

**The truth about PRICING...
your agent might struggle to tell you.**

Price is all that matters.

There you have it. Well, that's not entirely true, but pricing is the most important factor in selling any home. Price directly impacts the numbers of showings, the number of showings is connected to the number of offers you get, and multiple offers yield a better return. Price is also the leading factor in days on market (DOM), which dramatically impacts the final price. Remember this:

Longer = Less

If a house is priced too high, you will lose money. If a house is priced right, you will get more showings, which will lead to it not only selling faster, but often getting multiple offers, which usually leads to getting a better price.

But we have a lot of feelings about the price of our home – what we paid, the work we put into it, the life we lived in it, what an online company who has never been in it said it might be worth last year. The hard truth about pricing is the market doesn't have emotions and isn't moved by our needs, our feelings, or our opinions. The market is kind of cold that way. It only cares about what someone will pay for this specific piece of property at this specific moment in time with the specific inventory near you. But that can work to your advantage. Since the market doesn't show favoritism, if you understand how it works, you will have a leg up on everyone else on the market.

Pricing is about competing.

You are competing with every other house in your neighborhood. The house with the most value, not lowest price, always wins. You have to ask, *Do I want to be position as the house with the best value or with the 5th best value? Would I choose the less expensive house in my price range or the one that represents the best value?* I get the logic that we will be 5th best until the other 4 sell, and then we will move to 1st best. Here is the truth that is hard to hear, when those 4 houses ahead of you sell, other houses will come on the market, and those houses very likely will represent good value as well, potentially pushing your value further down. This isn't anyone trying to be cruel, it is just the way the market works. I want you to be as sober minded as possible when you are getting in the ring, so you know what you are up against, and can get the victory.

If you are serious about selling your house as quickly as possible, for the highest price possible, with as little stress as possible, you need to **get absolute clarity about the true value of your home**. A good agent will be able to show you what your home is worth compared to the other homes you are competing against and help you price it strategically. A good agent will never simply ask you what you want to price it at and then just go with that. They will always have the difficult conversation about pricing and value.

Think about pricing like going to physical therapy. *Do you want a physical therapist you can negotiate with or one who knows what leads to success and will press you towards it?* The multiple times I have gone through physical therapy (multiple times) I would have worked against my best interests if my therapist would have let me negotiate out of some of the stuff that was a little painful or stressful. I didn't want to hear some of what they had to say, but I needed to hear it. By trusting my physical therapist and yet still owning the process myself, I have fully recovered from knees, shoulders, neck, hip injuries that could have cost me for the rest of my life. Selling your house is the same. You need someone who knows what it takes to sell your house in the specific market you are in and who cares enough about you to tell you the truth in the pricing conversation. You don't have to settle for a jerk, but you don't want to pick someone who doesn't have the courage to be honest with you and help you price it right, either.

Why does pricing matter so much?

One of the biggest strategic blunders sellers and agents make is missing **the Golden Hour**. Check this out:

- Homes that get a contract in the **first week**, sell for close to 99% of asking. The first week is **the Golden Hour**. The right price from Day 1 is critical.
- Listing **within 1%** of the ultimate sale price offers a **50% chance** of a contract within 1-14 days.

On average, homes on the market... (NAR stats April 2026)

- 31-60 days close **7.3% lower** than asking
- 61-90 days usually close **9% lower** than asking
- 91-120 days usually close **10.6% lower** than asking
- 120+ days usually close **13.8% lower** than asking

This is how this plays out. The agent talks pricing, but there is a gap between what they believe the market will yield and what the seller wants. The seller asks, *"Why can't we just try this price for a few weeks?"*. The agent, not wanting to seem pushy or because they are desperate for a listing, agrees they can try that price even though everything in their professional experience knows it will not work. In the end, the house sits with minimal or no showings and no reasonable offers for 2 weeks, 3 weeks, a month, effectively losing the most effective time for that house to sell for the best price.

Pricing is strategic.

Here are some data points that helped me think about this more strategically:

Showings the first 2 weekends at a price point

- 5+ showings = You have it priced competitively
- 2-4 Showings = Possibly overpriced 4%-8% or it might have a poor 1st impression
- 0-1 Showing = Most likely overpriced at least 8%-12% or you have bad photos

Using these data points are a great way of analyzing and testing your price without a ton of opinion or emotion. While the market doesn't try to tell us what we want to hear, it does tell us the truth, and the truth will help us sell your house.

Here are some more:

The Four Benchmarks to Measure

- **Views (Eyes)** – A view only means your house is listed in the price range and location a person is looking. That is really all it is. You can leverage views for information, though, because views with no showings definitely means you are overpriced. Another way of using views for intel is to consider the percentage of hearts/saved compared to total views. 100 views with 12 heart/saved is 12% interest and that is good interest. 1,000 views with 30 heart/saved is not as good as it represents 3% interest.
- **5+ showings (Feet)** – The price seems about right and there were good pictures. There is enough about the price, location, and photos to get someone to want to see it in person. Remember, only show pictures that highlight the best parts of the house and less is more. Give them enough, but not enough to make a decision without actually coming to see it.
- **Return showing (Gut)** – They are saying, “There is something about it I like. I need to see if this is not just an option, but the one.”
- **Offer or talks of offer (Heart)** – Ready to buy.

Price Reductions that Move the Needle - *The First Cut is the Deepest*

Here is a truth that hurts that your agent may struggle to tell you – reducing the price by \$5K probably isn't going to do anything to get it more showings. I get it, many of us don't have tons of equity that we can give away. Either the equity isn't there or there are things we need to do with that money. But consider this, when you search for a house, do you search in \$5K increments? Most people don't either. Most people will search in \$25K, \$50K, or some even \$100K increments. That means if you have your house priced at \$595, reducing it to \$590K most likely is not going to draw more attention to it. If the only thing keeping someone away was \$5K, most people would go see it and make an offer at that little bit lower price. People go to see the houses that are close, because they know they can negotiate. \$595K to \$590K does not put you in front of a new group of buyers. Now, reducing the price to \$575K probably will.

When thinking about price reductions think bold over death by a thousand cuts. *How do I get my house in front of more buyers now?* Remember, the longer it is on the market the less you are going to get for it, so get the price as right as you can so it sells as quickly as it can and you can get as much as you can for it. A large, one-time reduction will move the needle faster than multiple smaller reductions. There is also a principle in real estate that a house will never sell for less than it is worth. The thinking is if you lower it below its actual value the market will bring multiple offers that lift it to the true market value. The trick is patiently waiting without waiting too long after a price reduction to accept an offer. If you

lower the price and instantly get an offer, you are not obligated to take the first offer. You can, but you might also wait a couple of days and see if the new price generates multiple offers that stir up a little bidding war that brings the house up to market or slightly above market.

How to Prevent Renegotiations Later in the Process

When it comes to the offer, the inspection, and the appraisal here is the best advice I have heard – Be honest, transparent, and wise with the price and the condition of the house from the beginning and you won't need to worry about renegotiating the price later in the process.

With inspections, if you take good care getting the house ready and letting the buyers know everything they need to know upfront, it makes it easier to prevent renegotiation after the inspection. If they find out about the furnace problem you knew about but didn't reveal or factor into the pricing, now you are getting less than you anticipated. However, if you were upfront about everything and they try to renegotiate the price after the inspection, your agent can clearly state they saw the condition of the paint or carpet when they made their initial offer and that factored into you accepting their offer over others.

With appraisals, remember if you overprice the house and then get an offer at or above that price, if it is not a cash offer, it has to go through an appraisal process. If the appraised price is lower than the offer, you either have to drop your price to the appraised value or the buyer has the option (not obligation) to pay the difference. There is a good chance the buyer won't want to pay more than the appraised value. Price it right from the start and the appraisal should be a breeze.