



Selling Your Home: 3 Must-Knows Before You List

Sometimes the hardest part of selling a home is making the decision to sell it. Our homes give us roots, provide sanctuary, house memories and, hopefully, give us some financial security. It's a huge decision to sell a home.

Once made, however, additional decisions will come fast and furious, so take some time now, before the frenzy, to understand three salient points about the successful sale of a home in today's real estate marketplace.

What is Market Value?

One of the most challenging aspects of selling a home is determining the list price. Many homeowners will go online to find homes nearby that are for sale and base their price assumption on those that are most similar.

The list price of a home, however, is a fantasy. It represents an amount of money the seller thinks, or hopes the home will bring. Until the home sells, he may be right or he may be wrong.

Buyers set market value for homes. What a knowledgeable, willing, and unpressured buyer pays for a home is the home's true market value. Therefore, when pricing a home for the market, one must always look at the sold prices of similar homes nearby. This is the method both real estate agents and appraisers use when determining a home's market value.

First Impressions Matter

Think back to when you were house hunting. Were there houses that you arrived at that you just couldn't bear to get out of the car to look at? Chipped or peeling paint, sagging window and door screens, and overgrown or dead landscaping do not make a good first impression.

Before you do anything else, clean your house, inside and out. Make cosmetic repairs, especially outdoors where the house makes its first impression. Even if it's merely a new coat of paint on the front door, shiny new house numbers and some fresh mulch in the planting beds, it may help folks want to see more. Don't neglect the interior either. If you don't know where to start, take a look at some websites with ideas on how to declutter and stage the home.

Don't Attempt This on Your Own

I know what you're thinking: Of course a real estate agent is going to tell me not to take the for-sale-by-owner route. So, I won't ask you to take just my word for it. Let's look at the cold, hard numbers. First, only 9 percent of homeowners attempt to sell their homes without the aid of an agent, according to the National Association of Realtors® (NAR). Of those, almost half said they took this route because they were selling their home to someone they knew.

The next most commonly stated reason that a homeowner gave for not using an agent was that he or she didn't want to pay the real estate commission. That's understandable when one isn't sure exactly what an agent does to get a home sold. Once you get a look at that list, you'll understand that you definitely get what you pay for.

You should also take into consideration the fact that a home that is for sale by the owner is considered a bargain to most homebuyers. Many will walk in expecting you to kick back some of that money you're saving by not using an agent. This is why, according to NAR, homes sold by agents sell for 16 percent more than those sold by owner.

Selling a home is a big deal and, thankfully, something we don't often do. When it's time to sell yours, start with the basics, as outlined above, and you'll be ready to list your home before you know it.