



# BRICK UNDERGROUND

*Real Estate. Real Life. Real New York.*

## How to price your NYC apartment in a buyer's market



**Don't be afraid to adjust the price and adjust it quickly—within a month if you are not getting anyone in or the feedback is you are priced too high—and sometimes sooner, within weeks," says Steven Cohen of Corcoran. *iStock***

JANUARY 14, 2020 - 9:00AM

BY EMILY MYERS

If you're thinking of [selling your NYC apartment or house](#), you've no doubt been watching the market for an uptick in sales and prices. Although there are encouraging signs in [Brooklyn and Queens](#), the number of sales continues to slip in [Manhattan](#). The factors that flipped last year into a buyer's market, including a

glut in luxury condos and political uncertainty, don't look likely to change, but that doesn't mean it's the wrong decision to sell.

Your priority is to get your apartment [seen by as many qualified buyers as possible](#), and realistic pricing is key. For tips on how to price your apartment, we've asked NYC brokers to share the advice they are giving to sellers now. Read on for what to think about.

## Price below the average

Jeff Gordon, an agent at [Platinum Properties](#), says if you price the apartment just below the average, you'll get people more interested and there's a good chance it will sell for a price higher than your asking.

"Run a comparative market analysis—the analysis should be for apartments similar to what you have, taking into account any renovation work. Take the average price and see how long apartments have been on the market and then price [your apartment] just slightly below, because that will get a lot more views. What I've seen is that apartments priced slightly under the market end up selling slightly above the average."

Daniele Kurzweil, a real estate salesperson with [Compass](#), says sellers shouldn't be discouraged by a buyer's market, after all, motivated buyers are exactly what a seller needs. However, she also warns against aggressive pricing.

"Your pool of potential purchasers is very market savvy and they know their buying power. Price just at or below market value and you will attract much more attention than being aggressive and reaching for the stars. Buyers are more

likely to overbid on a property that is just below market because they know what the actual value is. If they see a seller who is 20 percent overpriced they will not even bother with an offer because they feel the seller's price is simply too out of whack with reality [and] fear their appropriate offer will be overlooked because the seller will be insulted."

## **Make yours the best-priced apartment**

Lisa Lippman, a broker with [Brown Harris Stevens](#), says it's all about constantly assessing and being better priced than the competition. She also has tips on how to make your listing stand out.

"Make sure you are the best-priced property in your product group because if you're not, you are not going to get proper attention to your listing. While there are different types of incentives you can offer, most people are looking for the best price.

"When you are creating the product description, study others that are similar and make sure to highlight the most important and unique things. You can even try to rotate the highlights and images to see what performs best. Reach out to other real estate agents with similar inventory to your listing because they may have buyers that would be interested."

## **Don't hesitate to adjust your price if necessary**

Steven Cohen, a broker with [Corcoran](#), says there are three ways to price; at market value, below it, and above it, but in this market, it's important to stay true

to the real value of the place. If you're not getting interest, or the feedback identifies some quirky obstacle to a deal, don't dawdle on reducing the price.

"I believe in pricing within 5 percent of where you truly believe the market value of the property is. That should be your range. If you price too high you are not going to get people in. We do a tremendous amount of marketing and outreach and if we are getting people in but not getting offers, for the most part, it comes back to pricing. In this case, don't be afraid to adjust the price and adjust it quickly—within a month if you are not getting anyone in or the feedback is that you are priced too high—and sometimes sooner, within weeks."

## **Put yourself in the buyer's shoes**

Vickey Barron, a broker with [Compass](#), says pricing is so nuanced it requires lots of research and many, many variables. She encourages sellers to put themselves in the shoes of buyers in order to be able to justify the asking price and most importantly, to let go of a target sale price.

"The [buyer] is going to want to know how you priced [the apartment], and why that's the correct price and value. You better have conviction and knowledge on pricing because if you can't articulate and debate that, you are not going to sell the apartment and you are going to have price reduction after price reduction after price reduction. Of course, some sellers aren't on board because they think their apartment is the cutest, so in that case, I will take them out shopping and ask them what they would be willing to pay [for various listings]. The worst is when sellers say they need a sell for \$3.5 million because they are buying at a certain price in the suburbs—who cares? That's just the craziest formula."

## Try this formula

Mara Flash Blum, a broker at [Sotheby's International Realty](#), has some more specific advice on the math of pricing your apartment for sale but says you can't go low enough in this market. In her experience, if you overreach on price, the apartment won't budge—so it's time to take a long look in the mirror and accept some truths.

"In this market, if you think you are a size six but you are really a size 14, you're not even close, it's never going to fit. I call it the 'Taj Mahal syndrome' where there's delusion—because everyone loves their home and in this market it is about value and not about love. Look at what the property was worth in 2007 or 2014, when the market peaked, and then take three or four percent off—that's much closer to where the market is right now. Pricing is such an art, especially in a correcting market when comps can be unreliable."

## Carefully evaluate the comps

Elizabeth Kee, a broker with [CORE](#), says swallow hard, use comparable sales, and treat your apartment to a new coat of paint and, if necessary, some staging.

"Numbers never lie: If you're looking at comparable apartments, just because you have done certain things to your home that you feel makes it look better, doesn't mean you are necessarily going to get a higher price.

"Everyone thinks their apartment is going to be worth more, regardless of the condition of the apartment, so pick the price that everything else sold at. This can be hard for people to understand but you have to really put your best foot forward in a buyers market and a lot of owners are not really willing to reinvest

in their space in order to do that and that's where prices continue to fall. That little bit of investment; new paint, the right furnishing for the space—which may not be how you prefer to live while you are selling it—all this will garner the highest price and get [the apartment] to move.”

Sadika Mrkusic, an agent with [DJK Residential](#), says sellers need to consider supply and demand as well as the neighborhood and emphasizes the importance of staging.

“Bringing all these factors together will help establish a realistic price range in order to sell. If the seller wants to make the home more desirable in terms of pricing, they must ensure that it looks desirable by having it cleaned, painted, upgraded (if possible) and lastly for more of a price boost, staged. Invest some and you'll get more.”

## Keep online price parameters in mind

Jed Lewin, a broker with [Triplemint](#), says 90 percent of buyers begin their search online so pricing that corresponds to search thresholds on listings sites is something to think about. Keep in mind boundaries are often set in \$50,000 increments.

“The majority of people who see your listing at \$1,200,000 will also see it \$1,250,000, but many of those people will never see it if you price your home at \$1,251,000. Taking buyer behavior into account when pricing for the digital marketplace is crucial. For most buyers, it's only after they have seen your listing in their search results will they begin performing relative value analysis on factors such as price per foot.”

Gill Chowdhury, a broker with [Warburg Realty](#) who works mostly in Manhattan, points out pricing is an art, not a science. He does, however, recommend keeping the number concise for two reasons.

“Psychologically people have an easier time accepting numbers with fewer syllables in them so \$800,000 fits that purpose over say \$805,000 or \$799,000 as well. I’d also consider the price band that people search on. For example, your home at \$5,000,000 is getting more views than your home at \$4,999,999. The reason is that the algorithm is set exactly to the even number—so if you are just over \$5 million then someone who sets their search from \$4 million to \$5 million will not see your property.”