

5 Things Realtors Do To Sell Their Own Homes for the Highest Price

Basically, we do everything in our power to make the home worth as much as possible. Then we set the highest possible price, and we hold out until we get that price.

Realtors Outed by Freakonomics

In the book *Freakonomics*, authors Steven D. Levitt and Steven J. Dubner point out a shocking fact about real estate agents: When real estate agents sell their own homes, they get a better price than they do for their clients!

Using data from a study of over 100,000 homes that were sold in suburban Chicago, they found that the houses that were owned by real estate agents sold at a price that was at least 3% higher than other homes.

How do real estate agents get a higher price than other sellers? When selling their own homes, they set a higher price and wait longer.

The real estate agents at Dreyfus Sotheby's International Realty certainly know how to get the edge. Every day, we use our inside knowledge to land magnificent deals for ourselves — and we do the same for our clients.

How Our Agents “Move Up” Locally

In the last two years, a third of our agents have sold their own homes. Every time they walked away with more land, a bigger house or a better address.

- One cashed out of Palo Alto and bought more land in Woodside.
- Another left Menlo Park for a larger house in Redwood City.
- Another agent moved her growing family from Redwood City to a bigger home in San Carlos.
- One migrated from Mountain View to Woodside.

Basically, we do everything in our power to make our homes worth as much as possible. Then we set the highest possible price, and we hold out until we get that price.

We do the same thing for our clients. We treat our clients' homes just like our own, because we want them to get amazing deals, too.

Here's how:



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For our super fast moving market, we price homes according to the latest market dynamics to get the best price. We skate to where the puck is going.

Five Things Our Agents Do to Get the Best Possible Price for Ourselves—and Our Clients

1. We know exactly who the eligible buyers are.

We know who can afford the price, because we see who bid on similar homes at the same price point. We tailor our prep to that buyer profile.

2. We prep well and price aggressively.

When we prepare your house, we tell you what we'd do if we were preparing our own home. Every improvement must pass our basic litmus test: a 3X ROI (and, it's usually more).

To sell his house, one of our agents put in a brand new kitchen. "The kitchen was the Achilles heel of our house. Dark, no storage, poor use of space, green counters and wallpaper with fruit. We re-did it with two focal points: a professional-grade stove with a big stainless hood and a dramatic farmhouse sink. Ikea cabinets with glass fronts made it feel more open. The kitchen became the hook. People gushed about the cool kitchen and overlooked cheap bathroom tile and floors that needed refinishing."

3. We price forward to get the best price.

Typical agents price homes based on the "sold prices" in the MLS. The problem is that those prices were set 4–6 weeks in the past.

That data is already too old!

For our super fast moving market, we always price homes according to the latest market dynamics to get the best price. In other words, we skate to where the puck is going to be, not where it's been.

4. We pick the right pricing strategy.

We have several pricing strategies in our back pocket, and use the one most appropriate to our situation. If we need to close fast to get the money out of the house, we'll auction price. If we don't have a short timeline, we won't risk leaving money on the table by pricing our homes under market value. Instead, we set a premium price.

5. We're patient.

We don't panic! It only has to sell in a week if we absolutely need to get the money out of that house in a week. Otherwise, we wait and hold out a while longer to get a better offer.

Without fail, buyers' agents will try to pressure us into lowering the price. They say, "You've been on the market for four weeks, so your price has to come down."

We know that the price doesn't have to come down. We'll wait a little longer to get the price we set.

Our agents follow these five steps to get a premium price for every house that we sell. We strive for the best price for ourselves and for all of our clients. We treat your home as if it were our own.



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