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## The Price Must Be Right For Home Sales

By: Jill Scott



Many sellers of real estate are having a hard time letting go of last year's prices and could be selling themselves short. NY1's Real Estate reporter Jill Scott filed the following report.

Sue Grillo and her husband have been trying to sell their three-bedroom apartment over the last year. The problem for them is that the price was never right.

"Our broker gave us a price and we actually thought it was a little too high. And we ended up dropping the price 28 days later when we weren't seeing any action," says Grillo.

That was just the beginning. They relisted it again in September just when the market turned and the price was still too high. Now a year later, they are with a third broker and are regrettably selling at a much-reduced price.

"We are looking at what it was a year ago and thinking if only we could have sold it a year ago, look at how much money we would have made," says Grillo.

But Paul Purcell, the co-founder of Charles Rutenberg Realty, says the best way for sellers to actually sell their homes is to be realistic.

"The biggest mistake sellers are making today is that they are coming to market at too aggressive of a price," says Purcell. "They haven't gotten the reality of what's really going on. Many sellers are saying it will come back, but for every one seller who is waiting for prices to come up, I have 100 buyers waiting for prices to go further down."

He says that sellers need to get prices right the first time. A home gets the most buzz when it is new to the market, and high prices could keep away the initial rush of buyers.

Grillo's broker, Jacky Teplitzky of Prudential Douglas Elliman, is working on re-marketing the listing like it's fresh and new, and says brokers are working even harder to get it right.

"The rule of thumb has been in real estate that you price according to comparables, and basically history sells, what happened in the past," says Teplitzky. "The problem is the past right now in real estate is too far away. Six months ago, we were in a completely different market."

For comparables, Teplitzky says one can't look at 2008 or even 2007 prices, and estimates the market is on par with 2005 or 2006 prices.

Getting the price right is an art and a science, and Purcell says sellers should first interview three brokers, have them name a price and then defend why they think it's right.

He also says that sellers may first need to come to grasp with a new realty reality.