

# Expensive Mistakes to Avoid when Selling Your Property

## Pricing incorrectly

I have yet to meet a seller who did not want to net the most he/she could on the sale of his/her property. Under conventional wisdom, people believe to get the most for a property they need to price it above its value. Unfortunately, this approach not only does not work, it actually can create the opposite effect of lessening the net of the property.

You see, when you "overprice" a property at the beginning of the marketing effort, the people who come to see it will be disappointed, because it will not compare favorably with other properties in that price range. Other buyers will ignore it over time until the price is reduced. Unfortunately, the price will usually need to be adjusted to below the property's value to regenerate interest. So, in this case, **not only is the seller likely to realize a lower net, the home will be on the market longer, while he/she endures more stress.**

Conversely, the same property released into the market with a competitive price, will be viewed by the right buyers in that price range. Because the property is priced close to market, it will represent a value irresistible to buyers. It is not uncommon for new listings, properly priced, to attract multiple offers from buyers that realize the value simultaneously. Greg is familiar with negotiating multiple offers, and can set up a bidding war in which you have a real prospect of obtaining property's value or more. Even if you do not receive multiple offers, buyers are reluctant to submit low offers on new, properly valued listings, for fear of losing the property to others.

**Appraised value may not reflect the value of your home**, especially if the appraisal was for a refinance. It is not uncommon for appraisals to be inflated to allow lenders to lend you higher amounts. That is fine for getting a loan, but if it is not the true market value, buyers will reject it.

Pricing properties properly takes a strong knowledge of the market and faith in your agent.

## Not "show casing" your property

Buyers are looking for a comfortable home, not a project. Very few buyers have the ability to see beyond what is front of them. They do not see so much what could be, as much as what is. Even buyers that keep a messy home will prefer to buy a clean one. Sellers who understand this tendency will realize a higher net from their sale by effecting needed repairs, cleaning up, and maintaining their home in "show case" condition.

This is an extra effort that returns your investment many fold.

## Selecting the wrong agent

Not all agents are created equally. Getting a great agent is the single best step to a smooth and profitable transaction. You will be entering into a business relationship where thousands of your dollars are at stake. Take the effort to interview and select the best agent you can find.

Choose your agent based on who will bring you the best experience through the transaction. Working with a gal that seemed nice, a dabbling, part-time agent that is friend, or cousin George, because he is needy, can put you in a difficult position when they are not doing a good job. Hiring the best agent is usually a comparable fee, but you stand to gain most when the transaction is fast, smooth, professional and at a high net profit to you.

## Getting tied up in a listing contract with no way out

Some agents will seem OK in the beginning, only to give you a different impression after **you are tied up in an iron clad, no-way-out contract**. The best agents recognize that selling your property is a team effort and want your help. If you are not working well together, or the agent is not working well, a performance clause will be helpful for both parties. We offer an easy-out performance clause as an extra incentive to keep working until your property is sold.

### **Relying on open houses and newspaper ads for a marketing plan**

Fewer than 1% of homes are sold through open houses. In truth, the primary motivation for agents to hold open houses is to meet buyers. They will almost always sell these buyers a home other than yours.

Only about 3% of homes sold are from newspaper advertising, representing a very poor performance.

Greg employs many proven marketing strategies including target marketing and direct response marketing that realize much higher success rates. Putting these effective techniques in action is beyond the understanding, and ability, of most other agents. By promoting your property in innovative, effective techniques increases your likelihood for success.

### **Using a "hard sell" approach**

Sellers can actually get in the way of a sale by overdoing it. In their enthusiasm to point out every amenity of a property, they miss the whole point. A buyer buys a home on an emotional basis. They need to feel comfortable, explore and discover the amenities on their own. If they have questions they will ask, but they won't bother if they feel that they are intruding, and are made to feel uncomfortable by the seller's presence.

To make sure the buyer is comfortable, it is always better to have the seller away from the property during a showing. In this way, buyers can take their time without feeling like an intruder, and rushing. If they do have some negative comments, it is best that they are able to voice them so that these concerns can be addressed.

### **Getting into legal hot water**

In a real estate transaction there are hundreds of thousands, or even millions, of dollars involved. Real estate law is complex, and if proper disclosures are not made, or errors in contracts, title or representations are made, they can become very expensive. Losing a contract or ending up in court is a prospect that everyone would hope to avoid. Knowing your rights and responsibilities under the contract and the law is critical. Working with an agent who is well versed in legal matters can protect you from harm's way.

### **Wasting your time with "lookers"**

Many sellers lack the skills to smoothly pre-qualify prospects and confuse "lookers" with "buyers." A good agent has limited time; therefore, he/she will make sure to match the buyer prospect with the properties that meet their criteria and budget. Plus, a good agent will make sure that the person is in the "buy soon" mode. This saves time and aggravation for everyone involved.

If you are not using an agent in the sale of your home, you may get frustrated taking time off work, or other pursuits, to meet "lookers" at your property. Admittedly, pre-qualifying buyers is a difficult task, developed over years of practice, requiring tact, control and knowledge.

*You can avoid a lot of frustration and realize very good results by hiring Greg to sell you property. For a free consultation, call and set an appointment. Feel free to ask for Greg directly. We can explore your needs and see if we can work well together.*