

FACTS STILL COUNT

What role will facts play when you decide to set an asking price on your home? This may sound like an absurd question. It is, however, the result of twenty years spent in the real estate business. Homeowners often price their homes because of many factors other than reality. Here are a few:

TOTAL AMOUNT INVESTED

Many sellers try to sell their homes for a high enough price to cover their initial purchase price and all subsequent improvements. This approach is often unrealistic and impossible to accomplish. A potential buyer doesn't care how much you have invested in the property. He or she will compare your property and its asking price to similar homes now for sale.

AMOUNT NEEDED TO BUY THE NEXT HOUSE

Should you price this house based upon the amount you need to buy the next house? From an arithmetic point-of-view, it would be ideal to get enough money from the present home to handle the downpayment, all closing costs and some fix-up costs of the next property. You may be able to do this and you may not. The only question to be asked is whether or not the amount you need is a fair market price for your home when compared to similar homes on the market.

MARKET FACTS

The only reliable indicator of what your property will bring is the present real estate market facts. Your Realtor has access to these facts through the local multiple listing service. Modern computers located in real estate offices are in constant contact with all the facts that are constantly changing hour-by-hour. These facts include new listings just coming on the market, recent sales, price reductions and a history of sales going back many months.

ADVICE: Price your home based on the facts. Hire a Realtor.