

“Pricing a home below market value attracts interest — and sometimes multiple offers that can drive the price up to the correct market level.”

## 5 Reasons Overpricing Doesn't Pay

When it's time to sell your home, it's natural to want to set its price as high as possible. Avoid that temptation in today's market.

1. Most buyer activity comes within the first 30 days a home is on the market. Overpricing means you'll miss that activity by discouraging qualified buyers who've seen similar homes for less.
2. A too-high price eliminates a whole class of buyers. Many buyers know just how high they can go and don't even look at homes priced above their price limit.
3. Overpricing helps sell other, more competitively priced homes first. Your home's over-market listing price makes them look better.
4. You waste time and suffer added weeks or months of stress as your overpriced home languishes on the market, preventing you from moving on.
5. Your home may eventually be seen as “stale inventory,” suggesting structural or mechanical shortcomings (although in reality, none may exist), even after you've lowered your asking price. A further price reduction, below true market value, may be needed to sell your home.

If your home has been on the market for two to four weeks, but has gotten little or no traffic—or if there has been traffic but no offers—this indicates the market believes your home is overpriced. What's more, since it was listed, other homes may have come on the market with better-positioned prices. **Bottom line:** *Time for a new price.*