

Vancouver British Columbia Real Estate - Selling a Home in Vancouver British Columbia

Vancouver Real Estate

Negotiating the Highest Price for Your Home

Buyers are far more discriminating, and a large percentage of the homes listed for sale don't sell the first time. It's more critical than ever to learn what you need to know to avoid costly seller mistakes in order to sell your home fast and for the most amount of money.

The single biggest issue on most home sellers' minds when selling their homes is how to achieve the highest sale price. And yet most homeowners feel disadvantaged and ill-equipped to achieve this goal. Pricing a home is an imperfect science to begin with. Market factors can cause large swings affecting pricing. Also the skill of the person responsible for negotiating can also determine what your home will sell for.

However, negotiating effectively doesn't have to be as difficult or intimidating as you might expect. Like anything else, if you have a proven system to follow - and know the signals and the language - you can successfully turn the tables to be in your favor.

4 Common Negotiating Mistakes Most Home Sellers Make

Following are 4 common mistakes most home sellers make at the negotiating table:

1. Saying too much during an offer

The first and second rules of effective negotiating are to a) know what you are legally required to divulge, and b) don't say anything more than this in front of someone who is not completely representing your interests. It's very important that a seller think through every point he or she is going to make . . . before it is spoken. What you say can and will be used to your buyer's advantage, so don't say anything more than you have to. For example, if you are reviewing an offer in front of both your agent and the buyer's agent, and you mention what your "bottom line" price is, you better count on the fact that the buyer's agent will pass this information on to your buyer, and you'll probably lose the opportunity of getting a higher price than this. Remember that you don't have to say anything in front of the buyer's agent. They are representing the buyer's needs, not yours. It is quite acceptable to ask them to leave before you discuss details of the offer with your agent.

2. Failing to take time on the counter-offer

Many sellers feel pressured to respond immediately to a presented offer. Remember that negotiation over price is a critical issue, and it is quite within your rights to take the time you need to respond effectively. As mentioned, you are certainly within your rights to request a private consultation with your agent, and away from the buyer's agent. However, even more than that, you may also want your legal counsel to advise you on the next steps. If you find yourself in this situation, request the time to meet with, or fax the offer to, your lawyer. A little bit of space, and an objective and knowledgeable third party, will certainly lead to clearer thinking and more effective decision making.

3. Giving away too much

Many sellers feel that they have to throw in home fixtures such as appliances, lighting, drapery etc. This is not the case. If these items are not specifically detailed in your listing, you are not at all obliged to give them up if you don't want to. Holding these items back until make you aware of the implications of dual agency when it occurs so you can take away a clear understanding of this important issue. By being aware of these and other issues and by seeking the advice of an experienced real estate professional and lawyer, your negotiating skills can be more effective in your home selling process. Late in the negotiating process is often an effective way to arrive at a price that both seller and buyer can live with. Used this way, these items can become effective negotiating tools. If you give them away too early, you may lose any potential leverage. And remember, there is nothing stipulating that these items even have to enter into the negotiating process at all. Unless they are specifically itemized in your listing, you can treat them entirely outside your home sale.

4. Not understanding the issue of "Dual Agency"

Dual Agency exists when the offer made on your home comes from the same real estate company that you listed your home with - i.e. when both you and the buyer are represented by agents who work for the same broker-age. When dual agency exists, both your agent and the buyer's agent are legally required to tell each other everything that their clients say. Therefore if, you don't want your buyer to know the lowest price you will accept, or that you'll toss in the appliances if push comes to shove (and you certainly don't want the buyer to know these things), then you should not be divulging this information to your agent - because he or she must then pass this information on to the buyer's agent who works for the same company. Your agent should make you aware of the implications of dual agency when it occurs so you can take away a clear understanding of this important issue.

By being aware of these and other issues and by seeking the advice of an experienced real estate professional and lawyer, your negotiating skills can be more effective in your home selling process.

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