



How to Add \$110,000*+ to the Sale Price of Your Property!



Ex-Property Developer reveals the insider secrets for selling your home for \$110,000*+ more than what your real estate agent is telling you.

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* based on a 20% increase of Brisbane's Median House Price - \$560,000 REIQ March 2014

I'm really excited to be writing this eBook, and thank you for reading it. I promise that you will learn many valuable lessons – and get paid significantly more for your sale to a developer.

Why am I writing this eBook? I have been a property developer and I have been a selling agent. I have seen developers taking advantage of property owners and I have seen local real estate agents under-selling their client's properties to developers. The end-result is that homeowners like you have been missing out on premium prices.

Developers have been able to purchase uninformed vendors' properties at below-market value for far too long, but together we can change that.

What can you expect to learn from this eBook?

- 1 What you're not hearing about developers offering higher prices
- 2 Why you as a homeowner don't see premium prices (3 reasons)
- 3 How my 5-step development site blueprint will get you in on the action

I have presented some extraordinary examples of homeowners losing money by underselling their property. These deals have to be seen to be believed.

One thing I can promise you is that if you follow the lessons in these pages, you will not fall victim to underselling your property. You will not become an example in my next eBook.

This eBook will start you on your journey to full disclosure on the real estate evaluation process. If knowledge is power, this will make you a stronger seller and start you on your way to financial freedom.

To your empowerment!

Best Regards,

CHRIS MCKNOULTY

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The last several years have been characterised by a lack of development activity due to the after-effects of the GFC, low confidence, and a generally poor property market. However, now the developers are back in the market, and the competition for development sites is at levels not seen since 2007.

Brisbane City Council recently released figures proposing an additional 156,000 dwellings within the city by 2031. That's over 9,000 new dwellings a year. With a target as ambitious as this, the development boom looks like it is here to stay.

LAW OF SUPPLY AND DEMAND AT WORK: MORE DEVELOPMENT MEANS MORE VALUE

So what does more development mean to you as a property owner? It means developers need your property - badly. They are willing to pay more. This makes it a seller's market.

Let's take a look at some recent sales activity of development sites and check out a few knowledgeable property owners who have profited from selling to developers.

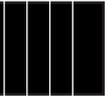
DEVELOPERS ATTACK KEDRON! PROPERTY OWNERS PROFIT BIG TIME.

Kedron has come out of hiding and is now seen as a hot area for new apartment developments.

All of the properties listed below are located within close proximity to each other, and are all zoned *Medium Density Residential*.

The table below shows sales of properties over the last two years. Over the last 12 months, the market has really taken off, and developer interest has been strong:

ADDRESS	PRICE	AREA	\$/SQM	DATE
22 Lawley Street	\$450,000	810m ²	\$555	April 2012
11 Alice Street	\$510,000	784m ²	\$650	January 2013
3 Alice Street	\$800,000	625m ²	\$1,280	August 2013
5 Alice Street	\$790,000	625m ²	\$1,264	August 2013
42 Lawley Street	\$925,000	825m ²	\$1,121	January 2014
34 Gallagher Tce	\$930,000	810m ²	\$1,148	February 2014



FLORRIE STREET LUTWYCHE OWNERS CELEBRATE RECORD SALE

Lutwyche has been a hot spot for apartment developments for several years. The market for development sites here has picked up *significantly* in the past 24 months.

All of the properties listed below are located within close proximity to each other, and all are zoned *High Density Residential*.

The table below shows sales of properties over the last two years. The owners of both 33 and 37 Florrie Street must be celebrating after their record-breaking sales:

ADDRESS	PRICE	AREA	\$/SQM	DATE
28 Laura Street	\$550,000	607m ²	\$906	March 2012
19 Lowerson Street	\$1,000,000	827m ²	\$1,209	June 2012
38 Lowerson Street	\$920,000	635m ²	\$1,448	July 2013
39 Florrie Street	\$850,000	673m ²	\$1,263	August 2013
19 Lowerson Street	\$650,000	607m ²	\$1,070	September 2013
33 Florrie Street	\$1,542,500	810m ²	\$1,904	March 2014
37 Florrie Street	\$1,542,500	810m ²	\$1,904	March 2014

CHRISTMAS CAME LATE TO ONE OWNER AT LARWILL STREET, NORTHGATE

Northgate is losing its identity as an industrial suburb, and the developers are moving in. Each of these properties is zoned *Low Density Residential* and is suitable for the construction of 2 new houses.

The table below shows sales of properties over the last six months. The owners of 29 Larwill Street must be the envy of their former neighbours with their sale achieved just after Christmas:

ADDRESS	PRICE	AREA	\$/SQM	DATE
26 Larwill Street	\$520,000	810m ²	\$641	November 2013
23 Larwill Street	\$535,000	810m ²	\$660	November 2013
29 Larwill Street	\$596,000	810m ²	\$735	February 2014

Why are some property owners benefiting more than others? What secrets do they know that no one else does? Why haven't you heard about these sales? And why don't you see these kinds of prices in your suburb? Read on.

A homeowner could be excused for being uncertain as to the best way to sell his or her property to a developer. The truth is the majority of homeowners who sell a property with development potential miss out on achieving a premium price for their property. These homeowners miss out on achieving a premium price for their property for three main reasons:

- 1** They sell directly to a ***developer who approaches them***, and they agree to a sell for a price under market value
- 2** The ***local agent sells the property as a development site***, but makes several big mistakes that result in the property owner missing out on a premium price
- 3** The ***local agent sells the property as a house*** rather than as a development site, and the owner obtains a sale price similar to that of a regular house without development potential

Let's take a look at each of these situations that could get you into trouble.

1 Selling directly to a developer (or their buyer's agent)

It is fairly common for developers to approach property owners directly. Often they will use their own real estate agent to contact the homeowners on their behalf. When this happens, it is described as an "off-market transaction."

Developers know that it is better to buy properties off-market, because there is a lack of competition from other developers.

This lets them pay less than the full market value for the property. This lack of competition usually means that the property owner loses out.

Homeowner left duped by developer – Over \$150,000 lost

The sale of 28 Dundonald Street, Everton Park, illustrates this perfectly. The property was on two titles and 810m² of land. The owner was approached directly by developers and the property was sold for \$420,000.

The developers of this property have since built two new houses on the property.

Two properties, with the identical development rights sold before and after this transaction, show the extent of the loss for the owner of 28 Dundonald Street.

- **71 McIlwraith Street, Everton Park** (two existing titles on 810m²) sold three months before for \$570,000
- **25 Hunter Street, Everton Park** (two existing titles on 810m²) sold three months afterwards for \$610,000

It is important to do your homework and *empower yourself with knowledge* in order to avoid losses like this.

2 Selling with a local agent who doesn't have real property development knowledge, experience or expertise

Your typical local real estate agent spends most of his or her day selling houses, units or townhouses. Agents get excited at the prospect of doing something a bit different, and they are generally enthusiastic about selling development sites. They have the best of intentions, but the reality is that they don't really know what they are doing, and aren't really capable of getting the best price for your property.

Agent underprices property – Homeowner misses out on \$205,000

The sale of 27 Ison Street, Morningside, is a great example. The real estate agents marketed the property as a 'development site.' However, they priced it at \$580,000 – which was well under market value. The property was sold to an opportunistic buyer (who knew the development potential of the property) for \$575,000 in under 24 hours. The agent went on to claim she did a great job of selling the property so quickly.

She spoke too soon...

Only one month later, this opportunistic buyer turned around and sold the property to a developer for \$780,000.

The developer is soon to commence construction of 5 luxury townhouses on the site.

3 Selling with a local agent who sells the property as a house rather than as a development property

As you have just seen, development potential can often increase a property's value by hundreds of thousands of dollars. If the local agent does not realize that the property has potential beyond being sold as a residential house, then the property owner is almost guaranteed to miss out on a premium price.

A real estate agent being unaware of development potential on a property might not seem like a likely scenario, but there are many developers who spend hours combing the latest property listings, hoping to find one of these gems, and they succeed more often than you might imagine. Real estate agents need to keep up with this effort.

The previous examples of poor results for sellers have been compelling, but the next one is hard to believe.

Agent overlooks development potential - Homeowner loses \$380,000

The property at 31 Kennington Road, Camp Hill, was very run-down and in need of either serious renovation or a bulldozer. The agents marketed the property as a renovator and failed to notice that the property was zoned Low Medium Density Residential and suitable for the development of units.

The property was listed for sale for \$398,000 and a bidding war erupted, ending with a developer buying the property for \$420,000, which was still significantly under market value.

Only ten months later, this developer sold the property to another developer with a pending development approval for 7 units for \$800,000.

This was simply a case of an under-educated agent and seller. The real estate agent has to be aware of development potential for any property he represents. If it's your property, make sure you are working with a real estate agent who comprehensively understands this side of the market.

So now it's time for action. Following on next, I'll show you my 5-step solution for selling your property to a developer for more money.

Our **5-step development site blueprint** is specifically designed to help you sell your property to the highest paying property developer for a premium price.

Bottom line, you end up getting more than what the local real estate agents think it's worth. Put simply, it's more money in your pocket.

Here are the 5-steps:

STEP 1 - DETERMINE HIGHEST & 'BEST USE'

- We conduct a thorough 'development best use' analysis to discover the highest and best use for your property
- If we find any development constraints to your property, we will explain in simple English what it means to you and how to work around it so you still get the best price

Missing this step will put you on the back foot from the beginning. If you don't know the best use for the property, how can you expect to estimate the value?

This is an absolute must!

STEP 2 - UNDERSTAND VALUE

- We review comparable sales of similar development sites to provide you with the basis to aim for a premium, but achievable price
- We undertake a development feasibility analysis to put you in the developer's shoes and to understand why the value is what it is
- We talk value with a few of our trusted developers before listing to make sure we are in the ballpark

Failing to understand the real value of the property will cause you to fly blind.

How is it possible to effectively sell a property without fully understanding its value?

STEP 3 - PRESENT THE PROPERTY

- We strongly believe that facts and details sell development sites, not gimmicks, and we provide developers with all the facts and details they need to make an informed decision

If a developer is not provided with the information he or she needs to make an informed decision, it is less likely that he or she will investigate the opportunity. If more developers have the information to make informed decisions, then you get more interest in the property. More interest = more offers = higher sale price.

STEP 4 - ATTRACT & ENGAGE

- We determine the best method to list the property on the open market to maximize your advertising dollar
- Rather than sit and wait for developers to come to us, we actively approach developers on our extensive *developer database*

If only a handful of developers are aware that the property is for sale there is a serious risk that the property won't sell for its maximum price. Attracting and engaging the maximum number of developers greatly enhances the possibility of achieving a premium sale price.

STEP 5 - CONVERT

- We are development experts and we understand the issues developers are likely to encounter, so we actively help them with their enquiries
- We fiercely negotiate with serious buyers to get you a premium sale price

Failing to convert the enquiries can only result in failure to obtain a premium price.

Do you want to know how you can take the next step?

Register today to obtain your customised *Free Development Potential Report*.

Visit **www.bestuse.com.au/report**

The *Free Development Potential Report* is the essential tool for any property owner wanting to continue their journey to sell their property to a developer for a premium price. This is suitable for owners both interested in selling now and owners who want to simply understand a little more about their property.

All you need to do is provide us with your address and we take care of the rest.

The *Free Development Report* will provide you with:

- The likely highest and best use for your property
- An assessment of development constraints
- An analysis of comparable sales of development sites
- An estimation of value to a developer

What are you waiting for?

To get your *Free Development Potential Report* go to **www.bestuse.com.au/report** or call me on **0412 833 791**.

A Development Site Expert, Not Just A Real Estate Agent

Building a specialist career in real estate from the ground up, Chris completed his university degree in Property Economics 10 years ago. Since then, he has earned the kind of success that most only dream about. Delivering profit-driven deals is his forte.

Chris' process of extracting the highest value from potential development sites is unmatched. One of his recent successes was for Rod Zahnow on the sale of his property to Catholic Education for the development of a new school.

It was a complicated transaction and Chris' highly specified knowledge and out-of-the-box thinking was crucial in achieving a figure that was well beyond his client's expectations.

His portfolio of expertise includes:

- Understanding what the highest-producing development scheme is for your property
- Knowing how to analyse and price a development site
- Incorporating strategic marketing to developers
- Pitching your property to his extensive database of developers

Chris simply won't rest until the transaction is complete, and all your expectations are exceeded. He is the ideal person to help you sell your property to a developer and maximize its potential.

CONTACT

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