

EXPIRED - HOW TO SELL A HOUSE THAT DIDN'T SELL

Why Some Houses Don't Sell and How to Avoid Four Mistakes That Can Cost You Thousands

You put your house up for sale and what happened? The listing expired without a sale. And now you're wondering what went wrong...

Like all homeowners, you hoped your house would sell quickly. Some houses do. In fact, the majority of houses sell during the initial listing time agreed to by the seller and agent, usually a period of six months or more.

But - as you've found out - some don't sell. In some tough markets, as many as half or more of the listings expire unsold.

What should you do now? If your listing has expired and now you really want results, I can help. Don't get spooked by the death of the first listing. The home sale you want is still well within reach!

ARE YOU COMMITTED TO SELLING?

First, take a step back and review your decision to sell. Do you still want to move? Although you may feel discouraged, if you still want or need to sell, make a renewed commitment to do what it takes to market the house effectively.

Next, find out precisely what went wrong. An expired listing usually reflects a problem in one or more of four major areas: communication, price, condition or marketing.

1. COMMUNICATION

Why no sale? What did prospects say about price, about condition? What feedback did other agents offer? Teamwork between seller and agent is key to know how to alter a marketing plan for success. Inattention to a listing can be a factor, but rarely the whole story.

Every seller can boost a property's exposure. Make it easy to show: consider a lockbox, "For Sale" sign where permitted, and showing times convenient to buyers. Also, keep the house in showplace shape, depersonalize furnishings so prospects see themselves at home, keep large pets at a distance. Remember that the next prospect may be your buyer.

More important, I want to hear from you. My sellers are a key source about showing traffic, new-on-the-market competition, and changes in the neighborhood and property condition that affects the property's salability. Also, you have my word you will hear from me regularly - the more we work together, the faster a sale will be closed.

2. PRICE

This is the most common culprit for the lack of a sale. An incorrectly priced house attracts the wrong buyers or worse - none at all.

Market conditions probably have changed since you initially listed your house. Houses may have sold, additional houses may be listed now, load rates may have moved up or down. I can prepare an up-to-date, competitive market analysis - a review of recently sold houses and houses currently for sale that are comparable. One little-known secret is to set your price below other expired listings and overpriced listings languishing 60-90-120-180+ days on the market.

With my analysis, you'll know how your house compares to others offered for sale today. Is your price right? Are your terms and financial incentives competitive?

Activity without offers often indicates overpricing. Remember, any house, no matter what condition, will sell for the right price. What price is "right" depends on market conditions, competition and condition.

3. CONDITION

Is your house someone else's dream home? When buyers enter, do they think, "I love this house!" A house in move-in condition invites a sale. Have you fixed all the little squeaks and drips, cleaned and painted, removed clutter, brightened up and concentrated on outside curb appeal?

Or are you hesitant to take care of major items? For instance, did you offer an allowance for new carpet instead of installing it? While prospective buyers are trying to imagine what new carpet will look and feel like, they likely are discounting the price still further for the worn carpet underfoot. A house in like-new condition sells fastest and gets the best price because it outshines the competition.

I would be happy to tour your house and help you see it as prospective buyers do.

4. MARKETING

As the old adage says, "Advertising doesn't sell houses, agents do." Your secret to success is a carefully crafted marketing plan that exposes your property to the widest possible pool of prospective buyers.

Elements often include; direct promotion to other agents and brokers through special tours, flyers and brochures; listing in an area-wide computer network; an advertising program that generates buyers for similar properties in your price range. Broker opens and buyer open houses if appropriate; and other unique activities designed to catch attention.

BUYERS ARE OUT THERE NOW.

Finally, a word of advice. Don't show off your house until marketing team, price and condition are set. Buyers are out there right now looking for certain properties. Put your house in buyer-ready condition before listing it again and it won't go unsold.

If you're ready to re-list an expired listing, or simply want to talk about what to do next, I'll welcome your call.

HOW TO KNOW IF THE PRICE IS RIGHT

Setting the right price makes a house competitive, reduces selling time and improves the chances of getting a full-price offer. To find the right price, I'll perform a competitive market analysis, which means check out the competition.

We'll analyze the final sales prices and terms for comparable homes in your neighbourhood for the past six months to a year, depending on local activity. Then we'll look carefully at the competition, and see how the value of your house compares with the others similar to yours on the market. Maybe visit a few nearby houses for sale and see how their condition compares to yours. Check how long the other houses have been listed and calculate average time to sell in today's market. Finally, we'll note the prices on any houses whose listings have expired. These prices were probably too high.

PRICE, PRICE, PRICE

Your price should be close to what houses like yours have actually sold for recently, rather than to current listing prices of comparable properties. Although your house will likely sell for its real market value, by pricing it closer to selling prices - not asking prices - it will sell faster.

Note, I haven't mentioned how much you paid for your house or its improvements. Like any other investment, the market value - what a willing buyer will pay and a willing seller will accept - rather than the cost you've put into the property, is the sales price.

The Home Selling Team of RE/MAX Michael Cowling And Associates Realty welcomes the opportunity to share information with you. For a competitive market analysis and help setting the right price, call me, Michael Cowling at 604-276-2335 or email us at mc@michaelcowling.com