

# Property trades: Sizing up a swap

10 strategies to successfully close a property trade By Lisa Mulka

Property trading may seem like a groundbreaking trend, but broker/owner Raymond Maaske of Home Star Realty in Summerland, B.C., says bartering is a historical way of getting things sold. Maaske is currently listing a six-unit investment property for trade and believes swapping is a fundamental concept to moving real estate.

"When in tough times or not, the more options you can provide a client, the better," says Maaske. Whether moving up or down, permanent property trades can be a strategic and valuable approach to shifting real estate. Here are 10 strategies to successfully close a property trade.

**1. Be a solution seeker** – Karen Bertamini, an agent with Century 21 PowerRealty.ca in Drumheller, Alta., is currently listing a property for trade. She is an advocate of leading clients to a solution, no matter the circumstance. "Property trading is a great opportunity to seek solutions. You have to recognize that there are going to be reasons why this won't work and you have to have a mindset to think solution-based," says Bertamini. Creative solutions lead to innovative sales that can potentially increase

referrals and enhance expertise.

**2. Break out of the comfort zone** – "When we find something that works for us, we tend to stick with it. We're really creatures of habit," says Bertamini. But venturing outside a comfort zone provides the chance to not only think creatively on the job, but also creates solutions for clients. "It's very rewarding to try something new because it gives you an opportunity to grow individually and professionally," says Bertamini. Extending beyond the typical sales approach can generate opportunities to increase sales skills, draw in new clients and learn different aspects of the real estate industry.

**3. Banish negativity** – Although bartering maintains a longstanding role in history, property trading isn't all that common and can often be met with great apprehension. "We find reasons why things won't work; it's in our culture," says Bertamini.

But Maaske says there is always a way to make a transaction work and property trading should be viewed as a positive arrangement because it offers clients an alternative path to buying and selling real estate. In many cases, negativity is the root of naivety because trading isn't yet a widely utilized approach.

**4. Offer premier customer service** – When it comes to property trading, a customer's desire is just as important as a Realtor's creativity, says Maaske. If a client has an immense desire to move on, but is unable to do so in current market conditions, a trade can present a unique set of opportunities. Querying clients about their openness to non-traditional transactions, such as a property trade, offers a service that other Realtors may not be providing. Supporting clients through the trading process with first-rate customer service ensures a client walks away happy and in a new property that works best for their needs.

**5. Spread the word** – Because property trading isn't necessarily recognized immediately as a sales method, marketing is vital to creating the right conditions for a trade. "I think a lot of it is getting the word out there fast. I don't believe it is something people are thinking about," says Bertamini. Marketing door-to-door, hosting open houses and using online marketing tools are ways Bertamini is sharing the property trade concept and reaching potential customers she hopes to unite in a trade.

**6. Find the right pair** – Perceptive pairing is essential in

creating a successful property trade. "You have to find two sets of people who are interested in what each other has," says Bertamini. While it is important to find the right pair, most trading transactions develop organically with the help of an observant Realtor to connect prospective clients. Paying attention to customers' needs and wants positions a Realtor to naturally develop an ideal connection.

**7. Manage time wisely** – Any real estate transaction can be littered with complications, but when a trade is on the table, effective time management is a key strategy. With double the issues associated with a typical transaction, such as financing, appraisals and home inspections, you are susceptible to ongoing delays during a trade. "If you have one party stuck, you can't move ahead," says Bertamini. Scheduling enough time to complete all necessary processes eases the surge of problems that can arise.

**8. Structure the deal** – Agreeing on valuation by both parties is the most important part of structuring a trade transaction, says Maaske. Whether the transaction encompasses a simultaneous closing or the transactions are linked together, "if you have buyers inter-



Karen Bertamini



Raymond Maaske

ested in the concept, then you have to figure out what terms are acceptable to both," says Bertamini. Formatting the deal depends greatly on the limitations of both the buyer and seller and the current state of ownership on both parties, such as a clear title versus a remaining mortgage.

**9. Communicate** – Many Realtors would agree that a trade brings a special set of complexities, making a vulnerable and fragile transaction. Communicating the intricacies to clients is necessary to stabilize any obstacles that may surface. "Communication is key. We all have to want it and know how we can get it done," says Bertamini. Making the process clear to clients is the best way to eliminate apprehension and develop a deal that benefits everyone.

**10. Use trades as a marketing tool** – Demonstrating you have the skill set to be a solution seeker by completing a property trade is a great way to build both referrals and a positive reputation. "We've all gone to the same schools and the system is pretty clear cut, but a client picks an agent because they believe you will work hard to sell their property. Buyers are thinking, 'Who can help me do this?'" says Bertamini. Showcasing the creative skill set accompanying a trade transaction sets a Realtor apart from competitors and displays competence in developing meaningful solutions that put clients first. ■ REM

## Cheap gas, pricey parking in Calgary

While Calgaryans enjoy some of the lowest gas prices in Canada, they have to dig deeper into their pockets when pulling into their parking lot because the city ranked the priciest place to park in Canada, according to global real estate firm Colliers International's 11th Annual Parking Survey.

Calgary's median monthly unreserved parking rate has risen by 4.2 per cent over the past year. Now at \$472.50, it is more than double the national average of \$235.76. This makes Calgary the second most expensive city to park in North America, trailing only behind New York (\$541 US midtown

and \$533 US downtown) and topping cities such as Boston (\$438US) and San Francisco (\$375US).

In eight out of the 12 major Canadian cities surveyed, drivers are paying more to park their car in the city's core. Kitchener-Waterloo (\$128.24) and Vancouver (\$287.98) experienced the highest parking rate increase of 9.7 per cent and 7.9 per cent, respectively. In contrast, drivers in Ottawa (\$195) and Toronto (\$332.38) saw their unreserved monthly parking fee descending by 6.6 per cent and 1.2 per cent, respectively.

The monthly parking rates and year-over-year percentage

change of Canada's major cities:

1. Calgary \$472.50, 4.2%
2. Toronto \$332.38, -1.2%
3. Montreal \$296.21, 5.6%
4. Vancouver \$287.98, 7.9%
5. Edmonton \$275, no change
6. Ottawa \$195.00, -6.6%
7. Victoria \$184.80, 2.7%
8. Saskatoon \$170, 1.8%
9. Regina \$168, 3.2%
10. Halifax \$166.75, 5.4%
11. Winnipeg \$152.25, no change
12. Kitchener-Waterloo \$128.24, 9.7%

Canada national average, \$235.76, 2.6%

But what may seem to Canadians as shockingly high-cost parking fees may be considered a bargain when compared to other cities around the world, particularly in Europe and Asia. London - City was the most expensive place in the world to park, with an astronomical \$1,084US median price for a monthly spot. London's West End was close behind at \$1,014US per month, followed by Zurich at \$822US. Hong Kong and Tokyo round out the global top five priciest cities list with \$744US for a monthly parking spot. ■ REM