

Before You Select the Right Price,
Select the Right Pricing Strategy.



Foster
& Bond

Before selecting a marketing price for your home, determine the best pricing strategy first.

Homes should never be priced or marketed as commoditized widgets because homes are not interchangeable. Each one is different, & each home supports a different lifestyle.

Knowing this, ERA Foster & Bond believes that selecting a pricing strategy is critical to creating a pricing plan tailored to your specific wants & needs.

HOME PRICING OVER THE YEARS

Lacking a strategy, countless home sellers have endured years of heartbreak as their property sat on the market for much longer than intended.

Almost as lamentable, some home sellers have accepted a sales price that was below what they could have received simply because they didn't have a strategy in place.

Simply, pricing a home has never been about statistics, trends, or science. Pricing a property for maximum return requires an understanding of and the use of the interdisciplinary practices of effective marketing.



EFFECTIVE MARKETING AND PRICING

When real estate professionals ask fellow agents and appraisers to suggest a price for a property they intend on marketing, they already know they will receive numerous and significantly varied market values.

When a real estate agent is pricing their own home for sale, they usually price their home with a casual consideration of the market data. This highly selective approach to pricing runs contrary to the fact that real estate professionals have access to all data and can preview competing "comparable" properties.

The problem is agents and home sellers conflate competing properties and comparative properties as one and the same. They are not; and thus create a marketing scenario that is likely to yield poor results. We'll help you avoid any confusion about marketing and help you choose the right pricing strategy.

Questions to Ask Your ERA Foster & Bond Agent

- › What current market data will buyers be evaluating when they assess my property's value?
- › Which homes have sold within the last six months?
- › Which homes were removed from the market?

PRICING YOUR HOME

- › You may access recently sold data of properties by visiting erafb.com or any of the popular real estate websites.
- › Drive by homes which have sold and assess their appeal compared to your property. Remember, the exterior is only one part of the equation.
- › Although you can learn the sales price, what may not be known is the motivation and circumstances of both the seller and buyer of each property that has sold.
- › Visit open houses in the immediate area. By visiting these homes, you will gain a broader competitive perspective. Then when you're discussing pricing strategy options with your ERA Foster & Bond agent, you will have a better sense of how your home fits in with the overall marketplace.
- › Determine your motivation to sell your home. What is your desired time frame selling? Where are you going when this home sells?

ERA RECOMMENDED PRICING STRATEGY

Your ERA Foster & Bond agent acknowledges that no two properties are alike, and all home sellers' circumstances are unique. The following three pricing strategies should be shared, as well as displaying all relevant home data that pertains to your property to ensure the best pricing strategy is selected.

MARKET ANALYSIS STRATEGY

Select a price based on what the data and information compiled through a market analysis would suggest.

The benefits are 1) the property will be more likely to appraise; 2) the home will appeal to a broader range of buyers; and 3) more knowledgeable buyers and buyer agents would perceive the value as accurate.

LESS IS MORE PRICING STRATEGY

Selecting a price nominally lower than the data suggests creating more immediate and intense attention from serious buyers.

The primary benefit is that this strategy can create increased competition and lead to multiple offers.

RETAIL PRICING STRATEGY

Include a "reasonable" negotiating cushion.

Just as many retailers first increase a price and then lower it to gratify the buyer, so too will many home sellers, anticipating that buyers will offer less, price their property higher than market value.

Sellers specifically add a negotiating cushion to their asking price with a willingness to "grudgingly" come down off their price.

The benefits are 1) because most buyers will offer less than the asking price as a negotiating strategy, this can create the buyers feeling that they got a "good deal;" 2) sellers are reasonably assured that they have received the maximum price obtainable in the marketplace.

- › What can be done to increase my home's value?
- › Why did certain homes not sell?
- › How long are homes in my price range taking to sell?
- › What is the overall absorption rate in the
- › How will you help negotiate the best price?
- › How will you target the right buyers for my home?



ERA Foster & Bond real estate company, based in Atlanta, Georgia, offers full-service real estate solutions to homeowners, sellers, purchasers, landlords, and tenants. ERA Foster & Bond provides the most specialized and efficient home marketing and sales methods, technology, and third-party client resources available today.

With over 30 years of experience and a team of full-time real estate experts, ERA Foster & Bond can help you enjoy your home today and help you get the most out of your home when you need to move.

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