AN OFFER SETTING A PRICE

HOW TO DETERMINE YOUR OFFER PRICE...

There is no exact formula for determining an offer price, but it takes practice. Instead, we assess comparable sales, the property's condition, market conditions, and Seller circumstances to establish a fair price range. From there, you choose the amount you are comfortable offering.

COMPARABLE SALES

- Compare similar homes by bedrooms, bathrooms, square footage, lot size, construction type, and garage space
- The most accurate data comes from the MLS, which your REALTOR® will help you interpret

PROPERTY CONDITION

- Evaluate how the home compares to the neighbourhood: average, above, or below
- Assess structural elements such as walls, windows, floors, ceilings, and doors
- Check key systems—plumbing, electrical, and the condition of bathrooms and bedrooms
- Review fixtures like light switches, handles, and hardware
- Examine both the front and backyard

MARKET CONDITIONS

- SELLER'S MARKET: High demand and low supply; homes sell quickly, often with multiple offers and above asking price
- BUYER'S MARKET: More supply than demand; homes stay on the market longer, prices may decline, and Buyers gain negotiating power.
- BALANCED MARKET: Supply and demand are even; prices remain stable and there is no clear advantage for Buyers or Sellers.

HOME IMPROVEMENTS

- Ignore cosmetic updates but factor in major improvements or additions, especially new bedrooms or bathrooms.
- Features like pools may influence your thinking, but typically won't substantially affect your offer—consult your REALTOR®.

PUTTING IT ALL TOGETHER

Comparable sales establish a price range. Property condition, improvements, and market conditions help you decide whether your offer should sit at the lower, middle, or upper end of that range. Most Buyers start below their "fair" price to create room for negotiation, but your strategy should reflect your comfort level and goals.

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