

How to Raise Your Average Price Point

Where are you now?

- Know your numbers...
 - What is your current average Buyer Sale?
 - What is your current average Listing Sale?
 - What is your highest Buyer Sale?
 - Where did that deal come from?
 - What is your highest Listing Sale?
 - Where did that deal come from?
- Who is your clientele?
 - Acknowledge their demographic make up
 - Young? Old?
 - Income Level?
 - First Time Home Buyers?
 - Families?
- Where does your clientele come from?
 - Internet leads?
 - Referral from friends?
 - Past Client Referrals?

Start Planning

- Who do you want to work with?
- Set realistic goals. If you're selling \$200,000 home and you say you want to sell \$1,000,000 homes, it's unrealistic to make that jump quickly.
- Know the "unofficial" Home Buying bands of affordability
 - Under \$150,000
 - \$150,000 - \$225,000
 - \$225,000 - \$299,000
 - \$275,000 - \$335,000
 - \$300,000 - \$425,000
 - \$400,000 - \$500,000
 - \$450,000 - \$599,000
 - \$600,000 - \$800,000
 - \$800,000 - \$1,200,000
 - \$1,200,000+
- Expect to move up no more than 2 bands in a 12 months cycle.
 - It takes time to raise your price point and work up to a new buyer
- What do you plan to change to move up in price point? Something needs to change in order to move up in price
 - How will you get listings at a higher price?
 - How will you get buyers at a higher price?

My History

- My first listing was \$84,500
- My first sale was \$153,000
- Targeted an area with a higher average price point
 - Started focusing on Manayunk and Roxborough where the average price was above \$200,000
- Found and joined networking groups to surround myself with people who could send me referrals at a higher price point
 - The networking group I joined was the one of the best career moves I've ever made.
 - Surround yourself with who you want to do business. Eventually, you need to surround yourself with a new group of people as you start to grow

Tips to raising your price point

- Never say no to anything
 - I've never turned down a lead or a showing request.
 - I always say yes to everything and figure out a way to make it work even if I'm unavailable.
- Maximize every opportunity
 - When you get a chance at a higher price point, do everything in your power to make that deal go as smoothly as possible
 - Referrals are the key to lasting success in every price point
 - Always talk about the highest price deals you've done
 - Business begets business
- Be the Real Estate Expert
 - As you move up in price, clients expect you to be the expert
 - You should know almost every word in the agreement of sale and know how to bend it to fit your clients' needs
 - Higher priced clients expect you to be knowledgeable throughout the entire process.
 - Higher priced clients expect you to have a good referral base for anything they need.
 - Your referral reflects on you.
 - Always vet a referral before you actually refer them
 - Know the active inventory
 - If your client doesn't like a particular house, know of another one that might be a good fit
 - Know the Comps
 - Always know what has sold nearby or in the same area.
- Be the Local Expert
 - If you want to sell an area, you need to know the area
 - Visit all the local restaurants
 - Eat at multiple of them

- Know where the grocery stores are located
 - Learn the trendy new hotspots
 - Know where the closest parks are located
 - Always know the school district very well, which schools that house will attend and the rankings for each school
 - Real Estate is Hyper Local. Each Block or Neighborhood is very different and your job is to know about all of them.
- Dress for Success
 - You can always dress down an outfit. It is ALWAYS better to be over dressed than under dressed.
- Patience is important
 - My highest sale took me at least 18 months from when I first met the client until when they purchased
 - Most of my highest priced deals came from more than 6+ months of follow up
 - I am still following up on listing appointments I went on over 3 years ago
- Follow up with past clients
 - Past clients eventually need to sell and move up in price point
 - A \$200,000 buyer from 2-3 years ago might sell at \$250,000 and buy at \$400,000.
 - Past clients will give you referrals usually in higher price points than they purchased
- Learn when to leverage
 - You don't have to say no to hand off a deal to another agent.
 - Leverage other agents to work your lower priced deals.
 - Someone always needs business, there is always going to be someone out there willing to work a deal you are willing to give them. Find that person and leverage them so you can keep working on bigger deals.
- Migrate to higher priced areas
 - As you start to move up in price, you need to keep focusing on higher priced areas.
 - You don't need to abandon previous areas... start to add new places where you're the expert.
 - This opens up your ability to service all sorts of locations and be the expert in many areas.