

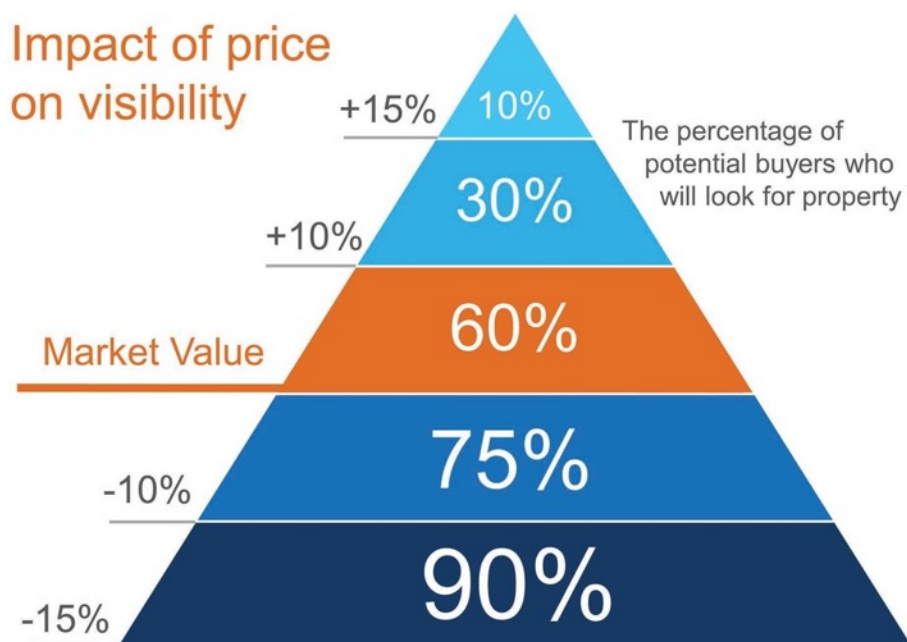


How To Get The Most Money From The Sale Of Your Home

Every homeowner wants to make sure they maximize their financial reward when selling their home. But how do you guarantee that you receive maximum value for your house? Here are two keys to ensure that you get the highest price possible.

1. Price it a LITTLE LOW

This may seem counterintuitive. However, let's look at this concept for a moment. Many homeowners think that pricing their home a little OVER market value will leave them room for negotiation. In actuality, this just dramatically lessens the demand for your house (see chart below).



Instead of the seller trying to ‘win’ the negotiation with one buyer, they should price it so that demand for the home is maximized. In doing this, the seller will not be fighting with a buyer over the price, but instead will have multiple buyers fighting with each other over the house.

Realtor.com recently gave this advice:

“Aim to price your property at or just slightly below the going rate. Today’s buyers are highly informed, so if they sense they’re getting a deal, they’re likely to bid up a property that’s slightly underpriced, especially in areas with low inventory.”

2. Use a Real Estate Professional

This, too, may seem counterintuitive. The seller may think they would make more money if they didn’t have to pay a real estate commission. With this being said, studies have shown that homes typically sell for more money when handled by a real estate professional.

A new study by *Collateral Analytics* reveals that FSBOs don’t actually save any money, and in some cases may be costing themselves more, by not listing with an agent.

In the study, they analyzed home sales in a variety of markets in 2016 and the first half of 2017. The data showed that:

“FSBOs tend to sell for lower prices than comparable home sales, and in many cases below the average differential represented by the prevailing commission rate.”

The results of the study showed that the differential in selling prices for FSBOs when compared to MLS sales of similar properties is about 5.5%. Sales in 2017 suggest the average price was near 6% lower for FSBO sales of similar properties.

Bottom Line

Price your house at or slightly below the current market value and hire a professional. That will guarantee you maximize the price you get for your house.

