



SHINE BRIGHT

5 STRATEGIES FOR PRICING LISTINGS RIGHT THE FIRST TIME

It's not surprising that sellers want to get the most bang for their resale buck when it's time to put their homes on the market. But sometimes their desire to score a high return at the closing table can result in an overpriced listing that doesn't sell or fails on appraisal. That's where your expertise comes in. To keep sellers' expectations in line with market realities, here are five strategies to price listings right from the start:

STRATEGY 1 Determine the Real Market Value

Research the area comps by performing a CMA (comparative market analysis). Find out what's currently on the market and what similar properties sold for in the last 3, 6 and 12 months. Having this data in hand helps you make a stronger case for why a seller's proposed price is too high.

STRATEGY 2 Stick to Neat, Rounded Figures

Some sellers want to list their homes at random, creative prices like \$289,777 as a way to stand out from the competition. Unfortunately, this strategy makes potential buyers scratch their heads and it distracts them from the great features of a property. Picking rounded figures is always a safe bet.

STRATEGY 3 Avoid the Need for Multiple Reductions

When homebuyers see multiple reductions on a listing, they might assume something is wrong with the property or a seller is difficult to work with. Setting a competitive price at the start negates the need for multiple reductions while shortening the time on market.

STRATEGY 4 Appeal to the Widest Range of Buyers in Online Searches

If a seller wants to list at, say, \$315,000 with the hope of netting \$305,000 or \$300,000, buyers who've set their online search criteria for properties up to \$300,000 will miss the listing completely. Setting the list price at \$300,000 or slightly less ensures that a larger range of buyers will see the property, which generates more showings and more potential offers.

STRATEGY 5 Order a Pre-Appraisal

A pre-appraisal is no different from a standard appraisal, except it's completed before the home goes on the market and anyone can pay for it. Some sellers have found out the hard way that accepting an offer that's well over market value results in the property's failure to appraise at the contract price, which can kill a deal if buyers can't make up the difference. A pre-appraisal performed by a certified home appraiser objectively provides added reassurance and confidence in pricing a listing right from the start.

HELPING YOU SHINE BRIGHT