

A Home Selling Primer

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A strategy designed to sell a house quickly and at the highest price starts with understanding how buyers identify, qualify and purchase homes. Your listing agent's job is to market your property to capture and maintain the interest of *qualified buyers** as they work through their process of finding and purchasing a home. Success comes from your agent doing the right things and doing them competently, diligently and with attention to detail. By far, the most important part of an agent's marketing plan is effective use of the *multiple listing service* (MLS).

* A *qualified buyer* is a buyer who is ready, willing and able to purchase a home like yours.

Correctly Pricing Your Home

A house priced to the market will attract more qualified buyers, sell quicker and will likely sell for more money than one that is over-priced. An over-priced property risks being missed in MLS searches, will tend to languish on the market and may ultimately sell for less than if priced correctly in the first place.

Serious buyers, through their agents, have access to quality market information. They know the selling prices of properties like yours, as well as the asking prices of houses that will compete with yours. A good listing agent will understand the competitive position of your house and present an honest and objective strategy for pricing it aggressively, but within a range supported by the market.

TIP: It is natural to want to list your house with the agent proposing the highest asking price. Many agents will over value your property simply to win your listing. An agent should always be able to support his/her listing price recommendation with quality market research. Be objective in contemplating your asking price - think like a buyer.

Hitting Buyer Radar Screens

The real estate marketplace is characterized by the electronic matching of buyer criteria with individual property attributes. Agents identify homes for their buyers through criteria searches on the MLS, on which over 95% of homes are listed. Buyers find homes the same way on public-access websites that pull limited MLS data. Electronic criteria searches are thorough, accurate and highly efficient as a means of matching buyers and homes; it is how serious buyers identify the homes they want to see.

Quality input of MLS information is the key to your property *hitting the radar screens* of qualified buyers. If priced correctly and if the listing information is complete and accurate, agents and buyers will find your house. However, if any listing information is incomplete, inaccurate or misspelled, your house may fail to come up in agent and buyer criteria-searches.

Listings with incorrect school districts, subdivisions, zip codes and other common search criteria are shockingly common. Because of its critical importance, your listing agent should have a procedure to assure the quality of MLS data input. In addition, your agent should provide you with the full MLS listing as agents see it, including private remarks, commission sharing and agent showing instructions.

TIP: The *electronic real estate marketplace* renders open houses, print advertising, mass emails and other forms of *push* marketing increasingly irrelevant in terms of attracting qualified buyers. Most agents, however, see *client appeasement* and *self-promotion* value in these tactics and continue to promote them as important features in their *marketing plan* (and as justification for their 6%-7% commission structure).

Enticing the Buyer

In addition to matching your house to qualified buyers, the purpose of your MLS listing is to entice buyers into visiting your house – in other words, to SELL. The more compelling the presentation, the more likely your home will make a buyer's *must-see* list.

Photos and descriptive text in the MLS listing are typically your agent's only opportunity to make a *sales presentation* to buyers and other agents. Whether due to incompetence or indifference, many listing agents simply miss this *selling* opportunity. A surprising percentage listings lack photos or include poorly chosen and/or poorly taken photos. Others listings have weak and/or poorly-written *selling* text. Some listings offer information that is actually detrimental to the selling effort.

The purpose of the MLS listing is not to provide the most information possible, but to strategically present the property in a way that piques interest and delivers qualified buyer traffic through your door. The objective is to show off the best features of your house, creating the most favorable (but accurate) perception, and *inviting* agents and buyers to project that perception on the rest of the house.

TIP: Agents often *activate* MLS listings with only basic information, sometimes delaying adding photos and text for days. A home gets the most concentrated MLS exposure within 24 hours of listing (due to automated listing alert services). Most agents and buyers will pass over a photo-less listing and never view it again. Savvy agents know to complete a listing with photos and text prior to activating it in the MLS.

Attracting an Offer

Buyers *captured* by your listing and *sold* on touring your home have qualified it for potential purchase based on its price, location, features and visual appeal. From this point on, however, the property must be positioned to sell itself when toured by prospective buyers and their agents.

The easier it is for buyers to envision themselves in your house, the more likely they will want to make it their home. Buyers will look for function (over which you have little control), quality, value and an appeal that distinguishes your home from all other contenders. It is wise to invest time and money (if necessary) in creating a clean, well-cared for and uncluttered appearance. *Staging* your home to some degree is usually helpful.

For more information and tips on making your house show its best, ask a Sage Associate for the following publications: *Preparing Your Home for Sale*, *Welcoming Buyers* and *Home Staging Basics*.

Listing Management

Marketing a home is a dynamic process that includes monitoring competing listings and sales activity, following up on showings and soliciting agent feedback. Sometimes it is necessary to adjust strategy and revise listing information and/or price based on showing feedback and changes in market conditions.

TIP: Many agents are quick to recommend a price reduction when buyer traffic is slow. Reducing your asking price will not bring qualified buyers into the market. The best strategy is to price your house correctly from the start to capture qualified buyers currently in the market and new buyers as they enter the market.

Contract Negotiation and Transaction Management

Selling your house is a serious legal and financial transaction. Quality *representation* requires skills and savvy beyond marketing competency. Most consumers fail to consider this in choosing a listing agent. The stronger your agent's transaction skills, the better the results you can expect.