

## 8 COMMON MISTAKES MOST HOME SELLERS MAKE

1. Failure to effectively market the property. Good marketing distinguishes your home from hundreds of others on the market, selling its benefits not just its features. Open houses and print advertising (the most obvious) are only moderately effective. Only 1% of homes are sold at open houses, and just 3% of people purchased their homes after seeing a print ad! Your Realtor® should be using other methods as well to attract prospects. Ask your sales professional to provide a list of things they will do to market your home.

2. Basing your asking price on needs or emotion not market value. Many sellers base their pricing on what is termed as Subjective Value. To an appraiser, subjective value is based on emotions. For example, how much a seller paid for their home, how much they love their home, and overall pride of ownership is considered subjective value. Objective Value, is what ALL appraisers base the true value of a property.

Setting the asking price of a property should always be based on Market Value. Appraisers call this objective value. Objective value looks at the condition of the property; it's location, what properties with similar features in the same area are selling for, what other properties in the same area are listed for, and the overall condition of the economy and real estate market.

If your home is not priced competitively, homebuyers will prefer larger or better homes in the same price range, increasing your time-to-sell. When your price is later lowered, buyers may be wary because they suspect other reasons the house has remained unsold so long.

3. Failing to "present" the home. A property that is not clean or well maintained often suggests hidden defects that increase the total cost of ownership. Sellers should make necessary repairs, and spruce up the house inside and out, keep it clean and neat, or risk chasing away buyers brought in by realtors. Buyers will leave themselves a large margin for error for the cost of repairs, reducing their offer price.

4. Over-improving your home before you sell it. Most buyers will base their decision on purchasing a home based on how they feel about the kitchen and bathrooms. If these areas of the home meet both their emotional and physical needs it makes it easier to sell a home. It is a good idea to get a real estate professional to do a market assessment of what your home is worth BEFORE improvements. The next step would be to get a written estimate for improvement costs; then have your real estate professional give you an update on the market value to determine how much more money your home will sell for AFTER improvements are made. This will let you know whether it makes sense to upgrade your home first, then put it on the market, or to just put it on the market for sale the way it is.

Sellers may spend thousands of dollars doing the wrong upgrades to their home prior selling, expecting to recoup this cost. If you are thinking of selling, ask your realtor which upgrades are cost effective. Typically the most important and saleable areas of any home are the kitchen and bathrooms.

5. Choosing the wrong Realtor® or choosing for the wrong reasons. Many homeowners list with the agent who tells them the highest price, or a popular Real Estate company in the area. Remember it is NOT the sign that sells a home it is the real estate sales agent. Sellers should always choose the sales agent who provides the most experience and the one the seller thinks has the best negotiating skills. More experience could mean a higher price at the negotiating table, selling in less time, and with less hassles along the way.

6. Failing to take the first offer seriously. Many sellers believe that the first offer received will be one of many to come, hoping to hold out for a higher price, especially if the offer comes in soon after the

home is listed. Often the first offer ends up being the best buyer, and many sellers have had to accept far less money than the initial offer much later on in the selling process. The first 2 weeks of the listing term is critical. It is this time that the home will usually get MOST of its action. Do NOT let how quickly the offer came in determine your decision to accept it or not.

7. Using the "Hard Sell" during showings. Buying a home is an emotional decision, and buyers are looking to see if a house is comfortable for them. Good Realtors© let the buyers discover the home's features on their own, pointing out only features they are sure are important to them. Overselling your home during showings make buyers think they are paying for features that are not important to them and can lose the sale.

8. Not knowing your rights and obligations. The contract you sign to sell your property is a complex and a legally binding document. An improperly written contract can allow the purchaser to void the sale, or cost you thousands of unnecessary dollars. Have your Realtor© fully explain the contract or have your lawyer review it before acceptance.

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