



COMPARATIVE MARKET ANALYSIS



A CMA gives you a solid basis for the realistic pricing of your property.

Your property has many values; one to the tax assessor, another to your lender and insurance company, and yet another value to you as the owner. It also has a different value to a prospective buyer depending on their needs, desires and financial resources.

A **Comparative Market Analysis** is an important tool for pricing a home based on what buyers are willing to pay in today's market. The CMA takes into account the same variables that a professional appraiser utilizes: a combination of current market conditions, square footage, location, land, property condition and features, and comparable sales (usually within the past six months). In most instances, this information is obtained from the Multiple Listing Service database and includes:

- **Comparable Sold Information:** Comparable properties sold within the last several months will tell you what has been recently purchased and how much buyers are willing to pay for the area, size, features, etc. While none of these homes are exactly like yours in every detail, they provide a basic reference and help determine the range of established value. At a minimum, three solid comparables are generally needed to substantiate the price for the appraiser.
- **Public Records Data:** This information, provided from county records on your specific location, helps establish baseline information regarding lot size, square footage, number of bedrooms, baths, garage, etc.
- **Area Boundaries:** Factors such as major streets and parks are considered when searching for comparable properties.
- **Current Market Activity:** This will help determine how much competition you can expect, seeing how these other homes are priced, and how their features compare to yours.

Just as important are factors that do NOT affect your property's value, which include:

- What you paid when you purchased the property
- What proceeds you want or need from the sale
- Cost of improvements made to the property
- What a REALTOR® and/or appraiser feel the property is worth

From the CMA, we will derive range of prices for your home rather than a specific price. The closer the listing price is to this range, the sooner your property will sell. The estimated value we have given for your property does not mean the sale could not occur at a higher or lower price. The price you will ultimately receive depends on your motivation, the buyer's motivation, and market conditions at the time the offer is submitted. Once we test the market, we will make periodic reviews to ensure we are competitive.

In conclusion, the best price obtainable for your house will ultimately be determined by today's market.