

THE FOR SALE BY OWNER MARKETING TOOL KIT

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10

INSIDE TIPS

To Understanding How To Sell Your Own Home!

If you ask anyone who has ever tried to sell their own home themselves they'll tell you that from the moment the "For Sale By Owner" sign goes up, the phone begins to ring. Unfortunately, many of those calls will not be from prospective buyers, but rather from real estate agents trying to obtain your listing. Obviously, the idea of not having to pay commission to a real estate agent is attractive to any home-seller. But because of all the issues involved in the process, selling a home on one's own can be challenging, as many home-sellers will attest.

THE KEY IS TO BE PROPERLY PREPARED.



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Be Properly Prepared

The key is to be properly prepared. If you are not, your home could remain on the market longer than you expect because you are not attracting and getting offers from qualified buyers. This can be the point where many homeowners become frustrated and consider giving up their dream of selling their home themselves. However, there are sellers who successfully accomplish selling their own homes. You can be one of them!

This industry report has been especially prepared to assist home-sellers such as yourself in understanding the elements involved so that you, on your own, can sell your home quickly and for the most amount of profit. To help you prepare, here are 10 inside tips that you should be aware of before making the decision to sell your home by yourself.

WITH THESE GOALS ADDRESSED, YOU'RE READY TO BEGIN THE SALE PROCESS.



STEP 1

Price it Right

Correctly setting your asking price is critical. Setting your price too high can be as costly as setting it too low. Home prices are determined by fluctuations in the marketplace, not by your emotional attachment or by what you feel your home is worth. In order to establish a realistic price for your home, objectively compare the price, features and condition of all similar homes in your neighborhood and, in particular, to other similar homes which have sold in recent months.

It is also important for you to be familiar with the terms of each potential sale. Terms are often as important as price in today's market. Carefully budget your selling costs and prepare a net proceeds sheet to calculate your best estimate of what you will take away from your home sale. Prospective buyers may also request this kind of analysis of buying costs.

THE 5 KEYS TO A SUCCESSFUL SALE:

- **PRICE**
- **LOCATION**
- **CONDITION**
- **MARKETING**
- **COMMUNICATION**



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STEP 2

Prepare Your Home for Sale

First impressions are crucial. Make sure your home makes a positive statement by carefully inspecting all details and viewing it through the objective eyes of a buyer. Don't gloss over needed repairs and fix-ups, as your prospective buyers won't. Your job is to ensure that your home stands out favorably from the competition.

Get Packing

- Pack family portraits and other personal photographs. Landscapes and abstract art is okay as long as it's displayed neatly.
- If a wall is overly crowded, take wall decor down and pack it.
- Crowded living room? If possible, put some furniture into storage.
- Pack up or put worn-out rugs and mats into storage.
- Organize closets and cabinets. If it's overly crowded, pack half of it up.
- Organize kids' toys. If there's too much to organize neatly, pack or store half of it.
- Finally, throw away any trash that's on the floor or flat surfaces.

Scrub Scrub Scrub

- Cabinets and drawers
- Windows (inside and out)
- The toilets and showers
- Exterior - walkways, decks, and stairs

Finishing Touches

Hang new towels in the bathroom. Replace light bulbs that don't work. Do a smell check. If you think you've become nose blind, ask a friend for their opinion. Right before showings, do dishes, put away laundry and take out the trash.

DE-CLUTTER

Donate, pack or throw away as much as you can

CLEAN

Pay special attention to floors, countertops and light fixtures

REARRANGE

Move your couch/sofa and tables so it's easy to walk through the room

ON AVERAGE A PROPERLY STAGED HOME SELLS FOR 3% - 5% MORE MONEY



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STEP 3



Prepare Yourself with All Necessary Legal Documents

Not surprisingly, there are many important legal contracts and documents which you must assemble, complete and understand. A partial checklist of forms that you will require for prospective buyers and for legal documentation is as follows:

- **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**

IT IS VERY IMPORTANT TO HAVE THE LEGAL DOCUMENTS YOU NEED.



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STEP 4

Market Your Home Effectively

Beyond the sign you will put on your lawn, you should find effective ways to spread the word about your home. Be sure you include the many buyers who could already be working with a real estate agent. To locate them, target as many top agents as possible in your market to see if the criteria of their buyers matches that of your home. Because out-of-town buyers are also an important target, you should create a strategy to reach them as well. Above all, you should be very service-minded and make it easy for prequalified buyers to view your home. Ensure there is always someone available to answer the phone, pick up messages promptly, and be ready to give qualified prospects a tour of your home as soon as possible.

10 MARKETING EXPOSURE TIPS:

1. **Your home is for sale!!!** Tell EVERYONE on social media and by word of mouth
2. **Post a live video walk through tour of your home** at least twice a week etc. do what you feel comfortable with. Live video creates more activity than just a photo within the social media platforms
3. **Have professional photographs taken of your home for listing**
4. **Make sure you tag your friends and co-workers** that your home is for sale on your Facebook (FB), Instagram (IG) pages, Twitter, LinkedIn, and other social media platforms. Talk about the highlights of the home. Update each week of how the home process is going with a video on social media on top of your video home tour.

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STEP 4

Market Your Home Effectively

10 MARKETING EXPOSURE TIPS CONT...

- 5. Post your home on FaceBook Marketplace for FREE** - Become members of Buy/Sell/Trade closed groups on FB that will allow you to post an ad of your home. This platform is the new "Craigslist"
- 6. Create a custom website** for your home through lisitingsunlimited.com
- 7. Call a local print company to design custom flyers** and postcards for the sale of your home. Lizard Apparel is an awesome company. Also take a look at Canva, a free site that you can create custom fliers and other marketing material
- 8. Mail 100 "just listed" flyers** to your neighbors. You can get an address list from the USPS "EDDM" (Every Door Direct Mail)
- 9. Host your own open houses** or have a Realtor® host them
- 10. Put your home on the MLS** through a Flat-Fee Discount Broker

MLS Flat Fee listing websites:

www.flatfeegroup.com – packages starting at \$300-\$1,000, with 1% paid at closing

www.flatfeemlslisting.com -4.9/5.0, 207 google reviews, packages starting at \$300-\$600



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STEP 5

Remain Objective During the Showing of Your Home

Keep emotion out of the sale of your home, and the best way to do this during a showing is to remain physically in the background. If a prospective buyer says something negative about your home, it is better to counter-balance this point of view by illustrating the positives rather than becoming defensive.

KEEPING EMOTIONS NEUTRAL WILL NET YOU MORE MONEY ON THE SALE OF YOUR HOME.



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STEP 6

Pre-Qualify Your Prospects

Don't waste your time entertaining buyers who could never afford your home. It is a big time-waster, and the experience of showing your home to unqualified buyers can be very frustrating.

Research their financial steadiness with respect to job security, salary, debts, liabilities and credit standing. Prequalify buyers before you spend time showing your home to any of them.

SEPARATE THE REAL BUYERS FROM THE TIRE-KICKERS.



STEP 7

Negotiate Effectively and Knowingly

There will be many details to resolve before a sale can be considered final, such as price, terms, inspections, possession date, buyer concerns and objections. Make sure you fully understand the contract you have drawn up so you can, in turn, explain details and ramifications to the buyer and make any amendments to the sale that are necessary.

The contract you use should be thoroughly examined by your real estate attorney. Some real estate brokers may be willing to help you do this. While this is going on, manage the buyer's interest in your home so that it doesn't wane during negotiations.

KNOW THE DETAILS OF THE CONTRACT YOU WILL USE IN THE SALE OF YOUR HOME.



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STEP 8

Know Your Buyer

Your objective during negotiations is to control the pace and set the duration. Try to determine your buyer's motivation.

- *Does he or she need to move quickly?*
- *Do they have enough money to pay your asking price?*
- *Do they have an agent helping them with the purchase?*

Knowing this information will give you the advantage in the negotiation because you will know up front what you will need to do in order to get what you want.

IF THE BUYER IS GUIDED BY A REAL ESTATE AGENT, IT MAY PUT YOU AT A DISADVANTAGE



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STEP 9

Don't Move Out Before You Sell

Studies have shown that it is more difficult to sell a home that is vacant. It looks forlorn, forgotten, and simply not appealing. It could even cost you money. If you move, you're also telling buyers that you have a new home and are motivated to sell fast - which can, of course, give them an advantage at the negotiating table.

VACANT HOMES ARE MORE DIFFICULT TO SELL THAN OCCUPIED HOMES.



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STEP 10

Know Why You're Selling and Keep It To Yourself

The flip side of “understanding your buyer” is to “understand yourself.” Your reasons for selling will affect everything from your list price to how much time and money you will invest in getting your home ready for sale. Your motivation will help you determine what is more important to you: the money you walk away with, the length of time your property is on the market, or both. Different goals will dictate different strategies. As someone who wants to sell without a real estate agent in an effort to save the commission, it is likely that money is one of your primary considerations. Whatever your reasons, however, it is very important to keep them to yourself so as not to place yourself at a disadvantage at the negotiation table. When asked, simply say your housing needs have changed.

KEEP YOUR REASONS FOR SELLING PRIVATE.



5 BUYER FACTS TO REMEMBER

Private Facts That Sellers Absolutely Must Know!

1 First-Time Buyers

Their inexperience necessitates the services of an agent to assist them with the home buying process, financing obligations, offers and contract-to-purchase agreements, and closing procedures.

2 Corporate Relocation Buyers

Most are unaware of the area, have limited time to buy, and are often contractually obligated to use a certain real estate company.

3 “No Money Down” Buyers

Agents do not work with these TV dreamers. Unfortunately, most approach private sellers hoping to find one who is ‘desperate’ to sell at any price.

4 Move-Up Buyers (The Best)

Up to 97% of these buyers are actually sellers whose homes are currently listed on the MLS. They are working with an agent for the purpose of selling their existing homes. After they sell, they become a move-up buyer and use the same agent to find their next home.

5 Bargain-Hunter Buyers

They know private sellers are trying to save the real estate commission, so they demand a price reduction equal to the commission. The private seller nets the same amount of money as if he had listed with an agent. The private seller is no better off financially, plus they took all the risk and did all the work.

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How to Assess Your Net Gain

To analyze whether or not you will end up ahead by choosing to sell on your own, consider the fact that most buyers do use a real estate agent because it doesn't cost them anything for the service (i.e. the seller pays the agent's fee). Be cautious - as buyers, investors and speculators who seek out "For Sale by Owner" properties are typically those in search of a bargain. The low-ball offers from these types of buyers will often net you much lower in the long run.

What you will have to judge for yourself is the following:

- 1. Be as prepared as possible with your marketing, negotiations, evaluations, showings and all legalities.**
- 2. Consider what it will cost you to effectively market your home and assemble all necessary materials - from the "For Sale" sign, to any ads you will run, to the legal contract.**
- 3. What price will a buyer offer you as a "For Sale by Owner," minus the costs identified in point 2 above? Is this net price higher than the price an experienced agent could net for you minus his/her commission?**



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What to Look Out For

You will be called constantly by real estate agents looking to list your home. Some will say they have a “buyer” and want to preview the home without the buyer. Investors will call you to lowball you and “Cash you out.” Investors believe if you can’t afford to pay a REALTOR®, there may be an opportunity to purchase the home at a lower price to get you out of a tight situation if you are in one. You will get requests from unqualified buyers to look at your home. Many will ask if you are willing to do a rent-to-own. It’s policy for our agents to qualify the buyer first before we start showing them homes. Your name, email and address will be posted online for everyone to see. As real estate agents we have access to the MLS and other proprietary tools and technologies which we can use to get your home in front of more buyers to help it get sold faster.

The True Cost

Wrong Information: Zillow has no way of accurately pricing your home with their Zestimate. It may not reflect the correct price and their Zestimate may contradict your price or **cost you thousands of dollars.**

Square footage inaccuracies: Often times certain home features can’t be counted as part of the property’s square footage. For example, **basement square footage is not calculated correctly on Zillow.** If you have a 3000 square foot home with half of that in the basement, it will most likely show up as a 1500 square foot home.

Over 70% of residential real estate lawsuits are for sale by owner

transactions. Most states have strict disclosure laws that we must abide by as REALTORS®. If there is an issue, we take on the liability by doing our due diligence. Most sellers don’t realize they have to disclose everything with their property and they do not have the proper documentation to do it. Trying to save 6% can end up costing you much more than that if you aren’t properly protected.



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Questions? I'm here to serve.

Do you need an estimated value of your home?

Call me to discuss the sale of your home!

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