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Five reasons not to sell privately

It is completely understandable to be tempted by the idea of selling your home yourself in order to save on real estate agency fees. At the start of the process, the only number you have that you can focus on is the selling fee or commission, since you have no idea what your home is going to sell for. However, when it comes to private sales, there are traps to watch out for.

1. You have to deal with master negotiators.

There is a reason why experienced property investors target homeowners selling their homes privately: They are expecting to secure a bargain. When you sell your home privately, it's the real estate equivalent of playing tennis against a professional athlete, with hundreds of thousands of dollars at stake. Are your negotiating skills up to the task?

2. You don't know what you might be missing out on.

In most real estate markets, it is easy to sell your home privately. What is challenging is coordinating competition. Let's say you have five people trying to buy your home at the same time, are you going to run an Auction? A deadline sale? Or will you just take the first offer at your asking price?

In real estate, competition between buyers is the key to achieving a premium sale price. A good real estate agent has proven systems to manage interest from multiple buyers to ensure you walk away with the best possible result.

3. Market research takes time. A lot of time.

Before you can understand what your home is worth, you need to learn about your local market. That means going to countless open homes and chasing up agents to find out what those houses sold for. Then you can

compare them to your home to come up with an estimated value range. This is the process used by valuers and agents all over the world, who usually visit dozens of houses every week.
Skip this step and you might end up selling your home for far less than it is worth. Alternatively, you could end up overpricing your home and struggle to find a buyer in a reasonable period.

4. You may miss out on key marketing channels.

Most real estate agents will list your home on numerous websites. They have access to large databases plus they utilise digital and social marketing platforms. When you sell your home privately you could be missing out on a large portion of the market, including buyers who might be perfect for your home, but have no idea it is for sale.

5. Buyers make decisions based on trust and relationships.

Imagine you have just made an offer on a home with an agent (or owner) you have never met. Shortly after, they tell you another offer has come in and you are now in competition. Do you believe them? If you are like most buyers, then you would be understandably sceptical. "Is this just a ploy to get me to pay more?"

Now imagine that you have dealt with a busy local agent on 3 or 4 houses and missed out in a competitive situation each time. That same agent now tells you that you are in competition with at least 2 other buyers. Chances are you will increase your offer in this scenario (if you can) because based on your recent experience you can trust that the agent is telling you the truth. This level of belief or trust is a hugely underrated aspect of the real estate process. It helps buyers avoid wasting their time and helps owners achieve a market price for their property.

As an experienced local agent, I have relationships like this with dozens of motivated buyers in your area who are looking right now. I would love to introduce them to your property when you are ready to move. Call me today to book a free consultation to talk about your real estate goals.