

A seller's worse pricing mistake when selling property

When selling property it is not uncommon for a real estate agent to try and succeed where others failed by picking up the listing of a home that hasn't sold. It can be a real opportunity for maximizing profits by making the most of a situation where a seller and their previous estate agent have made errors when deciding on a house's price.

Don't chase the highest real estate price:

Everyone dreams of achieving huge profits when selling their property, but it is better to go with a realistic price for your home. When choosing a real estate agent to sell your house, don't automatically think the highest price is the best. This is easier said than done. The thought of more cash at your disposal after the sale goes through may bring mental pictures of an elaborate home for the future, abundant investment options, money for a holiday overseas, or a new car. The truth is chasing the unrealistic dream of the **highest quoted sale price** can often result in the worst mistake a person selling property can make.

Discovering the house price of your property:

In reality what you think your home is worth is irrelevant. This also goes for what real estate agents believe your house price should be. The only person who really matters is the potential buyer of the home. Discovering the true house price for your home involves comparing it to similar homes in your location, adjusting for any pros or cons your home has when put side to side with its competitors, observing current market trends, and seeing what the overall supply and demand levels are in your region. Doing these tasks will give you a good idea of what real estate price range the buyers in your area will be willing to offer. This is how an appraiser assesses a property, and so why should you be any different in your approach? You will end up with a price range to work with, as opposed to a singular house price, because in the end no two valuations are ever exactly like the other. You need to make an educated estimate by seeing how the market values your home. **Could I be pricing my home too low?**

As with all things in life, something is worth what someone else is willing to pay for it, and judging real estate prices is no different. When you do set the price of your property too low, you need not be concerned. If your competing sellers' homes have higher sale prices you will most probably get more attention and thus, more offers for the house. This will force the house price up to its true market value. This is not a risky choice for you.

However, if you set your house price too high and **choose your estate agent** based on their high valuation, you are walking on proverbial thin ice. The initial cause of a failed real estate sale:

If you choose an estate agent solely because of their high pricing of your property, you risk leaving the home on the market until its original **listing expires**. This usually takes around three months and is the result of an inflated real estate price. **If your estate agent doesn't know the area well, or just wants to attract your business at all costs, you'll be in trouble**. Another step downward:

If you choose a second real estate agent to sell the home, they could lower the price, but it doesn't mean they have an accurate idea of what the property is worth. Now that the price is coming down potential buyers may be coerced into thinking there is something wrong with the home. You may get a few people inspecting, but don't be surprised if actual buyers are nowhere to be found. More months may pass, and your property still may have not been sold. **Unsold over a long-term period:** Some people selling property have their home on the market for so long they need a third estate agent. By this time their morale has been beaten down and optimism has waned into oblivion. Chances are you may end up **selling the home for far less than you originally hoped**, even though the surrounding homes in your location are fetching much higher amounts. As the home was on the market at the wrong price for so long, it has become tainted in the eyes of the buying public. **Some real estate agents' specialty is selling listings that have expired:**

It is standard practice for some estate agents to spend the majority of their work time contacting sellers of expired listings in order to relist them at their true market value. This can be a very lucrative industry for an estate agent, as it is not uncommon for sellers to initially price their home too high via an inaccurate appraisal from an uninformed or biased real estate agent's opinion. Overpricing a property is not a rarity, so you must take care. Ensure you are safe:

Now it is time to contemplate how much money those sellers lose after their initial listing has expired. These fiscal losses multiply over time, as one needs to consistently **keep the house up to a high standard for showings and inspections**. You also have to pay extra mortgage repayments, plus there is the amount of money lost because buyers never pay as much for an old listing as they do for a new one just on the market. *Your beautiful home has now been reduced to an old mare put out to pasture, overpriced and left on the market so long it is deemed as flawed and outdated.* **Make sure this never happens to you.**