

MISTAKES

From 1
 must put that home on a pedestal. Regardless if the home is a \$90,000 or a \$900,000 listing. Be prepared. Clean, remove clutter, have the lawns done. Pride of ownership is a must when listing!

"Sellers should also ask the listing agent for advice on what they should do to make their home more marketable," said Carol Meulenkamp of The Real Estate Group in Redlands. "Should they eliminate the clutter, open window coverings or leave lights on in a dark house, make sure the exterior is clean and appealing, and be invisible when the house is being shown. Buyers don't want to feel that they are intruding on the seller's privacy when looking. They want to feel free to check out cupboard space, size of closets, and visualize the placement of their own furnishings. They don't feel comfortable when the seller is there."

Not talking to a lender before house shopping

As the third biggest faux pas.
 "The biggest mistake I see and the main reason for escrows falling out is that the buyers are not properly qualified by their lender," said Brent Bruce of Allied Home Mortgage Capital Corp. in Rancho Cucamonga. "They must be thoroughly qualified by a seasoned mortgage professional. Buyers need to turn every leaf and uncover every issue before ever going to look at houses. Otherwise they may look for houses for months only to find out they never were qualified to begin with. Their real estate professional should have a dependable seasoned loan officer they can refer."

"Buyers who have not bothered to get pre-qualified or approved for a mortgage are conducting the home buying process in reverse," said Espiritu. "Get qualified for what you can afford comfortably. Have a down payment. If you are a cash buyer have proof of funds ready."

With just as many responses was using the wrong agent.

"I strongly believe that the most important thing a seller can do is select a competent Realtor who will showcase the property to the widest audience in the most effective way possible," said Marchain. "Once approved and ready to go, they should stick with the same Realtor who has spent valuable time with them, trying to find 'just the right house.' Unfortunately, there are incidents where buyers have worked with a Realtor for some time, and then are grabbed by another agent who is representing a property they are interested in, and they are persuaded to write the offer with that agent. It is important for buyers to know that dealing with the listing agent on the property does not mean they are getting a deal. In fact, their interests may not be fully represented."

"(A big mistake is) sellers who list, buy or finance with a rookie because they are a friend, rather than an experienced professional. There are so many horror stories and lost friendships on this one; it is just sad," said Tim Harrison of Broadview Mortgage in Upland.

"Hiring the wrong agent can kill a deal and cost a seller money," said Jeanne Keating of Keller Williams Realty in Arcadia.

"With regard to choosing the best listing agent for your home, rather than basing that important financial decision on the highest recommended listing price, lowest commission, and/or online testimonials, a seller should really consider which Realtor will help them achieve the highest and best net proceeds at the escrow closing," said Geoff Hamill of Prudential, Wheeler Steffen Real Estate, Inc. in Claremont. "When being interviewed, Realtors will often inflate a recommended listing price and lower their commission. This has long served to be a desperate attempt to simply secure the listing and later reduce the



Sarah Reingewirtz / Staff Photographer

Realtor Donna Baker of Podley Properties shows a Pasadena home on Douglas Street during an open house for Realtors and brokers on June 2. Baker said sellers tend to get so caught up in the minutiae of the physical inspection and forget that no house is perfect.

price and raise the commission as the property lags on the market for many months and sometimes for years. One should be really concerned if a Realtor has struggles or is quick with suggesting a realistic listing price that is too high and/or negotiating their own commissions as the same Realtor would probably always show weakness in defending the sales price later when an offer is tendered and/or defending the seller's position with regard to buyer inspection repair requests and/or the buyer's lender appraisal of the property. Also, real life testimonials from past clients (vs. online reviews that can often be skewed or falsified) will always be more valuable. Top producing and successful listing agents will often have many years of experience, highly educated with numerous designations, consistent and extensive online plus print media advertising, as well as a current pulse on the market at all levels. Newer agents that have close relationships with successful mentors can also be considered as appropriate listing agents. One should always tread with caution when considering part-time Realtors, as this profession is pretty much seven days and seven nights each week. Missing an important deadline or opportunity can make a big difference on either a sale or no sale."

"Agent selection. Agent selection. Agent selection," said Rhonda Stanton of Keller Williams Realty in San Bernardino. "Knowing what I know about Realtors, and the horror stories I've heard, I would never hire one without a personal referral. Do your homework. Interview agents. Don't fall for the old 'I've already got a buyer for your house' trick, or the agent that tells you they can get the highest price. After a few weeks of your house not selling, and you're under contract with them, they will start grinding you to reduce the price."

Coming in fourth with one fewer vote was **taking advice from non-professionals.**
 "Sellers need to realize that they hire an agent for their professional knowledge and experience," said Donna Baker of Podley Properties in Monrovia. "When a seller tells me that 'my friend's aunt said I should...,' it frustrates me that they pay attention to someone who knows nothing about selling homes. If you trust your agent enough to hire them, trust that they are giving you the best advice they can."

"I have been in this profession for 35 years and the excuses are endless, but it usually comes down to the seller talking to someone who doesn't know what they are talking about (like a sister, brother, cousin, friend, whatever) or they know that so and so got this price for their home so they feel they should be able to also, even though their home is 300 square feet smaller and needs work," said Jan Smith of Prudential California Realty in Rancho Cucamonga. "The list could probably fill a book."

"The biggest mistake people make in real estate, they assume they are the expert and really don't need our advice," said Katherine Johnson of All Nations

Realty in Rancho Cucamonga. "Some consumers take the limited knowledge they have acquired from a friend or coworker and run with it. Knowledge is not power if it doesn't have all points covered and/or explained."

Not educating self

came in fourth.
 "Sellers often overlook the local nature of their real estate market," said Leonard Schlecht of Prudential California Realty in Rancho Cucamonga. "A newspaper article distributed by the Associated Press in New York which summarizes a national trend may be interesting, but of minor value when it comes to evaluating the market for their property. Every specific market is different, and sellers need to concentrate on their market with the local Realtor of their choice."

"The consumers today have so much information at their fingertips," said Espiritu. "They can view sold properties, tax records, even the public has access to the MLS (Multiple Listing Service). The agent should be the adviser and advocate to the client. I have seen a large increase in investors jumping in the market. Prices are cheap and cash is king. Some investors are low-balling and are getting outbid by serious buyers. If market value on a property is \$400,000 you will be very unlikely to purchase it at a \$100,000 discount. The buyer needs to know what the neighborhood is selling for and that is dollars per square foot. If model matches are selling at \$90 per square foot, an offer at \$75 a square foot is more than likely going to be rejected. The other thing

that buyers do is falsely believe that a seller will automatically counter their offer. Many sellers, whether standard, short sale or bank-owned will take the best offer they receive. Make your first offer your best offer. On a short sale the trend is to list the property very low, creating a virtual bidding war. My mantra is this 'List price means nothing.' If a property is listed at \$170,000 and the market value of the the same house, on the same street is \$199,000 and I advise my client to offer list price, I have done a disservice to my client. I will write the offer however my client wants, but I always have a caveat that this is what the true market value is. Going below comparable sales is not a way to get your offer accepted. There is no reason to over-pay in this market. By the same token, if the model match condition is not as good as the subject property an adjustment has to be made in kind. Educated clients with the most recent comparable sales data, interpreted correctly, will have the best snapshot of the current market in that area and will have the most success in getting their properties sold or offers accepted."

Next is not doing minor repairs.

"Sellers want to sell a house 'as is,' but they don't take the time to make it look appealing," said Baker. "If you want top dollar for your house, you should be willing to fix the things that buyers focus on. Buyers won't mind agreeing to buy a house as is if they feel it's been well cared for."

Sixth is rejecting offers close to asking price.

"(Sellers) get too focused on the list price without considering that an offer that's within 5 to 10 percent of the asking price puts them 90 to 95 percent of the way to their goal," said Baker. "I see too many sellers let a buyer go for a 5-percent difference and then end up taking an offer for much less after their house sits on the market for too long."

"Another big mistake is when an offer comes in immediately and it is not full price or close to it, the sellers feel since it is so new to the market they want to wait until a more acceptable offer comes in," said Meulenkamp. "I tell my sellers that generally the first offer that comes in is usually from a buyer that has been looking for some time, knows the market, knows exactly what they want and will jump on a new listing. The price may not be right, but a seller should counter and try to work with that first buyer. I have seen homes sell for less than the first offer price after it sits on the market waiting for a higher price."

The seventh most popular answer was not putting up a sign.

"Big mistake, not allowing the agent to place a sign on the property," said Jerry Gusman of Realty Executive Experts in Rancho Cucamonga. "Many sellers do not want a sign on their property. They do not want the neighbors to know, especially if they are distressed and doing a short sale. This inhibits the maximum exposure of the property. Many times we as agents get calls from potential buyers that were visiting a friend or family member and liked the area and saw a home for

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