

# February 2007 REIN Workshop Supplemental

## Locution, Locution, Locution

The Key To Increased  
Real Estate Profits

## University of Guelph

3-Year Real Estate Market Study  
Revealed Surprising Results

### University of Guelph 3 Year Study

- 20,000 Transactions Studied
- Uncovered That:
  1. Size Does Matter
  2. Words Make A Massive Difference
  3. Public Reads Between The Lines

### University of Guelph 3 Year Study

On average:

- Smaller houses sold faster
- Dramatic increased of time-til-sale (TTS) was the case for properties with 5 or more bedrooms.

### University of Guelph 3 Year Study

- Bungalows and side-splits sold at the same pace,
- Condominiums, ranch-style and "rental" properties took more time.
- Time-til-Sale differed significantly
  - In City Sold More Quickly
  - Surrounding Areas Increased TTS

### University of Guelph 3 Year Study

- Words Truly Do Matter:
  - The words "**beautiful**" or "**gorgeous**" sold for 5% more and with a reduced TTS by 15 percent (vs Benchmark)
  - "**Beautiful**" houses sold for more than similar without using "Beautiful".
  - "**Landscaping**" or "**Landscaped**" reduced TTS by 20 percent

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## University of Guelph 3 Year Study

- **"Move-in condition"** reduced TTS by 12 percent (no increase in Sale Price).
- The words "must see" and "vacant" houses apparently had no statistically significant effect.



## University of Guelph 3 Year Study

- Houses identified as "Starter" homes sold in 9 percent less time
- **"Handyman Specials"** sold approximately 50 percent faster.
- Properties identified as "Rental" were on the market 60 percent longer than comparables.



## University of Guelph 3 Year Study

- More Key Words:
- **"Motivated"** or **"must sell"** were associated with a 30 percent increase in the average TTS while
- **"Moving"** had no statistically significant effect.



## Marketing is Key In All Aspects of Real Estate

- If all you can say is **"New Paint"** don't say anything!
- **"New Paint"** appeared on 15% of measured listing sheets (most common listing comment)
- Say it extravagantly – or don't say it at all



## Knowledge – The Difference Between Sophisticated Investor & Speculator



## February Recommended Reading

### What Got You Here, Won't Get You There

Marshall  
Goldsmith

