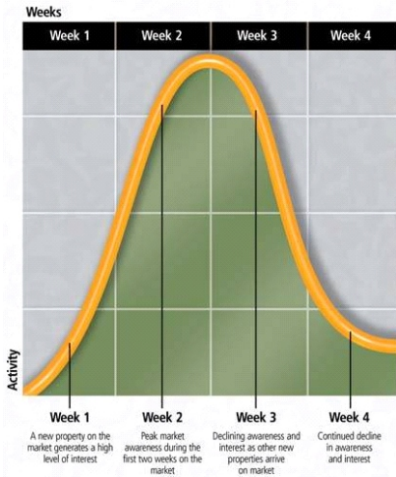


# Pricing Strategy

## Trying a Price for a Couple of Weeks



It is critical to position your home at the best price during the first market exposure.

The majority of showings by sales agents on a new listing occurs when the house is first placed on the market.

## The Drawbacks of an Overpriced Property



Many sellers think that an overpriced property simply can be reduced if it doesn't sell. The danger with this is that by the time the property is finally reduced to its market value, it may have been on the market so long that buyers perceive it to be a tainted property.

Buyers then question how long the home has been on the market and why it hasn't sold. Their offer to purchase, based on that knowledge, may be below its actual value.

As real estate agents, we use market research to arrive at a price that is realistic and fair to the seller and attractive to buyers. This process takes into account factors which include location, condition, market history and current activity.

## Positioning Your Home In the Marketplace



The triangle represents all potential buyers for a given home. The higher the price is on the triangle, the lower the percentage of buyers who will be interested. As the price increases toward the peak of the triangle, the number of buyers who are willing to pay a premium price for the home declines, until the buyers perceive that the price is so high that no prospects are attracted at all.

As the asking price declines toward the base of the triangle, the home is perceived to be a "bargain," and the number of potential buyers increases.

Ideally, you should price your home in the range of actual fair market value.

Your sales associate can help you determine this range with a Comparative Market Analysis. Setting a fair asking price helps you obtain the maximum selling price for your home.