

## THE COMPETITIVE PRICING

**An overpriced home more often than not will end up selling for less than it could have originally if priced competitively**, in addition to taking much more time to sell. As a matter of fact, an overpriced property will not sell even if we advertised it on the front page of Time magazine. Then, what guides should a seller use to price a home for sale at a competitive price and realize the maximum from the sale?

Some might say: "I am not in a hurry and there will always be someone ready to pay more for my property than others. As well, I can always reduce the price at a later date."

### Consider these factors:

- When a **property lingers on the market**, prospects may suspect it is because there are **problems with the home**.
- Realtors® provide sellers as well as buyers with a market analysis of the area they are looking at. Therefore, informed prospect **buyers will overlook** and pass on **an overpriced property**.
- **Realtors®** know very well when a property is overpriced and **will cross an overpriced home from their list to show**. Why? you might wonder! In the first place, they work on commission and why would they invest time and money into showing a home that is overpriced and will ultimately be turned down by the buyer prospects anyway? Next, prospect buyers do not like to be duped and might consider other Realtors® to buy from should the Realtor® show them overpriced listings.

### What guidelines should a seller adopt to set the price of a home?

- To start with, **home values are determined by the local market situation between buyers and sellers**. It is generally referred as "Market Value" because it is determined by the local market. For example, if sellers in a given area will sell a comparable property for let's say \$200,000, and buyers do buy such properties for that price, it is accepted as the fair market value for a typical home in a given area. **Pricing the property above that price is then considered overpriced**.
- To establish the fair market value of a property, Realtors® prepare an **in-depth analysis of a local market** which includes:  
**Recent comparable sales**, an indication of real market value;

**Current comparable listings**, identifying the direct competition of other properties in the marketplace;

**Expired listings**, in most cases those which were overpriced in the first place.

- Based on findings from the in-depth market analysis, sellers should **price their property to maximize their exposure and attract as many potential buyers as possible**. This will also result in a much faster sale, an added benefit to sellers.

### **What if other real estate agents are ready to list a property at an inflated price!**

There definitely are agents out there willing to do so. However, consider the following:

- Do they have an **aggressive market plan** to sell your property or will they only list it in MLS and hope for the best?
- Do they provide you with an **in-depth market analysis** and if they do, how can they support listing a property that is overpriced?
- Will they use inquiries received from the sign on your property to sell comparable competitive homes on the market and **leave you in the cold**?
- Are they full-time professionals and can they provide a **track record of home sales in your area**?

Before signing a listing agreement with a Realtor®, ensure that you are dealing with a **full-time professional** that can provide you with a **list of satisfied customers you can contact**.

As a full-time professional, my goal is to provide 100% customer satisfaction and ensure that your interests are protected. **Selling a home requires the proper skills, access to a large pool of buyers and finally an effective marketing plan designed to sell a home for the best price possible and within the shortest period of time.**

**That's What I Do Best!**