

## Set a Price

As you interview Real Estate Professional, they may suggest a listing price on your home. Only you can decide what price to set, but you want it to be realistic. The listing price is critical. Set it too high, and you may not find a buyer. Set it too low and you cheat yourself out of money.

### Appraisal

Regardless of what you originally paid for your home and the cost of improvements you have made, the price your home can command is what the market will bear at the time you decide to sell it. You may consider hiring an independent real estate appraiser. An appraiser has specialized training and experience. Don't rely on assessed valuations made for tax purposes. Such valuations may not be reliable indicators of value as these valuations are made by mass appraisal techniques.

### Comparative market analysis

Whether or not you get an appraisal, a Real Estate Professional can develop a comparative market analysis. This analysis will describe homes in your area that have recently withdrawn from the market. The analysis may compare specific features of your home to others - the value of a corner lot, a city view, or an extra bedroom, for example. The analysis may also point out market fluctuations caused by the opening of a new school or business, for example, as well as long-term trends.

If you do not have a good idea, based on reliable data, of what the price your home can generate, you may decide to set a higher price thinking that if it doesn't sell at first, you can come down. However, if you set it too high, you may keep away buyers who are looking at comparable homes with lower prices. Lowering the price later sometimes gives your home a negative image. On the other hand, you don't want to set the price too low. You may be tempted to set a low price because you feel the pressure of transferring to another town, or you're afraid that your worn carpet will turn away buyers. Be realistic and get advice from your Real Estate Professional.

### Net proceeds

Once you've decided on a price range, the Real Estate Professional may help you calculate an estimated amount you might net from the sale. If you have owned your home for several years, you may have built up a sizable equity. Equity is the difference between the value of your home and the balance on your mortgage. After subtracting what you owe on your mortgage, ask your Real Estate Professional what costs you will incur in closing. These may include title fees, taxes, a penalty for prepaying your mortgage, brokerage commission, attorney fees, and charges for preparing and recording documents. Finally ask your tax adviser or attorney about the tax implications of your proposed sale.