

7 Mistakes to Avoid When Selling Your Home

Selling your home is a complicated process. It is natural to feel overwhelmed by the magnitude of details involved, but the experience can be not only manageable but also educational when broken down into smaller components. The following is a list of common pitfalls encountered during the home-selling process.

Uneducated Pricing

It is essential that you determine the asking price of your home based on its market value. Too many home-sellers allow emotions or need to influence their asking price, drawing from numbers based on the original price of the house or the amount of money that has been invested. This mistake may prove to be costly. If your home is priced significantly higher than what the market is bearing, prospective buyers that may be interested in your style of home will reject it for larger homes listed at the same or a similar price. Those buyers who do see your house may have significantly higher expectations than what you have to offer. Ironically, over-pricing your home actually increases the chances that your home will sell for less than it is worth! Driving prospective buyers away will increase the amount of time your home stays on the market, which raises an additional red flag for buyers. They may become wary of the reasons your home is not sold. This typically leads to the assumption that there must be something wrong with your property. Bottom line: price correctly, and buyers will show interest.

It is equally important to ensure that you are not asking for too little. A lack of market value awareness could result in selling your home for much less than it is worth!

Neglecting to Showcase your Home

Take the time to ensure that you are supporting the best possible first impression of your home. A few minor improvements before placing your property on the market can increase the chances of selling quickly and for more money. When buyers spot an area of your home in need of repair, they consider this perceived cost when deciding upon an offer – that is, if they haven't already been scared away. Since buyers are often unsure about the cost involved for repairs, they will likely create a larger margin for error in their asking price. Sellers are always better off dealing with these repairs themselves.

In addition to taking care of touch-ups, it is important to ensure that the house is clean, welcoming and that the yard is well-groomed.

Choosing the Wrong Agent

Many sellers choose to work with the real estate agent who suggests the highest asking price. This should never be the sole basis upon which you choose a representative. You must have confidence in the full spectrum of your agent's experience and abilities. Keep the following questions in mind.

- Can this agent explain all of the aspects of the selling process in a way that is clear and comforting?
- Do they have a good grasp of the market?
- Does this agent have access to a large pool of buyers and a marketing strategy to attract them?

An experienced professional will usually charge the same as those who are new to the game. Holding out for those who have been in the industry for a few years could mean greater security in the knowledge that your ultimate home-selling goals will be attained.

Attempting to "Hard Sell"

Potential home-buyers don't want to feel pressured when attending a viewing as they may be entering into an emotional and stressful decision-making process. Let your home speak for itself! Allow your potential buyers to comfortably view the house and property. Don't try to point out every improvement you've made. Good realtors® allow buyers to discover the house for themselves, only pointing out features that they are sure will be of interest and being receptive to any questions that the buyers may have.

Mistaking "Lookers" for "Buyers"

Some people who look at your home may not be serious about buying. Many who view homes may just be getting a feel for the market, gathering ideas for "showcasing" their own home, or even just looking for decorating tips. Of the people who are looking to buy, those who do not come through a realtor® can be 6 to 12 months away from buying. They may be in the process of selling their own home, or saving money for a new one.

An experienced realtor® is trained to separate the "Lookers" from the "Buyers." Realtors® should usually establish a potential buyer's savings, credit rating and purchasing power. If your agent hasn't looked into a buyer's financial background, you should take the time to investigate. This will save you valuable time in gearing your marketing towards the wrong people.

Limited Marketing and Advertising

A good agent will ensure that your property is showcased and marketed in the most effective manner possible by employing a wide spectrum of techniques. He or she should be committed to selling your home, making the effort to distinguish your home from the hundreds of other homes on the market. Most calls are received – and viewings scheduled – during business hours. This being said, your realtor® should be available to field calls from prospective buyers. Lack of agent availability, limited viewing times and refraining from posting a “For Sale” sign on your lawn can all affect the exposure your home gets to the pool of potential buyers. This will ultimately affect your bottom line.

Ignorance of your Rights and Responsibilities

It is essential that you are thoroughly aware of the details involved in your real estate contract. These contracts are often complex but no matter how confusing and convoluted the language, the contract is legally binding. As soon as you sign your name, you are responsible for all of its contents. Being unaware of your responsibilities could cost you thousands in repairs and inspections. Have an experienced professional explain the contract to you, or ask your lawyer to review it before you accept the agreement.