



Report Compliments of **Homes and Lifestyles of Colorado** - *Finding Your Place Called Home*

Denver Office: <http://www.DenverHomeLiving.com> - (303) 816-9199 Office

## Common Selling Mistakes

### **Mistake #1 – Incorrect Pricing**

Every seller naturally wants to get the most money for his or her product. The most common mistake that causes sellers to get less than they hope for, however, is listing too high. Listings reach the greatest proportion of potential buyers shortly after they reach the market. If a property is dismissed as being overpriced early on, it can result in later price reductions. Overpriced properties tend to take an unusually long time to sell, and they end up being sold at a lower price than they likely would have had they been priced properly in the first place.

### **Mistake #2 -- Mistaking Re-finance Appraisals for Market Value**

Re-finance appraisals can be very encouraging for homeowners, leading them to assume that the appraisal is the amount that they should expect to receive for their property. Lenders often estimate the value of your property higher than it actually is, however, in order to encourage re-financing. The market value of your home could actually be (and often is) lower. Your best bet is to ask your Realtor® for the most recent information regarding property sales in your community. This will give you an up-to-date and factually accurate estimate of your property value.

### **Mistake #3 -- Failing to "Showcase"**

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. Make sure everything functions and looks presentable, and remove as many possessions as you can prior to showing. A poorly kept home, or one with too much clutter, will make it dramatically more difficult for buyers to become emotionally interested in your property.

### **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 to comfortably examine your property. Don't try haggling or forcefully selling. Instead, be friendly and hospitable. Pointing out any unnoticed amenities and being receptive to questions is advisable, but this is not the time for negotiation and salesmanship.

### **Mistake #5 - Trying to Sell to Lookers**

A prospective buyer who shows interest because of a For Sale sign or an open house ad may not really be interested in your property. Often, buyers who are not accompanied by a Realtor® are 6-9 months away from buying, and 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 Realtor® should be able to distinguish realistic potential buyers from mere lookers. Realtors® should usually find out a prospective buyer's savings, credit rating, and purchasing power in general. If your Realtor® fails to find out this pertinent

information, you should do some investigating and questioning on your own. This will help you avoid wasting valuable time marketing to the wrong people. If you have to do this work yourself, consider finding a new Realtor®.

#### **Mistake #6 -- Being Ignorant of Your Rights & Responsibilities**

It is extremely important that you are well-informed of the details of 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 any contract. Can the property be sold "as is"? How will deed restrictions and local zoning laws affect your transaction? Not knowing the answers to these kinds of questions could end up costing you a considerable amount of money.

#### **Mistake #7 - Signing a Contract with No Escape**

Hopefully you will have taken the time to choose the best Realtor® for you. But sometimes, as we all know, circumstances change. Perhaps you misjudged your Realtor®, or perhaps the Realtor® has other priorities on his or her mind. In any case, you should have the right to fire your agent. Also, you should have the right to select another agent of your choosing. Many real estate companies will simply replace an agent with another one, without consulting you. Be sure to have control over your situation before signing a real estate contract.

#### **Mistake #8 - Limited Marketing**

There are two obvious marketing tools that nearly every seller uses: open houses and classified ads. Unfortunately, these two tools are rather ineffective. Less than 1% of homes are sold at open houses, and less than 3% are sold because of classified ads. In fact, Realtors® often use open houses solely to attract future prospects, not to sell that particular house. Does your Realtor® have a website? There are very few successful real estate professionals who don't, and for good reason.

Your Realtor® should employ a wide variety of marketing techniques and should be committed to selling your property; he or she should be available for every phone call from a prospective buyer. Most calls are received, and open houses are scheduled, during business hours, so make sure that your Realtor® is working on selling your home during these hours (many Realtors® work part-time).

#### **Mistake #9 - Choosing the Wrong Realtor®**

Selling your home could be the most important financial transaction in your lifetime. As a result, it is extremely important that you select a Realtor® who is a good match for you. Experienced real estate agents often cost the same as brand new agents. Chances are that the experienced agent will be able to bring you a higher price in less time and with fewer hassles.

Take your time when selecting a real estate agent. Interview several; ask them key questions. If you want to make your selling experience the best it can be, it is crucial that you select the best agent for you.