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Let's Talk About Real Estate

“THE HIGHEST BIDDER”

Should you list your home with the Realtor® who suggests the highest asking price?

The three goals of every seller are to sell at the highest price, in the least time, with the least inconvenience. If you list with the Realtor who puts the highest price on your home, will this person be able to get you the highest price? You may say yes. If this person believes that the house will go for this price, then he or she will be much more enthusiastic about getting the higher amount.

As much as it might seem logical, it usually doesn't work this way. Realtors don't decide what your home will sell for, buyers make that decision. The proper role of the Realtor is to monitor the real estate market and present you with a factual report of current values.

Buyers will decide what they think your home is worth. How do they come up with a figure? They compare your home and its features with other homes they inspect and they also receive market information on recent sale prices. As buyers go through this learning process, they become quite knowledgeable about home values and are usually able to recognize a property that is obviously overpriced.

There is an old adage in the real estate business that refers to those brokers who give sellers an over-inflated price. This practice is known as, “buying the listing.” This phrase simply means the listing was obtained, not on the merits of the Realtor, but rather by appealing to the natural tendency of all sellers to want to hear a high value put on their property.

SUGGESTION: Don't make the error of listing your home with the highest bidder. If you find that one Realtor prices your home significantly higher than other estimates, something is wrong. In order to be sure that you are making a proper pricing decision, be sure to ask for actual written market information regarding recent sales so that you may price your home competitively from the outset.