

# TOP **10** MISTAKES

— *Home sellers make* —



Selling your home can be a nightmare of frustration and disappointment. It can cost you thousands of dollars, either in selling too cheaply or in needless expenses.

**It need not be this way.**



Selling your home should be a pleasant and rewarding experience. You should receive the highest possible price at the lowest possible cost.

This information will help you avoid costly mistakes made by home sellers. It will help you achieve the highest price at the lowest cost.

Following the tips included below will make selling your home a more pleasant and rewarding experience.



# 1

## The Agreement

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### No guarantee, no trust, no contract

Rarely does a good relationship begin well with conditions heavily weighted in the favour of one party in a relationship. Just as this is true in life, it is also true with the relationship you are about to enter into with your real estate agent.

All agents will ask you to sign an agreement before you sell your property, however you are under no obligation to put your trust in any agent unless they are prepared to guarantee their service. The solution is simple: If they want you to sign their agreement, you must insist that they sign your guarantee first and your guarantee is the Real Estate Homesellers Protection Guarantee.

The Real Estate Homesellers Protection Guarantee has been designed in consultation with a legal team and advocates who are committed to increased consumer protection in real estate and this guarantee can be used with any agent.

Reputable agents will gladly guarantee their services and this will become your foundation for trust. Place your trust unconditionally in the hands of an agent that is prepared to sign your guarantee and remember, **no guarantee, no trust, no contract.**



## 2 Choosing Your Agent

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Choosing an agent is a big decision and it should be done with a degree of caution. Although the real estate industry on a whole is made up of decent people wanting nothing more than to help you sell your home for the highest price possible, practices used by some agents to get your listing need to be viewed for what they actually are, deceptive and dishonest.

One thing you need to be cautious of is agents with low fees.

### **Agents with low fees**

If an agent is prepared to give their own money away what do you think they will do with your money? It is better for you to pay a little extra for your selling fees than to receive a lot less on your selling price. Good negotiators rarely give big discounts on their fees and if they get you the best price for your property, they are worth every cent of a fair fee.

Choose an agent who offers a guarantee and remember, all fees can be negotiated down, especially if the agent is trying to negotiate your price down.



Too often home sellers are educated incorrectly and taught to believe that they need to pay a real estate agent in advance for the cost of advertising and other agency fees. This is not true and agents wanting to charge you in advance for services not yet provided, should be avoided.

Although it is not unreasonable for an agent to charge for advertising if you're demanding a more aggressive advertising campaign, you should be extremely cautious if an agent is insisting that you need to pay fees up front for the cost of advertising you haven't requested and for their expenses.

Top performing agents usually charge slightly higher fees and are paid for their performance. They don't need you to pay them in advance for an assumption that they will sell your home, because selling your home for the highest price possible is how reputable agents get paid.

Avoid these advance fee scams at all costs and be prepared to pay a slightly higher rate for the performance of your agent, because they will work harder for you if their income is tied to the sale of your home.





Most Real Estate advertising is a waste of money, so you better make sure it is not your money they are spending. Many agents advertise to promote themselves, not your home and this is a needless expense because very few homes are ever sold because of advertising.

The industry is addicted to advertising and although there are dozens of advertising awards, there are very few client satisfaction awards. Many agents simply raise their profile and profits at your expense. Do not allow this to happen to you.

Never pay money in advance to an agent for advertising. And don't sign anything which says that you must pay for advertising before your property is sold and you are satisfied.

Buyers wanting to purchase in your area always visit the area before they buy. The fact is that the location people want to live in attracts buyers more than any advertising ever will and for this reason it is a waste of time, money and energy to place advertisements in publications that reach thousands of people who will not be interested in buying in your area.

As long as you have an agent that is readily contactable seven days a week, buyers for your area will be attracted to your agent. The best agents will qualify the most appropriate buyers and bring them to your home.

That's how most homes are sold.



### **Warning: Auctions do not get the best prices**

In buoyant markets it is possible that a property can be sold for the highest value with more than one party bidding on a property at auction, this is however rarely the case. Auctions are riddled with deceit and one of the worst deceptions is the “reserve” price.

Agents will tell you how your home can sell for thousands above reserve, however your reserve is your lowest price! It is the minimum you will accept, under pressure.

Auctions put you under needless pressure and many auction buyers openly admit they would have paid more than they did at auction. Don't focus on the lowest you will accept, focus on the highest you want and insist on your agent pursuing the maximum price for your property.

Agents will tell you that auction prices go up, but don't be tempted, because the reason auctions go up in price is simple: they start low! The fact is you will always get a much higher price by starting high. If agents were forced by law to guarantee that no home sellers could lose at auctions, the auction system would cease to exist.

Auctions might be the best option for agents, but be warned: they are not best for you.

### **Then there are sales systems**

The process of bringing a buyer together with a seller is relatively simple and reputable real estate agencies with appropriate sales systems in place, sell homes faster and for higher values. As previously mentioned, most buyers will visit the area they want to live in before buying a home, so it is important that you are well positioned to take their enquiry.

This method employs genuine sales systems including maintenance of a buyers list, a sellers list and ways for bringing the two together. Do not rely on an agent that is insisting that they will sell your property fast because they have a bruit force advertising campaign that will set the world on fire. Find an agent with a proven system, ask them to show you results, testimonials and proof that their system will work for you.

## 6 Setting the Price

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### **Be wary of the bait prices trap** *(buyers and sellers need to watch out for this one)*

Never allow an agent to use a low false price to 'bait' buyers. If you use a price range or guide or a 'by negotiation' strategy, you are encouraging buyers to offer you less. Your 'bait' price will 'hook' you more than the buyers! Sure, a lower 'bait' price may attract more buyers but it attracts the wrong buyers!

The lowest price the buyers see will become the highest price they want to pay. And never tell anyone the lowest price you will accept because that too can quickly become the highest price you will get.

## 7 Presentation

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Sparkle Presentation: Dull homes get dull prices. Do not confuse improvements with presentation.

Make your home sparkle and your price will shine. Pay attention to little things which create a big impression - the front garden and the first appearance of your home.

Stand back and look at what buyers will see when they arrive. Cleanliness is vital. One of the most important and most overlooked aspects of selling a home is its smell. Pleasant scents create pleasant moods. A home which sparkles always sells for a higher price.





## 8

## Poor Negotiators

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Poor negotiators will cost you a lot of money. Negotiation skills are vital to ensuring you get the highest possible price for your home.

Here are several Principles of Real Estate Negotiation. Ask an agent to quote some to you. You will soon discover who is the best negotiator. A good negotiator can mean an extra ten percent on your selling price, which can mean thousands of extra dollars in your pocket.

If you have an attractive home you don't need a salesperson as much as you need a negotiator. Be very careful: most agents are poor negotiators. Insist on an agent who is a skilled negotiator.

## 9

## Quote Trap (biggest lie gets the job)

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Be very careful that you do not choose the agent who tells you the biggest lie about the sale price of your property. This is called "buying your business". Also, be wary of agents who try to talk you into auction by telling you stories of incredible prices.

This is a common trick and if you choose an agent based on the selling price they quote you, you may be disappointed. If you suspect that an agent is attempting to "buy" your business with a high price estimate, insist they give you their estimate in writing. Also insist that they charge you nothing if they sell for less than the price they estimated.

This will identify the agents who are enticing you with false price promises.



## 10 Open Inspections

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### **Warning: Open Inspections Are Dangerous**

Do not allow anyone into your home unless you have two assurances:

1. they have been identified
2. they are interested in buying your home

A person needs more identification to rent a video than they need to stroll through a family home being sold by most agents and this is just wrong. Do you really want dozens of strangers opening your wardrobes and inspecting your private possessions?

Insist on your security, Protect Yourself, your home and your family and do not allow an agent to open your home to the public. ‘Sticky beaks’ and thieves will not buy your home. Only buyers will buy, therefore, only buyers should be invited into your home for an inspection.

Don’t restrict genuine buyers to one or two hours a week, allow these people to inspect anytime and don’t let others inspect at any time. Please be aware that your home may not be insured when you hold an open inspection. The Police Service will offer you similar advice. Please, never open your home for public inspection.





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