

Top 10 Mistakes Sellers Make When Choosing a Realtor

Selling a home should be like any other business transaction, but all too often sellers make emotional or impulsive decisions that cost them money and time. Choosing the right real estate agent to market a property and negotiate the sale is the most important step in the process.

"My friend (or family member) sells real estate."

Friendship alone isn't enough to establish a professional's credentials. Use tough standards when selecting an agent, just as you would when hiring an attorney, a doctor, or an accountant to handle your taxes. A true friend will understand and appreciate that this is a business decision and will offer their credentials and expect to compete for the listing.

Besides, if a problem or challenge develops while selling your home, do you want to risk damaging a friendship or family relationship?

"Your presentation sounds good. I'll list right now"

Look at more than one presentation and consider the advantages and disadvantages of each. Making an impulsive decision when caught up "in the moment" could be difficult to correct later. Since you normally contract to list your house with the agent for a specific period of time, you may find yourself unable to "switch" to another if you find yourself unhappy with the service you receive.

"You're the only agent who agrees with my selling price."

Some real estate agents tell you what you want to hear. In the real estate profession, this is known as "buying a listing" and is employed by shortsighted agents who are more interested in themselves than they are in you. However good it works as a short-term "sales tactic" in getting your listing, it is an extremely poor strategy in selling a home at the highest possible price.

You see, your house gets the most attention from other agents when it is a "new" listing. If priced properly, lots of agents will show it to their buyers. If you price it too high, no one will show the house and it will sit on the market for some time. When you finally drop your price to reflect its real value, your house is "old news" and buyers may think you are growing desperate. Therefore, the prices you are offered will come in lower and lower – and you may find yourself accepting a price that is below what you could have received had the house been priced properly to begin with.

Besides, pricing your home too high will only make similar houses for sale look that much better. Overpricing helps sell those houses, not yours.

"I don't need references. I'm a good judge of character."

A snap judgement isn't good enough. You also need to determine if the agent is competent and the best way to do that is to check up on references. Ask for references on recent sales — check up on references of recent customers. Find out how an agent's customers feel about their selling experience.

"I'm going to list with the agent who has the lowest commission."