

THERE IS A BETTER WAY TO SELL YOUR HOME

Exactly.

PRICING ANALYSIS

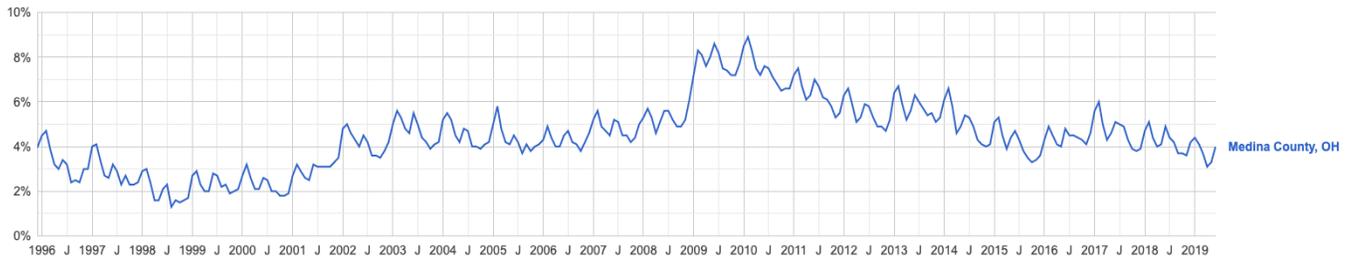
Address: 123 Example Way. Medina Ohio 44256

Date Prepared: June 1, 2019

For: Mr. and Mrs. John Smith

What is happening locally around the area?

Unemployment rate - Not Seasonally Adjusted [?](#)



Unemployment in an area influences buyer behavior by creating the emotion of security. When people feel secure about the future, they are more willing to spend on products and services. As the unemployment increases, buyers decrease their spending.

Unemployment in your area has been stable and decreasing over the last 10 years which creates a great environment for people to feel comfortable purchasing homes.

Current Interest Rate



- The 30-year mortgage interest rate today is 3.60%
 - For a \$600,000 home, the monthly cost is \$2,728
- The average 30-year mortgage interest rate when you purchased your home was 8.39%
 - For a \$600,000 home, the monthly cost was \$4,567
- This change equates to a 40.3% increase in purchasing power from when you purchased the home, until now (all other things remaining the same). This is significant for this price range, as there are many more buyers who can purchase luxury homes today at higher price points.

Timing Matters

Average Sales Price

Average sales price for all closed sales, not accounting for seller concessions, in a given month.

Average Sales Price	Prior Year	Percent Change
February 2018	\$145,574	\$137,753 +5.7%
March 2018	\$149,846	\$149,310 +0.4%
April 2018	\$168,163	\$155,656 +8.0%
May 2018	\$167,929	\$163,036 +3.0%
June 2018	\$188,715	\$182,602 +3.3%
July 2018	\$179,061	\$174,014 +2.9%
August 2018	\$180,794	\$170,045 +6.3%
September 2018	\$178,286	\$157,856 +12.9%
October 2018	\$171,325	\$158,660 +8.0%
November 2018	\$173,346	\$166,739 +4.0%
December 2018	\$159,838	\$160,084 -0.2%
January 2019	\$175,474	\$154,976 +13.2%
12-Month Avg*	\$171,573	\$162,912 +5.3%

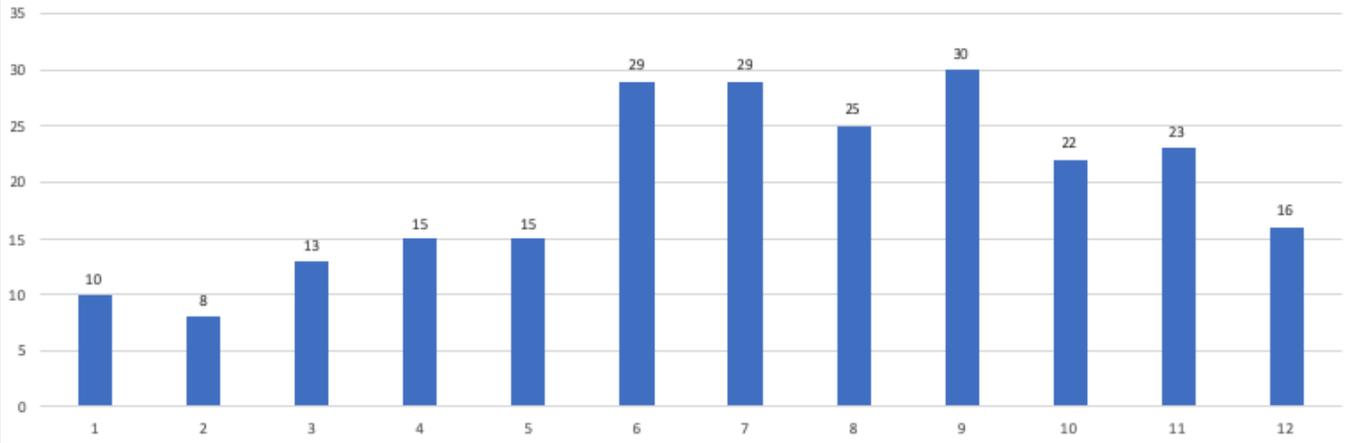
* Average Sales Price for all properties from February 2018 through January 2019. This is not the average of the individual figures above.

Pending Sales

A count of the properties on which offers have been accepted in a given month.

Pending Sales	Prior Year	Percent Change
July 2018	752	751 +0.1%
August 2018	781	773 +1.0%
September 2018	620	636 -2.5%
October 2018	647	650 -0.5%
November 2018	565	543 +4.1%
December 2018	391	459 -14.8%
January 2019	490	485 +1.0%
February 2019	494	487 +1.4%
March 2019	709	753 -5.8%
April 2019	752	733 +2.6%
May 2019	818	838 -2.4%
June 2019	934	772 +21.0%
12-Month Avg	663	657 +0.9%

\$400k+ Home Sales in Medina County, By Month



While we have missed a bit of the “summer selling season,” there are still plenty of buyers for homes in your area for the end of August and September.

An average home, at your price range, has a ~45-~50 day closing period. The homes that are showing as sold in November, were place under contract in September or October.

Once we hit December, the number of \$400k+ homes that are sold significantly decreases until we come into June of the following year.

What have other homes sold for in your community?

Highland Schools, 3000+ Square Feet, 2-10 Acres, 4+ Bedrooms, Built Before 2000

Close Date	Close Price	DOM/CDOM	Address	City	BR	BA	Sqft	\$ Sq Ft	Acres	Year	Garage
03/29/19	270,000.00	63/63	5450 State Rd	Wadsworth	5	3 (2 1)	3,477	77.65	2.62	1994	3
05/01/19	293,000.00	65/65	6911 Bear Swamp Rd	Medina	4	3 (3 0)	3,490	83.95	2.35	1969	4
07/17/19	349,900.00	3/3	1673 Fixler Rd	Wadsworth	4	4 (3 1)	3,104	112.73	2.64	1999	2
08/27/18	362,000.00	26/26	1974 Granger Rd	Medina	5	3 (2 1)	3,798	95.31	4.47	1999	0
06/28/19	374,000.00	7/7	5406 Arrowhead Dr	Wadsworth	4	4 (3 1)	3,854	97.04	2.00	1999	3
10/25/18	380,000.00	91/167	333 Bath Rd	Medina	5	4 (4 0)	4,410	86.17	2.00	1986	2
11/14/18	385,000.00	13/13	262 River Rd	Hinckley	5	4 (4 0)	3,200	120.31	5.01	1954	2
11/15/18	400,000.00	19/19	789 McKee Trl	Hinckley	4	4 (4 0)	3,400	117.65	2.63	1993	2
09/25/18	414,500.00	118/118	1650 Sharon Copley Rd	Sharon Center	4	5 (4 1)	4,048	102.40	10.00	1860	3
04/18/19	419,000.00	137/320	1780 Ridge Rd	Hinckley	5	5 (5 0)	4,779	87.68	3.62	1974	2
09/24/18	420,000.00	19/19	1429 Snowberry Ln	Medina	5	4 (3 1)	3,331	126.09	4.92	1996	5
04/18/19	430,000.00	52/52	761 Messina Dr	Wadsworth	4	5 (4 1)	3,139	136.99	2.64	1996	3
03/20/19	435,000.00	87/194	1122 Granger Rd	Medina	4	3 (3 0)	3,967	109.65	2.35	1987	4
09/06/18	440,000.00	90/90	3790 Lovell Ln	Medina	5	5 (5 0)	3,533	124.54	4.40	2000	3
09/26/18	440,000.00	98/98	6427 State Rd	Wadsworth	4	4 (3 1)	4,002	109.95	4.94	1984	4
03/01/19	460,000.00	35/35	2965 Odesa Dr	Medina	4	5 (4 1)	3,191	144.16	3.22	1998	3
10/29/18	465,000.00	139/139	3668 Allard Rd	Medina	5	6 (5 1)	5,192	89.56	4.00	1850	3
08/31/18	470,000.00	163/163	2418 Hickorycreek Dr	Medina	5	5 (3 2)	3,901	120.48	2.11	2000	3
01/02/19	475,000.00	108/108	2292 Country Brook Dr	Hinckley	5	4 (4 0)	3,404	139.54	2.26	1998	3
04/04/19	475,000.00	10/10	3235 Coventry Lakes Dr	Medina	4	4 (4 0)	4,150	114.46	2.23	1998	4
06/27/19	493,900.00	60/60	2260 Thoroughbred Dr	Wadsworth	4	4 (2 2)	3,358	147.08	3.32	1994	3
07/31/19	500,000.00	48/48	1880 Meadow Dr	Hinckley	4	4 (3 1)	3,500	142.86	4.71	1991	3
06/18/19	515,000.00	49/49	75 Townes End Dr	Wadsworth	4	5 (4 1)	3,324	154.93	2.02	2000	3
06/10/19	550,000.00	309/309	5395 Appian Way	Wadsworth	4	4 (3 1)	3,567	154.19	3.22	1998	3
07/30/19	562,500.00	80/80	2241 Laurel Rd	Hinckley	5	7 (4 3)	6,673	84.29	2.13	1985	5
03/05/19	586,000.00	162/162	1291 River Woods Dr	Hinckley	4	6 (5 1)	6,615	88.59	3.31	1990	3
07/05/19	610,000.00	47/47	2174 Thoroughbred Dr	Wadsworth	4	6 (5 1)	3,949	154.47	3.34	1996	3
08/16/18	724,000.00	349/711	348 Meadow Oaks Trl	Medina	5	6 (4 2)	5,400	134.07	6.99	2000	3
03/15/19	740,000.00	153/153	1296 River Woods Dr	Hinckley	5	6 (5 1)	5,049	146.56	2.43	1995	4

Previous Sold Aggregated Data:

(29)	Beds	Baths	Sqft	Org List Price	List Price	\$/Sqft	Sold Price	SP\$/LP\$	SP\$/OrigLP\$	Year Built	DOM	CDOM
Min	4	3	3,104	\$329,900	\$285,000	\$77.65	\$270,000	83.74%	78.95%	1850	3	3
Max	5	7	6,673	\$870,000	\$790,000	\$154.93	\$740,000	101.01%	101.01%	2000	349	711
Avg	4	5	4,028	\$508,509	\$486,409	\$117.36	\$463,407	95.39%	91.60%	1982	90	115
Median	4	4	3,798	\$495,000	\$489,900	\$117.65	\$440,000	95.48%	92.28%	1995	65	65

We use the aggregate \$/Sq ft above to set a starting point for a property of your same square footage:

	\$/Sq Ft	Square Footage	Value
Min	\$77.65	3885	\$301,670
Average	\$117.36	3885	\$455,944
Max	\$154.93	3885	\$601,903

How does your home compare to other Sold homes?

	Low	Median	Average	High	Count
Comparable Price	\$493,900	\$525,000	\$538,475	\$610,000	4
Adjusted Comparable Price	\$532,550	\$583,955	\$578,450	\$613,340	4

There are many factors that could determine the final selling price of your home compared to these other four properties. Primarily, there is an emotional component that is difficult to capture on paper for your property. The experience of being outside at your home may be worth a significant value to the right buyer.

However, due to Meadow Dr. and Thoroughbred, that both have great ponds, my subjective opinion may even be high.

The sold data indicates a high of \$613,340. This does not include any adjustment for “the experience of your lot.” With that, it may make sense to list your home for \$649,900, and test the market to see how they react to that price.

Because of the high-end home, such as 20 Meadow Oaks, the \$649,900 may be too high to procure a buyer. These \$650k buyers can purchase other homes that may be newer on a great lot as well.

The upper end homes at around \$700k, as well as the aggregate data, and the specific \$/Sq Ft. data, may pull the value down towards \$555k-\$600k.

Address	Square Feet	\$/Sq Ft	3884 Sq Ft @ This homes \$/Sq. Ft.
2260 Thoroughbred Dr	3358	147.08	\$571,406
1880 Meadow Dr	3500	142.86	\$555,011
5395 Appian Way	3567	154.19	\$599,028
2174 Thoroughbred Dr	3949	154.47	\$600,116

Notes on Comparative Market Analysis:

- 2174 Thoroughbred Dr.: -\$10,000 For Walk Out Basement

What is currently on the market?

Highland Schools, 2+ Acres, 4+ Bedrooms, 3+ Car Garage, \$500k-\$700k

Current Price	DOM/CDOM	Address	City	BR	BA	Sqft	\$ Sq Ft	Acres	Year	Garage
\$540,000	22/22	1125 Kings Ridge Blvd	Wadsworth	5	5 (4 1)	3,841	140.59	2.00	2004	3
\$544,000	90/90	1745 State Rd	Hinckley	5	4 (3 1)	3,487	156.01	2.83	1987	7
\$544,900	16/62	655 Messina Dr	Wadsworth	4	3 (2 1)	3,900	139.72	2.81	1998	3
\$549,900	120/120	1222 Winterberry Ln	Medina	5	4 (3 1)	4,726	116.36	2.66	1997	3
\$549,900	139/139	3668 Lovell Ln	Medina	5	6 (5 1)	3,502	157.02	3.04	1994	3
\$549,900	114/114	7428 Harps Mill Dr	Wadsworth	4	4 (3 1)	2,954	186.15	2.00	2019	3
\$550,000	181/181	2402 Canterbury Farm Dr	Hinckley	5	5 (4 1)	4,322	127.26	3.48	2007	3
\$555,000	152/152	2245 Hickorycreek Dr	Medina	5	4 (3 1)	3,680	150.82	2.93	2000	3
\$559,000	75/75	4650 Seymour Dr	Medina	5	5 (3 2)	3,728	149.95	2.00	2005	3
\$569,000	35/35	233 Meadow Oaks Trl	Medina	4	4 (3 1)	3,000	189.67	2.18	2000	3
\$574,900	37/37	7439 Harps Mill Dr	Wadsworth	4	4 (3 1)	3,100	185.45	2.00	2019	3
\$595,000	26/26	304 Meadow Oaks Trl	Medina	4	4 (3 1)	3,907	152.29	3.25	2001	3
\$599,999	112/112	2176 Amaranth Ct	Hinckley	5	4 (3 1)	3,800	157.89	2.00	2012	3
\$614,500	193/193	2005 Pine Ridge Trl	Hinckley	4	4 (3 1)	3,144	195.45	2.29	2001	4
\$629,000	57/57	1056 River Woods Dr	Hinckley	4	4 (3 1)	3,502	179.61	4.39	2001	3
\$689,500	13/13	2598 Morning Star Dr	Hinckley	4	4 (3 1)	3,206	215.07	2.00	2010	5
\$699,000	145/145	5758 Graven Way	Wadsworth	4	4 (3 1)	3,482	200.75	2.28	2019	3
\$699,900	37/37	2328 Heights Dr	Wadsworth	4	4 (2 2)	3,286	212.99	2.02	2015	3

There is a lot of competition right now in the \$500k-\$700k price range. There are very nice homes that people can purchase for this range.

Due to the current competition, you may find that price reductions are necessary to find a buyer.

Note: there are very few homes that offer the same level of privacy in this price range. If that is important for a buyer, they may find your home more attractive than others that may be listed for less.

The "What I ate for Lunch" Factor

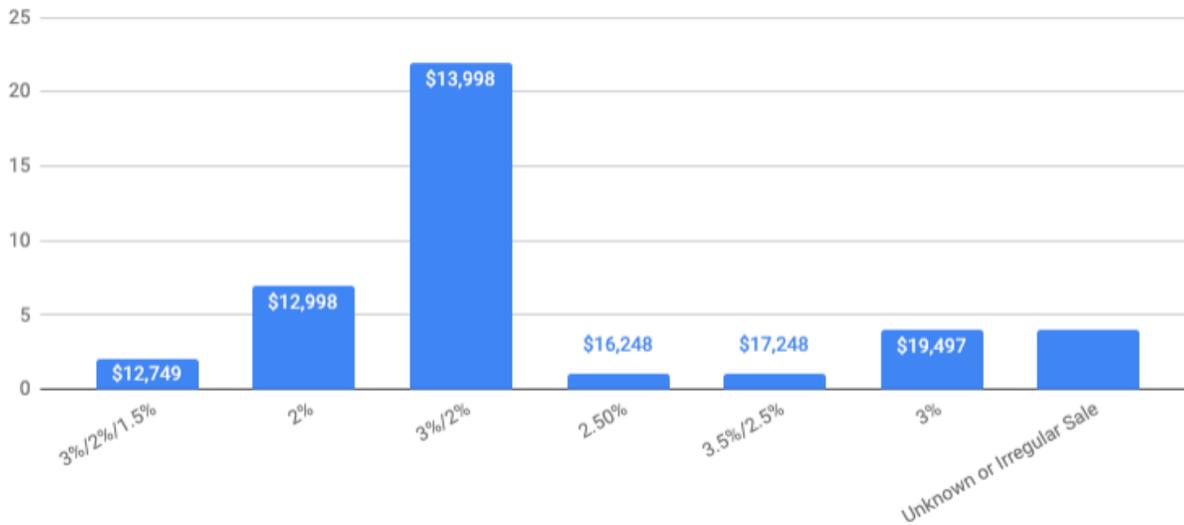
Some people call this the "Crystal Ball Factor" ... We just do not know what is going to happen. Someone could wake up, have a great morning, eat a good burger for lunch, and feel like this is the home for them and pay a high price because they feel good. This happens and it's real.

Buyer Broker Commissions

The report below analyzes similar home sales and reports the commission structure that the seller offered to the buyer real estate agent.

The amount inside the bar shows what the commission would be at a home sale price of \$649,900.

Buyer Broker Commissions for Highland Schools, \$500k+-\$700k (Sold 1-Year)



Put it all together

- Economic factors are great.
- Your timing is towards the end of the season.
- The average cumulative time that a similar home like yours sells is 115 Days
- My opinion on a Marketing Plan:
 - Upper \$600's seems like a major stretch and you will be competing with other properties that a \$700k buyer can afford that have a similar lot and a more updated home.
 - Listing for \$649,900 can make sense to test the market and see if there is a buyer that likes it at this price.
 - I would go into this, however, knowing that there are other homes which are a similar size, similar lots, and similar condition that have sold for significantly less than \$650k.
 - The data from previous sales shows that a \$555k-\$600k sale may be realistic.
 - If I listed for \$649,900, I would be very aware of the market showings and feedback, and respond accordingly with price reductions.
 - The home will show better in the warmer months, so I would want to consider that, as well as the upcoming election and potential interest rate ramifications.

What NOT to do

This is a home that was sold in Wadsworth. The owners believed that their home was worth more than what the market was telling them, and they were very slow to react to the reality of the market.

Frankly, I believe that this home could have sold for \$325k. However, they ended up selling it for \$294k.

Buyer behavior in our area indicates that people will only search and negotiate for homes at a maximum of 10% of their listing price. This means that people do not, as a general rule, make low ball offers if they think your home is worth less. I have seen that people do not want to offend the sellers and will typically just make an offer on another home.

This is why it is important to price the home in the range of possible realistic prices. Yes, shoot for the moon if you have a nice home, and test the market, but once you get data, then react to that data quickly so that your home does not become “stale” and attract bargain shoppers.

Click on the arrow to hide History Roll-out			
Date /Time	Price	Field Name	Change Info
12/06/18 10:28 AM	\$299,900	Status	(\$294,000)
12/06/18 10:25 AM	\$299,900	Status	C->P
10/19/18 12:02 PM	\$299,900	Status	A->C
09/17/18 04:05 PM	\$299,900	Status	->A
09/15/18 11:37 PM	\$319,900	Status	A->W
08/28/18 12:04 PM	\$319,900	ListPrice	\$324,900->\$319,900
08/21/18 09:09 PM	\$324,900	ListPrice	\$329,900->\$324,900
08/06/18 09:15 AM	\$329,900	Status	C->A
08/03/18 09:42 AM	\$329,900	Status	A->C
07/30/18 01:02 PM	\$329,900	ListPrice	\$334,990->\$329,900
07/09/18 02:01 PM	\$334,990	ListPrice	\$339,900->\$334,990
06/26/18 07:06 PM	\$339,900	Status	->A
02/27/18 04:02 PM	\$349,900	Status	A->W
02/17/18 10:05 AM	\$349,900	Status	->A
08/14/17 08:50 PM	\$344,900	Status	A->W
08/01/17 04:03 PM	\$344,900	ListPrice	\$339,900->\$344,900
07/07/17 02:06 PM	\$339,900	Status	->A
10/25/16 12:10 AM	\$359,900	Status	A->X
07/11/16 10:08 AM	\$359,900	ListPrice	\$364,900->\$359,900
07/09/16 07:23 AM	\$364,900	ListPrice	\$369,900->\$364,900
06/24/16 12:27 PM	\$369,900	Status	->A

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