Are ‘neighborhood experts’ best equipped to sell a home?

Of all the misconceptions sellers have about the real estate business, the one that strikes me most is the notion that a neighborhood expert is required to sell a home. Based on my experience, going with a neighborhood expert can be more of a hindrance than a benefit.

Don’t get me wrong — I agree there are a few niche markets and specialized neighborhoods that demand the skills of a local real estate agent; however, I contend that those markets are few and far between.

The majority of American neighborhoods are comprised of three to five home models differing only in location, orientation, facades and upgrades. Since builders construct the same models from city to city, the only visual difference between any group of neighborhoods might be the color of the street signs.

Why local expertise is overrated

The attraction to local experts comes from their repertoire of selling many local homes, which makes them more qualified than an agent unfamiliar with the area.

While this idea may have been valid when local data was tightly controlled by area agents years ago, I believe it’s been blown out of the water by the internet. One seller I queried stated, “We need our listing agent to accurately set the price; therefore, they have to have sold homes close by.”

While that might sound logical at first, pricing data for every neighborhood is available online for all to see. In today’s era of real estate data transparency, it’s not uncommon for a buyer to attend an open house armed with more information than the agent — local or otherwise.

Truth be told, it’s not the seller or listing agent who determines the selling price — it’s the buyer.

With full access to data, savvy shoppers instantly know whether a property is priced high or low and will write offers accordingly. With the tools now available to agents through their local MLS, it is usually very easy to provide a solid valuation for almost any neighborhood. Buyer agents in our area do it all the time when helping buyers determine offer prices, and many of them come from offices at least 20 miles away and from different MLSs.

Use the Internet to be your own local expert

Some agents insist that you must be local to know where neighborhood boundaries begin and end. While that argument may have been credible a few years ago, Google has completely invalidated it

by providing border maps for any neighborhood name you type into the search bar.

You can also go to Bing's Bird's Eye View or Google Earth to check out an aerial view; in many cases, neighborhood boundaries can be easily identified by looking at the roof styles.

Natural neighborhood boundaries also include major roads, railway tracks, and geographical features, such as rivers and lakes. Some MLSs automatically provide the neighborhood for you when you enter the address.

Another defunct argument for the local expert is their purported knowledge of the surrounding area and schools. Yes, they might know which schools have active waiting lists and lotteries, but you — or any real estate agent — can make a quick call to the school district or visit the school's website to gather that information. You can also check out www.schoolandhousing.com to identify which school goes with which address.

The Internet can also be used to keep up with information about changes in neighborhood boundaries or zoning, impending construction projects, proposed freeways, transit projects and more. Want nitty-gritty details about potential local issues? Knock on a few doors and talk to as many neighbors as you can. You might be amazed by how freely they inform you of firsthand neighborhood news and affairs.

By focusing solely on niche areas, local agents risk overlooking important trends impacting entire regions.

I would rather have a regional expert market my properties across the country because that person will have a far greater understanding of how my property compares with similar properties in other areas.

Additionally, by monitoring data across a wider geographical area, a regional agent has a better grasp of the forces that direct the market as a whole. From where I stand, that is critical in effectively representing any seller.

Why clients need a marketing expert

I will be the first to argue that every real estate agent needs to be an expert. The question is, "Expert at what?"

Having seen many listings with a "Neighborhood Expert" rider dangling out front that included murky cellphone pictures, no property prep, no staging, and no evidence of state-of-the-art marketing, I've concluded that what sellers really need is a marketing expert.

With the advent of HGTV and Pinterest, buyer tastes have been dramatically refined. Bombarded

with pictures of gorgeous homes at every turn, buyer expectations have been raised to almost insane levels.

We are seeing a new generation of buyers that know what they like, but have absolutely no idea how to produce it on their own. They have no clue what to do with a hammer or drill, so they only visit homes that meet their requirements. If it's not "move-in ready," it's not on the list.

Selling homes, especially in major regions like the San Francisco Bay Area, has become all about online presentation, beginning with extensive property preparation and upgrades, brilliant staging, magazine-quality listing photos taken by professional photographers, 3-D tours and more.

Lack of marketing might cost you

Regardless of whether the listing agent is a local expert or not, homes selling for top dollar are always marketed better than the rest; just because an agent sold a house down the block does not mean they're a marketing expert capable of maximizing your home's selling potential.

In fact, if your local neighborhood expert is not up to speed with the latest marketing techniques, their representation can cost the seller money.

If an agent only focuses on a small geographical area, he or she may lack the bandwidth of experience and resources required to effectively market to a larger audience.

Since many of our buyers come from other cities, an agent's location has no bearing on their decisions; buyers do not care if the listing agent is local or not — they only care about how the home looks online. They are attracted to homes with marketing that sizzles.

If I have a need relating to my home, I go online to find the person best qualified to handle the issue.

As an example, if I discover that I have a cracked foundation, I'm not going to look for a local expert or the one who lives closest to my house.

I'm going to search for the best foundation person I can find, regardless of where that professional's office is located.

I only have one chance to get it right, and since my home is my no. 1 asset, I will find the expert I believe is going to do the best job possible, no matter how far they have to drive to get here.

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