



**FAIR MARKET VALUE vs MARKET PRICE**

**FAIR MARKET VALUE**

*Fair Market Value* is defined as:

- The price a property will bring in the open market, when contracted between an EQUALLY MOTIVATED and equally knowledgeable Buyer and Seller.

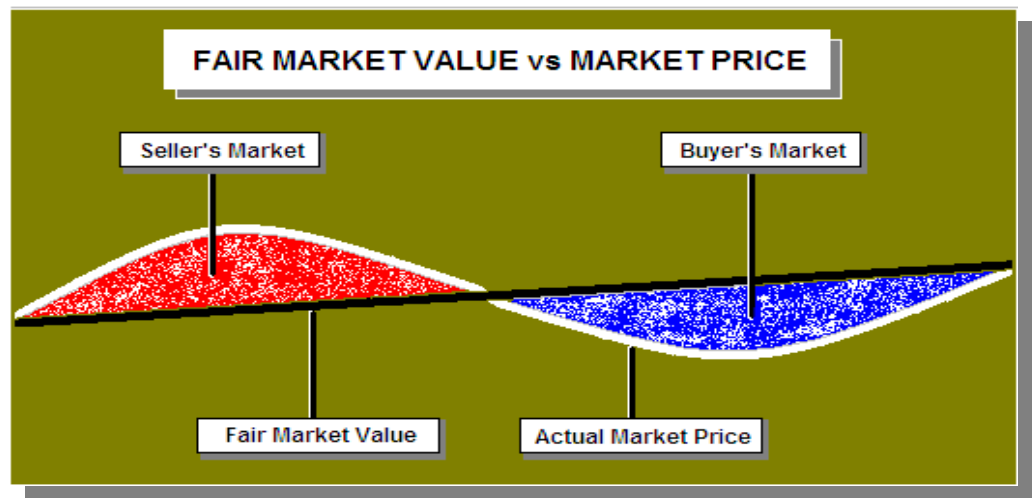
Fair Market Value fluctuates with a given market. Because time is major factor, the up and down fluctuations are subtle and relatively flat.

**MARKET PRICE**

*Market Price* is defined as:

- The price in a given market that a good or service will actually sell for.

Market Price is based upon more immediate conditions, so it fluctuates very rapidly.



**SELLER'S MARKET**

When the Buyer is more motivated, than the Seller:

- The Market Price will RISE above the Fair Market Value.
- Available properties are scarce, and buyers are plentiful. Competition is fierce without as much regard for features and subtle negotiations.

**BUYER'S MARKET**

When the Seller is more motivated, than the Buyer:

- The Market Price will DROP below the Fair Market Value.
- There are more properties for sale than buyers to purchase them, so marketing and curb-appeal become eminently more significant.

