



6 COSTLY MISTAKES TO AVOID WHEN SELLING YOUR PROPERTY



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Selling a property/moving house is a stressful time and FULL of decisions you need to make. In the 15 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.

Here are my top 5 so you don't make the same mistakes.

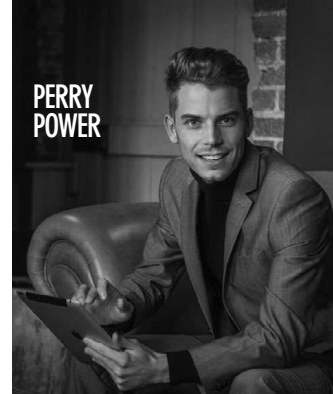
MISTAKE 1: PRICING TOO HIGH

1

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 comparables, competition assessments and so on) suggests that your property is worth £500,000 and you decide to market at £525,000, what do you think will happen?



MISTAKE 1: PRICING TOO HIGH

Continued...

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Firstly, you will have limited interest as your property will appear expensive compared to the competition (and it's important to note here that 70% of the interest, and so the best price, in a property will come in the first 3 weeks of marketing).

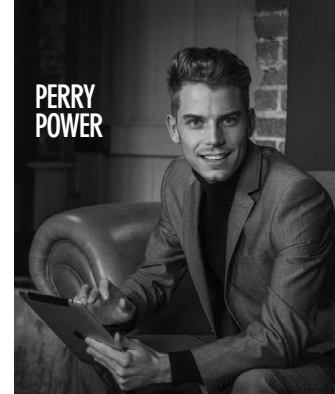
Secondly, you are justifying a buyer buying a competing, correctly priced property. In other words, your helping your competition sell.

Thirdly, it's likely after 6 weeks 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/£490,000 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 2 months of wasted time.

Remember, you can't under-price 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 early interest.

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



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. 2% of your asking price. It is. Honestly. According to extensive research, the average estate agency achieves just 97% of the asking price whereas great agents achieve 99-100%. On a £500,000 house, that 2% difference equates to £10,000 more for your house... that's a lot of money. So we can agree that choosing a great estate agent is crucial, yes?

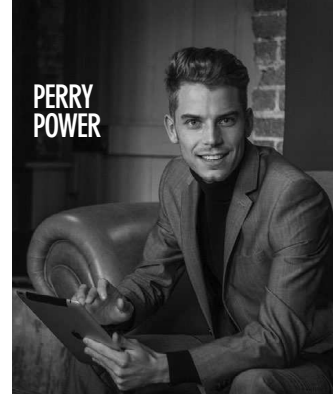
As with anything good, great, extra-ordinary or premium service, it's slightly more expensive but **BETTER VALUE overall**.

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 1% but has a track record of achieving 98% of asking price and agent 2 is offering 2% but has a track record of achieving 100%... which is the cheaper agent? Agent 1 right? No. No. No.

Agent 2 is because they're more likely to achieve you £10,000 more for your house but only charge you £5,000 more so you're **£5,000 BETTER OFF** at the end... that's what it's all about... the END amount of money in you're left with.



MISTAKE 2: CHOOSING THE CHEAPEST ESTATE AGENT *Continued...*

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*The moral of the story with mistakes 1 and 2 is don't choose an estate agent because they quote to highest valuation or the lowest fee, do better research, choose the better performing agent (as to get that better performance they will need to have the very best marketing, a great viewing strategy, an even better negotiation strategy and ability and a whole heap of experience to keep a sale together once it's agreed, remember, on average, 34% of sales collapse after they have been agreed). A great tool is the estate agent performance comparison tool on my website, **CLICK HERE** to use it now.*

MISTAKE 3: THINKING YOUR HOUSE WILL SELL ITSELF

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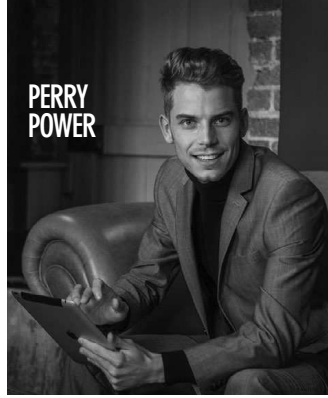
I recently saw a comment on Facebook where someone said "Houses sell themselves"... It hurt. It's not true (if it is I've been robbing people for the past 15 years).

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.



MISTAKE 3: THINKING YOUR HOUSE WILL SELL ITSELF

Continued...



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 that creates a sense of competition and urgency.

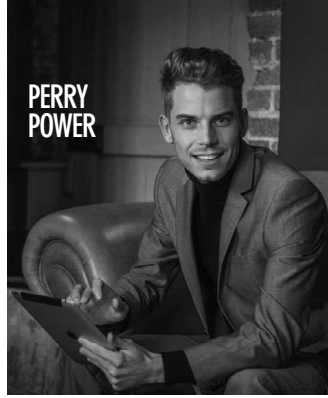
They do not carry out viewings in a way that starts and ends the viewing in the area of the house the buyer most wants in a property.

They do not follow up viewings addressing people's possible concerns and starting a negotiation.

They do not negotiate the best price for themselves (on average, 4% more than a buyer's initial offer).

They do not progress the sale solving the inevitable problems along the way. (chains collapsing, survey issues, slow solicitors, etc)

... an experienced, committed, expert estate agent does.



MISTAKE 4: BEING FIXATED ON THE 'PRICE YOU WANT'

Here's a real life example as to why you shouldn't be too fixated on the price you want. I get that it's important to sell for the highest price. I've dedicated 15 years of my life (so far) helping clients achieve this. BUT... there's a saying... 'A bird in the hand'. Read on...

Yesterday (6th April 2017), I had a call from a gentleman, Sam, who has been stuck on the market for 8 months and is now on his 3rd estate agency. He's wanting to upsize to a larger house in the area. Someone recommended he checks out my site. After a bit of chit chat we got down to the nitty gritty. Here's how the conversations went.

Me: How is the marketing going?

Sam: Ok but viewings have slowed down

Me: Ok cool. What price are you hoping to achieve?

Sam: I won't let it go for a penny less than £320,000 (Note: He was on the market for offers in excess of £325,000!)

Me: Why's that?

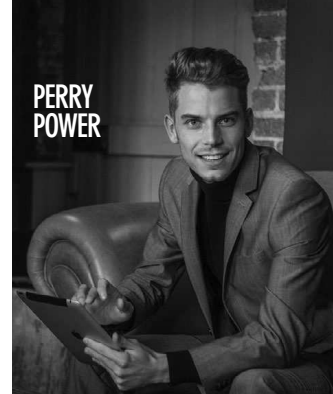
Sam: Because I know what my house is worth and I've spent thousands on it

Me: Totally understandable and fair enough. Have you had any offers to date?

Sam: Yea I had an offer of £315,000 3 weeks ago from a first time buyer but refused it.

Me: Cool. Did you use it?

Sam: What do you mean?



MISTAKE 4: BEING FIXATED ON THE 'PRICE YOU WANT' *Continued...*

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Me: When you get an offer, you have 3 options. 1. Accept it. 2. Refuse it. 3. Use it. People assume only the first 2 are options. By use it, I mean go out viewing potential purchase properties as you are actually in a VERY strong position with a first time buyer behind you and make offers. The aim would be to make your perceived 'loss' of £5,000, a £10,000 'gain'

You see, if you receive an offer slightly under 'what you want' but that buyer enables you to save a lot more on your purchase, maybe because the people you want to buy from are divorcing or relocating or just don't want to lose a house they want to buy... then that's a good outcome right?

Sam: I'd never look at it like that.

So, try not fixate on 'what you want' rather fixate on the 'ultimate goal'.

MISTAKE 5: REFUSING AN EARLY OFFER BECAUSE IT'S AN EARLY OFFER

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Ok so I'm not saying you should accept ALL early offers, just don't refuse them because they are early. I've seen sellers reject over asking price offers from excellent buyers in the first week or two of marketing, only to sell under asking price 6/8 weeks later (for the reasons explained in mistake one above).



MISTAKE 5: REFUSING AN EARLY OFFER BECAUSE IT'S AN EARLY OFFER

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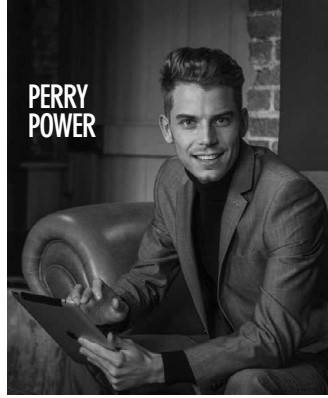
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Remember: According to rightmove.co.uk, 70% of interest in a house for sale, comes in the first 3 weeks of marketing. That is your premium price opportunity.

You actually have a better chance of getting a higher offer early on in the marketing as that can be used as leverage against the buyer to push them up i.e. you would say to the buyer "at this stage, as it's so early in the marketing, your offer will need to be X"... the fear of loss factor then gets involved and 9 times out of 10 you will be able to agree a deal.

Each offer, whether early in the marketing or not, needs to be assessed on it's individual merits:

- Offer amount
- Buyers position (i.e. chain, no chain, cash, first time buyer)
- Financial situation (i.e. amount of mortgage deposit etc)
- and most importantly, motivation... It may be that they have been waiting for a house in your road for 6 months. That's gold dust and the chances of that sale completing, even if there are slight issues in a survey, is probably 90% vs a 66% national average as they're a 'minority' buyer. However if a buyer has made offers on 3 houses at the weekend, yours being one of them, then clearly you have to question their motivation and most likely not agree a sale to them.
- Only once you've got all the facts can you make an informed decision to move forward.



MISTAKE 6: TAKING THE VIEW 'I'M IN NO RUSH'

12 days is the optimum time for a house to achieve it's maximum selling price, according to analysis by the Home Owners Alliance.

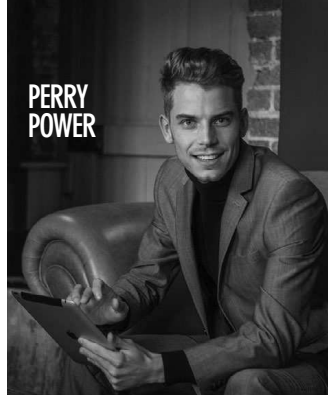
Agents with an average selling time of 12 days achieved 100.89% of their stated price, compared to those with a selling time of four weeks which achieve 98% of the original asking price, according to the research.

So, what does that tell you? Whether you're in a rush or not, the longer you leave your house sitting on the market, the less chance you have of getting optimum price.

You may think "I'll just wait for the right buyer to come along"... and that may well be a good strategy, but in reality, once that buyer comes along (it may be 2,3,6,8 months later), you've been for sale for such a long time, they will almost certainly use it against you. They will use it as leverage when making an offer.

The better strategy would be to work back the dates you would like to be where you want to be. So let's say you want to move to a bigger house and you want to be in that new house by September. We know the legal process can take 3 months and you need 4 weeks to secure a buyer, that means you need to be live on the market by April, beginning of May the latest (and that isn't allowing for things that could go wrong like chains collapsing, banks down-valuing and so on).

So rather than going on the market in January at an inflated price because that point you're in 'no rush', hold off, price competitively (as per mistake 1 above) and launch with the view of having THE BEST buyer secured at THE BEST PRICE POSSIBLE within 4 weeks.



SO, TO RECAP

Don't put it on for too much

Don't be concerned about paying an agent too much.

Don't think it will sell itself.

Don't be fixated on the price you want.

Don't hold out for a price than may never materialise.

Don't put it on until you're ready.

When you launch your house on the market, make sure you price competitively. Agree with your agent the exact day your property will 'appear on the market' then hold viewings back for 10 days. Wednesdays are the best day to launch with viewings to start the Saturday week. Block viewings/launch days work better than 'open days' as many buyers shy away from open-days as they expect a bidding war. Just back to back the viewings so as one leaves, one arrives (creating competition and urgency). After the initial launch, it's likely you will have offers so then make sure all offers are submitted in writing detailing the **'8 crucial bits of information needed'** (this is what we use in my estate agency).

Follow this advice and I assure you, you will have a smoother, less-stressful sale and house move

CHOOSE YOUR ESTATE AGENT VERY WISELY.

Everything mentioned in this guide is how my estate agency operates so I know that this approach works. We achieve an average of 102% of the asking price within 19 days of marketing a property, regardless of market conditions. I have simply adapted my business to the changing world.

AND FINALLY...

Did you know: On average, 60% of property owners end up having to change estate agents before eventually selling their property with the average property selling for 21% below the original asking price.

I have helped hundreds of home owners successfully navigate the challenges of selling. With over 13 years experience in the industry, I am now using that experience to help you avoid the common pitfalls via eGuides, my website forum, Podcasts and Webinars. It's all **FREE!**



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