

# Five Tips For Serious FSBOS

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## Sell it by Owner . . . Save Commission

Selling by owner is not difficult. These five tips will help you become a successful "FSBO"  
Once you decide to sell, think of the house as a property, not your home; detach from the property.

1. Condition of The Property. Consider how the property looks, buyers do.

Buyers look at properties to eliminate them. Inspect the property as if you were a buyer:  
Start outside; make a list of everything that needs repair. You're eliminating discount items.  
Begin at the roof and work your way down and around the house. Then complete the same detailed inspection inside.

- \* What needs to be fixed? Buyers don't want repair work; they would rather buy furniture than repair faucets.
- \* What needs to be painted?
- \* What needs to be hauled away?
- \* What yard work needs to be done?
- \* What could make rooms look larger?

Repair all items. The condition of a property determines whether a buyer will buy and the price they will pay.

"You Don't Get a Second Chance to Make a First Impression."

2. Price it Right - Sell it Quick

Visit properties listed in MLS that are similar to yours; buyers will see the same properties.  
Price it just below a benchmark. If the property is in the \$200,000 range; ask \$198,900.

Compare:

- \* Price - Look at properties listed within a few thousand dollars of your price.
- \* Age - Look at properties no more than five years older or newer.
- \* Square Footage - Look at properties no more than 500 square feet larger or smaller.
- \* Bedrooms - Compare three bedrooms with three bedrooms.
- \* Amenities - Compare added features.

People buy properties because of features. Ask yourself these critical questions:

- \* What features caused you to buy this property?
- \* Do those same features exist today?
- \* Have they increased or decreased the desirability of the property?

There are four reasons that people overprice:

1. Pride - a feeling that your property is the best.
2. Greed - fear of pricing the property too low and missing out on a few dollars.
3. Ignorance - ignorance of the market. Arriving at a price based on what you need rather than market value.
4. Competition - you have chosen to sell without a broker. Comparable sales probably included a broker commission; reduce your price by that amount.

What about improvements and upgrades?

The industry standard suggests you get back 40 cents on the dollar.

Would You Buy Your Property Today --- In Its Present Condition  
At the Price You're Asking?

3. Get Free Help From Professionals:

- \* Brokers - Brokers are the best source of market information. Most brokers will provide you with a free market evaluation.
- \* County Assessor - A recorded sale is the only data that matters. Get prices for recent sales.
- \* Title companies - Ask for a property profile which contains valuable information. The service is usually free.
- \* Lenders - Lenders will provide current loan information and interest rates. They will give you a flyer with financing plans. You can give this to the buyer.

4. Get Help From Fee services

- \* A fee appraisal - will provide an opinion of value. A new loan will require an appraisal; if the value is not in the property, no new loan can be approved. Appraisal costs vary depending on the area, size of the property and the degree of difficulty.
  - \* A licensed home inspection - Most state laws require the seller to provide the buyer with a property disclosure statement, disclosing to the buyer any problems known to the seller that affect the property. Hire a qualified home inspector. They will provide you with a written report on the property's condition and make corrective suggestions. Do the inspection before you go on the market. Share the report with the buyer. A third party opinion will contribute to buyer confidence.
- The inspector may discover problems not visible to you such as plumbing, electrical, heating and cooling. Repairs should be completed before you start marketing. Keep receipts to show potential buyers.  
If work is not completed, reduce the price to reflect needed repairs.  
The cost of home inspections vary.

5. Brokers Are Not the Enemy.

You can work with brokers and maintain control. You must have buyers in order to sell. Brokers have buyers. 90% of buyers work through brokers.

Are you willing to pay a broker for bringing you a buyer? You can save thousands by negotiating with brokers. There are brokers that will work with you. Find out who they are.

The minute the sign goes in the yard and the ad in the paper, brokers will call. Count on it!

If you are willing to cooperate with brokers consider holding a broker open house. Send invitations, advertise, serve coffee and cookies. Ask brokers for an opinion of value. You'll create interest and awareness when you offer a coop fee.

Homes Sell Quickly That:

- \* Look great
- \* Are priced right
- \* Are easy to show
- \* Have flexible terms

Wrapping It Up. Let's review what you've learned:

- \* Jewelry, guns and valuables should be locked away out of sight.
- \* Make showings relaxed.
- \* Don't push the buyer.
- \* Ask if they have questions.
- \* Let them know they're welcome to come back.
- \* A buyer who comes back is interested.
- \* Keep the property in showing condition
- \* Provide a guest book and two fact flyers:
  1. A property information flyer.
  2. A loan information flyer.

Good Luck Selling