

10 Deadly Mistakes Home Sellers Make in the Bay Area (and how to avoid them)



1 Incorrectly pricing your home.

HERE'S HOW TO AVOID IT: Do thorough research on the type of home you have and the immediate area to see what's generating the best results. The three primary pricing strategies are: 1) pricing over market value and negotiating downward, 2) pricing at market value, or 3) pricing below market value with the hopes of buyers bidding up the value. Results fluctuate by area, price range, and home type so be thorough.

2 Failing to showcase your home.

HERE'S HOW TO AVOID IT: Clean your home. Buyers can easily be turned off by a dirty house. Touch up or repaint as needed. When repainting, use popular colors today's buyers like in your area. De-clutter. Take down family pictures so a buyer can more easily see themselves living in your home. Staging a home in the Bay Area has nearly become a requirement. Buyers are now so accustomed to seeing staged homes that not doing so will cause yours to stand out, but not in a good way. Curb appeal still matters. Make sure the yard is trimmed and swept. Sometimes it makes sense to remove shrubbery that can block the view of your home. Ask your Realtor for suggestions. A front door mat and a little color on the porch (like plants from Home Depot) can help complete the image of hominess.

3 Staying at home during a showing.

HERE'S HOW TO AVOID IT: Go shopping. Go to the movies. Take the dog for a walk. Go on a bike ride. Go to the gym. Go to lunch. Go to the office. Go golfing. Go to the beach. Visit friends. Visit grandkids. Park down the street and listen to the radio. Do anything that gets you out of the home and allows the buyer to feel comfortable walking around without the fear of you looking over their shoulder.

4 Mistaking lookers from buyers.

HERE'S HOW TO AVOID IT: If a buyer approaches you directly wanting to see your home without a Realtor, simply hand them your Realtor's business card and have them call him/her. Your Realtor should be able to vet if this person has the financial qualifications needed to buy your home. Think of it this way, if a buyer is serious, they're not going to walk away just because you want them to act in a courteous manner. It will save you time and will help protect your safety. Never let a stranger in off the street without a Realtor being present. This is one of the reasons you are paying your Realtor so do not be shy about asking for this important aspect of the service they offer.

5

Not knowing your rights and obligations.

HERE'S HOW TO AVOID IT: Real estate law is complex. When you accept an offer, you have created a legally binding contract. A Realtor or real estate attorney can help you here. You can also educate yourself by reading books on the subject. The main point is that if you are unsure of what you are agreeing to, you should do your homework or consult with a professional BEFORE you sign it.

6

Signing a Listing Agreement with no way out.

HERE'S HOW TO AVOID IT: Sometimes unfortunate things happen. For example, your Realtor could become unable to serve you for some unforeseen reason. Many times, a Listing Agreement will allow the brokerage to assign your listing to another Realtor you may not even know. You can protect yourself by having a Service Guarantee. It will not only give you a way out if your Realtor cannot serve you but, and more importantly, it can also give you a way out if your Realtor fails to perform to your expectations.

7

Limited marketing exposure of your property.

HERE'S HOW TO AVOID IT: In today's fast-moving market buyers are looking online first. That's where your home needs to be. Think of it as the billboard for your home. How many billboards will there be? Where will they be located? What is the message they are communicating? How can a buyer get more information or schedule an appointment to see and buy it? The answer is, in as many places as possible while showing off your home in its best light! But all this does no good if the buyer does not know how to reach you. There should be an easy way for a prospective buyer to contact you or your representative with a phone call, text, or e-mail address.

8

Not defining optimal target markets.

HERE'S HOW TO AVOID IT: Determine who are the most likely candidates to purchase your home and have your marketing message communicate directly to that audience. If you are selling a home in a 55+ senior community, would you have pictures of a 30-something couple sitting in the yard? You could, but you probably wouldn't be communicating very well with your target audience. Is your home located in an area with great schools? You might want to consider targeting married couples who value education and have school aged children.

9

Believing that a bank or 3rd party appraisal is the correct market value.

HERE'S HOW TO AVOID IT: Speak to a professional Realtor who knows the local market. When an appraiser is appraising a home for a reason other than a sale (i.e. for the estate of a deceased owner, re-financing, etc.) the figures they use can be skewed toward a desired result. But when a property is appraised for a sale, it will be more carefully examined and will be held to a higher standard of accuracy. A good local Realtor will have their finger on the pulse of the local market and be able to provide you with a fairly accurate estimate of your home's value.

10

Not consulting with your CPA about potential tax saving opportunities.

HERE'S HOW TO AVOID IT: It sounds simple enough but contact a CPA that specializes in real estate. Not all CPA's are well versed in all the vehicles you can use to avoid incurring capital gains taxes. Waiting until after the sale is too late. The simple act of selling real estate can be a taxable event. You cannot undo the consequences once you've hit the self-destruct button. And the cost for missing this step can cost you hundreds of thousands of dollars. A good agent should be able to help you find the right person to help you with your specific situation.

Good luck on making one of the best and biggest sales of your life!