



Certified  
Residential Specialist  
The Proven Path To Success

# Is your asking price too high?

## Two common pricing mistakes to avoid

Price is the No. 1 factor that helps homebuyers determine which homes they want to view, and it's important to remember that the value of the home is determined by the buyer – not by you. The right price should attract buyers, allow you to earn the most money possible and help you sell as quickly as possible. However, there is an art and a science to setting asking prices, and many sellers tend to overvalue their homes based on two common factors – the original cost of the property and the cost of home improvements.

**1. The original cost of the property does not determine your asking price.** Price is determined by today's market, not by the market in which you purchased your home. Buyers won't be swayed to pay more for a property just because you paid more initially.

**2. Home improvements do not necessarily increase your asking price.** Improvements can add value to your home, but not all improvements add value equal to what you spent on them. What you consider an upgrade could be seen by a buyer as a potential future cost. For example, just because you spent \$20,000 installing a state-of-the-art swimming pool doesn't mean your home's selling price will be \$20,000 more.

Again, the real value of the home is determined by what a buyer is willing to pay, and a buyer may value your addition at the cost you paid for it. This goes for all upgrades. A \$7,000 kitchen upgrade doesn't mean \$7,000 should be added to the asking price. A \$4,000 bathroom renovation doesn't automatically add \$4,000 to your home's value. Consider this before spending money to upgrade or update any part of a home you plan to sell.

While the original cost of the property and costs related to any home improvements shouldn't affect your asking price, you will have to take several things into consideration when working with a Certified Residential Specialist to set the price of your home. Pricing will rely heavily on your personal situation and market conditions in your area at the time of the sale. Here are several factors that should affect your asking price:

- How quickly you need to sell. If time is your enemy because you're relocating quickly (and especially if you already have a mortgage on a new home), your price will reflect the need to attract a good buyer fast.
- The amount of competition in your price category and area. Your asking price should be based at least in part on similar homes currently for sale.
- The availability, flexibility and affordability of financing. If your home is priced too high, potential buyers may struggle to get financing at that price. Financing also can be affected by local and national market conditions.
- The sale prices of similar homes sold in your area during the past six months to one year. Like your current competition in the market, recent sales in the area will give an idea of how much your house is worth to potential buyers.



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With a mix of real world experience and advanced training, a Certified Residential Specialist (CRS) has the tools necessary to determine the fair market value of your home based on both the marketplace and personal considerations. Remember, the right price is key to a successful sale, so work with a Certified Residential Specialist to price your home accurately the first time.

A Certified Residential Specialist will do all that (and more) to sell your home faster and for the best price. Selling your home takes a lot of know-how, and making even a small mistake can be costly. Think of the services a Certified Residential Specialist provides as an investment – one that repays itself in the efficient sale of your home. This partnership keeps you free from time-intensive tasks involved in selling a home while also giving you the expertise needed to help maximize profit from a successful sale.

A Certified Residential Specialist can help you sell your home by pricing it accurately to sell in the current market, advertising the home in your area and online, holding open houses, accessing out-of-town buyers through a network of contacts, screening prospective buyers before they enter your home, suggesting ways to make your home more attractive to potential buyers, addressing buyer concerns, acting as a negotiator between you and the buyer and drawing up a contract that satisfies both parties.

Work with a Certified Residential Specialist to ensure your home sells quickly and successfully.



In the current market, you need more than just a REALTOR®; you need someone who can make your homebuying or selling experience an unqualified success.

**You need me, a Certified Residential Specialist®**  
Start your journey today by contacting me:



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