

# No Sale? Homes That Defy The Seller's Market

Arlene Gross | July 28, 2021

Ask any real estate agent to characterize the current real estate marketplace and you'll hear descriptions like "sizzling hot," "unbelievable," "phenomenal," and other superlatives.

"This is most definitely the single best seller's market that I've experienced in my 36 years," says Judi Desiderio, CEO of Town & Country Real Estate.

It might come as a surprise, then, that some homes have stayed on the market for months, even years.

On average, Long Island homes are selling within 63 days from when they're placed on the market, which is the lowest since 2002, says Jonathan Miller, president and CEO of Miller Samuel, a real estate appraisal company covering the metropolitan area.

## Take an objective look

"One of the biggest challenges is getting sellers to understand what actual market conditions are rather than what they want or need the price to be," says Miller.

If the home does not sell in this hot market, it simply has to do with the motivation of the seller, says Desiderio.

"Some sellers choose their selling price sometimes based on what they have into it, sometimes based on what they see happening around them, and sometimes it's just arbitrary," she says.

Take an objective look at your home, Desiderio says.

"If you selected the right real estate professional, he or she can position the pricing to the market and help you with what you need to do in order to have it show in the finest light possible," she says.

## Let the market decide

Sales prices in Suffolk County have gone up 16.3% from last year and over 28% from 2019, notes Catherine Zimmerman, manager of Daniel Gale Sotheby's International Realty's Northport office.

Aware that sales figures have increased, sellers often ask more for their home, and also have aspirational pricing, based on having put money and work into the home, experts say.

"The condition of the house, the style of the home, the location of the home — all of these things are taken into consideration

and factored into the pricing of a property," Zimmerman says, adding that her agency always provides an in-depth comparative market analysis looking back on six months of sales of similar properties. "Once a value is established, it is advisable to price where a home is worth, with what our research points to, and let the market drive the price."

The days of putting a house on the market high and negotiating down are not the tempo of the market, notes Zimmerman.

Paul Gomez, owner of Point Realty, actually had a house in Point Lookout on the market for 30 years.

"They always wanted \$100,000, \$200,000, sometimes a million dollars more than what it was worth," Gomez says. "We finally sold it." The house sold for \$835,000 in June 2017.

Joyce Styne, a real estate agent with Berkshire Hathaway, is selling a home in East Hills that was originally marketed for \$2.1 million in November. The price was reduced three times: to \$1.898 million, then \$1.75 million, then to its current asking price of \$1.699 million.

When a property enters the market, the two most important things to consider are presentation and price, she says.

"Unfortunately, I did not select the first price, and at this point of time it is now at the correct asking price," Styne says. "Had it started at the current price with its superb presentation, it would have long been sold."

## Mortgages hard to come by

Though the market is moving at a fast pace, mortgage lending guidelines are tighter than they have been historically, which means that many buyers can't make an offer, says Miller.

"They have not normalized since the financial crisis," says Miller. "That means that when some buyers fall outside the range of qualifying, they don't get financing. Whereas during the housing bubble, everything was an exception and nearly everyone could get a mortgage."

## Stubborn mindset

Sometimes people observe that the market is hot and prices are rising, and get stuck in a mindset that prices their home out of the market, notes Zimmerman.

There's more of a danger in overpricing a home than pricing it with the market.

"It gets a stigma attached to it," says Zimmerman. "We do everything we can not to have that happen by keeping them advised of what's going on in the market all the way, so they understand where they're best off to price it."

#### Taxes an obstacle

As potential buyers factor in real estate taxes into their monthly payment obligations on a home, very high taxes can be an impediment to selling a house, says Aileen Murstein, a real estate agent with Douglas Elliman Real Estate.

The situation could be exacerbated if the homeowner hasn't grieved the taxes, notes Murstein.

If the taxes seem too high, Zimmerman will advise the seller on how to try to get them adjusted.

"We're the guiding light to help it get to the point where it's a sale," says Zimmerman. "We address all the different things that come into play, like taxes."

#### Clutter turnoff

Some sellers, Murstein observes, refuse to declutter their homes.

"I tell them, 'You're going on a date with a lot of people.' Murstein says. 'Take away your pictures, and your pillows and your old towels.' And they don't get it. They leave their personal old belongings that should be packed away in a box. They refuse to neutralize their home."

#### No rush to sell

Ron Scala, owner of Scala Custom Properties, who's selling a waterfront home on the East End that's been on the market a while, says the homeowner is in no rush to sell.

"The seller believes the house is worth the money, and unless he gets his price, he will eventually build a big, 5,000- or 6,000 square-foot house on that beautiful, open bayfront parcel."

Noting that there's not much available property out East, especially on the bay, Scala says he sold a house a few years ago just two doors away for \$7.6 million.

"So, he knows that somebody could come in there and put up a beautiful house and it will be worth at least \$6 million."

#### How to help a home sell

No matter a home's style, condition, location or taxes, all houses can and will sell, says Zimmerman.

If a house is on the market for a month, Zimmerman advises that would be a good time for the agent to research updated sales and re-evaluate a new price in line with the market.

"It's about studying all the statistics and coming up with a number that will yield a better outcome for the seller."

Staging a house could make a big difference in enhancing the home's appearance, Zimmerman says, who notes that the cost of staging varies from home to home and that she works within each homeowner's budget.

Daniel Gale, for example, offers a white-glove program where experts take a close look at the house to determine if anything needs to be painted, repaired or upgraded.

"The sellers are advised to do what is needed to a put a home on the market," says Zimmerman. Roof leaks and asbestos removal are examples of necessary fixes. A newly painted kitchen would freshen up the home, but is not essential if it exceeds the seller's budget.

From staging to photographing to presenting a house to the widest array of people, marketing is key to getting the home sold, Zimmerman says.