



# PRICING YOUR HOME: SHOULD YOU LIST COMPETITIVELY OR AIM HIGH?

When selling your home, price is the single most important factor in determining how quickly—and successfully—it will sell. So, should you list at a competitive market price, or take a chance and aim a little higher in hopes of landing a “big fish” buyer? Let’s break down both strategies.

## Pricing at Market Value: The Smart Play

Imagine the real estate market suddenly shifts in favor of sellers. If you price your home based on outdated comparable sales (too low), what happens?

- ✓ You attract immediate interest.
- ✓ You likely receive an offer within days, close to 98–100% of your asking price.
- ✓ You might even get multiple offers, pushing your sale price higher.

Sure, you might have squeezed out an extra \$5,000–\$10,000 if you had waited 30–60 days, but that’s a gamble. Instead, you’ve sold your home quickly, avoided stress, and can move forward.

## Overpricing: The Risky Bet

Now, let’s say you decide to list your home **\$10,000–\$15,000 over market value** (assuming a \$400,000 average price).

Two things could happen:

- 1 The perfect buyer, emotionally attached to your home, overlooks the competition and happily pays your inflated price.
- 2 Your home **sits on the market**, waiting for someone willing to pay more than what it’s worth.

And here’s where things get tricky.

- If no buyer bites, you’ll likely consider a **price reduction within 20-30 days**.
- Buyers notice homes that sit unsold and start wondering, What’s wrong with it?
- Even if you drop the price later, most buyers **won’t take a second look**—they’ve already ruled it out.

And then there’s **the domino effect...**

When a market slows, sellers who originally priced correctly may start adjusting downward. Suddenly, your reduced price **still isn’t competitive**. You’re stuck “chasing the market down” and may end up selling for less than if you had priced it right from the start.

Meanwhile, if you’ve already purchased another home, you could be juggling **two mortgage payments**, adding unnecessary stress and financial strain.



## The Bottom Line: Why Pricing Right Matters

In the first scenario (pricing competitively), you:

- ✓ Sell quickly.
- ✓ Move forward with your goals.
- ✓ Potentially benefit from **market appreciation** when buying your next home.

In the second scenario (overpricing), you:

- ✗ Risk extra carrying costs and mortgage payments.
- ✗ Struggle with a home that lingers on the market, gaining a stigma.
- ✗ Potentially miss out on buying at the right time if the market shifts.

## The Winning Strategy

The best pricing strategy depends on your goals.

✦ **Want a fast, smooth sale?** Price your home **1–2% below market value** to attract serious buyers and hedge against fluctuations.

✦ **Willing to wait?** Pricing **at market value** means you should expect to sell within the average timeframe for your area.

✦ **Thinking of overpricing?** Understand that sitting too long on the market can cost you **far more** than a competitive price ever would.

It's like winning the lottery—you can take the **guaranteed cash payout** or take a risk for the big prize. You *might* hit the jackpot, but what if you don't?

The key is making a **strategic** decision that aligns with your timeline, market conditions, and financial goals. If you're considering selling, let's talk about the best pricing approach for your home.