
THE 9 MOST COMMON MISTAKES YOU CAN MAKE WHEN SELLING YOUR HOME!

Mistake #1 - Pricing Incorrectly

Every seller wants to realize as much money as possible when selling their home.

A listing price that is too high often gets the seller less than a price that is at market value. If your house is not priced competitively, people looking in your price range will reject your house in favor of other, larger homes for the same price. At the same time, the people who should be looking at your house will not see it because it is priced over their heads! Overpricing usually increases time on the market, and that adds to the carrying costs. Ultimately, many overpriced properties sell below market value.

Mistake #2 - Failing to "Showcase" the Home

Buyers look for homes, not houses, and they buy the home in which they would like to live. Owners who fail to make necessary repairs, who don't spruce up the house inside and out, touch up the paint and landscaping, and keep it clean and neat chase buyers away as rapidly as Realtors can bring them.

If you were selling a car, you would wash it, or maybe even detail it to get the highest price. Houses are no different.

Mistake #3 - Using the "Hard Sell" during Showings

Buying a house is an emotional decision. People like to "try on" a house and see if it is comfortable for them. It's difficult for them to do that if you follow them around pointing out every improvement that you made. It may even have the opposite effect you want, by making them feel they are intruding on your private space.

Resist the temptation to talk the entire time a buyer is there, and let them discover things on their own. Try a tasteful sign to point out some hidden amenity that they might miss.

Mistake #4 - Mistaking Lookers for Buyers

For Sale By Owners do not get more activity than houses listed with an agent. No question about it. Realtors will only bring qualified buyers, and these will be fewer than if you open your front door to every one who walks down the street.

A qualified buyer is one who is ready, willing, and able to buy your house. We find that most people who go looking at For Sale By Owners are just starting to think about moving. They may be good buyers, but they're just 6-9 months away from being ready. They don't want to bother an agent yet, so they call the "By Owner" ads to get a feel for what's available. They may have a house to sell first, or may need to save some more, or may have credit that needs fixing. When everything is

in place, that's when they go out looking with a Realtor.

An agent will ask a buyer how much he can really spend for a house, how much he has to put down, how good his credit is, how much he can pay each month, how much he will realize (realistically!) when he sells his present home - and about a dozen other questions like that. But unless your Realtor finds all the facts first, you must ask all these questions before the buyer crosses your threshold. Otherwise, you may have a parade of Sunday afternoon shoppers with a dream of owning a home some day.

Mistake #5 - Not Knowing Your Rights & Obligations

Real estate law is extensive and complex; the contract for sale and purchase is a legally binding document. An improperly written contract can cause the sale to fall through, or cost you thousands for repairs, inspections, and remedies for title defects. You must be certain which repairs and closing costs you are responsible for. You must know whether the property can legally be sold "as is", and how deed restrictions and local zoning will affect the transaction. If there are defects in your title, or if your property is in conflict with local restrictions, you or your Realtor must remedy them, or you might have to pay plenty.

Mistake #6 - Signing a Listing Contract with No Way Out

Many times an agent will have good intentions about marketing your house, but circumstances can change. If the agent couldn't or wouldn't perform, you should have the right to fire your agent. In some companies the broker will assign your listing to someone else in the office, someone new in the business that you didn't personally select. Always protect yourself by getting a guarantee of performance with the right to cancel.

Mistake #7 - Limiting the Marketing and Exposure of the Property

The two most obvious marketing tools (open houses and classified ads) are only moderately effective. Surprisingly, less than 1% of homes are sold at an open house. Agents use them to attract future prospects, not to sell the house!

Advertising studies show that less than 3% of people purchased their home because they called on an ad. And if a machine answers, most callers just hang up without leaving a message.

The right Realtor will employ a broad spectrum of marketing activities, emphasizing the ones he believes will work best for you. There are dozens of more effective ways to find buyers than just open houses and advertising. By the way, he or a trained member of his staff will be there every time the phone rings. Did you know that most calls come in during business hours when sellers are away at work, and most home showings are between 9:00 and 5:00 Monday through Friday?

Mistake #8 - Believing that a Re-fi Appraisal is the Market Value of Your Home

An appraisal is an opinion of value for a certain purpose. If the lender wants to lend you the money, they are motivated to have the appraisal come in high. The appraiser may ignore foreclosure or distress sales in order to justify the high value. But a real buyer in the real world will not ignore these properties. They are your competitors when you try to sell.

I can't tell you how many ridiculous re-fi appraisals I've seen. Don't make the mistake of thinking that the value you were told 6 months ago when you refinanced is what a real buyer would pay. Ask your Realtor for ALL the solds in your area, then decide.

Mistake #9 - Choosing the Wrong Realtor, or Choosing Him for the Wrong Reasons

It's likely that you don't interview people very often. And yet in order to find the Realtor who is right for you, you may interview several. The quality of your home selling experience is dependent upon your skill at selecting the person best qualified.

It's interesting that in the real estate business, someone with many successfully closed transactions usually costs the same as someone who is inexperienced. Bringing that experience to bear on your transaction could mean a higher price at the negotiating table, selling in less time, and with the minimum amount of hassles.

The world is populated with Realtors who are wrong for you. For example, the housewife who sells an occasional house because she needs a little pocket change, or the insurance salesman who believes he can handle two careers. Or perhaps your cousin George, who really needs your business.

The sale of your home could well be the most important financial transaction you have ever been involved with. The person you select can make it a satisfying and profitable activity, or a terrible experience. It's your home, and your money. The choice of your Realtor is up to you. Make that selection carefully.



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