



3 MISTAKES TO AVOID WHEN PRICING A HOME

As an agent, having an expired listing on your books is never a good outcome. Not only does this mean that an investment of your time, energy and money hasn't paid off, it also means that the relationship with your client is at risk of being negatively impacted, your self-confidence might be affected and your business as a whole could be damaged.

A common cause of an expired listing is incorrect pricing. Even with inventory levels at record lows, an incorrectly-priced home could remain on the market for weeks, even months. Unfortunately, it's all too easy to price a home incorrectly, and even the most experienced agents can get it wrong if not careful.

Here are the top 3 pricing mistakes to avoid at all costs:

1. Appeasing the Seller - Because a home is a family asset that usually involves major emotional attachment, sellers are almost always going to want to price their property higher than the market value. When sellers actively push back against a suggested price, the mistake some agents make is acquiescing for the sake of peace. Appeasing your seller like this might mean that they are placated temporarily, but it could lead to an expired listing down the line.

2. Being Unprepared - To price a home correctly, you need two things: the most up-to-date market information available and the

expert skills required to confidently guide your sellers in a way that will best meet their ultimate goal. Unfortunately, some agents are unprepared when it comes to having a pricing conversation with a seller. Not only do they lack current market data, they lack the skills needed to make their seller feel heard while also selecting an appropriate price. Because of these deficiencies in an agent's skillset, the road to selling a home can be a long and bumpy one.

3. Not Focusing Long-Term - Some agents have a "something is better than nothing" approach when it comes to a pricing presentation. With their only goal being to lock in the listing, they blindly take a short-term view. If a seller questions or rejects the proposed pricing, they go along with it to secure the business. However, this approach often backfires. If the wrong price is set and the listing expires, the long-term consequences of this decision can be really detrimental.

Pricing is an art. It's not only new agents who may struggle in this area, veteran agents can encounter challenges too. As a seasoned agent, continue to be open to improving your skills by participating in continuing education seminars on this topic, in order to meet the demands of today's market.

*Adapted from an article by Buffini & Company

Right-Click
and select
"Change Picture"
to replace this
image with an
agent photo
that is
1"wide x 1.25" high

To Insert your logo:
Right click this image
Select "Change Picture"
Choose your logo
Drag corners to
adjust dimensions

First Name Last Name
Title
Cell: (555) 555-1234
Office: (555) 555-1234
Street Address
City, State, ZIP
Email Address