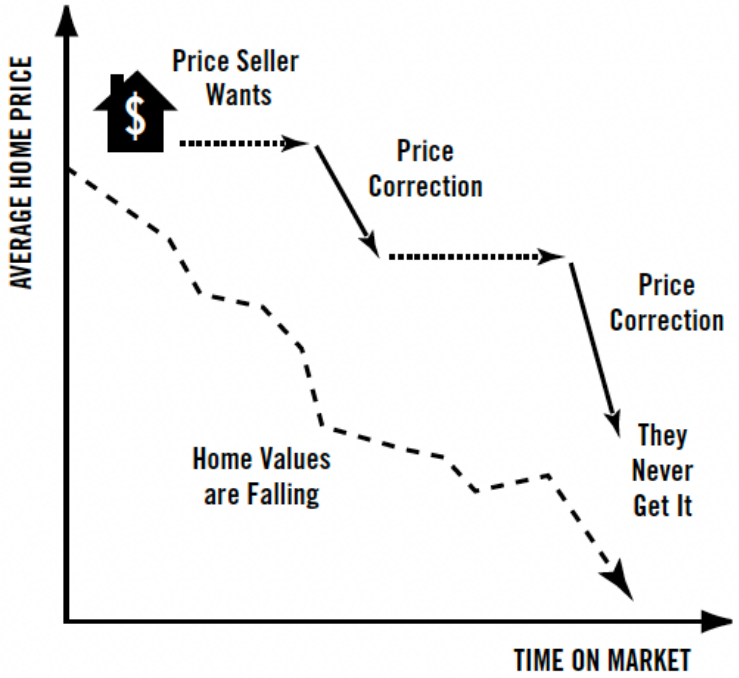
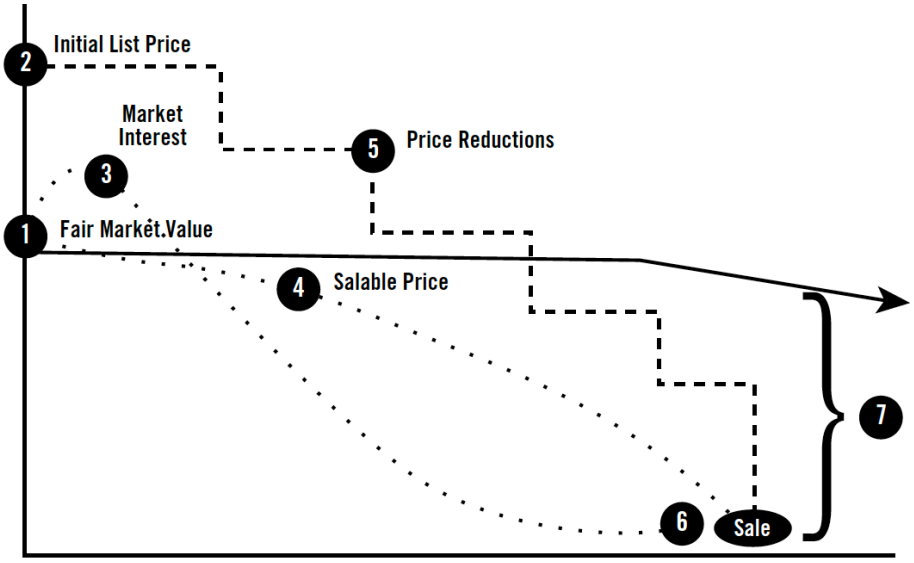
Chasing the Market

If sellers fall behind a market with falling home values, they can end up chasing the market down, because home values are always falling faster than their price reductions.



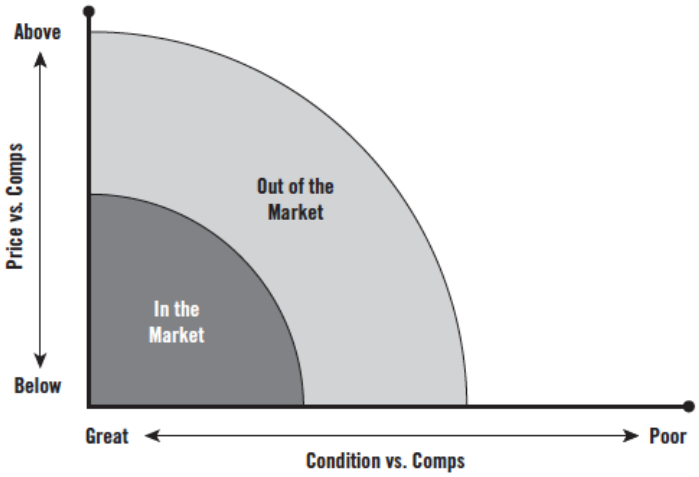
The Cost of Overpricing in a Shifted Market



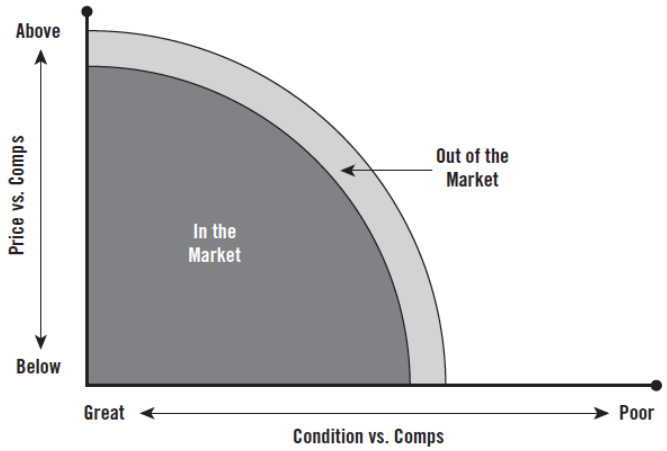
1. Fair Market Value declines during a Market Shift.
2. Seller hopes a higher initial price will draw a higher offer.
3. Market interest is fragile (with high inventory) and wanes quickly.
4. Salable Price is impacted by declining market values, "staleness," and competition.
5. Small price reductions only "chase down the market."
6. Properties sell when buyers see very attractive prices.
7. The Cost of Overpricing is amplified after a shift.

A Tale of Two Markets

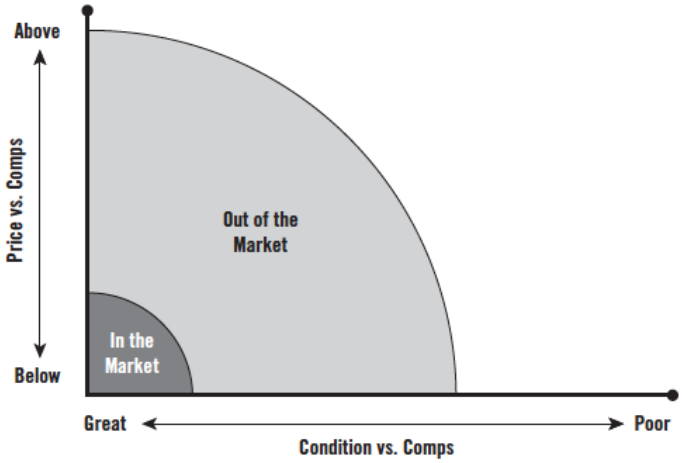
THE TALE OF TWO MARKETS



SELLERS' MARKET



BUYERS' MARKET



A FINAL LOOK

