

Three(3) costly

Mistakes to avoid when selling your property

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HERE ARE MY TOP 3 MISTAKES

So you don't make the same ones

Selling a property is a stressful time and full of decisions you need to make. In the last 5 years I've been helping people move house, I've seen people make terrible mistakes and poor decisions which have ultimately cost them thousands of pounds and lots of wasted time in the long run.

MISTAKE 1: PRICING TOO HIGH

Why: Probably one of the easiest mistakes to make as naturally, everyone wants the highest price for their property and rightly so. But get this... the lowest priced properties sell for the highest price and the highest price properties sell for the lowest price. Read that again.

You may be thinking I'm mad but it's true. If a property appears really good value, everyone is going to want to view, and likely, offer on it. That competition will drive the price up to absolute market value. Think auction. Think Ebay. When selling anything, especially a property you want to price for the majority and hope the minority buyer attends the block viewing.

In contrast, if all the thorough research (recent comparable sales, price per square foot comparable, competition assessments and so on) suggests that your property is worth €500,000 and you decide to market at €600,000, what do you think will happen?



According to Which?, sellers lose £4,300,000,000 (aprx. €5,060,000,000) a year to overvaluing and homes with a 5% price cut take 2 months longer to sell.

Firstly, you will have limited interest as your property will appear expensive compared to the competition. Secondly, you are justifying a buyer buying a competing, correctly priced property. In other words, your helping your competition sell. Thirdly, it's likely after 6 months your property will start to stagnate on the market. It'll become "oh, that house is still on the market, there must be something wrong with it". No-one wants what no-one else wants and everyone wants what everyone else wants. It's human nature. Unfortunately, there is only 1 solution to the third and that's a price reduction.

So Fourthly, you're going to have to reduce the price, but here's the issue... Do you think a price reduction to €500,000 will do it? Probably not! Your house is now stagnate on the market and you've missed the prime market launch period to get competing offers and so the best price. You're going to need to reduce your €500,000 house to €480,000 in-order to re-invigorate the marketing and make it appear in searches where people wouldn't have previously seen it. So what started out as 'let's just try a bit higher and see what happens' has actually cost you €10,000/€20,000 and 6 months of wasted time.



Remember, you can't underprice a property (as long as you don't sell it to the only buyer who views it) but you can very easily over-price a property and kill the crucial interest.

MISTAKE 2: CHOOSING THE CHEAPEST ESTATE AGENT

Why? What's the difference between an estate agent and a great estate agent? I'll tell you. 3-5% of your asking price. It is. Honestly. According to extensive research, the average estate agency achieves just 90% of the asking price whereas great agents achieve 95-100%. On a €500,000 house, that 3% difference equates to €15,000 more for your house... that's a lot of money. So we can agree that choosing a great estate agent is crucial, yes?

As with anything good, great, extra-ordinary or premium service, it's slightly more expensive but BETTER VALUE overall. How many times have you opted for the cheaper option, only to have to return and buy the quality option. As the saying goes, buy cheap, buy twice.

Estate Agents are no different, there are the good, the bad, the ugly and the remarkable. A bit like surgeons... some surgeons have carried out lots of procedures and so have more experience and knowledge, some have only just started and could more easily make a mistake. When it comes to estate agents and negotiation, it's no different.

Picture this... You have a house which you're planning on marketing at €500,000. Agent 1 is offering to sell it for 3% but does not offer extensive advertising neither has any negotiation plan and agent 2 is offering to sell it for 5% but offers extensive advertising and when offers come in he knows how to react on them rather than simple translating them..... which is the cheaper agent? Agent 1 right? No. No. No.

Agent 2 is because they're more likely to achieve you €15,000 more for your house and at a much faster time but only charge you €10,000 more so you're not only €5,000 BETTER OFF at the end but you will manage to sell much faster... that's what it's all about... the END amount of money in you're left with.

MISTAKE 3: THINKING YOUR HOUSE WILL SELL ITSELF

I recently saw a comment on Facebook where someone said “Houses sell themselves”... It hurt. It’s not true (if it is I’ve been robbing people for the past 5 years).

Whether you love or loath estate agents... you need them as houses DO NOT sell themselves. Here’s why:

- They do not value themselves at the correct level to achieve maximum interest resulting in optimum price, quickly, avoiding stagnation and reduction.
- They do not photograph themselves to attract maximum viewings.
- They do not write a description that will give potential buyers just enough info, but not too much... to encourage a viewing.
- They do not promote themselves in the places they will be seen the most.
- They do not overcome people’s objections resulting in more viewings.
- They do not continuously analyse and review the marketing and make changes where needed to avoid stagnation.
- They do not arrange viewings in a way to creates a sense of competition and urgency.
- They do not carry out viewings in a way that starts and ends the viewing in the area of the house the buyer most wants in a property. They do not follow up viewings addressing people’s possible concerns and starting a negotiation.
- They do not negotiate the best price for themselves.
- They do not progress the sale solving the inevitable problems along the way. (survey issues, slow solicitors, etc) ... an experienced, committed, expert estate agent does.

FREE-NO OBLIGATION VALUATION?

If you would like to get a free valuation, to discuss about selling your property or have any questions about this guide feel free to call us below or email us at info@property-canvas.com

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