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Dave Windsor's 'Alaska Real Estate'

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Pricing Your Home For Sale

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When pricing your home for sale there are obvious factors that suggest current market value, but also mistakes you can make.

Homeowners naturally have pride in their home and can easily overestimate its value. What you paid for your home, how much it would cost to rebuild, the money you spent on improvements – these are not accurate indicators of value today.

It is essential that you have a professional evaluation of current market value, and also a market strategy to maximize your net cash at closing.

We will not discuss here your negotiation of the fees you pay to engage a real estate professional. That is an issue for you to decide. In the real estate business, as with any business, you often get what you pay for, so you must make your own judgement about what you are willing to pay for the service and skill offered by the real estate licensee.

However, apart from location, size, age and condition, a professional will analyze the market and be able, with the help of MLS data, to tell you what your home is worth.

The Zillow 'Zestimate' is an algorithm only that is not calculated with any intimate knowledge that a local licensee can provide. Municipal Tax Value may or may not be accurate.

A local professional will review comparative (historical) sales in your neighborhood and also competitive (current) listings. I personally lean more heavily on the current, competitive available properties because there is an excess of demand over supply at this time and this has more determination of what you can obtain than historical, past sales.

The current market has more buyers than sellers and we are commonly seeing multiple and immediate offers on newly listed homes. *This is, quite simply, a "Seller's Market".*

It, therefore, takes particular skill to determine the price at which you should go on the market. In current conditions you should err on the higher side (without being ridiculous) so as to not underprice your home, yet leave room for the buyers to compete above that price.

There are many other pieces of an offer received that are worth money also, and your real estate professional can guide you through those cards being placed on the table in an offer that seriously sweeten the pot, other than the purchase price itself.

Don't lose perspective when listing your home for sale. Everyone, even your workmates or neighbors, will have an opinion – but a true professional has the most resources to direct traffic – and you want that traffic at your front door with a premium offer !

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