

## Pricing your home to sell

### Review comparables of recently sold homes

The first thing we will do when helping you price your home is to provide you a Comparative Market Analysis (CMA). A CMA is a compilation of recent sales from your area.

#### Comparable properties should:

- Ideally be within ½ of a mile from your home.
- Have been listed or sold within the last 3-6 months.
- Be roughly the same age and within 10 percent of the size as your property.
- Have the same number of bedrooms and bathrooms

### Avoid ambiguous and century pricing

When you're shopping at the mall, \$59.99 sounds more attractive than \$60. So, when listing a house \$599,000 seems more attainable than \$600,000. Listing your home at an arbitrary price like \$678,893 looks gimmicky and distracts from your home.

### Pricing your home for online search

Most buyers search these sites based on the price range they've established will be their budget. Therefore, keep in mind what price range you want your home to fall into on real estate search websites. A buyer looking at homes in the \$380,000 to \$400,000 range will likely never come across your home if it's listed at \$405,000. However, your home will show up in their search results if you price it at \$399,999.

### How to price your home to keep up with the current housing market

**Seasonality:** Spring is generally considered the best time to sell a home as the weather has improved and it will soon be Summer break. Fall is considered second-best, as most people are back in town from summer vacations and try to purchase before the school year starts. Winter tends to be the slowest season, not only because of bad weather as people are also busy with the holiday season.

**Inventory:** The basics of supply and demand applies as much to real estate as in selling goods. You'll have a harder time getting the price you want if your home is one of 30 for sale in your neighborhood because supply outweighs demand. But, if it's a hot market and you're one of just a couple homes for sale in your area, you may be able to get your asking price, or even higher!

**Buyer's market:** Price your home slightly lower than the competition as there are more homes for sale than there are buyers in the market.

**Seller's market:** Price your home 5-10% more to a comparable sale since inventory is limited and buyers are competing for fewer homes.

### You may have to cut you price after listing

Even after doing all this research, the market might have changed and you'll come to realize that you've listed your house too high if it does not sell. Don't worry, it's not unusual to make price cuts. 60% of sellers change their price at least once. However, make sure to avoid the need to make a lot of little price drops over time because older listings tend to give buyers a bad impression. It's best to have one big price cut you're comfortable with so that you can sell your home quickly.