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**Pricing Your Home**

Buyers will first consider the location for their home purchase. Buyers will need to be concerned about the condition of the home for their intended use and the decision of the lender to loan on it. Lender guidelines are much stricter and buyers have to make smart choices.

As a seller, you need to detach yourself from the home and live in a buyers mind.

Setting the pricing of a house needs to reflect what it will appraise for. It is a major component of the reasons why a house will--or will not--sell quickly. Although the pricing should not be dealt with lightly, some sellers have a tendency to put too much emphasis on the price and not enough on the condition, ending up with a house that is overpriced for its current condition and the overall market. And the chances are good that the lender's appraisal will force the price back down to market value.

**Why accurate pricing is important.**

The original starting price is important and needs to be researched thoroughly. It must be in the market correctly to compete for and attract buyers:

- 1) If the house is overpriced, it won't sell. If it doesn't sell and sits on the market the listing quickly becomes stale.
- 2) If you overprice the house with the intention of reducing the price later just to "see what the market will bear", when the price of the house is lowered, it signals to buyers that it was (and still may be) overpriced.
- 3) If the house is underpriced, it most likely will sell quickly--to the detriment of your net proceeds.

**Items that contribute to the value of your home**

- 1) **Location:** This is where your home sits. If your house is located in a desirable area that is in demand, you will be able to get a higher price than you can for the same house in a less desirable area.
- 2) **Condition:** A house that has been better maintained and shows better will always sell for more than one that has had deferred (neglected) maintenance and needs work.
- 3) **Desirable features:** If a house has features and improvements that are currently popular in the marketplace, it will bring a higher price.

**What is the best method for setting the price?**

**CMA (Comparable Market Analysis):** A comparison of similar properties in the same general area that compares actual sold prices. A Real Estate Agent has ready access to tools that can generate a CMA. Happy Selling!