

# Where Have All The Buyers Gone?

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Beautiful homes in desirable locations can sit on the Taos real estate market for months simply because they are priced too high and the sellers won't reduce the price. Sellers often tell their agent to encourage buyers to make offers, but buyers usually don't.

Although this may seem counterintuitive to sellers, buyers have good reasons for not making offers on listings that are overpriced for the market. A high price can signal an unrealistic seller.

Today's Taos real estate market is challenging. Buyers are nervous, busy and usually not in a rush to buy. There is no sense of urgency to buy now, so buyers are waiting for the right house at the right price. Buyers don't want to waste time trying to convince sellers that they are right about the market value of their home and the sellers aren't. Most buyers prefer to wait until the sellers reduce the price to a reasonable level and then make an offer.

It's not uncommon for a seller to receive an offer almost immediately after the price is lowered, and sometimes more than one offer. Buyers wait until they know their offer won't be made in vain.

Buyers who have serious interest in a house that's priced too high often don't make an offer because they're concerned about offending the seller. They fear this might jeopardize their chances later when the sellers reduce their price.

In areas where there are plenty of listings to choose from, there's no incentive for buyers to make an offer on an overpriced listing. Why battle with an unrealistic seller when there are several other homes on the market that are equally appealing and priced competitively?

Taos real estate listings that have been on the market for some time at the wrong price can be ignored by buyers, even if there aren't a lot of other listings in the area. Today's buyers are looking for a good deal. A listing that receives no serious interest is usually priced too high and is not a good value at that price.

It's easy enough to determine whether a house is priced right for the market. If a listing isn't selling but other similar well-priced listings in the area sell soon after they come on the market, the message is clear. One of the first things buyers want to know when they discover a listing is: How long has it been on the market?

**HOUSE HUNTING TIP:** Many sellers are in denial about the current market value of their homes. It's difficult to accept that you can't sell for the price you paid, or the price you need to buy another home, or the price you want because you think your home is worth it. We're in a buyer's market. In terms of pricing for the Taos real estate market, the only price that's relevant is what a willing and able buyer will pay, not what the sellers hope they'll receive.

Buyers who are interested in making an offer on an overpriced listing should first have their agent check with the listing agent to find out if there is any flexibility in the sellers' price and why the home is on the market. This will help you assess the sellers' motivation.

Do the sellers need to sell because of a job relocation, death or divorce? These are motivated sellers. They need to sell, even though they may not want to. If they don't price right for the market initially, they will probably become realistic about the price at some point.

