



# Avoid the pitfalls

Sellers often hinder their own cause when selling property. Here are common mistakes to avoid

By Hina Navin

**Special to PW**

**A**re you having trouble selling your house? Experts say sellers are often their own worst enemy.

One of the biggest mistakes owners can make is to allow emotion and sentiment to overcome them during a transaction. This could lead to the property not being sold for a long time, incurring the seller more costs.

Setting an improper property price, both too high and too low, is another problem. Says Sunil Saraf, Managing Director, Tanjay Real Estate Brokers, "The right price is what a buyer is willing to pay and a seller is willing to accept."



Picture: Corbis

✦ It is important to set the price right — not too high and not too low — when selling property

"Unlike other assets class, where prices are determined at listed prices of for example the stock exchange, property prices depend on market and individual perception. These perceptions get influenced by the emotions of buyers and sellers and the market cycle, including the demand and supply in the neighbourhood."

Furthermore, if a property is marketed by too many agencies, it may create a perception in the market that the seller is desperate to sell, which can have an impact on the price.

Avoid highly personalised home makeovers, says Dawn Draper, Head of Operations, Ocean View Real Estate. "If

you overdo the remodelling, you can risk limiting the number of buyers to people who have the same taste as you."

She advises checking that your maintenance and service fees are up to date before you start advertising the property.

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## Property briefs

### Sharjah rents rise 16%

Sharjah's residential rental market is rising, according to a report by property management company Asteco. The emirate recorded an average rise of 16 per cent over the past year. The company attributes this to hiked rents in Dubai, which have led to tenants seeking out more affordable accommodation in Sharjah.

### Abu Dhabi hotels show 12% growth

Abu Dhabi has reported a 12 per cent rise in the number of guests staying in its 145 hotels and hotel apartments for the first half of this year compared to last year. The Abu Dhabi Tourism and Culture Authority also says guests are staying longer and that there have been significant increases in hotel occupancies and revenues.



# How not to sell a property: A seller's biggest mistakes

From incorrect pricing to personalised décor, there are things to watch out for when selling your property

By Hina Navin

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**W**ith hundreds of properties in the market, standing out and cracking a good deal can be a serious concern. Whether you are a veteran or new in the business, any mistake can result in losing a potential buyer. Moreover, it can be emotionally challenging when strangers visit your home, offer you a low price and criticise the place.

*Property Weekly* finds out from experts the common mistakes sellers make

and how they can be avoided to win a good deal.

## 1. Improper pricing

Underpricing or overpricing your property can create serious problems. Underpricing means the seller will have to bear the losses whereas overpricing will make a competing seller's price a bargain.

"The right price is what a buyer is willing to pay and a seller is willing to accept," says Sunil Saraf, Managing Director of Tanjay Real Estate Brokers. "Unlike prices of other asset classes, property prices depend a lot on market

perceptions and then on individual perceptions. These perceptions get influenced by the emotions of buyers and sellers and by the market cycle or the level of demand and supply in the neighbourhood."

Solution: "Your consultant has to do proper market analysis and research and this should be discussed with you to arrive at the right price. The market is dynamic and changing continuously, hence real-time research is required," says Saraf.

"Once you decide on a base price, stick to it. When you receive an offer close to this price, accept it and close the sale."

## 2. Being offended by low-price offers

Being frustrated by a low offer will not win you a deal. "It is worth remembering that every buyer wants to buy at the lowest possible price and every seller will want to achieve the highest property price. Don't get upset when you're offered a low price. By making an offer, the potential buyer has shown interest in the property and it is a starting point," says Dawn Draper, Head of Operations, Ocean View Real Estate.

Solution: Respond respectfully to all offers and negotiate instead of rejecting them

completely. "In most cases, it is good to introduce the seller and the buyer at the property. The seller can talk about the property, improvements made, local facilities or his or her own experience of living in the property and in the neighbourhood. Very often this personal approach ends positively and encourages negotiation," says Draper.

## 3. Getting caught in silly arguments

Withholding information can become an issue. "The agent will direct the buyer or seller when needed to attend to things such



Pictures: Supplied

as applying for a no-objection certificate or providing documents. The most common argument is when one party says they have carried out their duty but in fact have not and the agent has to chase them. The other party gets frustrated because there is a time limit in the sale agreement that can lapse," says Draper.

**Solution:** An experienced agent can help to avoid these situations. The agent keeps regular contact with both parties and gives advice along the way, says Draper.

#### 4. Highly personal home improvements

Yes, home makeovers that stand out can hinder a sale progress. While improving your home can add to its attraction, remember that each buyer may have different preferences. "If you overdo the remodelling work, you can risk limiting the number of buyers to those who have the same taste as you," advises Draper.

**Solution:** If your property is for personal use, then make changes in the property as you

please, but if you intend selling your home in the near future, simple improvements are a good idea. "Remember to keep colour schemes unpretentious and any major work to a minimum. Everyone loves a well-manicured garden, so this is where you can really attract the eye. Displaying nice shrubs and flowers in decorative pots is a good idea, as you can also take them with you when you leave," says Draper.

#### 5. Choosing an inexperienced broker

If your agent is not a seasoned pro and lacks appropriate knowledge about the ins and outs of the sales process, then your home may sit on the market for far longer than you expect. "The Dubai real-estate industry has undergone significant advances over the past six years, continuing to introduce new and enhanced regulations, which give the buyer or investor confidence and security. An experienced agent will have knowledge and experience in carrying out all the documentation and procedures. There

are many stumbling blocks for the non-professional that will not only take many hours to tackle, but can actually lead to losing the sale," says Draper.

**Solution:** Ask for recommendations from friends. Look for an agent who has a successful track record of selling homes in your price range and geographical area. Check the agent's list-price to sell-price ratio, since a good agent should have a record of selling at or near the asking price. Otherwise, look for another agent. "Identify a specialist consultant with a minimum of five years' experience.

Spend time screening and selecting the right agent; this is a good start for your deal. A good, experienced agent knows a lot about the market and the undercurrents, intricacies and marketing strategies required. The agent will negotiate on your behalf to get you the best offer and optimum price in your agreed time frame," says Saraf.

#### 6. Failing to disclose problems

Whether you intentionally hide or simply forgot to notice defects in the property, it is unethical not to fix them or not to talk about these issues with the potential buyer.

**Solution:** Your agent can help inspect and highlight issues that need to be fixed before the buyer views your property. "If a problem exists in the property, then it should be fixed and a receipt with a guarantee provided. A buyer will actually see this as a positive thing. In cases of burst pipes or water tanks, for example, it will be reassuring to know that these have been fixed and carry a guarantee," says Draper.

#### 7. Becoming emotionally involved

When you decide to sell your property, treat it as a commodity and avoid being emotionally attached to it. Make the buyer feel they can move into the property immediately — don't let your huge family photograph and other personal belongings distract them from envisioning it as their home. The more comfortable they feel in their first visit, the sooner they will decide to buy, so don't let the buyer feel like an intruder.

**Solution:** Before the agent brings the client to see the property, clear out unnecessary items — pack them or sell them as you please. Take the buyer's point of view. Make your property look more presentable and comfortable to a neutral eye that is your prospective buyer. "The buyer may have a different taste and may not be interested in your

décor and belongings. If required, the seller should be ready to sell his or her belongings separately," advises Saraf.

#### 8. Marketing property with more agents

If a property is marketed by too many agencies, it can create a perception in the market that the owner is desperate to sell. This can have an impact on the price during negotiations, says Saraf.

**Solution:** "Select your agency well and give exclusive selling mandate to a competent agent with clear timelines and terms. Exclusive agents usually go the extra mile to realise the sales objectives. You must carefully select an agency that is competent, focused and result oriented," advises Saraf.

#### 9. Not being accessible

If the property is presented well and priced attractively, buyers will quickly show interest. At this juncture, not being able to offer an ocular inspection of the property may create a negative impact on the deal and you may lose a buyer, says Saraf.

**Solution:** "Before marketing the property, you have to decide on the days you can conveniently show the property to interested buyers or agents. Be prepared to accommodate requests on short notice because there are non-resident buyers who are usually short on time.

"If the property is tenanted, you must agree with the ten-

ant to fix days for viewing," says Saraf.

#### 10. Inadequate planning and preparation

Marketing is an essential platform that showcases your home and brings in potential buyers. If you are not able to market your home well then you are throwing money down the drain. Also, prepare all essential documentation and be thorough with the fine print. Lack of preparation can create hindrances and delays.

**Solution:** "It is important to dress your property for marketing, as the images seen by the potential buyer will encourage them to have a look. Remember, taste is individual, so keep the property clear of clutter and put away any bold pieces of furniture or accessories. A good agent will visit your property to meet you and give advice. The agent will also take photographs and write a detailed description of the property, the location and surrounding facilities and amenities. Before you advertise the property, check that your maintenance and service fees are up to date and request a statement from the developer. If your property does not have a title deed, apply for it to avoid delays when closing a deal. If the property is mortgaged, discuss it with the bank. Organising all these things beforehand will go a long way to avoiding delays and complications later," says Draper. ■



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Head of Operations,  
Ocean View Real Estate



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