

MarketNotes

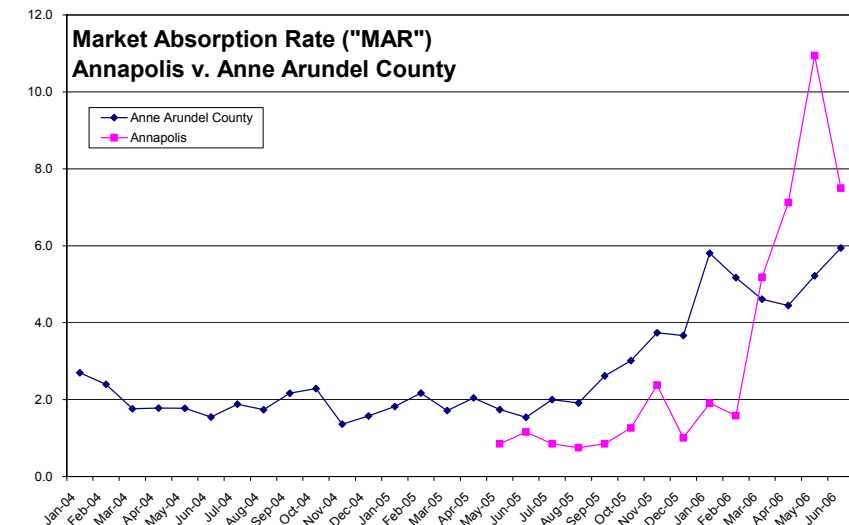
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Over Coming Market Conditions

Price overcomes all objections including market conditions. The price you select for your home is the very best asking price based on the information you have at this time you list, but when there are only a few showings or no showings at all, the market is telling you that your home is over priced or there are no buyers in market for your home at your asking price. When market conditions overtake you and your home during the listing period, when interest wanes in your property, when there are no buyers in your price range, then your only option is a price adjustment to attract the attention of the most serious buyers.

When the situation is muddled, what should you do? Should you lower your price now or hold out for your current asking price? The answer to these questions depends on your circumstances. If time is on your side, you may be able to hold at your current asking price. If you have to sell or sell very soon and time is not on your side then you'll need to be aggressive about lowering your price. And, when market conditions are very difficult, you'll need to pull out the stops with price, terms and concessions to attract the attention of the most serious buyers.

Over the last several months, buyers have had many choices. And when buyers have choices, they'll naturally choose the lowest priced home on the market among comparable properties. Upgrades, amenities, condition will help you



get your home sold first, but, not at a higher price. If you have over priced you will wait longer for a buyer or if there is a buyer at all.

Over pricing is a common mistake after a long sellers market. If you are overly confident believing that your home will sell before all the others and you over price even by a little as two-to-three percent, you will be left behind when the lower priced competition sells before you do. You should not over look market trends when pricing your home. And, if you are anxious to get your home sold sooner rather than later, you will need to adjust the price of your home to match current market conditions.

For example, condos priced over \$300,000 aren't selling while those priced below are. Townhomes priced over \$400,000 aren't selling while those priced below are. Townhomes in one community – that had been priced as much as \$50-70K more than the adjacent community – aren't selling when the lower priced community's homes are. The seller sets the asking price, the buyer sets the value, the range is the market. And, right now

the difference is greater than sellers realize. Buyers have the upper hand.

So, what should your strategy be if you are a seller? Price according to recent market trends and always lower than your direct competition. You may need to price between five and ten percent (5% - 10%) below recent solds in order to find the most serious and qualified buyer for your home. You should be prepared to reduce price by five percent (5%) every thirty (30) days thereafter in order to obtain a quick sale.

Conclusion

The very best homes continue to sell, but, in a buyer's market it will take longer than you expect. If you recognize the trends and price your home accordingly, you should generate the strongest interest. So, if you're thinking about selling your home or know someone who is, for a confidential, private, professional assessment of your home in today's market, please contact Stephen Howell at 410-923-3217.