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Setting the Right Price

SELLER RESOURCE GUIDE

How to price your Calgary home strategically so it attracts the right buyers, generates competitive offers, and sells for maximum value.

Why the First Two Weeks Matter Most

In the Calgary real estate market, the window of peak buyer attention is narrow. When a listing first appears on the MLS, it captures the highest volume of online views, showing requests, and serious interest. Research consistently shows that homes receive the most activity within the first 14 to 21 days on the market.

If a home is priced correctly during this critical launch period, the surge of attention can drive multiple showings, competitive offers, and a sale at or above asking price. Miss that window with an inflated price, and you lose the audience that was most motivated to buy.

Key insight: You never get a second chance at a first impression on the MLS. Buyers and their agents pay the most attention to fresh listings — not price reductions weeks later.

The Real Cost of Overpricing

Many sellers believe they should list high and "see what happens," planning to reduce later if needed. This approach is one of the most common — and costly — mistakes in residential real estate. Here is what typically happens when a home is overpriced:

- **Extended days on market (DOM):** Homes that sit unsold develop a stigma. Buyers begin to wonder what is wrong with the property.
- **Lower final sale price:** Studies show that overpriced homes ultimately sell for less than comparable properties that were priced accurately from day one.
- **Stale listing syndrome:** After the initial wave of interest passes, price reductions attract bargain hunters rather than full-value buyers.
- **Appraisal challenges:** Even if a buyer offers a high price, the property must appraise at value for most financed transactions to close.

In Calgary, where market conditions can shift with energy sector sentiment, pricing missteps are magnified. A home that lingers through a seasonal change — say, from spring into summer — may face an entirely different buyer pool.

Understanding Market Types

Seller's Market

When demand outpaces supply, sellers hold leverage. In Calgary, this typically occurs during periods of strong oil and gas activity, population growth from interprovincial migration, or low inventory in popular communities like Altadore, Bridgeland, or Mahogany. In a seller's market, well-priced homes often receive multiple offers and sell above asking price.

Buyer's Market

When inventory exceeds demand, buyers have more negotiating power. This can happen during economic slowdowns, rising interest rates, or oversupply in certain segments (such as downtown condominiums during periods of elevated vacancy). Pricing must be sharper in a buyer's market because competition among sellers is fierce.

Balanced Market

A balanced market sits between the two extremes. Calgary frequently operates in this zone, with conditions varying by community and property type. A balanced market rewards fair, data-driven pricing — neither aggressive nor aspirational.

Factors That Determine Your Home's Value

- 1 Location and neighbourhood:** Proximity to schools, transit (such as Calgary's CTrain), parks, downtown, and amenities all influence value. Communities like Aspen Woods and Marda Loop carry different price expectations than those further from the core.
- 2 Property condition:** Updated kitchens, modern bathrooms, newer mechanicals (furnace, roof, hot water tank), and well-maintained finishes add measurable value.
- 3 Comparable sales:** Recent sale prices of similar homes in your area are the strongest indicator of market value. These "comps" form the backbone of any credible pricing strategy.
- 4 Lot size and features:** In Calgary, lot premiums are common for south-facing backyards, walkout basements, and properties backing onto green spaces or pathways.
- 5 Economic conditions:** Interest rates set by the Bank of Canada, Alberta employment data, and migration trends all shape what buyers are able and willing to pay.
- 6 Current inventory:** The number of competing listings in your area directly affects how aggressively you need to price.

How a Comparative Market Analysis (CMA) Works

A CMA is the foundational tool for determining your listing price. It is not a formal appraisal — it is a detailed analysis prepared by your REALTOR that examines:

- **Recently sold properties** (typically within the past 90 days) that are similar in size, age, condition, and location
- **Currently active listings** — your direct competition
- **Expired and withdrawn listings** — homes that failed to sell, often due to overpricing

Adjustments are made for differences in upgrades, lot features, basement development, garage configuration, and other variables. The result is a supported price range that reflects what the market is genuinely willing to pay.

Calgary advantage: Because Calgary's market varies so significantly from one quadrant to another — and even between adjacent communities — a hyper-local CMA prepared by a REALTOR who knows your specific neighbourhood is essential. City-wide averages rarely tell the full story.

Strategic Pricing Approaches

Pricing at market value is the most reliable approach for most Calgary homes. It attracts qualified buyers, supports clean appraisals, and typically results in a sale within a reasonable timeframe.

Pricing slightly below market value can be effective in a balanced or slow market. The goal is to generate urgency and multiple showings, which can lead to competing offers. This works best in high-demand neighbourhoods with limited inventory.

Pricing above market value is only advisable in a hot seller's market with documented upward trends in your specific area. Even then, the margin should be modest — buyers have access to the same data you do.

What You Can Do Today

- Request a no-obligation CMA from a local REALTOR who specializes in your community
- Review recent sales in your neighbourhood on the MLS
- Note the condition and features of homes that sold quickly versus those that lingered
- Be honest about your home's condition relative to the competition
- Consider the time of year — Calgary's spring market (March through June) typically sees the highest buyer activity

The bottom line: The right price is not the highest price — it is the price that attracts the most qualified buyers in the shortest time, resulting in the strongest possible sale.