

# Targeting the Right Price

*Realty3 Carroll & Agostini - Mitchel Agency – Valley Properties*



Realty **3**

Carroll & Agostini

Mitchel Agency

Valley Properties

# Targeting the Right Price

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Targeting the right price when you begin to sell your property will make you more money.

Choosing the wrong price, especially in the beginning, will cost you time, increase your effort and yield you less money in the end.

# Aspects of a Successful Sale

- **Price** – Without proper pricing, a property will take longer to achieve a sale and will yield substantially less dollars.
- **Location** – The neighborhood and surrounding location will heavily affect the amount of \$\$\$ you can hope to receive.
- **Property Condition** – Property that is freshly painted, updated, mechanically and structurally sound will sell faster and at the higher end of the price range.
- **Market Conditions** – Is it a buyer's market or a seller's market? That will determine how much you can sell for.
- **Terms** – Sales can be structured in many ways so that buyers can buy. It doesn't matter how the offer is structured, all that matters is what you net after expenses.

**If the price is off – You've missed the mark!**

# Price is based on Market Value

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*Market Value is based on the economic factors of 'Supply and Demand' which set the stage for buyer markets and seller markets*

- Buyer's Market
  - Abundant inventory creating stiff competition for a limited pool of financially qualified buyers within a particular price range
- Seller's Market
  - Abundant pool of financially qualified buyers competing for a limited amount of available inventory within a particular price range

# In-Depth Analysis is Required

***Although there are a lot of websites that offer information you can use to 'price' your property, the software programs used are neither sophisticated nor intuitive enough***

- Can't adjust pricing for supply and demand
- Can't adjust for location or neighborhoods
- Can't adjust for property feature differences
- Can't adjust for rising/falling market trends
- Can't think, assess or analyze the raw data

**Partial Information misses the Target!**

# A Real Market Analysis

***A true customized market analysis considers and interprets the following factors:***

- Recent sales of like-kind property with similar style, features and location which will create a limited historical range of sale
- That range is then re-calibrated against the market activity and the currently available properties competing for buyers
- The price range is then fine-tuned with respect to the property's condition

**No website program can do this!**

# The Right Price at the Right Time

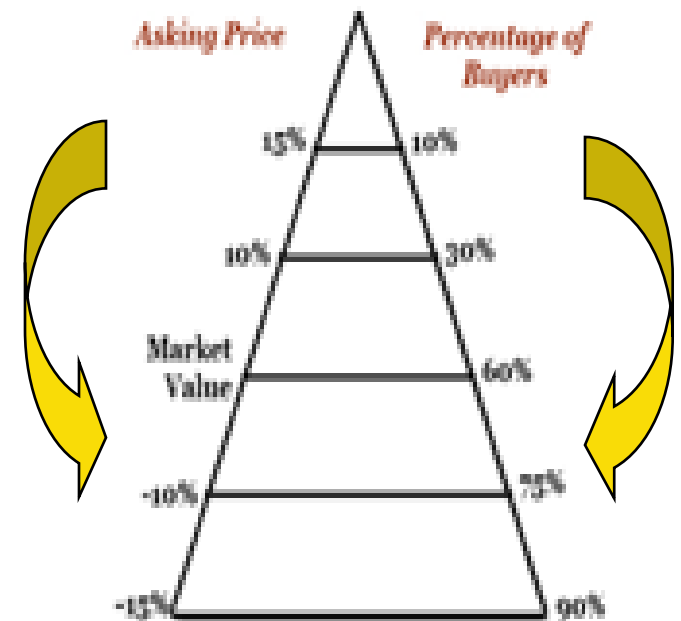
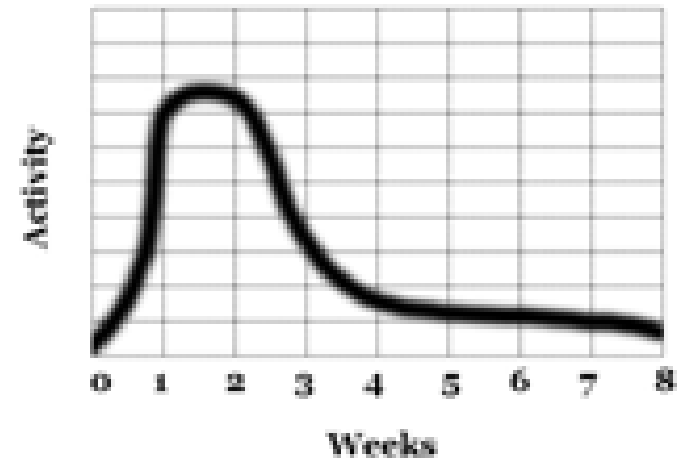
Property attracts the most attention when it is first listed. Pricing above the market undermines your ability to generate offers

Buyers have seen the available inventory so a new listing that's priced correctly attracts offers.

The triangle graph shows 60% of available buyers purchase at market value, not above.

The % of buyers increases even more when the price is just below market value.

Either option will generally provide you with multiple offers and a higher price!



# Accurate Pricing Creates Interest

- Once your property is listed, our marketing plan goes into effect
- In addition to internet exposure, your property is listed in the Multiple Listing Service which also gets uploaded to Realtor.com
- Realtors® are keenly aware of new property to the market and their buyer clients are updated daily
- That exposure generates showing appointments
- If the property is not priced correctly, no amount of marketing will generate property showings

**The right price generates showings and offers!**

# **Above market pricing is very costly**

- New listings will attract the serious buyers who have seen all of the other available inventory in your price range.
- If your price is not competitive, you will receive no offers.
- Our marketing will prompt buyers to contact their agents and if the agent considers your property overpriced, they will share their professional opinion with their clients.
- Your property becomes 'stale', showings drop off and no amount of print or on-line marketing will generate interest.
- You will drop your price, often several times, to get showings. Serious buyers that originally saw your property have bought something else.
- The longer your property is for sale, agents and buyers will assume there are problems or issues.
- When offers arrive, they will be very low. Bargain hunters watch for property that is on longer than normal

# Got Questions???

**Analyzing the market and pricing property correctly takes years of skill and training.**

Although you may have mortgage balances, equity lines of credit, tax liens, home improvement loans and other debts to settle, that can't be used to determine what your property is worth.

That information is necessary to have up front in assessing the financial viability of your sale but it is not a factor of property value.

**I can help you target the right price!**

# About Realty3

- Realty3 is a large independent firm with a local presence and an International Network
  - Offices to serve you throughout the Central CT and CT Shoreline areas
- Realty3 is a full service real estate firm with the following divisions:
  - Residential, Commercial, Foreclosure, International & US Relocation, Auction, Rentals, New Construction, Property Management
- Our highly skilled professionals are ready to help you with any of your real estate needs