

10 Biggest Selling Myths Uncovered

Selling a house can be a bit like having a baby -- everyone gives you advice that may or may not be true for you. Here are ten myths uncovered:

1. Myth: You should always price your home high and gradually lower it if it doesn't sell.

Truth: Pricing too high can be as bad as pricing too low.

You may think by listing high you can always accept a lower offer, but if you do, you'll miss the buyers looking in the price range where your home should be. Offers may not even come in, because interested buyers are scared off by the price and won't bother to look. By the time the listing price is corrected, you will have lost a large group of potential buyers. Your real estate agent will offer you a comparable market analysis. This is a document that compares your home to other similar homes in your area, with the goal of helping you to accurately assess your home's true market value.

2. Myth: Minor repairs can wait until later. There are more important things to be done.

Truth: Minor repairs make your house more marketable, allowing you to maximize your return (or minimize loss) on the sale.

By and large, buyers are looking for an inviting home in move-in condition. Buyers who are willing to tackle the repairs after moving in automatically subtract the cost of needed fix-ups from the price they offer. You save nothing by putting off these items, and you may likely slow the sale of your home.

3. Myth: Once potential buyers see the inside of your home, curb appeal won't matter.

Truth: Buyers probably won't make it to the inside of the home if the outside of your home does not appeal to them.

Many buyers drive by a home before deciding whether or not to look inside. Your home's exterior will have less than a minute to make a good first impression. Spruce up the lawn, trim shrubs and trees, and weed the garden. Clear the walkways and driveways of leaves and other debris. Repair gutters and eaves, touch up the exterior paint and repair or resurface cracked driveways and sidewalks. Place potted flowers out front, hang a wreath on the door and put out a pleasing welcome mat for added curb appeal.

4. Myth: Once potential buyers fall in love with the exterior look of your home, you put interior improvements on the back burner.

Truth: Buyers have no qualms about walking right out the front door within 60 seconds if the house doesn't look like it could be theirs.

Remember that most buyers are looking for an inviting home in move-in condition. Spending a few thousand dollars for the right work on your home before you sell it, usually translates into a higher selling price and shorter marketing time. Your real estate agent will consult with you about the repairs and replacements that will benefit you most.

5. Myth: Your home must be every homebuyer's dream home.

Truth: If you get carried away with repairs and replacements to your home, you may end up over-improving the house.

At some point, improvements that you make to your home can exceed what is customary for comparable homes in your area. For instance, there may not be another swimming pool in your entire subdivision. After spending \$20,000 to install an in-ground swimming pool that you hope will lure buyers, you may find that it only raises the market value of your home by \$10,000 because there are no other comparable properties to support the market value of the pool. As a rule of thumb, if your improvements push your home's value higher than 20% above average neighbouring home values, don't expect to recoup the entire amount of improvements. Your real estate agent can advise you as to the scope of projects you might consider in preparing your house for sale.

6. Myth: Buyers are never swayed by sellers that offer creative financing options.

Truth: By offering flexibility in financing options, you may lure more prospective buyers.

You might consider offering seller financing, paying some of the buyer's closing costs, including a one-year home warranty, or other buyer incentives. Your real estate agent, who has professional knowledge of local market activity, can help you decide what incentives, if any, to offer.

7. Myth: You are better off selling your home on your own, thus saving the commission you would have paid to a real estate agent.

Truth: Statistically, many sellers who attempt to sell their homes on their own cannot complete the sale without the service of a professional real estate agent.

Sellers who sell their home without a real estate agent often net less from the sale than sellers who use one. You visit a doctor when you're sick and take your car to a mechanic when it needs repairs. It makes sense to contact a real estate professional when you are preparing to sell your biggest asset!

8. Myth: Good sellers should be available to guide prospective buyers through the home, giving the whole process a more personal touch.

Truth: Prospective buyers will feel more like the house could be theirs if the current owners are not there.

The presence of homeowners during a viewing can make buyers feel like they are intruding. They need to be able to visualize your house as their home, which can be difficult to do when they are acutely aware that it is still your home. Your real estate agent will be happy to look out for your home during open houses or showings.

9. Myth: Successful sellers insist that the terms of the sale happen their way or no way.

Truth: If you approach the sale of your home as the buyer's adversary, you risk losing a perfectly solid buyer for no good reason.

Both you and the buyer have the same goal: for you to sell your home and for the buyer to buy it. Work with your real estate agent to approach negotiations positively and with a win-win frame of mind.

10. Myth: When you receive an offer, you should make the buyer wait. This gives you a better negotiating position.

Truth: You should reply immediately to an offer!

When a buyer makes an offer, that buyer is, at that moment in time, ready to buy your home. Moods can change, and you don't want to lose the sale because you stalled in replying.