

How to Price Your Home To Sell For More Money in Less Time

The best way to price a home is a five-pronged approach with your real estate agent:

1. Study the sold comparable properties (developing one or more Comparative Market Analysis reports) in order to see what homes an appraiser might use to appraise the home. This is very important to know, as many buyers choose to finance their purchase and therefore an appraisal will be necessary to close their loan on your home.
2. Construct one or more absorption rate charts to see statistically how long similar kinds and locations of homes in each price bracket are sitting on the market this year, and compare to your goals (how long you have to sell your home). If possible, choose the price bracket that is the least crowded (has the fewest amount of homes on the market) or the price bracket that is selling the quickest.
3. Research what buyers can currently buy for your target price bracket, and use competitive pricing to position your home to stand out as a clear value among those choices.
4. Offer incentives to buyers to add to the value of your home as a product. Examples are “Quick Close”, “Survey Included”, “Inspections Included”, “Home Warranty Included”, “All Appliances Included”, “5% Cash Discount”, “HOA Fees Paid for First 3 Months,” etc.
5. After putting your home on the market, if the market is not responding to your home, be willing to revisit sales stats and reposition your home in the market—this means adjusting the list price intelligently.

By doing these five steps, you will be ahead of the market curve. If your home is priced accordingly, it should sell quickly and for the highest price any buyer will pay at that time.