



How to avoid real estate surprises when you sell?

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It is time for a rethink.

I'm feeling an incredible amount of frustration today. On the 5/10, once again the real estate sectors poor level of service, questionable tactics and over charging were exposed in mainstream media. We continue to use them to buy and sell our biggest asset.

It's like the punnet of strawberries, you know there are going to be rotten ones. Sure, there are good agents, but sorting through the rubble to find the standout is a challenge for us all. Even the so-called agent review sites may not hold the answer, as the agents themselves can upload only their favorable reviews. Is this giving us an insight into who will provide us with high quality, ethical service? I fear not.

"I know some of my agents don't use a buyer database" This is my quote of the week, direct from a real estate agency Director. So my question to you is why use them at all? We rightly think that when you choose an agency they have an up to date database of all buyers and sellers who they can contact. But this may not be the case.

When I was looking for a unit recently I was never, I repeat never contacted by any agent after any inspections, to either discuss the property or share any other properties with me. I found all the homes

through the internet real estate portals. I only went to open homes as no other inspections were offered. I wasted a lot of time. Is this good enough? Did I miss seeing a home I may have fallen in love with? I will never know. But what I do know is that I was not given any level of service at all.

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I also know that I underpaid for the unit I bought. The agent involved gave me personal information about the vendor which exposed their dire need to sell quickly! I offered \$30,000 less, with great conditions - a 30-day settlement and it was successful. So again, did the agent do the job they were paid to do? No, they didn't.

On the radio, yesterday, a woman selling a deceased estate outlined how the agency they used, structured the commission with their own incentive payment. They added a 10% commission if they achieved over a certain price. She assumed this was normal practice. It's not. Her question was, did the agent undervalue the home to start with? Did they know they would reach the higher price and then get a much higher fee? She will never know, but she feels very ripped off.

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On the reverse side, I interviewed a home seller, whose property was overvalued by 15%. Not by just one agent but by three. This often happens in regional areas, to secure the listing. After six months on the market, three different agencies, three lots of photos! \$8,000 in advertising and the stress of not selling, she finally sold for \$65,000 less than the agents valuation price.

Another home seller, interviewed, whose home was also overvalued, finally had a buyer after 8 months. This buyer 'walked away' after the agent advised the sellers to let the buyer 'sit and wait' for their answer as he had made them wait for an offer. They did question the agent on this tactic, but he was clear this was the correct move. Another month later and they finally sold, after again dropping the price.

These issues expose the lack of training and expertise in the sector. Did you know, you only need to complete a 30-hour certificate course for \$1000? Then you can sell a house. You, as the seller, then happily and dare I say it ignorantly hand them your keys. Most of us think that when you contract an agency to sell your home you expect them to

- ascertain the right price,
- know how to market the property the best way,
- have a list of possible buyers at their fingertips,
- have the necessary skills and training and act ethically at all times.

Unfortunately, we continue to see that this is not the case.

We continue to hear stories that no longer surprise us yet we continue to use these agents to sell our biggest asset. My advice is, it is time for a rethink? Do it yourself!

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