



Numbers Oriented Style

Grand Lux Realty offers a special "numbers" or positioning style to our sellers and buyers. This is very unique and we believe nobody else in the local brokerage field offers this strategy.

For sellers, GLR suggests "Price Positioning" and "Commission Positioning". In both cases, it is important to compare sellers to their competition within their segment, i.e. their direct competition: same style, price range, town, school system, etc. A segment is defined as: all the houses that a buyer who might be interested in the subject property will look at and compare with each other.

"Price Positioning" means comparing the subject property to other properties currently on the market (Active Listings) within the subject property's segment. Compare the "Factors That Create Value" between the subject property and its' competition (these factors include: condition, size, property, staging, neighborhood, street, etc.-all the things buyers look at when analyzing and comparing properties in the same segment with each other). When a seller is "Price Positioning", that seller must ensure that his property compares favorably with his competition in a close price range, or one of his competitors will sell first. Another deciding factor in this analysis is Seller Motivation. Does the seller want to sell next, or is he willing to wait until 2 or 5 or 10 other properties within his segment sell? It doesn't matter what the property is "worth", it only matters what the competition is on the market for. That's why appraisals don't really show what a property could sell for, because appraisals compare a property to 3 similar properties that have sold in the area over the past 6 months and don't take into account current competition.

Commission Positioning has to do with motivating the brokerage community to push the subject property. To use an extreme example, if a seller offers \$1 for the commission, nobody will show the property. If the seller offer \$1M for the commission, agents will trip over each other to show and push the property. But sellers don't need to offer \$1M to motivate agents, just more than the competition within the segment is offering. For example, if most properties within a segment offer 2% or 2.5% to the Buyer's Agent, sellers can motivate the brokerage community by offering 2.75% or 3% or even 2.6%. Sellers can also offer a bonus with a time constraint, i.e. \$5,000 cash bonus to the selling agent for a signed contract by a certain date.

For buyers, GLR takes the opposite approach. GLR helps buyers find properties within their desired search criteria that are priced favorably within the segment. In other words, we help buyers find "the best deal". GLR can prove to the buyer what the suggested value is within that segment and which properties are priced below the average, but are above average in terms of the "Factors That Create Value".