

Real Estate Report:

Sellers Beware! These Costly Mistakes Can Cause Your House To Sit On The Market!

By Thomas Lee

You put your house on the market, ran an add in the newspaper classifieds, and sat by and watched as the phone didn't ring. To make matters worse, few, if any people came by the house. This happens frequently, and the problems in all cases are usually the same.

The Dangers of Pricing Too High

You probably have lots of emotion "built in" to your house. Maybe you fixed it up, or you raised your children there. Your home is your "special" place. However, when it's time to sell, don't let emotion play a roll in your pricing decision!

Many sellers don't understand that overpricing can actually result in your getting LESS for your house than if you had priced it correctly in the first place.

Knowledgeable agents and buyers often won't bid on an overpriced home. By the time you "wise up" and reduce the price to where it should have been priced in the first place, many of your best prospects will have bought other houses. This decreases demand for your now properly priced home! The problem is exacerbated if you placed your home on the market in the spring, it sat on the market "overpriced" throughout the summer, and now that you've reduced your price, the market has slowed.

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Also, consider that agents tend to steer buyers away from homes that have been in the Multiple Listing Service for long periods of time. Agents and buyers become suspicious that something is wrong with your property if it didn't sell relatively soon after it went on the market. It's important to price it right the day you put it on the market!

Also, consider what you could have done with the profits from the sale of your home if you had priced it right. Suppose you priced it right and sold relatively quickly, and invested that money in a rising stock or bond market. On the other hand, suppose you overpriced your home, and after several months, had to reduce it to where it should have been priced in the first place. Even worse, the house still isn't sold! You get the picture.

The Dangers of a Lack of Exposure

It's a fact that most real estate transactions occur between buyer's and seller's agents. Buyer's agents typically find properties for their clients through the Multiple Listing Service. Not being in the MLS makes it extremely difficult to get buyers through your door. If your home is not in the MLS, you're off the radar! Hire a good real estate agent, and get into the MLS!

Also, make sure your real estate agent uses aggressive marketing strategies to make sure your home sells. In a red-hot market, the MLS is probably the only exposure your home will need. However, if the market is anything less than red-hot, your agent will need to print flyers and introduce your home to other agents in his or her office, as well as other local sales offices. Also, exposure in home magazine ads, classified ads, and the Internet will help generate demand for your home. Make sure your agent uses a powerful marketing program!

The Dangers of not “packaging your home” for sale!

Curb appeal is everything! You can take two identical homes next door to each other, both for sale. The first home has a cluttered yard with tall grass and weeds. The shutters on the house are chipping. There are toys in the yard. When you open the screen door, it's half way off the hinges. The inside is fairly cluttered as well, and the wall could use a coat of paint. On the other hand, the owners of the home next door paid \$300 for a landscaper to mow the lawn trim the shrubs and clear the gutters. Inside, they added a fresh coat of paint and cleared up all the clutter. Again, the two homes are identical. Both owners paid the same amount for the same model. Guess which home is going to fetch more money?

Don't be lazy. A few days of labor and minimal investment can make the difference between your house sitting on the market and selling the day you put it on the market. Cosmetic appeal is essential!

Finally, don't negotiate foolishly!

Don't appear overly eager when you negotiate with buyers. If you appear too eager or too anxious to make a deal, buyers may become suspicious. Worse, they may lower the offer because they think you're desperate to sell your home. Stay cool! Also, don't appear too tough. A good deal can fall apart if buyers find you too rigid to work with.

You probably have a lot of emotion invested in the house, which can certainly get in the way of effective negotiations. The best thing you can do is let your real estate agent handle your negotiations. She or he is emotionally detached from the home and has strong negotiating skills.

I hope this informational report was informative. As your local real estate professional, I am available to answer any questions you have about how to create the necessary exposure for your home to get it sold fast, at the price you want. You can call me at any time for advice, and please remember that you are under no obligation or pressure of any kind. I would very much like to help you.

Best Regards,

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