## REALTOR® Magazine

## Should You Show Buyers Homes Beyond Their Budget?

December 31, 2019

For home shoppers struggling to find what they want, some real estate pros say it may be time to show them homes outside of their budget.

"In general, I don't like to show buyers homes outside of their price range as it can create expectations of things they can't afford," Bill Golden, an independent real estate pro with RE/MAX Around Atlanta, told realtor.com®. Tamara Heidel, a broker with Heidel Realty in Las Vegas, adds that the buyer could also perceive the agent as pushing a higher price on them to get higher fees.

But in some cases, home shoppers may need to view what's beyond their budget to get a realistic picture of what they can afford or even be convinced to spend more to get everything they truly desire, some pros say. Buyers shopping in lower price points, in particular, may be struggling in a low-inventory environment to find a home that meets their needs.

"If the buyers are truly unhappy with what they're seeing in their price range, sometimes seeing homes in a higher price range will make them more willing to stretch their upper limit, even if it means getting some help from parents or another source," Golden says.

Barbara Ireland, a real estate pro at DJK Residential in New York, has buyers look at homes in their preferred locations, even if they're above their budget, so they can compare the trade-offs. "An easy commute to work or a choice school will make for a better quality of life and lower transportation costs," she told realtor.com.

Also, some real estate pros argue that buyers have unrealistic expectations when it comes to the true cost of a move-in-ready home. Showing buyers homes above their price range can also serve as an education on the market. It also may help them narrow their search to what their budget truly allows.

A home may be out of the person's budget based on list price alone, but they may need to factor in more. The town's taxes may be lower, making up for the difference.



Of course, buyers have a budget to stick to, and an amount a bank will qualify them for will give them no choice to abide by a specific budget. But for some, they may have an extra cushion, and "adding an extra \$10,000 to your price point could make a big difference in the quality of home or area," Heidel told realtor.com®. "However, a \$10,000 price bump only adds approximately \$55 more a month to your payment."

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