



## How to Set an Offer Price

### A Strategic Approach to Making a Competitive Offer

There's no one-size-fits-all formula for determining your offer price. Instead, it's a thoughtful process that blends market research, property analysis, and negotiation strategy. By evaluating comparable sales, property condition, market conditions, and seller motivation, you can establish a fair price range—and decide where your offer should land within it.

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#### Key Factors to Consider

##### 1. Comparable Sales

- Review recent sales of similar homes in the area, focusing on:
    - Number of bedrooms and bathrooms
    - Square footage and lot size
    - Type of construction and garage space
  - The most accurate data comes from the **Multiple Listing Service (MLS)**. Your REALTOR® can help you interpret this data and identify true comparables.
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##### 2. Property Condition

- Compare the home's condition to others in the neighbourhood: Is it average, above average, or below?
- Inspect structural elements: walls, ceilings, windows, floors, and doors.
- Pay close attention to plumbing, electrical systems, and key rooms like bathrooms and kitchens.

- Don't overlook small details—fixtures, hardware, and yard maintenance all contribute to perceived value.
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### **3. Home Improvements**

- Cosmetic upgrades (e.g., paint, décor) typically don't affect value.
  - Major improvements—such as added bedrooms, bathrooms, or finished basements—should be factored in.
  - Features like pools may add appeal but don't always translate to higher value. Your REALTOR® can guide you on what matters most in your market.
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### **4. Market Conditions**

#### **Seller's Market**

- Demand exceeds supply
- Homes sell quickly, often with multiple offers
- Offers may need to exceed asking price to be competitive

#### **Buyer's Market**

- Supply exceeds demand
- Homes stay on the market longer
- Buyers have more negotiating power and flexibility
- Sellers may entertain lower offers or counter more readily

#### **Balanced Market**

- Supply and demand are roughly equal
  - Prices remain stable
  - Offers may fall anywhere within the fair market range
  - Negotiation depends more on property specifics and buyer/seller motivation
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### **Finalizing Your Offer Strategy**

- Use comparable sales to establish a fair price range.
- Factor in property condition, improvements, and market dynamics.

- Decide where your offer falls within that range—lower, middle, or upper—based on your negotiation style and risk tolerance.
- Most buyers start below their target price to leave room for negotiation, but in competitive markets, a strong initial offer may be your best move.

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### Ready to take the next step in your real estate journey?

The Twin Waterfalls Team combines expert guidance, strategic insight, and a proven track record to help you build lasting wealth through smart property investment.

Whether you're a first-time buyer, seasoned investor, or exploring new opportunities, we're here to help you move forward with confidence.

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