



How to Price your Home For Sale

The time has come. You're ready to sell your house and the big question is: what price tag should you give it? Let me explain *the* crucial point you need to grasp before taking your next step. Experience has shown that the foundation of any successful home sale is based on applying the Price versus Value principle. Everything else being equal, price in relation to value is what sells a house.

One challenge I always face with sellers is the belief they have in how special their home is. And how, because of this specialness they should be able to get a higher price than all the other similarly styled houses on the market. In most cases, there is nothing special about your house. I know this is hard to accept but let me explain. Your 3 bedroom, 3 bath, granite counter-topped home with 180 degree views of the mountains is up for sale along with, (at any given time), tens, if not hundreds of houses just like it in your local market.

The only way you are going to differentiate yourself is to stand out with your Price versus Value, and declare, "Look, all these features for this competitive price!" Naturally, if your house was designed by Frank Lloyd Wright, or you are situated in a small town, the principle I'm talking about won't be relevant; but in general, most of us are facing general market conditions.

Price versus Value will also determine whether or not your house will sell in a timely manner. To illustrate, let's assume that the value of your house is \$300,000 (how you got to that figure is a whole other issue that we will not get into at this time). Nothing stops you from attaching a 1 million dollar price tag to your home, but will it ever sell? At the other extreme, if you would price the property at \$25,000, you would probably get multiple offers within hours. Also, it never hurts to test the market. If you don't get an acceptable offer in the near future you can adjust your expectations or sell at a later date.

As a seller you have to be realistic about the numbers, as well as understand that at any given time there are only a finite number of buyers in the market for a home exactly like the one you are selling. In order to consummate a sale it is your job to come up with a price that works for you, as well as meet buyer expectations.

What is your personal scenario? Gather the information you need and weigh the pros and cons. Once you have come up with a price that makes sense to you, organize your best marketing materials and if you prefer, hire a real estate professional to help you with the process. Never forget; everything else being equal, price versus value is what sells.

Good luck!

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As an investor himself, as well as a licensed Realtor®, Dimitri has over a decade of real estate experience. Dimitri's specialties include primary residences, second homes, investment properties, commercial properties and land. He has been recognized for being a Multi-million Dollar Producer, and is an accomplished Realtor® committed to superior results for his clients.

"Strive not to be a success but rather to be of value" Albert Einstein