

# TEN LISTING MISTAKES

## **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, and they end up being sold at a lower price. Even if you are able to get an above market price offer, it will still require an appraisal for the Buyer's financing.

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

Unfortunately, a re-finance appraisal may have been stated at an untruthfully 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. 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 -- 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. 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. Remember, you only have one chance to make a good impression

## **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. A good idea would be to point out any subtle amenities and be receptive to questions.

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

A prospective buyer who shows interest because of a "for sale" sign he 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 REALTOR® should be able to distinguish realistic potential buyers from mere lookers. REALTOR®s 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 towards the wrong people. If you have to do this work yourself, consider finding a new REALTOR®.

## **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"? 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 – Failure to Maximize Exposure of the Property**

Your REALTOR® should employ a wide variety of marketing techniques, including professional photography, Virtual Tour syndicated to all major real estate internet sites (24 x 7 Open House), Multi-media advertising, Networking with other Agents, utilizing a Buyer Database, and utilizing Broker Open and Public Open Houses. Your REALTOR® should also be committed to selling your property; he or she should be available for every phone call from prospective buyer's. 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. Chances are that you have a job, too, so you may not be able to get in touch with many potential buyers.

## **Mistake #8 – Not Obtaining a Performance Based Listing Agreement**

Don't get locked into a long term Listing Agreement with no provisions to cancel the Listing Agreement if your Agent is not performing or meeting your expectations. Have provisions to give notice to your Agent that you are not satisfied with the Agent's Performance with a specific time for the Agent to correct you concerns. If not corrected within a reasonable period of time, a provision to terminate the Listing Agreement.

### **Mistake #9 – Limiting Access or Exposure of Your Home to Buyer's**

Make your home accessible to potential Buyer's and their Agents is critical in reducing the amount of time to sell your home. Buyer's Agents and their clients will often take the path of least resistance, showing homes that are accessible, potentially limiting the amount of showings and offers you receive. The longer your home remains on the market, Buyer's are less likely to offer a full price offer.

### **Mistake #10 – Discounting Commissions**

It is a natural tendency of Seller's to discount the amount of commission paid in the sale of their home to reduce selling expenses. In a market with fewer home sales, agents may show other homes offering higher commissions and not show your home to prospective Buyer's because of a reduced commission. Also, you don't want the Listing Agent representing you cutting corners because of a reduced commission and not giving a 100% effort. Often times, a reduced commission can lead to a longer time on market and lower selling price that would lower your net proceeds more than what you hoped to save by reducing the commission by 1-2%.