

# Top five mistakes people make when selling their home

By David Cook

Selling your home could be one of the most profitable experiences in your life; it can also be one of the most disastrous. In many cases, home sellers don't even realize their making a critical mistake that results in thousands of dollars lost at closing.



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For example, the worst time of the year to sell your home (but it is the best time of year to buy a home) is between Thanksgiving and New Year's Day. Only the highly motivated or bargain hunters are in the marketplace between these holidays. However, the best time of year to sell your home is usually between March and October with June being the most active.

While the season is important, the approaches you take to market and sell your home far outweigh the time of year. If you avoid these common mistakes, your likelihood of suc-

cess will be greatly improved.

• **Selling FSBO (For Sale by Owner).** While selling your home without an agent and not paying a commission might appear on the surface to be a great idea, it's one of the worst things you could do. According to the National Association of Realtors, homes sold in 2004 by owner sold for over 13% less than agent-assisted sales.

Why is this? It's because the most challenging aspect of selling a home is listing it at the correct price. Even with the increased availability of information on the Internet, agents have the very best access to market information. In addition, successful agents know the ebb and flow of buyer demand, which can far outweigh the importance of recent sale information. More importantly, 77% of all buyers work through agents and brokers. If your home is not fully exposed through the multiple listing services and the agent-driven marketplace, your odds of finding a qualified buyer are dramatically reduced.

• **Not preparing the home for sale.** It is estimated that more than half of all homes are

sold before the buyers even get out of their cars. I can't emphasize curb appeal enough. A buyer's first impression can make or break whether they even want to go inside and look.

With that in mind, stand outside your home and take a realistic look and then ask yourself what can be done to improve the "curb appeal". Ask your Realtor's opinion as to what they see would make the home show better. A little cleaning and paint could make a huge difference in a final sales price.

• **Hiring a non-local agent.** All too often, home sellers will hire someone they know or an agent from a big-name real estate company in Bellevue or elsewhere. Big mistake. Hire a local real estate company with an agent that works and lives in the area. I see agents all the time roll into town, sell a home under-market and leave the unsuspecting home seller with thousands of dollars in lost profit. No agent knows the market for your home better than the local agent that lives, works and has an investment in the community.

• **Interviewing only one agent.** Home sellers that hire the first agent they meet are doing themselves a disservice. Even among local agents, there is a wide scope of education, experience and skill level between those agents. Every agent will have a different perspective and approach for selling real estate.

Ask more than one prospective agent to prepare a no-cost comparative market analysis or CMA for your home. Preparing a CMA is an art, not a science. Two agents can take the same data and manipulate and interpret the data to make a different recommendation.

Having more than one opinion of your home's value will assist you to price your home right. Ask the prospective agents for their written marketing plan for selling your home. There is more to selling your home than just installing a yard sign. Finally, negotiate your sales commission. Not all agents can or will negotiate their fee. You don't have to pay full price to receive competent real estate services. Hire an agent with the flexibility to give you a deal.

• **Overpricing your home.** One of the biggest mistakes home sellers can make is overpricing their home. They think someone will fall in love with their home as they did and pay a super-inflated price based on emotion rather than market factors. Sometimes it's stubbornness, foolishness or just plain greed.

Whatever the reason, the longer a home sits on the market, the lower the final price will be. If your home is overpriced, most buyers won't even make a purchase offer because they think you are not a serious seller. Your home is competing with other homes for sale and buyers will simply move on to other opportunities. In the end, you will lose with a lower sale price than you would if you had priced your home correctly in the beginning.

If you follow these simple steps to selling your home, you will have the best chances of obtaining the full market value of your home and cashing-in on what could be your family's biggest investment.

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