

# Getting The Price You Want When Selling Your Home



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One of the most important factors in selling your home is choosing the right asking price. Price is often the first thing a prospective buyer looks at when they see a house that has been listed on the market, and if they think the price is wrong, they'll turn away without even looking. If you want to sell your house for as much money as you can, you have to make a good "first impression" when it comes to price. It takes research, and a firm knowledge of the current real estate market to choose the right asking price. If you price your home too high, you won't get any serious offers, and your home will languish on the market for a long period of time, which can cost you thousands of dollars. If you price your home too low, however, most agents and prospective buyers will wonder what is wrong with your house, and they will move on. You need take a look at the real estate market in your area, and find out how much comparable houses have been selling for in your neighborhood.

**It's important, therefore, to recognize the four basic strategies of setting a price for your home. By paying attention to the ever-changing real estate market, you'll be able to pick the right strategy for your home.**

## **1. Clearly overprice your home.**

Everyone wants to get as much money for their houses as possible. But many houses on the market are priced 15 to 20 percent over their real market value. This can be the result when more than one agent is competing for your listing, and the selling price becomes overinflated when one agent overvalues your home to get you to sign a listing contract. Of course, this may cause a house to stay on the market for months without any offers, which could lead to it being labeled as a problem home by other agents in the area. This wastes your valuable time, as well as money, especially if you have made significant improvements to your home to prepare for the sale.

## **2. Slightly overpriced your home.**

Three out of every four homes on the market are between 5 and 10 percent overpriced, which will cause them to languish on the market for longer than they should. Some buyers do this to leave room for negotiations, and others do it because they are still too attached to their homes emotionally, and believe the house is worth more than it is. Both reasons can cost sellers time and money when the house doesn't sell as quickly.

## **3. Pricing your home correctly.**

Some sellers and agents do the necessary research and market analysis and price their house correctly. Usually these homes sell relatively quickly, and for close to the original asking price.

## **4. Pricing below the fair market value.**

This is usually done by sellers who are motivated to sell their house as quickly as possible. These houses usually receive multiple offers, sparking a bidding war that could drive the price back up to the market value. If your agent recommends doing this with your house, make sure they have your best interest in mind.

This only a starting point, however. Coming up with the right pricing strategy also involves understanding what makes a person want to buy a home. Think about the things YOU look for when searching for a new home. For instance, you probably compared buying a brand new home as opposed to buying a resale. You probably looked at different areas and neighborhoods to see if they had everything you needed...or desired. Other buyers will be looking at your house in the same way. They will be comparing your house to other ones in the area to see if its priced correctly. They will look to see if it's close to schools or shopping centers, or if it's in the suburbs or out in the country. They will take a look at the surrounding neighborhoods to see if it's a place they want to live. So your house is not only competing with houses in your immediate area, it's competing with every other home that has a similar layout.

**If you price your home too low, however, most agents and prospective buyers will wonder what is wrong with your house, and they will move on.**