

# Open for business

Staging an 'open house' is a valuable tool in property sales, says Adam J Walker.

I read an article in The Times the other day about the "high pressure sales techniques that are being employed by some estate agents". I expected to read an article about over valuing, hidden agency fees, or overlong sale agency contracts. In fact the article was about Open House events.

I am completely bemused as to how an open house can possibly be regarded as a high pressure sales technique. Our duty as an estate agent is to achieve the highest possible price, for our client, the vendor and an open house is an entirely fair, transparent and effective way to achieve this. In fact in the very buoyant housing market that we currently have in London and the Home Counties, it is hard to think of a viable alternative.

How can it possibly be fair to purchasers if just one person is allowed to make an offer as soon as the property goes on to the market without giving the other 20-30 or even a hundred other prospective purchasers a chance to even view the property?

And how can the agent prove to the client that the best price was achieved without given all the prospective buyers a chance to see it?

## ■ HOW TO ARRANGE AN OPEN HOUSE

The first rule is that the property must be new to the market and the guide price must be realistic or even a little conservative.

The second rule is to allow sufficient time to run the marketing campaign. This should not be less than two weeks. This gives ample time to get details out to as many buyers as possible and gives interested parties enough notice to make their arrangements.

In most areas Saturday is the best day for an Open House, and I would recommend that the appointment should be restricted to just one look. This creates the maximum excitement and demonstrates to prospective buyers that you are not bluffing when you say that there is other interest. If the vendor is really uncomfortable about this, then 15-minute overlapping appointments are the alternative, but they are not nearly as good.

On no account should any prospective purchaser be allowed to view the property prior to the agreed time. This is unfair to other purchasers and may result in a lower price being offered.



**In many countries homes are launched on the market with an Open House, I think they will increase in the UK.”**

All parties should be told that this policy is being enforced in the interests of fairness.

At the viewing you should have two members of staff available, one to show people around and one on the door to get feedback as they leave.

It is not really fair to ask people to make the most important decision of their lives, on the day. A fair compromise might be to offer a second viewing to interested parties 48 hours later.

Once the second viewings have taken place all parties should be given approximately 48 hours to make their best and final offer. It is best that this is done in writing.

## ■ NEXT STEPS

It is very important that

the under bidders are treated fairly and many of my clients send them a carefully worded letter explaining that they are sorry that their offer was unsuccessful but as an agent you have a duty to obtain the best price for the vendor and that on this occasion another party was prepared to offer more than they were.

It is a nice touch to offer to run a 'wanted' advertisement for them or to leaflet the roads that they are interest in to try to find a suitable alternative. (Although any new instruction that may ensue may, of course, also be offered as an Open House.)

Finally, Don't forget to send a leaflet to the surrounding roads to tell the neighbours that you have recently achieved a sale after a well attended Open House and that several of the under bidders are still seeking to buy a property in the area. This can be a very effective way to generate valuation appointments.

In many other countries around the world, including America, Canada, New Zealand, Australia and South Africa, almost every residential property is launched onto the market with an Open House.

They are also used to market rental properties, shops, offices and even business sales. I cannot understand why they have taken so long to reach the UK, but I would predict that they will now play an ever increasing role in the UK property market.

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