



Avoid the Most Common Seller Mistakes

Selling your home is a business transaction, but all too often, sellers are ill-prepared and make emotional or impulsive decisions that cost them time, money and emotional stress. If you are thinking of selling your home, you need to avoid the following mistakes:

1. Over-pricing your home

Personally, I feel the worst mistake sellers make is pricing their homes too high. Buyers are for the most part educated and will not even look at an overpriced listing. Most likely, time forces you to lower your asking price to a more realistic number. The downside of this is that, in the mean time, you have lost valuable marketing time. Once a listing has been on the market for a while, it gets less attention. Bottom line is... price your home reasonably right from the start! You can ask your agent to run a comparative market analysis - "CMA" - or complete a broker price opinion - "BPO" - (more detailed than a CMA. Some agents may charge for this service). Better yet, hire an appraiser to conduct a formal appraisal.

2. Trying to do it all yourself

Faced with the prospect of having to pay sales commission, it might look attractive to attempt to sell your house yourself. The best bit of advice I ever received from one of my mentors was this "stick with what you are good at and write checks for the rest." Take heed, unless you have extensive experience at the task at hand, pay a professional. Also, the National Association of Realtors estimates that 75% of all buyers are represented by a buyer's agent who looks on the Multiple Listing Service - "MLS" - for suitable properties. Without you hiring an agent, you will not have access to these buyers, and will effectively eliminate 75% of the buyer pool.

3. Not prepping the property for the "buyer's" eye

Preparing your home for sale involves more than telling the kids to clean up their rooms. You have to realize that potential buyers have totally different taste than you. Try to neutralize your home as much as possible, visit a model home to get some ideas. A fresh coat of paint does wonders. Repair items that are not working, and clean, clean clean. This cannot be emphasized enough. Nothing turns off a buyer more than a dirty, dusty, smelly house.

4. Failing to orchestrate an effective marketing campaign

Most people understand that if you don't let the world know that you have a house for sale you are not going to get very far. The question lies in how to accomplish this. Marketing is more than merely putting up a For Sale sign. Here are some questions to think about: Who is your target buyer? Did you prepare your property for sale? What sets you apart from the competition? Are you offering incentives? What marketing media is available to you? Ask your agent for a copy of their marketing plan and review it.

5. Not understanding negotiations

I cannot tell you how many times I have seen sellers push away prospective buyers because they got triggered, or because they did not understand the offer. Rather than turning your nose up at what you think is a lowball offer, look at every offer and present a realistic counter offer. That way, you can spark a real negotiation. Often, inexperienced sellers feel that they are being taken advantage of when a buyer negotiates hard. You have to remember that real estate is a negotiable commodity. Most buyers want to get the best deal possible and are testing you to find out where you stand. If you are dealing with a qualified buyer just keep moving for what you want, find out how far they are willing to go, let them throw in the towel, not you!

6. Not Being Available

This applies to you and the property. When you're selling your home, ensure it is always available for showings. When it comes to setting appointments, sellers more often than not make the mistake of being inflexible. Qualified buyers are generally professionals who work long hours and have limited spare time. For example, not showing your house in the evening is saying no to a big chunk of your buyer pool. Also, once there is an offer on the table, it is crucial you be available to negotiate the offer, as well as to take care of the little things that will need to be done in the closing process.

7. Wasting time on unqualified buyers

You received an offer. You concluded favorable negotiations. Escrow opened, you took your property off the market. You are two or three weeks into the closing process and emotionally, you moved on to your next venture, when, out of the blue, you get a call from your agent saying that the buyer did not qualify. Can you feel the pain? Buyers face strict lending standards, therefore it is crucial you check out the potential buyer's qualifications. The last thing you want is the scenario above. Before accepting an offer, be sure the buyer has been pre-approved, not just pre-qualified. Don't accept offers based solely on price. A cash buyer is more likely to close than someone going for 100% financing. After you have received an offer always keep marketing your property, a couple of backup offers will protect you from having to put your house back on the market if the first buyer fails to close.

8. Not understanding what you have to sign for

Contracts can be complex and confusing. Don't let the fine print scare you. Before you sign and enter into a formal agreement, ensure that all documentation clearly reflects your understanding of the transaction. Review each page carefully with your real estate agent or attorney. Is everything in place? Is there something you don't want? Don't rush. You want to sign off with clarity and eliminate any possible liability.

Good luck!

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Dimitri Larno got his start as a Realtor® by investing in real estate himself. He brings almost 12 years of real estate investing experience to the table. Dimitri's specialties include primary residences, second homes, investment properties, commercial properties and land. Dimitri has been recognized for being a Multi-million Dollar Producer, and is an accomplished investment Realtor®.

"Strive not to be a success but rather to be of value" Albert Einstein