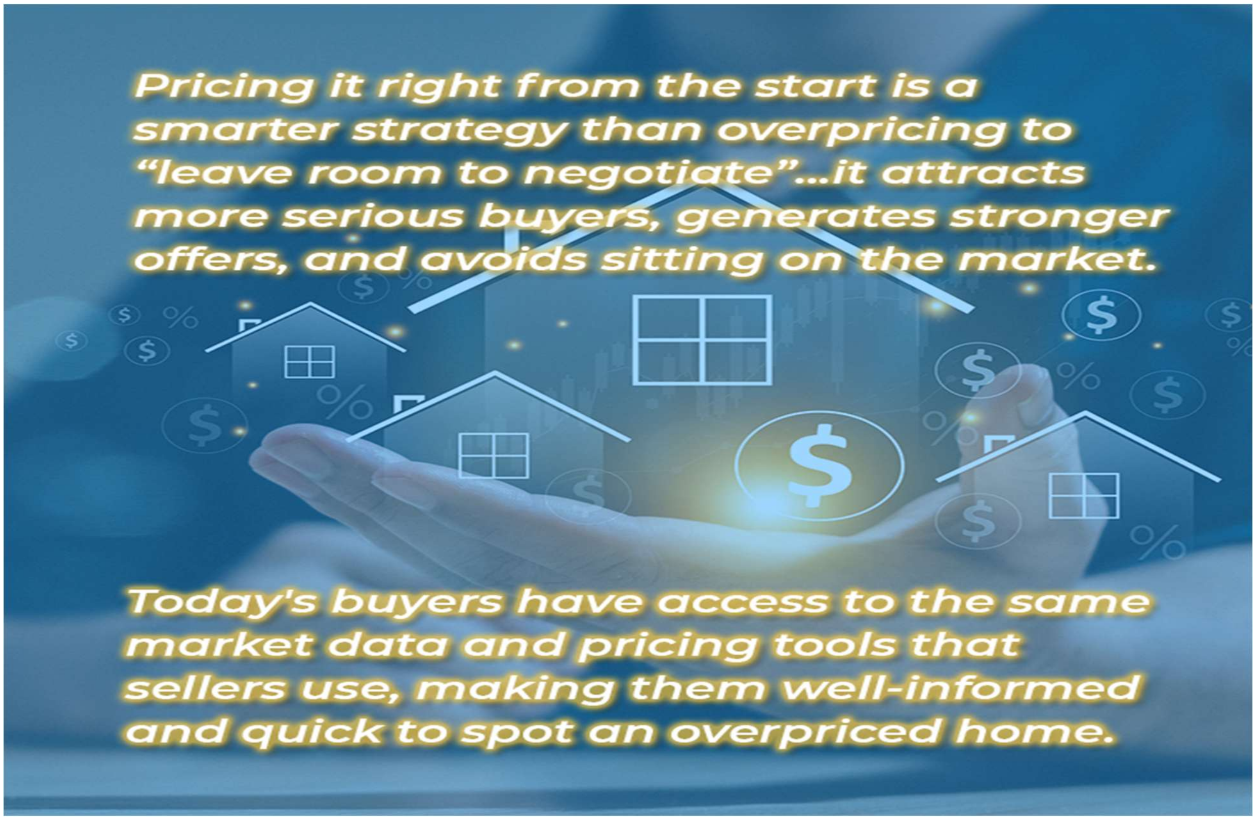

I wish I had a dollar for every time a seller starts off with "let's enter the marketplace with a listing price that is above your market analysis, leaving room to negotiate." In listing interviews over the years, I've concluded that sellers are not aware of just how smart and informed today's buyers are! Buyers can observe what's going on in their local neighborhood. Today's buyers are mildly aware of market values through their local MLS system which gives them access to a public presentation of all available listings. Additionally, a good real estate professional representing a buyer would be giving their buyer constant market updates to include sold properties, new listings, and length of days on the market. At the same time, a good real estate professional, through their personal website, is constantly giving their buyers access to a wealth of buyer information to include how to judge if a property is over-priced. If that wasn't enough, today's buyers have access to the internet which helps them to track and observe the overall market!

With all this in mind, put yourself in the position of a buyer. You are moving to the Anchorage area, and you don't have a lot of time to waste. As a buyer, it's safe to conclude that you're not going to want to invest much time or effort into a property that is overpriced. As the buyer, you're going to move on to another property you perceive to be listed at or close to market value and not pay much attention to overpriced properties.

Consider the following. Overpricing your listing price at the beginning will most likely lead to extended marketing time. Longer time on the market allows the buyer to think there must be something wrong with the property. <u>Longer than normal marketing time leads to less selling value</u>. Overpricing, in the long run, will most likely generate low-ball offers, cause the property to be overlooked, or waste the most important time in the marketing process. In the first two to three weeks your home is on the market, it has the greatest opportunity to attract serious buyers who are qualified and ready to act. By overpricing, the seller handicaps their ability to take advantage of the fresh market appeal! A listing price starting out within the current market value range gives the seller the best opportunity to receive more serious inquiries and reasonable offers in a shorter marketing time!

One last note of interest to keep in mind - regardless of the seller and buyer coming to an agreed upon selling price, the final value the lender can use in determining a loan will come from a fee appraisal. A fee appraisal value is determined by comparing current market data as it relates to like-sold properties. The value determined in this process is given to the lender, allowing the lender to make a real estate loan.

If you have any questions or need additional information, please give me a call and we can explore this further.

Rod Stone

(907) 727-9379

rod@rodstone.com

Real Estate Brokers of Alaska
7201 Kiska Cir
Anchorage, AK 99504

Experience You Can <u>Count</u> On!

www.YourAnchorageAKHomeSearch.com