

A Message from the President of the Youngstown Columbiana Association of REALTORS

The Price is Right...Or maybe It's Not! Pricing your Home Accurately is the Key to a Successful Home Sale

By, Michael Stevens

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Did you know that your home will get the largest amount of interest within the first 7-10 days that your home is on the market? So, nailing down the right price is an essential component of a successful home sale. Pricing your home properly from the beginning is key to attracting potential buyers, maximize your return on investment, and expedite the selling process. Lucky for you, we have phenomenal REALTORS® in the Mahoning Valley that are trained and very skilled in the profession of determining the RIGHT PRICE to list your home at. In this article, we outline the consequences of overpricing, as well as underpricing your home.

The Effects of Overpricing:

1. **Extended Time on the Market:** When a home is priced too high, it often lingers on the market for an extended period. In the current real estate environment where inventory is low and buyer demand is high, an overpriced home may get the stigma of "it's been on the market for a while so something must be wrong with it" and is often overlooked by most buyers.
2. **Reduced Interest:** Overpriced homes may receive fewer inquiries, showings, and offers right from the start. This lack of interest can create a negative perception of the property as it continues to sit on the market, even if it's a beautiful home with desirable features.
3. **Lower Final Sale Price:** Surprisingly, overpricing your home can sometimes lead to a lower final sale price (YIKES!). This occurs because the property becomes less appealing over time, leading you to reduce the price gradually. Eventually, you might end up selling for less than you would have by pricing it accurately from the outset.

The Dangers of Underpricing:

1. **Lost Profits:** While underpricing your home might attract multiple offers and a quick sale, it could mean leaving money on the table. In a competitive market like the Mahoning Valley, a well-priced home can still generate a lot of interest and offers without foregoing your return on investment.
2. **Perceived Issues:** A significantly underpriced home can raise suspicions among buyers. They may wonder if there are hidden problems with the property, which can lead to questions and concerns during the negotiation process.

Setting the Right Price:

1. **Consult with a REALTOR:** Step number one and probably the MOST IMPORTANT step is collaborating with a real estate agent who specializes in your area. They have their finger on the pulse of the market and can provide a realistic assessment of your home's value by completing a thorough and customized comparative market analysis. This data will serve as a benchmark for your pricing strategy.
2. **Consider Market Conditions:** The real estate market can fluctuate and that has been most certainly the case in the last few years. One of the best things you can do is meet with a REALTOR® who can outline the current market conditions,

including supply and demand, interest rates, and economic trends. Selling at the right time is an important part of pricing your home accurately.

3. **Be Open to Negotiation:** It's essential to be flexible in your pricing strategy. While you want to set a competitive initial price, being open to negotiation can attract more buyers and result in a successful sale.

Pricing your home properly from the beginning is a crucial factor in achieving a successful and profitable sale. Overpricing and underpricing can have adverse consequences, so it's essential to seek professional guidance from the very beginning. When setting the right price, you can attract motivated buyers, increase your chances of a smooth sale, and secure the best possible return on your real estate investment!

Michael Stevens is the 2023 President of the Youngstown Columbiana Association of REALTORS®