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For Sale By Owner



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Introduction

For Sale by Owner, you hear these words and think well someone is trying to sell their own home to save money. Real estate agents and Realtors sometimes cringe at the sound of these words, but not for the reasons you might think. They are not thinking "I lost another one to FSBO", at least not the intelligent agents or Realtors. What true agents and Realtors think "Do they really know what it takes to sell a house?" On the other hand, most homeowners think I can sell my house, there is nothing to it.

This paper is designed to explain what to consider when planning to do it yourself. I will share some advice I have learned and finally my opinion on what you should do. You will learn all the items necessary to successfully sell a house.

Let me start by sharing some thoughts with you.

1. A home is typically the single largest investment you possess. If not the biggest it is definitely one of the biggest. Therefore, you should not trust the sale of it to just anyone, especially amateurs.
2. Most people move maybe once or twice in their lifetime. This limits the experience most people have to sell a house.
3. Your home is a very emotional possession, which is why it's your home and not just a house. Remember everyone's baby is always pretty.

Ok, with these thoughts in mind let me share some statistics. For Sale by Owner (FSBO) accounted for 8% of home sales in 2016. The average home sold for \$249,000. FSBO homes sold for \$190,000. Twenty-eight percent (28%) of FSBO sellers did not actively market the home.

Of those that did market their home, the most challenging tasks for a seller according to the report:

- 15% was getting the right price
- 13% Selling within the planned length of time
- 12% Performing the paperwork
- 9% Preparing/fixing up the home
- 3% Having enough time to devote towards selling the home



So in short about 52% of the process was difficult. I am not saying it is impossible but I always believe going into something with as much of the facts as possible.

Selling Your Home

Ok now that you have some information let's discuss what to do to properly sell your home. The first and most important thing is:

Be Honest

We often overestimate our capabilities. We think we can swim faster, run longer, lift more and know more than we really do. Selling a house takes very specific capabilities. It is not good enough just to know what they are but you must excel at them. If you are not a people person, don't have negotiation experience, don't fully understand the real estate market, and do not have sales and marketing experience why would you attempt to get involved marketing and selling your most important possession? Now if you do have this experience and are accustomed to negotiating high-value products then by all means plan, prepare and sell your home.

Prepare

You never want to jump into anything without being prepared. However, most homeowners don't know where to start. I have spoken to many sellers that think "all you have to do is post a yard sign, place ads in the newspaper, create fact sheets and clean up the house". I was blown away by this type of thinking. It takes much more so here is a small checklist for you to keep in mind.

Tools Needed

If you are taking the steps to sell your home here are some things you must invest in to be successful.

Yards Signs

House details Rooms, square footage, bathrooms.

The dimension of rooms.

Online advertising

Facebook

Twitter

Instagram

Realtor.com

Zillow

Trulia

MLS

Emailing software - to send out mass emails

Pricing comparatives - to help create a pricing strategy

Staging/Clean up/Fix up/Painter

Professional Pictures/Videos

Newspaper/print advertisement

Direct mailers

Open houses

Sales Training

Marketing Training

This list is by no means comprehensive but is a good start. A good agent or Realtor will have all these ready and more. There is a strategy to selling a home and this takes knowledge. Each of these steps here requires a deeper dive to cover all the specifics. I will cover a couple items to help you understand this point.

Online Advertising

This is not just posting the house with a couple of pictures. You have to target the right audience. Today's social media platforms provide the ability to target specific buyers, make sure to use this ability. The proper marketing language must be used to highlight the house with a specific call to action. You also need a follow-up plan for the people that reach out to you because of the advertising.



Pricing

Agents and Realtors should also understand the market for your home. This means understanding what homes like yours are going for and the trend of the market. This becomes critical when pricing the home. Most owners overprice the home and this is natural.

It is your home and there is an emotional tie to

the house. Yet setting an incorrect price is a death blow to selling a house. Therefore a pricing strategy must be in place. What will be the initial price and for how long? What the backup plan and when to initiate it.

Staging

This is an area where I am continuously surprised. Many owners and agents get this wrong. Most owners think that it is not necessary and that having the house clean is good enough. I agree...if you don't want to get top dollar. Think about it, if two homes are priced the same, will you pay for the house that looks ok or pay for the one that looks great! Now, I am not saying you need to spend an arm and a leg but getting professional advice could make a difference of 10k to 50K+ in the price you receive. Now what I mean by getting professional help is not just an agent or Realtor, yes they are better but staging is not their specific profession. There are professional stagers out there and they will have the right furniture, lighting, color recommendations and supplies to make a house pop.

Pictures

Here is where many people get in trouble. The first thing they think "my phone has a great camera and it should be fine". Well, that may be true just like a sniper rifle can hit a target from far away. Well, when these tools are not in the right hands and are misused the results are deadly. Today it is not good enough to take pictures, they must be great pictures. The angles have to correct and must highlight the house in the best way. Today, aerial footage is needed as well as virtual tours. You will also need to clean up the pictures and this requires the right software. Professionals understand this and should have the tools to make the pictures pop.

Summary

Now that you have a taste of the iceberg necessary to sell a house for top dollar you should also be better prepared to discuss these points with the right agent or Realtor. I

mentioned earlier in the article I would share my opinion well I think you understand it. Use a competent agent or Realtor. They should be prepared to perform these tasks and many more. They should get you top dollar for your home. Isn't this is you goal? Ask them about their strategy and what resources they have available. As always good luck out there and may you get top dollar for your home.