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PRICING YOUR HOME

What factors influence the pricing of your home?

The Real Estate market is constantly fluctuating, so pricing is not an exact science. Rather, it's a reasonable figure derived from a number of different components, such as:

- ◆ The status of the current Real Estate Market
- ◆ The expertise and market knowledge of your real estate representative
- ◆ Hard facts such as lot size, square footage, features, and condition of your home
- ◆ Desirability factors, including location, special amenities and property attributes
- ◆ Selling and listing prices for comparable homes

It is important to note that the following conditions do not affect your homes price:

- ◆ The profit you wish to make from the sale
- ◆ The amount of money you have spent on improvements
- ◆ What other sources, such as friends, family, and neighbors have told you it's worth
- ◆ An appraised value - if done for the purpose of a "refinance"
- ◆ What you originally paid for the home
- ◆ The Tax Assessed Value

When setting the price, why not ask for the moon?

Make no mistake; we want you to get the best possible price for your property. However, when a home is priced too high for the market:

- ◆ It attracts lookers, not legitimate buyers.
- ◆ It implies that you are not motivated to sell.
- ◆ It reduces the number of showings.
- ◆ It helps the competition look better.
- ◆ If it doesn't appraise at the higher price, a buyer may not be able to secure a loan.
- ◆ You may ultimately have to drop your price below market value in order to sell.

Pricing your property right from the start may be the single most important factor in the sale of your Real Estate. An experienced and knowledgeable Agent can go over with you all the comparable homes that have, "Sold", as well as those currently "Active" (your competition) to help you pinpoint the place in the market that can achieve you the highest possible price – without pricing too high.

A property generates the most interest within the Real Estate community when it first comes on the market. The number of showings is greatest during this time if it is priced at a realistic market value. Consequently, starting too high and dropping the price later misses the excitement and fails to generate as much activity. This key time can never be achieved again making it essential to be correct in your price range from the start. Over-pricing at the start means it may become necessary to drop the price below market value to compete with new, well-priced listings. The buyer will probably be asking if it will take this long to resell – not realizing you just started too high.