

Why

Price Is Key To Selling Your Home

Your home is your castle—even when it's for sale. Let's assume it's in splendid shape. Let's say your terms are competitive; your timing's clearly set.

Now, what about your asking price? Without question, price is your most important sales tool. Here's why:

The period of best opportunity for selling a home at a reasonable price is the first four weeks after it is put on the market. Buyers who have seen most available listings are waiting for just the right home to come on the market. If your home is **priced right** from the beginning, you are in the best position to attract the maximum number of buyers able to pay the price your home is worth — and to sell your home within your timetable.

If your home is **underpriced**, you may be swamped with lookers and perhaps get many offers. But you could lose thousands on one of your family's largest investments.

If your home is **overpriced**, lookers are apt to be few and far between, with little chance of any offers to pay your unrealistic price. You may lower your price later, but by that time you will have missed many of the most interested buyers.

How do you set the right price?

Arriving at an asking price involves up-to-the-minute research and experienced



judgment. Besides enlisting our help in checking out the current real estate market conditions and financing trends, the basic steps include:

- Measuring your home against similar neighborhood homes that have recently been sold or are currently on the market.
- Determining what features make your home stand out among others currently on the market. After all, buyers are comparison shoppers.
- Weighing the spending of a reasonable amount of money on cosmetic fix-ups that might enhance the marketability of your home and earn the highest possible sale price.

The right price is usually within 5% of market value (a constantly changing factor) and usually results in a fair-dollar sale within a reasonable amount of time. As we say, "Price sells."

Why is overpricing risky?

A price more than 5% over market value may have these results:

- Buyers may resist inspecting your home because they can find better values elsewhere. (Overpriced homes tend to sell the competition first.)
- Potential buyers who can't afford the price don't bother to look — or to make offers.
- A buyer willing to pay an over-market price may have difficulty getting financing. Lenders may not approve a loan if the appraisal is lower than the contract price. (The delay from a failed sale can mean missing out on the critical first 30-day marketing period.)
- Your unsold home will begin to get "stale," as the marketplace assumes there is "something wrong" with the home.

How The Right Price Attracts The Best Buyers



- To make up for lost time you might be inclined to lower the price below competing homes in order to move it.

Is it ever smart to underprice?

Setting a price below market value usually isn't preferable because you may be losing money. If time is more important than money and you need a faster-than-average sale, you may consider setting a bargain price to attract the greatest number of prospects. The chart above shows how asking price affects the number of prospective buyers who will look at that property. From experience, we know market value delivers the optimum number of prospects at the best price for a quick sale.

When you're ready to sell your home, take advantage of our real estate expertise to help you price your home to sell.

To Purchase Call (703) 698-7750