

# Southwest Washington



## **The 10 Biggest Mistakes that Home Sellers Make**

### **Trying to Time the Market**

Instead of trying to guess the market, it's wiser to choose *your* ideal sales timeline. This may be based on personal factors like your financial situation, shifting family needs and wants, or the seasonal patterns in your employment or retirement. We can help you figure out the best time to sell given your individual circumstances. Delaying your home sale until prices have hit their peak may sound like a great idea. However, predicting the market with certainty is next to impossible, and if you wait to buy your next home its price will likely increase as well. This may erode any additional proceeds from your sale. When mortgage rates are rising, your pool of potential buyers will shrink, and you will have to pay more to finance your next purchase!

### **Not Hiring a Broker**

There's a good reason over 90% of homeowners choose to sell with the help of a Real Estate Broker. Homes listed by Brokers sell for 22% more than the average For-Sale-By-Owner home (National Association of Realtors). We all know that Little or Poor Marketing equates to fewer showings, and fewer showings mean less offers and as a result less money in your pocket. Right behind FSBO marketing are discount companies and real estate brokers with lower-than-average commission rates. They often have the worst marketing in the industry as they have less to spend on your property. Remember, Realtors only get paid when the property Sells! They front all the marketing expenses and their time. Lower Commissions equal Less Time invested and Less Marketing effort.

### **Setting an Unrealistic Sales Price**

The price you want and what the market will pay can be two very different things. The term "Fair Market Value" refers to how a home is valued by both Appraisers and Banks. Many sellers believe that pricing their homes high and waiting for the "right buyers" to come along will net them the most money. However, overpriced homes often sit on the market with little activity, which can be the kiss of death in real estate.

## **Acting on Emotion instead of Reason**

It's only natural to grow emotionally attached to your home. That's why so many sellers end up feeling hurt or offended at some point during the selling process. Low offers can feel like insults. Repair requests can feel like judgments. It's easy to get emotional about all of this, especially if you have lived there for a long time. You spent a great deal of time and effort to find the right one, worked hard to fix it up, and created many memories there. People generally have trouble keeping their emotions in check when it comes time to say goodbye. When you decide to sell your home, start thinking of the sale as a business transaction or the sale of an investment rather than all the history. You are moving into the Future!

## **Not Underestimating the Cost of Selling**

Before you make the decision to sell, it may be helpful to assess your income, debt, and any upcoming expenses during your move. The total cost to sell a home can amount to much more than the 5-6% in agent commissions most people expect to pay. When accounting for closing costs, repairs, and other concessions to the buyer, the costs of selling can be closer to 8-10% of the sale price. Having your Real Estate Broker create a "Net Proceeds to Seller" calculation will give a general idea of how much money you may walk away with after the sale.

## **Ignoring Needed Repair**

Sellers often hope that buyers won't notice their leaky faucet or broken shutters during home showings. But minor issues like these can leave buyers worrying about more serious and costly problems lurking out of sight. After all, if the Seller neglected the small stuff, what else is wrong? Even if you do receive an offer, the buyer will be required by most lenders to hire a professional home inspector, who will report any defects in their report. Neglecting to address a major issue could lead buyers to ask for costly repairs, money back, or worse yet, walk away from the purchase altogether. To avoid these types of disruptions, it's important to make necessary renovations before your home hits the market. Consider fixing issues that are likely to turn up during a home inspection. This extra time and attention can help you avoid potential surprises down the road that could impact a future sale.

## **Not Staging Your Home for Showings**

One of the challenges of listing your home on the market is showing your home to prospective buyers. Generally, the cleaner, less cluttered your home is, the more appeal it can have. This is truly one time When Less is More! Inside, removing personal items, decluttering, emptying out closets and deep cleaning. Outdoors, you might focus on emptying out the garage and storage sheds, power washing sidewalks and siding, planting flowers, cleaning the gutters, painting the front door. Think Curb Appeal!

## **Not Trusting Your Brokers Advice**

Both you and your real estate broker have the same goal...sell the home with as little stress and as much profit as possible. When your broker offers advice, it comes from a place of experience and the desire to do the best job possible for you.

It's not easy for a broker to suggest things like cleaning the teenagers' room, to remove your cats litter box out of the house for every showing or ask you not to leave the dog locked in the bedroom. But those tough conversations must be done to accomplish your goal.

## **Limiting Showings**

Once you've put your home on the market, cooperate when a broker wants to show it. That could mean skipping out at dinnertime for a showing or vacating for several hours or even most of the day on a weekend. The goal is to accommodate as many buyers as possible in the shortest amount of time, even if their timing is inconvenient. Remember your goal is to Sell.

## **Evaluating Offers on Price Alone**

When reviewing offers, most sellers focus on one thing: the offer price. While dollar value is certainly important, a high-priced offer is worthless if the deal never reaches the closing table. That's why it's important to consider other factors in addition to the offer price, such as: Financing and buyer qualifications, Deposit size, Contract Contingencies, Requested Repairs and Closing date.

## **Working Together to Get it Sold!**



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