

CMA: PRICE RANGE EXAMPLE WORKSHEET

\$400,000 - 425,000 (8) \$425,000 - 450,000 (5) \$450,000 - 475,000 (2) \$475,000 - 525,000 (2) \$525,000 - 575,000 (1)

Looking at the number of homes in each price range, you quickly determine that the majority of available properties are priced between \$400,000 and \$450,000. So far, the seller may be correct in their estimation, but of course, more information and research is required.

The next step is to look at a list of homes in one price range at a time. The headers should read:

Price Address

Bedrooms Baths SqFt. Level

Garage

Pool/Spa

Let's say the first price range you check is \$400,000 - 425,000 and the resulting list looks like this:

Price Address

Bedrooms Baths SqFt. Level

Garage

Pool/Spa

\$400,000	3	2	2100	1	2-Car	No/No
\$415,000	3	2.5	2000	1	2-Car	No/No
\$416,000	4	2	2200	2	3-Car	No/No
\$416,900	4	2.5	2100	2	3-Car	No/No
\$418,000	4	2.5	2200	2	3-Car	No/Yes
\$422,900	4	3	2275	2	3-Car	No/Yes
\$425,000	4	3	2300	2	3-Car	Yes/Yes

The next price range (\$425,000 - \$450,000) looks like this:

Price Address

Bedrooms Baths SqFt. Level

Garage

Pool/Spa

\$425,000	4	3	2350	2	3-Car	Yes/Yes
\$429,000	5	2.5	2400	2	3-Car	Yes/No
\$435,000	5	3	2450	1	3-Car	Yes/Yes
\$440,000	5	3	2500	2	3-Car	Yes/No
\$455,000	5	3.5	2600	2	3-Car	Yes/Yes

Sometimes it is helpful to actually print the lists and then hand write the seller's home information (without the price) on the list to see how it will appear if it is in that particular price range:

Price	Address	Bedrooms	Baths	SqFt	Level	Garage
	Pool/Spa					
\$400,000		3	2	2100	1	2-Car
\$415,000		3	2.5	2000	1	2-Car
\$416,000		4	2	2200	2	3-Car
\$416,900		4	2.5	2100	2	3-Car
\$418,000		4	2.5	2200	2	3-Car
\$419,500		4	2.5	2250	1	3-Car
\$422,900		4	3	2275	2	3-Car
\$425,000		4	3	2300	2	3-Car
		4	2.5	2300	2	3-Car

Or...

Price	Address	Bedrooms	Baths	SqFt	Level	Garage
	Pool/Spa					
\$425,500		4	3	2350	2	3-Car
\$429,000		5	2.5	2400	2	3-Car
\$435,000		5	3	2450	1	3-Car
\$440,000		5	3	2500	2	3-Car
\$455,500		5	3.5	2600	2	3-Car
		4	2.5	2300	2	3-Car

So far, which price range seems to be appropriate?

All of the homes priced above \$425,000 have at least a swimming pool and have more square footage. At this point, it appears that \$450,000 may be too high. But wait ... there's more!

Thinking like a buyer ...

Buyers almost never look only in one subdivision. (There are exceptions of course, as in luxury home price ranges, for example). Even if they've narrowed the search criteria to a specific area of town, there usually will be two or three (and sometimes more) subdivisions in which they will look.

If the seller's home is located in Sunny Brook (with 100 homes) and within 5 miles, there are two other subdivisions: Lazy Jay (with 125 homes) and El Pelar (with 135 homes). If the homes in Lazy Jay and El Pelar are similar in age, size and features, the buyers will most likely look at available properties in all three subdivisions. Check competing neighborhoods, using the same criteria -mainly price range. But also check months supply data to see if the sales activity mirrors that of your owner's neighborhood.

And don't forget to check new construction in the area and price range! Buyers will often purchase brand new, even if it's higher priced (as long as they can afford it, of course) knowing full well that they will have to spend thousands to landscape, install window coverings, etc. It is the "no one has lived in it or used it" phenomenon.