

(Seller Article)

Seven Selling Mistakes You Shouldn't Make!

Mistake #1 -- Pricing Your Property Too High

Every seller obviously wants to get the most money for his or her product. Ironically, the best way to do this is NOT to list your product at an excessively high price! A high listing price will cause some prospective buyers to lose interest before even seeing your property. Also, it may lead other buyers to expect more than what you have to offer. As a result, overpriced properties tend to take an unusually long time to sell, get shopworn and they end up being sold at a lower price due to multiple price reductions.

Mistake #2 -- Mistaking Re-finance Appraisals or Assessed Values for the Market Value

Unfortunately, a re-finance appraisal may have been stated at an unreasonably high price. Often, lenders estimate the value of your property to be higher than it actually is in order to encourage re-financing. The market value of your home could actually be lower.

Values set by the Tax Assessor do not relate to value as much as they are a function of how much tax dollars the taxing authority needs. In this case as well, the actual market value of your property could be lower. Your best bet is to ask a REALTOR® for the most recent information regarding property sales in your neighborhood. This will give you an up-to-date and factually accurate estimate of your property value.

Mistake #3 -- Forgetting to "Showcase Your Home"

In spite of how frequently this mistake is addressed and how simple it is to avoid, its prevalence is still widespread. When attempting to sell your home to prospective buyers, do not forget to make your home look as pleasant as possible. Make necessary repairs. Clean. Reduce clutter. Reposition furniture if necessary. Make sure everything functions and looks presentable. A poorly kept home in need of repairs will surely lower the selling price of your property and will even turn away some buyers. As a listing agent, an Interior Decorator is provided to every one of my Sellers - it's part of my services.

Mistake #4 -- Trying to "Hard Sell" While Showing

Buying a house is always an emotional and difficult decision. As a result, you should try to allow prospective buyers and their agents the opportunity to comfortably examine your property. Don't follow them around pointing out features - you come off looking anxious which results in low offers. Your listing agent should have already covered all features on the property Highlight Sheet. Avoid any conversation as to why you are selling or where you are going - it will cost you money. Instead, be friendly and hospitable and when possible run an errand or visit a neighbor.

Mistake #5 -- Trying to Sell to "Looky-Loos"

A prospective buyer who shows interest because of a "for sale" sign they saw may not really be interested in your property. Often buyers who do not come through a REALTOR® are a good 6-9 months away from buying, and they are more interested in seeing what is out there than in actually making a purchase. They may still have to sell their house, or may not be able to afford a house yet. They may still even be unsure as to whether or not they want to relocate.

Your agent should be able to distinguish realistic potential buyers from mere lookers. REALTOR®s usually find out a prospective buyer's savings, credit rating, and purchasing power early in the process. This "prequalifying" procedure helps you avoid wasting valuable time marketing towards the wrong people.

Mistake #6 -- Not Knowing Your Rights & Responsibilities

It is extremely important that you are well informed of the details in your real estate contract. Real estate contracts are legally binding documents, and they can often be complex and confusing. Not being aware of the terms in your contract could cost you thousands for repairs and inspections. Know what you are responsible for before signing the contract. Can the property be sold "as is"? What are my closing costs? What will my net proceeds after closing be? How will deed restrictions and local zoning laws will affect your transaction? Not knowing the answers to these kind of questions could end up costing you a considerable amount of money.

Mistake #7 - You Get What You Pay For

There are full-service companies and discount companies. There is no free lunch out there, and real estate is no exception. You can save some money with a discount broker, but be clear on exactly what you are not getting. You need to be prepared to perform those functions yourself, such as advertising, open houses, scheduling and performing showings, and possibly even contract negotiations to mention a few items. Evaluate the options you have, and select the type of service that is best for you. For most Sellers, 85%, the full-service model has the most appeal. As the National Association of REALTOR®s ad campaign says: "You have a life. We let you live it."
