

You May Leave Money on the Table if You Sell Without Listing on MLS

Because of the incredibly low inventory of homes for sale, homeowners all across the metro area are getting postcards or letters from real estate agents who say they have a buyer looking for a home like theirs.

Sellers whose homes failed to sell last year are being contacted by other agents claiming to have a buyer looking for a home like theirs, asking if they would accept a full-price offer at last year's listing price.

How should you respond if you receive such an inquiry and do indeed want to sell?

You are better served by giving other buyers an opportunity to compete for your home, since accepting last year's unsuccessful listing price could cause you to sell your home for less than it is currently worth.

Regular readers will recall my

example a few weeks ago of a house in Golden which was on and off the MLS for four years without selling and was listed again this year for \$5,000 more than last year and immediately received three competing offers above that higher price. (I represented the successful buyer.)

My advice, if you are contacted by an agent with a buyer, is that you

list your home with me or some other agent and get your home on the MLS as soon as possible. This is the only way that you can be sure to get the highest price and best terms for the sale of your home. By doing so, you will also have an agent negotiating on your behalf.

The agent who brings you an unsolicited buyer should be happy to get the typical 2.8% commission he

would receive on a listed property. Having an agent on your side of the transaction will, of course, add to your commission cost, but listing commissions are far more negotiable than you might think. Be creative!

Your listing agreement could spell out different commission rates for different circumstances. You could even have an arrangement where the listing agent's commission is partially based on how much more money you get over the originally offered price. If you haven't already selected a listing agent, do consider us at Golden Real Estate.

What about "for sale by owner" (FSBO)? Many sellers think that because of this hot seller's market, you don't need to have a listing agent, but in fact you need an agent even more when you're likely to attract multiple offers. First of all, you must get your home the widest possible exposure, and only a competent listing agent can get you that.

And, second, you need an agent to help you identify the best buyer and negotiate with that preferred buyer's agent on your behalf. You don't want to be the only party without professional representation.

As I've said before, you can't underprice a home in this market, but you definitely *can* overprice it. The market will bid up the underpriced home, but an overpriced home can sit on the market with few showings and no offers while homes all around it are selling. I know it is tempting to say, "Let's test the market with a high price," but that approach can backfire. Again, you need the advice of an agent who is "in the thick of it" in this complex seller's market.

Time and again, I see sellers who interview multiple agents and select the agent who suggests the highest listing price. Select your agent based on how they market the house and the quality of representation he or she will provide in the transaction.

REAL ESTATE TODAY



By **JIM SMITH**, Realtor®

Agents Committed to Sustainable Practices Should Consider Our Brokerage

One of the value statements on Golden Real Estate's yard signs says "Promoting & Modeling Environmental Responsibility." We know of no other company with such a statement on its signs.

In 2010, Golden Real Estate won Golden's Sustainability Award for Business because of its sustainable practices. For example, we go beyond normal recycling by having a "Styrofoam Corral" behind our office. Anyone can drop of their clean, white polystyrene (aka "Styrofoam", which is a brand name) for recycling. Every 6 to 8 weeks we have collected enough of this material to fill our box truck and take to a polystyrene factory in Denver. That box truck is also offered free to the clients of our agents (at no expense to the agent). If you drive a plug-in vehicle, as I do, you can charge it free, with electricity generated by our solar panels.

Agents also enjoy free car washes, free Showcase service on realtor.com, free Centralized Showing Service for listings, free open house signs, free sign riders, free virtual tours and video tours, free color printing, and no desk fees or "administrative commissions." If you are a seasoned agent who finds these benefits appealing, please call me!

This Week's Featured New Listing

Large 2-Story Home in Broomfield's Westlake Village Shines!

One of the largest homes in the neighborhood, this unique four bedroom, three bathroom home at 3233 W. 133rd Ave. features a great room off the kitchen with brand new carpeting. The main floor living room has a cozy fireplace and the finished basement adds another (nonconforming) bedroom, laundry room and family room. This home is located in Westlake Village just around the corner from Centennial Elementary School and close to many parks and trails. Stay cool in the Colorado summer with both central air conditioning and an evaporative cooler. The large storage shed in the back yard is perfect for your motorcycle or toys and the concrete driveway is large enough for your RV or extra vehicles. Come take a look today, this home won't last long! Listed by Kristi Brunel.



Serving the West Metro Area

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