

Determining the Value

A Right Price Analysis (RPA) is essential to determine the value of residential property. I use a RPA instead of a CMA (Comparative Market Analysis) because the RPA uses homes that were rejected by the market as well as current “active” homes (your competition) along with the homes that have “sold” to determine an accurate selling price.



- ℞ Pricing is the single most important component of the marketing plan
- ℞ Realistic pricing will achieve the maximum price in a reasonable time
- ℞ Buyers comparison shop for value
- ℞ Careful pricing creates urgency
- ℞ Your cost or profit desire is irrelevant; the market determines the price
- ℞ Price can offset unfavorable conditions
- ℞ No amount of promotion will compensate for an incorrect price
- ℞ The cost of improvements is almost always more than the added value
- ℞ Houses that remain on the market a long time do not get shown
- ℞ The price must make sense relative to the competition
- ℞ A house that is priced right from the beginning achieves the highest proceeds
- ℞ Price is not determined by what it would cost to rebuild today
- ℞ What you paid has no relevance on value

Take Note & Beware:

The agent you list your home with cannot set the sale price of your home any more than your stock broker dictates the price of your stock. Selling price is a function of the real estate market. NEVER SELECT AN AGENT BASED ON THE PRICE THEY ARE WILLING TO LIST YOUR HOME. An overwhelming number of homes being rejected by the market are a result of poor advice from inept or over anxious agents.



You Should Know

Factors that affect the sale of your home...

THE HOUSE

- *Specific location*
- *Curb appeal*
- *Decorating and emotional appeal*
- *Age and condition*
- *Floor plan, room sizes, amenities*
- *Yard and landscaping*

PRICING

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THE MARKET

- *General economic conditions*
- *Interest rates*
- *Supply and demand*
- *Time of year*
- *Direction of housing prices*

MARKETING

- *Pricing is the single most important part of the marketing plan*
- *Thoughtful staging*
- *Advertising*
- *Agent networking*
- *Brochure and direct mail*

