it is weak or non-existent, we will need to reposition urgently before that contract ratio number keeps dropping which will lower your top potential price significantly. ***Remember, our program is unique in that it creates competition to drive buyers to pay more than they would without competition. With no one showing up to the game, there is no way for you to win. We need to make sure the price is doing its job so that I can do the rest with driving it up.***

As always, I am grateful for the opportunity to market your home towards your goals. Markets like these require a firm grasp of the data and strategy that acknowledges said data. If any of this sparks a question or concern, call me. I am here always here for you.