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5 Ridiculous Seller Sayings

By Tara-Nicholle Nelson August 2013

When I need a good laugh, I like to read Vanity Fair magazine's 'Actual Complaints from Actual Rich People' column. The monthly column is a super-short, super-funny compilation of woes of the very rich, as overheard by the author. My guess is that most of these sayings seemed totally sensible to the person who said them in the course of the conversation. In retrospect and out of context, though, they seem crazy and out-of-touch, even ridiculous.

Here's a recent example: "I don't ask my wife how many horses she has, she doesn't ask me how many cars I have."

Ridiculous, right? Well, while these folks are easy to poke fun at, many of us say things during a heated moment or emotional experience that we have a hard time standing behind later. Selling your home is one of those experiences that causes even the most stable, calm human being to feel panic, outrage, anxiety, and sometimes all of the above, all at the same time.

These volatile emotions give rise to a handful of seller sayings that seem silly when seen in a sober light. Here they are, along with some insights to help you ensure you don't let them foul up your home selling decisions.

1. But I spent X years or \$X on that! The ability to customize your home to your personal tastes and your family's wants and needs is one of the biggest non-financial perks of home ownership. Creating a soundproof meditation room or a floating pool theater is your right as a home owner.

I encourage owners to make changes to their homes that will improve their quality of life while they live there, rather than fixating on whether they'll be able to recoup their investment when they sell it 20 years down the line. (Of course, if you're planning to sell in the near future, it might not make sense to invest in super-personalized home improvement projects.)

That said, the fact that YOU loved the idea of having a sports court, billiards room or Japanese garden enough to spend tens of thousands of dollars on it does not necessarily mean that your home's buyer will place the same value on it - or *any* value, for that matter. I was once involved in a sale where the sellers had spent decades cultivating a beautifully complex Japanese garden which the buyers, busy professionals, had no time or interest in maintaining.



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Not only were they not willing to pay a premium for it, they planned to rip it out and replace it with low-maintenance, low-water landscaping.

Let it go. Understand that other than the kitchen, bathroom, amenity and decor upgrades that appeal to many home buyers, if you've invested your time or money in customizations for your own personal enjoyment, then your enjoyment is your return on that investment. If your home's eventual buyer also happens to love them, fantastic! But don't approach the home selling process expecting every buyer to share your value system and pay through the nose for them.

2. We just need to find a buyer who understands my tastes. There are certainly occasions, with rare properties, where there is truly a narrow niche of buyers that will have to find, understand and appreciate a property. In cases like that, with acreage, converted warehouses, horse properties, and the like, this saying is not ridiculous at all.

But this saying is ridiculous when it is uttered by the owner of a home with potentially wide appeal as a reason for not staging or preparing their home for sale, or in the effort to avoid neutralizing highly, uh, *personal* design and decor choices.

If your home is lagging on the market while others sell, and your agent has suggested that you tone down the polka dot paint job or delete the Al Pacino mural on your dining room walls, think about how much time and money your decision to wait for the buyer who understands these design choices is costing you.

Rethink your position: as the ultimate marketing decision-maker in your home's sale, your job is to maximize your home's appeal to a broad segment of ready, willing and able buyers (not to find the one needle in a haystack who likes the Godfather as much as you). You're moving on from the property, so move on emotionally, too. Don't let your emotional attachment to your decor decisions or stubborn refusal to spend on staging keep your life or your finances stuck.

3. I want to price it high, so I have room to come down. Now, in all fairness - there's a time and a place for this. By that I mean that there are certainly local markets where it's very much standard practice for buyers to expect to come in below asking, and sellers can price their properties a few thousand dollars higher than the target price point without killing their deals. If you live in a place like this, your agent will surely work with you to price accordingly.





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That said, when the market is slow enough that buyers are routinely paying below asking for homes, pricing your home above-market is actually dangerous. It runs the risk of causing no one to view your home as a good enough value to see it in the first place.

If other sellers are pricing appropriately and yours is priced too high over what the market will bear, many buyers won't even bother trying to negotiate you down. Rather, they'll go find one of the homes on the market with a more realistic price, they'll wait until you lower the price or they'll wait until your home has been lagging so long they sense you might be desperate, and will swoop in with a lowball offer of their own.

Even in a relatively hot market climate like today's, the aggressively priced homes get the most buyer traffic and, accordingly, get the most offers. In turn, these bidding wars drive the eventual sales price up. If you want to sell your home in a buyer's market, or sell it at top dollar in a seller's market, overpricing it might actually sabotage your success.

4. That offer is an insult - I won't even dignify it with a response. Your home might be very personal to you. It represents a massive investment of your money, time, hopes and dreams. It probably also represents your personal tastes, style and some precious memories of your family's life.

But once it's on the market, get a thick skin and decide not to take anything - *anything* - personally. If someone offers to pay many thousands of dollars for your home, it's not an insult, even if the offer is far afield from what you are willing to sell the home for, or from what you believe it is worth. They might be deeply misguided, and not yet experienced enough in the market to know that the offer was unreasonable. Or they might just love your home and be going for it, even though it's really outside of their personal resources.

Finally, they might actually just be trying to get you to come down a bit on the asking price. Some buyers see making a very low offer as part and parcel of negotiations.

In any event, you should always respond to an offer made by a qualified buyer. If you have another offer or offer(s) that are more realistic, just respond with a pleasant decline. If you have no other offers, respond with what you and your agent formulate as an appropriate counter. You might be surprised at how even a very low offer can come together with a respectful, reality-based counteroffer and a little negotiating.

5. I need \$__X to get the home I want and take my Australia trip - let's list the place for that. There are lots of respectable strategies for setting a list price, but all of them have their basis in one thing: data. They all start with a look at the nearby,





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similar homes that have recently sold, and what they sold for; this is what agents call “comparable sales data.”

Depending on market dynamics, trends in inventory and home values, how similar/dissimilar your home is to the recently sold properties and what your own priorities are (e.g., sell fast, sell for top dollar, etc.), an experienced local agent might advise you to start with “the comps” and adjust your home’s list price down a bit, or to start with “the comps” and adjust upwards to get to your home’s list price.

But never will a savvy, experienced agent tell you that the proper way to price your home or understand its value is to do the math on how much cash you want and need, and set your list price by that.

Of course - you need to do your “move up math” in the process of listing your home in order to know whether your home sale is feasible or not. And you might actually have to factor in what you need to pay off your mortgage and move into your pricing decisions - that's not bizarre.

But you should do so only with the awareness that your home’s ultimate value is based on what a qualified buyer is willing to pay for it - not what you need to move.

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