

How to bounce back after overpricing your property

While every owner wants to sell their property at the best possible price, overpricing a home can be the kiss of death for a sale.

Modern buyers are well-informed on what they can expect for their money, says David Jacobs of the Rawson Property Group. They have little patience for unrealistic prices, and are very likely to avoid overvalued properties altogether.

This, he says, has left many a misinformed seller with a stagnant listing attracting no interest on the market, but doesn't have to spell the end of all hope for a good sale.

"A lot of homeowners who have accidentally overpriced their property - either of their own accord or because of poor advice from their agent - end up selling for far below market value because they don't know how to bounce back from their mistake," says Jacobs.

"It's true that it can be difficult to drum up new interest in a stagnant listing, but it can be done."

Here are his top tips on how to go about remarketing a previously overpriced home.

Plan a fresh start

"Buyers who recognise a listing as having been on the market for months without selling are going to assume there is something wrong with the property," says Jacobs.

"The best way to work around this is to take your old listing down, spruce your home up a little, take some updated, high-quality photographs and write a fresh description for a brand new listing online. That way, there's a good chance that prospective buyers won't instantly recognise your home and jump to any negative conclusions about its desirability."

A coat of paint on key areas, a garden clean-up and a good decluttering is often enough to convince buyers to give a home a second chance, but if your agent isn't willing to put in the time and effort to take fresh photos and create a new listing, you may need to have a serious conversation about expectations and performance.

"You might want to cancel a sole mandate if you feel your agent isn't performing as promised."

Don't make the same mistake twice

No amount of pretty pictures and descriptive adjectives is going to sell your home if you get the price tag wrong a second time.

To avoid that, Jacobs suggests getting a revised set of valuations done before re-listing, preferably by two or three agents who are active in your area.

"Valuations are part science and part art," he says, "and experienced agents often have accurate gut instincts."

"That said, don't discount good, hard evidence either - make sure the agents valuing your home can back up their estimations with real market facts and trends."

Be transparent with buyers

"It's always a good idea to be honest and upfront with prospective buyers," says Jacobs, "but it's even more helpful when you're trying to bounce back from overpricing."

"Anything you can do to set buyers' minds at rest about potential flaws or defects is a great idea. That includes getting copies of approved plans, writing comprehensive defect lists, or even getting a professional home inspection report done so that all your cards are on the table. There's nothing more comforting to a buyer than a seller who is 100% above board."

"Defect lists are best drawn up with the help of your agent, who can assist you in being clear and unambiguous without overplaying ordinary flaws. Professional home inspection reports can be commissioned at any number of inspection agencies, but make sure your chosen inspector is fully accredited."

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