



## Pricing Mistakes and How to Avoid Them

**Mistake #1** - Ignoring the sales data. You should price your home based on sales not listings. Your broker will prepare a comparable market analysis (CMA) to assist you in determining the appropriate list price. Numbers don't lie. An appraiser will use the same sales data as your broker.

**Mistake #2** - Hiring a real estate broker who offers the highest list price for the home. This will cost you time and money. The broker is "buying the listing" just to get you to list with them. Make sure your broker reviews their detailed pricing evaluation for your home.

**Mistake #3** - Getting emotionally involved. Stay objective during the pricing process by focusing on statistics generated by the broker's CMA. Don't be insulted by a low offer, but think of it as a starting point of a negotiation that could result in a sale.

**Mistake #4** - Pricing too high from the start. The first few days on the market are the most crucial and will generate the most activity from serious buyers. If you price too high to start, you will simply sell your competition.

**Mistake #5** - Overpricing because you have time. Waiting will cause you to eventually lose money. A home that lingers on the market or has multiple price reductions makes buyers think there is something wrong with it. Sell your home faster and for more money by pricing the home at current market value. You want to stay ahead of the curve and stay current with the market.

**Mistake #6** - Thinking like a seller instead of like a buyer. The price should reflect how your home compares to others offered for sale. Have your broker take you for a tour of your competition. Which house would you make an offer on? Chances are, it is the prettiest home with the lowest price.

**Mistake #7** - Don't sit it out waiting for prices to increase. Even in a seller's market, the longer you wait, the more inventory you compete with.

**Mistake #8** - Pricing your home according to your upgrades and updates. You may have many upgrades and expensive updates, but a potential buyer or an appraiser may not put the same value on them. The upgrades and updates may help you sell your house faster, but maybe not above market value in your location. *Tip: Talk to your broker about things like solar panels, water features, and other things that may or may not affect housing values.*