

Lesson 1.12

Find The Pre-Market Opportunities

Lesson 1.12: Find The Pre-Market Opportunities

Lesson time: 3min 18sec.

Key Takeaways:

1. Why pre and off-market opportunities matter.
2. What motivates a seller to sell pre and off-market.
3. What advantages a buyer has that can save them time, money, and competition when buying pre or off-market.

Your chances of finding a dream home increase exponentially if you're able to tap into the pre and off-market opportunities in the area. You're going to see more properties than you would if you just relied on listed properties online, and you'll be getting the first swing to win the seller over.

To access those pre and off-market opportunities, you first need to have good rapport with the agents (see the last lesson) and a deep knowledge of the local area. Then you'll start seeing either emails popping up, the phone ringing or, text messages being sent to you by agents to let you know about properties before they appear online. For example:



So, what are the full benefits of buying this way?

1. As we've just mentioned, you're going to have as much as 40 per cent more choice. This means that you will have the luxury of first pick on the best properties entering the market, and that's going to make it so much easier to find a property that meets your checklist.
2. You're going to have much less (or no) competition from other buyers. This reduces the risk of you losing the house through no fault of your own. If you can lower how many people you compete with, it takes the risk out of someone paying an emotional premium and making the property much more expensive to "win" from them.
3. Many sellers that trade pre or off-market do so for a reason. Common reasons that we have come across include a divorce, or relationship break up, a death in the family, or sometimes positive news like a job interstate or abroad, a lifestyle change (e.g. downsizing into retirement) or, they have already committed to an onward purchase elsewhere. Many sellers in this situation will prefer to take a more private and often easier route and accept an offer at this early stage to reduce stress, the risk that their property remains on the market for a long time and their upfront costs, as they then won't need to advertise.

Lesson 1.12

Find The Pre-Market Opportunities

Lesson 1.12: Find The Pre-Market Opportunities

4. If the off-market property that you're looking at is an investment for the seller rather than their home, often it will be occupied by tenants, who may be poorly presenting the property, being difficult, or have a long lease in place that may reduce the buyer pool of interest. If the tenants are a sale campaign hindrance, the property's owner will do whatever it takes to offload it, and you'll be able to buy the property for a lower cost.

5. Some sellers are simply nervous. They haven't sold at all, or for many years, and they are looking for a clean and simple outcome having heard the horror stories of what it can take to sell a property on the market. An inexperienced seller can often be convinced to take the easy path, even if it's at a perceived discount.

6. Access to properties whose vendors are seeking privacy also allows for greater negotiation opportunity, not only can it result in less competition, but you also now know a key emotional driver to lean on in your negotiations. Reasons for privacy can vary from people not wanting to open their home to strangers, sick people or even a public figure wanting their home location to remain unknown to the public.

Whatever the reason, pre or off-market opportunities can shift the needle in favour of the buyer. This is why so much of the coaching we offer to clients at Hello Haus is focused on making sure that they're in the position of seeing as many of these opportunities as possible.

Key Reminders

Remember, up to 40% of property transactions can be transacted off or pre-market in Australia at any one time so you should do your best to seek out these opportunities. As the proverb goes "the early bird gets the worm", Hello Haus wants you to be that bird.