

Have You Wondered Why Some Homes Don't Sell, Even in a Seller's Market?

Any real estate agents with at least 20 transactions under their belt can tell you that a seller's market is no guarantee that a home will sell. As an example, in the last six months, 73 residential listings with Golden addresses either expired or were withdrawn from the MLS without selling. In those same six months, 481 listings sold. So, it can be said that 13% of listings did not sell despite a hot seller's market. Why?

The median price of those unsold listings (after reductions) was \$580,000. The median days on market was 38. Ten were on the market over six months. About half of them reduced their listing prices before giving up. The other half held firm at their original listing price.

Usually the reason a home does not sell is because of price, and it is so

tempting when sellers are seeing homes sell quickly and above listing price to insist that their homes should be listed for more than comparable sales suggest — or than their listing agents recommend. As I have written many times in this column, it is so much smarter in a hot market to price a home low instead of high.

One column headline from several months ago read, "You Can't Underprice a Home in This Market, But You Can Overprice It," and I stand by that statement even more now than when I wrote it.

If you "underprice" a home, you'll more likely attract multiple buyers who will drive the selling price (with proper management by your listing agent) to a price higher than you'd get if you had listed for that higher price.

On the other hand, if you overprice

a home, it can sit on the market for weeks, whereupon if you lower the price it appears "stale" to prospective buyers. The notion that you only get one chance to make a first impression is as true with home listings as it is in your private or professional life.

If you do find it necessary to lower a price, it is best to do it quickly — within a week, for example — instead of after a lengthy period of not attracting any offers.

Another dynamic to be aware of is that "buyer's remorse" is more common in a seller's market. That's because many buyers act too quickly to get a listing under contract, only to

realize that the house isn't quite right. When this happens, the house goes back on the market. To forestall this, my practice is to carefully vet the winning bidder to assess whether this home truly meets their needs.

REAL ESTATE TODAY



By JIM SMITH, Realtor®

Colorado's First All-Electric Car Share Opens in Golden



Tim Prior, owner of eThos Electric Car Share, poses with one of his cars. Rates for the car share service start at \$7/hour and drop to \$5/hour as members log rental hours. A Tesla Model S is also available for half-day rentals to qualified customers. Learn more at www.ethoscarshare.com.

Join Me This Weekend at CU for Climate Colorado Summit 2014

I'm a presenter/guide on Saturday and Sunday at this conference committed to dealing with climate change as it affects Colorado before it's too late. Learn more and/or sign up to attend at www.ClimateColorado.org.

This Week's Featured New Listings from Golden Real Estate

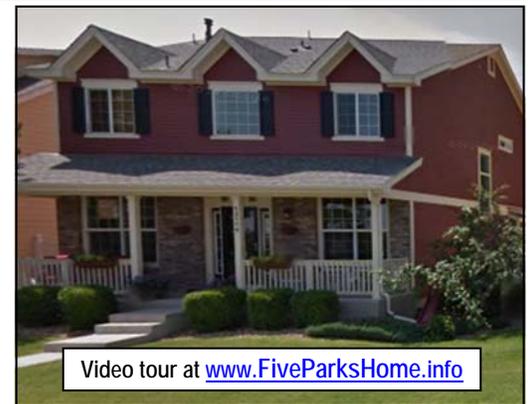


Arvada Home Backs to Greenbelt

Ralston Estates is a mature neighborhood with a greenbelt passing through it. This tri-level home at 13820 W. 66th Way backs to that greenbelt and has a large fenced yard with raised deck from which to enjoy a view of that greenbelt. The wall-to-wall carpeting is new, and the kitchen has been updated. The family room on the lower level walks out to the backyard and has a wood-burning fireplace. Tenant (a relative of the owner) is moving out Nov. 25th. Seller will replace tenant-owned appliances, so you can consider all appliances included. As with all Golden Real Estate listings, the buyer gets free use of our large moving truck and free moving boxes.

4-BR Home in Arvada's Village of Five Parks

If you're not familiar with Arvada's Village of Five Park, it is a 10-year-old subdivision built somewhat along the lines of Belmar's "new urbanism" but with far lower density. There's a town center with shops, restaurants, a swimming pool, community center, fitness center, and an outdoor performance area for concerts, etc. This home at 13774 W. 84th Avenue is directly across from the village green and all those amenities! If you're not ready to set a showing, you should at least drive by during Saturday or Sunday's open house 1-4pm. Then you'll probably want to see inside! Inside it has 4 bedrooms, 3½ bathrooms and 3,322 finished sq. ft. of living space.



Typical of "new urbanism," the 2-car garage is off the alley. You won't want to miss this one! Listed at \$440,000 by David Dlugasch, 970-209-5941.



Serving the West Metro Area

Jim Smith

Broker/Owner

Golden Real Estate, Inc.

DIRECT: 303-525-1851

EMAIL: Jim@GoldenRealEstate.com

17695 South Golden Road, Golden 80401

WEBSITE: www.GoldenRealEstate.com



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