

# WHAT SHOULD BE CONSIDERED IN PRICING A HOME?

Regression & Progression

*Regression*



*Progression*



**Surrounding properties influence the value of your home**

### **Location**

Some locations tend to add value, some tend to decrease value. For instance, locations near the water or with level yards or near town, tend to add value, whereas locations near a highway or in the airport's flight path tend to decrease value. We have no control over location. Our job is to realistically set a price that reflects your location's value as perceived by the buyers.

### **Size**

The amount of land, the finished living space inside your house and the amount the town will allow it to be expanded, can add or decrease its market value. We have no control over these issues. Our job is to realistically set a price that reflects your home's size.

### **House Style**

At different times, some house styles are more appealing to buyers than others. We have no control over buyer's tastes. Our job is to realistically set a price that reflects the current preferences in home buyer's tastes.

### **Neighboring houses**

The size, style and condition of neighboring houses can influence the price of a home. If a home is the largest one in a neighborhood, its price will tend to be depressed. If it is the smallest home in the neighborhood, its price will tend to be pulled up by its larger neighbors.

### **Market Conditions**

Economic conditions, interest rates and market direction are factors that directly influence what buyers are willing to pay. Our job is to factor in these conditions when we establish price.

### **Competition**

The number of similar properties for sale in Greenwich and in your neighborhood is your competition. It requires a Realtor with experience, knowledge and skill to sort through the possible competitors and determine which are truly competitive - some will be overpriced, some on the market too long and some may be very well priced. The larger the inventory of competitive homes on the market, the more careful we have to be in pricing to compete with them. Homes that are overpriced will help direct buyers to homes which are priced more intelligently.

### **Homes which have sold**

It is fundamental to look at the prices of homes which have recently sold. To properly analyze these homes, a Realtor must have a good knowledge of their condition and the other attributes which influenced their selling price. It is also important to look at the Days these homes were on the Market and the number of price reductions.

### **Homes which did not sell**

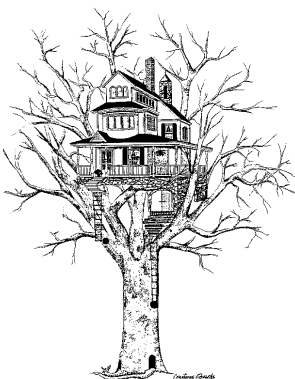
Equally important to review competitive houses which did not sell because they were withdrawn by their owner or the listing expired. In most instances, these were significantly overpriced. No Realtor, no matter how good, can sell a house for more than it is worth.

### **Special Features and Amenities**

Sometimes a home's unique features and amenities add value, sometimes they actually decrease value. For instance, a pond in the back yard may attract some buyers, but others will reject the house because of a perceived danger to their children. In the same way, some buyers may be attracted by a home deep in the woods with great privacy, others may not want such an isolated house. Our job is to evaluate the impact of these features on price and to present them in a positive manner.

### **Condition and Curb Appeal**

The condition, decoration and curb appeal of a home affects its value in the market. Most buyers can only imagine the house as it is. We can help you decide what can be done at little or no cost to maximize your home's appeal. We can also help you decide which improvements will be worth the investment and which will not. However, some elements of curb appeal may not be changeable. Even though the owners of a house have adjusted to a perceived problem, noise from traffic or trains, unsightly towers, all tend to detract from what buyers will be willing to pay.



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