



Talking to the Seller

Average List / Average Sold

Hot Market

2. Illustration:

1. In our example we selected the \$200,000 to \$400,000 price range. The closer the average sold price is to the average list price the hotter the market. You will notice that the average list price will almost always increase above the average sold price after the sold line touches or rises above the average list. This is a natural tendency of the sellers wanting to get more from the market. If the solds do not react by increasing, you will see the sellers' average list price coming back down to meet the market. Be mindful that if your price range is too wide the most expensive homes can skew the average list and average sold upward. So, keep your upper price range within \$200,000 of your target property's list price.
2. You can use this chart to educate sellers about the general market trend of a specific area and price range.
3. In our example, the average sold price has increased 15% in the past 12 months. This increase is not just from home appreciation. The increase can be caused by several factors such as lower interest rates, an increase in higher salaried jobs, influx of buyers who are bringing larger amounts of cash all contribute to an increase in average sold price.
4. Now let me share with you how you can speak to your seller.

TALKING TO YOUR CLIENT SAMPLE DIALOG

5. Mr. & Mrs. Seller, first I want to tell you that this is factual Multiple Listing Data for your area and your price range.
6. One of my **roles is to educate you** to current and past market conditions and help you determine how to compete for the few buyers willing to buy in this market. Together, with this information we can create more realistic selling strategy.
7. Mr. & Mrs. Seller, as you can see in this chart the green line shows the average list price. In the last 15 months, the average list price has increased from \$270,000 to \$300,000. The red line shows the average sold price. In the last 15 months, the average sold price has increased by 15%, from \$250,000 to \$287,500.
8. We can use this information to your advantage. Using your specific price range and area we can see what price the average home is listed for. The average list price is almost always higher than the average sold price unless the market is so hot that



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everyone is selling above list price. If we can price your home close to at the average sold price, we should see offers sooner. This period will grow longer for the more expensive homes.