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Let's Talk About Real Estate

“WILL YOUR EMOTIONS SET THE PRICE?”

Every homeowner is always interested in getting the highest possible price for his or her home. This is certainly an understandable goal. The key to receiving the best selling price begins with the most appropriate asking price. Quite often, emotions play a major role in affecting the asking price. Here are some examples of emotions in action:

BASING PRICE ON EGO: “I am going to get more for my house than he did!” This is an example of letting ego take control in pricing decisions. If we don't like the home of a neighbor that was recently sold or don't approve of the way he or she kept the home, we may allow these feelings to influence us when comparing the value of both homes.

BASING PRICE ON OUR PERSONAL TASTES: As homeowners, we are entitled to decorate and furnish our homes in any manner suitable to our tastes. When we put our homes on the market, however, we must realize that potential buyers may look at our decorating ideas as a detriment and not an advantage. In fact, the buyers may offer us less than we want because they will have to incur the cost of removing the existing decor in order to replace it with decorating ideas they prefer. This reality is often difficult to accept because we feel that we should receive a premium price for the money and ideas we have invested in decorating.

BASING PRICE ON FUTURE CASH NEEDS: Many of us price our homes by adding up the money we will need to satisfy future financial needs. This is most often the case when we are selling a home to buy another. Because we need a certain sum of money in order to buy the next home, we just automatically decide that the current home will have to provide the necessary amount. Although this goal is desirable, it may not be possible considering actual market conditions.

ADVICE: Emotions are often at their peak when dealing with issues of family and home. Because of the importance of setting the right asking price, however, get the help of an emotionally detached and market-wise Realtor®.