

Transcript: Mohylava Chat with Donna Stoll August 2019



Steve Mohyla: Hello, this is Steve Mohyla, and welcome to Mohylava Chat.

Speaker 2: (Singing).

Steve Mohyla: Today, my conversation is with Donna Stoll. Donna's a consultant at ERA Teachers Real Estate and she's a retail consultant. She's been in the profession over 36 years. And the relationship she's developed with her clients, well they consider each other friends and family and she considers herself the real estate agent for life. And now my conversation with Donna.

Steve Mohyla: What got you into the real estate business?

Donna Stoll: I was working for the government and one of my friends said, "You'd make a fantastic real estate agent." And I said, "Why do you think that?" They said, "Because you really like people and and you listen to people." I said, "Okay. I'll give it a chance." And I worked part time as a real estate agent and was so happy with my results and dealing with people that I left the government after 13 years.

Steve Mohyla: So how long had you been doing it part time when you left the government?

Donna Stoll: About a year and a half.

Steve Mohyla: And what about liking people and listening to people helps make a good real estate agent?

Donna Stoll: Basically, if you don't listen to what a client or a customer needs, then you're not going to have a good communication. And I listen to what they want and I give them what they want, if it's going to work out. I can't have someone tell me they want a million dollar house and only pay 50,000 for it. So basically, I give them the facts. I tell what I'm going to do for them and we have a good relationship and I can tell within three minutes if our relationship's going to work and I that can work with the customer or client or if he can or she can work with me.

Steve Mohyla: Without betraying confidences, what are some of the things that a potential client will say that tells you this is not going to work?

Donna Stoll: If they want a certain area with a certain price that's physically and mentally and... is impossible to get them. And I just tell them up front and I can't sugarcoat it. I just show them the facts. Before I give them my opinion, I give them the facts, give in, let them go through it, and then I voice my opinion saying, "This is what the lowest priced property is in this county. I don't think this is going to work right now for you. You might either have to hold off and buy in a year or two or re-think where you want to live."

Steve Mohyla: Okay. So, that's all factually based and you've been talking about the fact that I want to listen to them. I want to get exactly what they want. I want to tell them what's in their solution space. And then, off we go. What are some examples where you may have said, "I can't work with this person because of temperament or personality?"

Donna Stoll: That has never been the case, ever.

Steve Mohyla: So it's normally been, they just... their expectations are mismatched with what the market-

Donna Stoll: I can work with somebody that's got high expectations. I can work with somebody who's laid back. I just work with their personality. If I have to sell a property and close in three days and somebody's flying here from California, I'll do it.

Donna Stoll: And I work with buyers, I work with sellers, I work with an incredible team. Mortgage team is incredible, the title company is fantastic and I call them and say, "This is my situation. There is a relo coming in and they have to buy and they have to close in three days. Is there any way you can help me out? And if not, I just need to know right now to find somebody that can help me." Now, three days is stretching it. Six days is the norm on every location that needs to be working within a week. Three days I've done. Six days is easier to deal with. And basically, the issue is getting the appraiser out there and title worked on and that's it. And in those situations, they cannot have a home inspection. They can't, but they can... and they also cannot waive their condo or their HOA documents. So, there's a little bit of hoops that I would have to go through.

Steve Mohyla: You said you represent buyers, you represent sellers.

Donna Stoll: Yes.

Steve Mohyla: As a buyer what are the things I have to pay attention to when I enlist your services? We hear the whole, "Well actually both real estate agents actually work for the seller, even if you are taking people around to look at houses." Is that true anymore? How has that changed?

Donna Stoll: In 1983, we stopped dual agency, which the buying agent really worked for the seller. Now, we've got paperwork stating that we work for who we work for. And

as a buyer's agent, I work for the buyer and have it documented. I therefore can tell the listing agent, "Well my clients don't like this. They don't like that. They don't want this and they don't like that." Whereas if you are a dual agent, you can't say anything negative about the house that you're selling and you work 100% for the buyer and on their behalf. You write the offer on their behalf, you have them sign it on their behalf, and you send it to the selling agent. Period. We have nothing to do with, or we do not discuss anything with the seller now.

Steve Mohyla: It's interesting that that change occurred so long ago-

Donna Stoll: Yes.

Steve Mohyla: ... Considering... But not a surprise, because I still have conversations with my clients that because they've heard it from their parents, they think that the sale of a home and its capital gains is still subject to the rollover replacement rule as opposed to no, that law changed a while ago and you don't have to replace your current home with a home at equal or higher value to defer your capital gains.

Donna Stoll: I remember those days.

Steve Mohyla: And so, the fact that I still run into people who think that is why I asked about the buyer versus seller because I bet there are still people out there who are thinking, "My buyer's agent still actually works for the seller and I have to be careful."

Donna Stoll: Sure.

Steve Mohyla: Okay. Now you talked about your team, you talked about the title people and you've talked about the mortgage people. Let's talk about the title people. Do you have title people you work with but the buyer/seller don't have to work with them? Or what's the story?

Donna Stoll: Actually, I give the names of three different title companies to my clients and let them make their decision on who they're going to work with. Okay? And I normally have a good rapport with people I work with, or excuse me, people that I refer to. Just like the lender: I give three names out, they pick who they want to work with or if they've got their own attorney or their own lender, then that's fantastic.

Steve Mohyla: Okay. Vivaldi has a nice little suite called the Four Seasons. So, let's go through the seasons and let's go through them in the order of the Carol King song: Winter, Spring, Summer, Fall.

Donna Stoll: Great.

Steve Mohyla: So, what are the pitfalls and advantages for selling or buying a house in the Winter months?

Donna Stoll: For a seller to put their home on the market, they're either relocating or they're just moving away because they want to get out of the area because of the bad weather or for financial ramifications. So therefore, a buyer who's going to buy in December has more chance of working around his needs than he would in February or March, i.e. closing costs, a settlement date whenever he wants and and more lackadaisical home inspection requirement lists.

Steve Mohyla: Okay. So now, let's go to Spring. What are the advantages for the buyer? What are the advantages for the seller if they list their house in the Spring?

Donna Stoll: Here in Northern Virginia, if you're going to be putting your house on the market in the Spring, there's a more chance for the seller to have multiple offers. Therefore, the house needs to be in perfect condition. The buyer needs to make sure that he can qualify for over what the house would appraise for and have cash to put down and expect no closing costs and no work to be done by the sellers on the home inspection. Because at that point in time, it'll definitely be a sellers market.

Steve Mohyla: And is that the biggest flip through the calendar from a buyer's market in the Winter to a seller's market in the Spring?

Donna Stoll: Yes.

Steve Mohyla: Okay. And then, so let's go Summer.

Donna Stoll: Summer, early Summer, a buyer would be able to still get a property. The seller would have their home on the market, maybe two weeks to 30 days longer than the Spring. And basically, it's a good time to buy, usually the rates have been steadied out from the Spring. Usually, the chances of the rates going up that time of year, is going to be lower than the first quarter. So, that would help a buyer get in and qualify, would help a buyer get in and maybe negotiate more than you would in February and also get any items done that are not walk through or that are not that important that the particular sellers would work with them on.

Steve Mohyla: Okay. And so then, that brings us to the Fall.

Donna Stoll: The Fall market, well, August is slow. September is slow. October, we're getting into the holidays. November is Holidays and December is beautiful, decorations go on a property, holiday time and it's still going to be a slower market in December.

Steve Mohyla: So, who's advantage in the Fall? Is it buyers?

Donna Stoll: Fall, buyer's advantage. Winter, buyer's advantage. Spring, Summer, seller's advantage.

Steve Mohyla: Got It. Got It. How long is your normal listing?

Donna Stoll: 30 days.

Steve Mohyla: Really?

Donna Stoll: Yes. Average 30 days.

Steve Mohyla: Is that from listing to sale-

Donna Stoll: Yes.

Steve Mohyla: ... Or your contract?

Donna Stoll: Listing to sale.

Steve Mohyla: It's still 90 days that you... that a real estate agent signs a contract with the seller that says, "I'll list this property for 90 days?"

Donna Stoll: It depends on the situation.

Steve Mohyla: Okay. What's the situation?

Donna Stoll: 90 days.

Steve Mohyla: But when you-

Donna Stoll: 90 days, but it depends. It depends on, if I think a property is going to sell right away, I ask for 90 days. If I think it's going to have an issue and there's parts of the house that have not been upgraded and they can't be upgraded due to financial ramifications, I might ask for a year.

Steve Mohyla: ... Oh, okay. I mean, I had heard, you know, land is six months or better to open because land is land.

Donna Stoll: Right.

Steve Mohyla: All right, so you talked about things that couldn't be upgraded because of financial reasons or whatever.

Donna Stoll: Going into a nursing home, they need the money for that. Or moving out of state and they're downsizing. So they either have to have a quick sale, not a quick sale as in a bank quick sale, put a faster sale and sell it as is. Or, they're going to have to be real patient and wait for somebody to come in and buy it from them.

Steve Mohyla: What are the things that you look at in a house you're listing that you say to yourself, "This is going to take a while." This is something that, every time you've

had the experience with it, the house stayed on the market longer because of this issue.

Donna Stoll: A marital issue and children coming and getting their things that they've left for 20 years and it's basically a lot of things and stuff in the house that the people can't part with.

Steve Mohyla: So, for the purposes of staging it to show it?

Donna Stoll: To show it, it's going to not show well. That's probably my worst situation I've ever had in my 30 years' career. And I just should have said, "Either take care of it now or I can't help you." But because I knew the person for a long time, I just let it go.

Steve Mohyla: What about the physical condition of the property? Is there anything that is not a big deal? And are there things that are a big deal?

Donna Stoll: Well, I am not a home inspector. I'm not an engineer. And if there were any questions, I would ask the seller to go ahead and hire an independent home inspector to go through the property and see if there's any issues.

Steve Mohyla: I'm talking more cosmetic.

Donna Stoll: More cosmetic. Cosmetic could be a nail on the wall that needs to be replaced and patched up and painted over, caulking around the bathtub, carpet replacement.

Steve Mohyla: And are these things that will sour a buyer on the house the moment they walk in?

Donna Stoll: Absolutely. Because a buyer is going to walk in and see what we see as an agent and it's basically going to turn them off. If carpet needs to be changed, the red paint needs to be changed out to something more neutral, that would definitely turn off somebody who is not interested in putting money into the house if they want a turn key property. If somebody sees the paint and the carpet needs to be replaced and they've been dying for a wood that they've been wanting to have in their house or some fabulous paint, they might check on it. And they're handy.

Steve Mohyla: How often does a buyer look past the cosmetic and see the good bones of the house?

Donna Stoll: Probably about 50%.

Steve Mohyla: Oh, that high?

Donna Stoll: Mm-hmm (affirmative).

Steve Mohyla: My wife and I go walking through our neighborhood every Saturday and Sunday. So, we see the for sale signs. Well actually now, it seems that we see that coming soon signs-

Donna Stoll: Right.

Steve Mohyla: ... And then we see the for sale signs and then we see the under contract signs and then we see the sold signs. And there is one that is on its fourth real estate agent. And when you look as you walk past, you can see that when they spray painted the rooms, you can see the over-spray on the insides of the windows that they have not cleaned up yet.

Steve Mohyla: And to me, not only do you need the 50% of the people who can see past the cosmetic to the bones, you also need that property priced right so that if an investor's looking at that and saying, "I can flip this", they can walk in and say, "I know how much this is going to cost. This is going to cost... there's nothing structurally wrong with the house. This is going to cost 15 grand. So, if I can buy this house for 45 under market, I can put 30 grand in my pocket. You know, whoopity doo." Simplifying it. We think this was a foreclosure initially and then... So, sight unseen, what is your diagnosis of what's wrong with this house?

Donna Stoll: First of all, if it's a foreclosure did bank would the listing over to one of their agents, so maybe it was a short sale going into foreclosure. When I mentioned 50% of the people would be excited about it, property that needed work, is we have so many investors in Northern Virginia that they want to see something wrong with the property. Okay? Minor paint that needs to be removed is easy. Maybe there is splash on the floor, or the paint got on carpet. If they spray painted, they weren't very careful. But sure. Somebody would go in there at a certain rate and clean up the house, certain rate off the price of the house, percentage rate.

Steve Mohyla: So given that it is, literally over the past 18 months, on its fourth real estate agent, do we think it's priced so incorrectly that even investors are looking at it and saying, "No, it's too high?"

Donna Stoll: Investors' first question is, "How long has it been on the market?"

Steve Mohyla: Mm-hmm (affirmative).

Donna Stoll: Run the history on it. Okay? And then of course, a good agent would call every single one of these listing agents and find out what the scoop was.

Steve Mohyla: So, hazard a guess for me. What do you think the issue is?

Donna Stoll: Price.

Steve Mohyla: Every real estate agent I've ever talked to says, "Any property price correctly will sell."

Donna Stoll: Absolutely.

Steve Mohyla: How cyclical is your business in terms of, okay, does it matter to you whether it's a buyer's market or a seller's market? As a real estate agent in Northern Virginia, are there good times of the year and bad times of the year?

Donna Stoll: You're funny you're asking that question. Right now, I am slowing down on my marketing in case one of my clients or referrals want me to put their house on the market because right now is holiday season time and my feelings are, if one of my friends or referral partners gave me a referral, I would tell them, "If you don't have to move, if you don't have to sell until Spring, please wait till Spring. Because right now, I'm afraid that the market is going to absolutely not help you getting your house sold at the highest amount of money that you want."

Steve Mohyla: Well, let's continue the discussion of price with your potential clients who want you to be their seller's agent.

Donna Stoll: Okay.

Steve Mohyla: When you come back to them with the comparables and the location and everything else and say, "This is what I believe you should list the house for", what's the biggest pushback you get?

Donna Stoll: Oh, "I think my house is worth 20,000 more because we put \$20,000 in the house." That's the push back I get.

Steve Mohyla: Mm-hmm (affirmative). And how do you educate them?

Donna Stoll: I show them their comps. I give them the details on the remarks of what the homes have sold for. There's many, many, many chances I would've already been in the house or know the neighborhood very well. And I would show them that the upgrades would have to be in the kitchen and the baths. If you're going to put in new lighting, an appraiser's not going to look at that as much. If you're going to re-do the basement, the appraisers aren't going to look at it that much as an incentive or a positive because it's underground. So, if when I suggest if you're going to upgrade your property, you would do the baths, do the kitchen paint and carpet or wood. So, that's my feelings.

Steve Mohyla: So, if they put \$20,000 into upgrading the bath, how do you explain to them that just made it more saleable, it didn't make it worth more?

Donna Stoll: Correct. Correct.

Steve Mohyla: Okay.

Donna Stoll: And I tell people, put in average appliances. Put in average, not low grade, not the highest grade, because you're not going to get it back. Put in what looks good, good value, good quality, anything in their property, in their home.

Speaker 4: Mm-hmm (affirmative).

Donna Stoll: For resale, clean works. Modern works on certain houses, certain areas. Contemporary works in certain other areas.

Steve Mohyla: Do you enlist the services of a stager?

Donna Stoll: Absolutely not.

Steve Mohyla: So, you stage the homes yourself?

Donna Stoll: Yes, I do.

Steve Mohyla: Do you use what they have or do you bring in something else?

Donna Stoll: I use what they have.

Steve Mohyla: Mm-hmm (affirmative). And so, what's the biggest thing you're looking to do as you stage their home?

Donna Stoll: Make sure there's no clutter.

Steve Mohyla: Defined as?

Donna Stoll: I put as little out as possible. Make sure every wall can be noticed. The floors can be noticed. The gorgeous fixtures can be noticed. But as far as putting excess furniture away, packing up, things that are basically keepsakes, that would basically be a suggestion for me to ask my new client to either hire a mover who does help me stage by packing them up, moving furniture around. I've got a few movers that will help me do that and just make it easier. Stagers can be 2000 to \$40,000 and they bring in furniture. And the people that move in could mar up the walls. There can be issues with color schemes. I just think it's a lot easier. Now, if I had a \$10 million listing in Great Falls or in Oakton, no problem getting a stager at there to give me advice or to help me out.

Steve Mohyla: Mm-hmm (affirmative). Well, after 30 years in the profession, you probably have some stories.

Donna Stoll: Yes, I do.

Steve Mohyla: So, let's start with your biggest horror story.

Donna Stoll: I used to have a lot of divorce cases that were referred to me by multiple divorce attorneys, and yelling and screaming in closing just doesn't work for me. And that's about it. Yelling and screaming and people not getting along and fighting, it's the only negative I can say about my whole career. Having to have a delayed closing and explaining to the seller's agent or the buyer's agent what the issues are that are an act of God or there's just some kind of problem with title or whatever is to be expected, but I can't tolerate the yelling and screaming, not getting along. And sometimes that happen. Sometimes an ex-spouse comes in from nowhere and tries to bust up a closing because they don't like their ex buying with their new wife or new husband. So, things like that have happened completely out of my control.

Steve Mohyla: Okay. Tell me the most positive story.

Donna Stoll: My clients are very happy when they move and makes me happy for them. I have so many past clients I've dealt with in the last 30 years that are still in their home and that makes me happy for them. And I've never called them and asked if they wanted to sell their house. I leave them alone.

Steve Mohyla: Send them a magnet every year?

Donna Stoll: I send them my evidence of success. I show them my letters on how to clean your property up.

Steve Mohyla: So, you tell them about your successes. You stay in contact that way.

Donna Stoll: Evidence of success. And then, I do client parties and then the office does have lunch every year.

Steve Mohyla: Where'd you hold your last client party?

Donna Stoll: My house, always. It's going to be... it's always our Apple Fest, which it's really not an Apple Fest, we just call it that because we keep pushing it later and later and later in the year. It's October 27th. We invite our whole database to Burke, to a restaurant, and then after that I always have something that my house... refreshments at my house afterwards and then for people to mingle and to talk to each other.

Steve Mohyla: What kind of helpful tips?

Donna Stoll: This this month is talking about retirement. Last month was, how did you close your home? One I think in April was on safety. Good tips.

Steve Mohyla: Besides Apple Fest, do you have any other parties?

Donna Stoll: Holiday party and Apple Fest.

Steve Mohyla: Tell me about the holiday [arty].

Donna Stoll: The holiday party, I do the major meets, provide some refreshment and people bring whatever they want for a side dish if they want to or not. But we always have plenty of food. And then, a gag gift under \$12, an embarrassing gag gift.

Steve Mohyla: And how do you distribute the gag gifts?

Donna Stoll: Oh, we just pick a number out of a hat, and then whoever goes first and then, and then you get one chance to steal.

Steve Mohyla: Hmm. Okay.

Donna Stoll: I don't remember what that's called.

Steve Mohyla: It's a white elephant.

Donna Stoll: White elephant. Thank you. Oh, that's a new one on me.

Steve Mohyla: To wrap up... It's been a great conversation.

Donna Stoll: Thank you.

Steve Mohyla: If there was one piece of advice, you would give to anyone who is about to sell their house, what would it be?

Donna Stoll: Understand the procedure of selling your house carefully. And I give the pros and the cons. I tell them what can go bad. I tell him how smooth it can go and then tell him what the issues could be. Understand the process.

Steve Mohyla: And demand that your agent explain it all.

Donna Stoll: Yes.

Steve Mohyla: Well, thank you. This has been terrific.

Steve Mohyla: Thanks for listening and we look forward to sending you another episode of Mohylava Chat.

Speaker 2: (Singing).

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