

FSBO

For Sale By Owner Guide



HELLO!

So you have decided you are ready to take the plunge and sell your home! Congratulations! To cut costs and save on commission, you have decided to take on this task yourself. I can completely respect and understand saving money.

I am sure you have already discovered that you will have many agents calling to convince you that you will not have any success, that this will be a costly mistake, and try and scare you into working with them.

My approach is different. I want to help you. I want to help give selling your own home the best shot. And if it doesn't work out, I hope to have earned enough respect demonstrating my knowledge and experience in my trade, that you might allow me to work with you.

For now, I wish you the best of luck! Feel free to take a look through my tips on selling your own home and call if you have any questions. I am happy to help if I can!



Roshan S. Patel

REALTOR® | Broker- Associate



PRICING IT RIGHT

01
PRICE

PRICING IT RIGHT

Pricing your home correctly the FIRST time might be the single most important step to getting your home sold fast. The first 2 weeks of listing your home yield the highest point of opportunity to sell your home for top dollar and all factors need to be just right.

If a home is overpriced you risk being overlooked by prospective buyers and end up being on the market longer than expected and lose the prime time to receive the best offer. After a home has been on the market for a while, buyers begin to wonder if something is wrong with the home as it hasn't been purchased yet.

This doesn't mean you should underprice your home either. You should put your emotions aside and find what your home is truly worth in today's market. It is very important to find out what homes have RECENTLY sold for in your neighborhood. Do your research and find out what the average list price, sale price, and days on market have been for a home your size in your neighborhood and base your listing price off of those numbers.

PRO TIP:

Find out what the **AVERAGE LIST PRICE, SALE PRICE, and DAYS ON MARKET** have been for a home your size in your neighborhood and base your listing price off of those numbers.

PREPARE YOUR HOME

02
PREP

PREPARE

The second most important step to listing your home is preparing your home for the market. **First impressions are everything!** You want your home to make a positive statement and to do this you must inspect your home through the eyes of a potential buyer. While this sounds relatively easy, most home sellers struggle with this step.

DECLUTTER - Remove excess home decor, furniture, and personal items. You want your home to feel large and full of potential. Leave walls and corners as open as possible. You may feel like the room feels empty, buyers will think it has tons of potential for all of their things.

DEEP CLEAN - A dirty house can be a red flag for buyers, who might suspect a home has not been taken care of. A spotless home sends the unspoken signal that your home is a well-maintained property.

REPAIR - Do not gloss over repairs that need to be made. Buyers will notice them. Keep in mind you compete with other homes and each repair needing to be made will be a notch against your home.

NEUTRALIZE - Make sure to use neutral colors from the flooring to the walls. A neutral color palette in your home opens it up to appeal to a wider audience.

SPRUCE UP - Pay special attention to curb appeal. Paint the front door, add a new rug, and potted plants.

PRO TIP:

Declutter, deep clean, repair, neutralize and spruce up your property to appeal the widest audience possible.

WHERE TO LIST

03
WHERE

WHERE TO LIST

As I am sure you have already discovered...most buyers are shopping online for homes. And the internet is a huge and overwhelming space! So where should you list your home to get the most exposure? Zillow and Trulia (owned by Zillow) are places that get the most views and you can list your home for free there.

Some websites will put your home on MLS for a small fee, but be careful when dealing with these kinds of companies. As soon as you list on the MLS your home will have a "digital record" displaying how many times it's been re-listed, price changes, etc., and other real estate agents and their buyers will use this information to get a good deal on your home. Listing here will also put you in a position to be potentially be dealing with someone that has a lot of experience in real estate and that could potentially cost you.

If you are choosing to sell on your own my suggestion would be to stay away from the MLS and avoid competing against a buyer that has someone protecting their interest and leaving you vulnerable.

Be sure to get a sign in your yard and around the neighborhood. Ask your neighbors if they know of anyone wanting to move into the area.

PRO TIP:

List your home for free on **Zillow and Trulia**. These sites give FSBO's the most traffic online. Be sure to get a **sign in your yard** and around the neighborhood.

PREPARE DOCUMENTS

There are many important legal documents that you must complete and understand. You should assemble and complete the following documents:

- ❑ Seller Disclosure
- ❑ Mortgage Payoff
- ❑ Deposit Receipt
- ❑ Buyer's Cost Sheet
- ❑ Personal Property
- ❑ Property Survey/Plot Plan
- ❑ Purchase Contract
- ❑ Loan Application
- ❑ Property Profile Fact Sheets
- ❑ Closing & Settlement Documents
- ❑ Exclusion List
- ❑ Seller's Statement of Representation

PRO TIP:

It is very important to **have all legal documents completed and understood** for a contract and sale to run smoothly.

ADVERTISING YOUR HOME

Advertising your home in its best light is crucial to a quick sale! There are MANY rules, regulations, laws, that a homeowner has to follow when selling their home. There are too many to list here. My suggestion would be to visit HUD.gov and research "fair housing". It is not the most interesting read but could keep you from facing a potential lawsuit.

PHOTOGRAPHY: Look into hiring a professional photographer to take photos of your home. With over 93% of home buyers finding their home online, you want to show your home competitively. Professional photography can make your home stand out.

DESCRIPTIONS: Most homeowners have put blood, sweat, and tears into their home and it is only natural to be proud of it. Try and stick to the facts and bullet point special features without seeming like you are gushing about your home. Think about your potential buyer and speak to what they may be looking for and highlight those points. Again **take extreme caution** when writing these points. Any words like family or walking distance can be taken as discriminatory.

PRO TIP:

Look into **hiring a professional photographer** to take photos of your home. Also **take time to write your homes description**. Be unique and interesting but also **careful to not say anything discriminatory**.

DISCLOSURES

Disclosures are a way to let potential home buyers know of any problems that your home has, have had, and what you have repaired. It is extremely important to make sure you have disclosed all issues your home has had.

DO NOT cover things up, or try and hide these things. If an issue does come to light after purchase and a buyer thinks you knew about it and didn't disclose it, you could find yourself in a lawsuit.

Disclose everything and anything that is or has been an issue with your home.

PRO TIP:

Disclose everything and anything that is or has been an issue with your home.

SHOWING YOUR HOME

Buyers sometimes avoid a home that is for sale by the owner because it can be awkward. Do not be too pushy. If a buyer is interested you will know. If you come across as desperate you may lose leverage. To make showing your home a big success follow these steps:

- ☐*Make sure you clean up any clutter
- ☐*Turn on all lights and open blinds
- ☐*Take out the trash
- ☐*Ensure the home smells fresh but not overpowering
- ☐*Put away any valuables
- ☐*Be friendly upon meeting and give them space
- ☐*Don't follow them around the home as they tour

When they are done touring you can ask them if they noticed A FEW key features, don't point out every detail. Have a flyer that covers all details and special features that they can take with them if they wish.

QUALIFY ALL BUYERS FOR SHOWINGS. You want to make sure anyone coming to view your home could qualify for buying your home. If they are not qualified then you both are wasting your time. It is commonplace to ask them to provide their pre-approval by a reputable lender before the showing.

PRO TIP:

Make sure your home is tidy and smells fresh, turn on all lights, put away valuables, and **GIVE THE BUYER SPACE. MAKE SURE ALL BUYERS SHOWN THE HOME ARE PRE-APPROVED.**

NEGOTIATE EFFECTIVELY

Negotiating a contract can be stressful because there are so many moving parts. It is possible a buyer could come with an experienced real estate agent who is looking out for the buyer's best interest. If you are selling without an agent to do the same for you...it might be best to have a real estate attorney review your offer.

It is perceived that the process happens like this:

- 1.The buyer makes an offer
- 2.You counter the offer at a higher number
- 3.Buyer comes back a little higher than their initial
- 4.You counter and "split the difference"

Wouldn't it be nice if that is actually how it all happened! Sometimes it does happen just like that but often there are others factors involved. Sales price, terms, inspections, what stays, what goes, possession date, buyer concerns, and objections are all things that come into play. Carefully go over the contract and make sure you fully understand it and make any amendments to the sale that are necessary.

PRO TIP:

Carefully go over the contract and make sure you fully understand sale price and possession dates entirely. **Hire a real estate attorney** to ensure you understand and that your best interest is protected

APPRAISAL

An appraisal is also a stressful part of selling or purchasing a home. An appraiser is a third party who surveys your home and writes a report giving their opinion on the value of your home.

It may be right on target with the amount you and the buyer agreed on, but it commonly comes in lower than what the house is worth. It is very difficult to persuade them to change this number. You can contest it and provide the appraiser with some comparable sales in the area but there is no guarantee they will change it. This can be a sticky situation for someone who is not experienced in dealing with appraisers.

So what can you do if it does come in low?

1. Match the appraised amount and lower the sales price
2. Ask the buyer to agree to make up the difference and put more money down.
3. Walk from the current deal and hope that another appraisal doesn't come in that low.

It might be helpful to have some comps for the appraiser to survey and offer it to them without being too pushy. You have to walk the fine line carefully, if you come off pushy it can have an adverse effect.

PRO TIP:

Be respectful and friendly to the appraiser. Give them space and offer them comps for the area without being too pushy.



THE PATEL GROUP

REAL ESTATE ADVISORS

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