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CHECKLIST

Field Guide to Selling Your Home FSBO

Owners.com's complete, simple field guide to understand home prep, the selling process, marketing your home and closing the sale.

Avoid Costly Mistakes

Comprehensive

Easy and Fast Use



Sell your home "by owner" and save thousands.
From the Original FSBO website . Est 1996

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Deciding to Sell FSBO

Thousands of homeowners nationwide choose to sell their homes without the services of a real estate agent or broker - as much as 20 percent of home sales annually are accomplished on a “For Sale By Owner” basis (also known as FSBO, or “fizz-bo”).

Is FSBO the method for you? If you’ve never done it before, it certainly can be challenging, but if you are willing to do the work necessary to market your house and work with potential buyers, there are some advantages.

Typically, a real estate agent or broker who lists and sells your home gets paid with a commission of between 5% to 7% of the selling price. That means that if your house sells for \$200,000, you would end up paying him or her between \$10,000 and \$14,000. The commission makes up by far the biggest chunk of the expenses associated with selling your house. If you sell it without the help of an agent, you save that money.

Here are a few things to consider if you are interested in selling “FSBO”

- How much can you save on commission fees**
- Are you motivated to sell more quickly than a broker**
- Is control of the selling process important to you (including when you show your home and pricing)**
- If a fast sale is a high priority to you**, once you’ve figured out what the asking price for your house should be, subtract the amount you would pay an agent – usually 3%, and reduce your asking price by that amount, passing on your savings to the buyer.
 - Your house will be priced lower than other comparable ones in your area.
 - Buyers are likely to respond quickly and enthusiastically!
 - You still save half of the standard 6% commission
- Consider listing your house on the MLS** - See what Bestselling author Bob Irwin says about selling FSBO and with the MLS in our [FREE instructional](#) video at owners.com/fsbovideo
- Read about selling FSBO with Owners.com’s Free** online sellers handbook at www.owners.com/handbook

In short, selling by yourself is not simple. But, neither is selling through a real estate agent. The FSBO option can be worth your work, if you are committed to saving money, equity and quite possibly time. You will never know unless you try!

First Educate Yourself!

Use the resources offered by Owners.com and you’ll be on your way to the smooth sale of your home.

Pricing Your Home

Pricing your home is the most important decision you will make. This checklist will help you consider all the important factors.

- Read expert articles on home pricing at www.owners.com/articles
- Search online for similar homes that have sold in the last 3 months in your neighborhood
- Check prices of comparable homes currently for sale in your neighborhood
- Visit open houses to see what buyers will be comparing your home to
- Order a Home Valuation Analysis from Owners.com at www.owners.com/valuation
- Consider what repairs or changes can impact your home's value
 - Kitchen or Bath minor remodel
 - Painting exterior
 - New roof
- Make a list of all the things that make your home stand out from similar homes for sale
- Estimate a minimum value for your house and a maximum value, based on your research
- Calculate what your net proceed from the sale will be at the top and bottom of this range.

Example Figures

Selling Options	Traditional Agent	FSBO + MLS	FSBO
	Both parties represented by an agent	Only the Buyer has an agent	Neither buyer or seller has an agent
House Price	\$200,000	\$200,000	\$200,000
Commission	6%	3%	0%
Fees		MLS Listing Fee \$395	0
Selling Cost	\$12,000	\$6395	\$0
Proceeds from Sale	\$188,000	\$193,605	\$200,000
Total Current Mortgage	\$150,000	\$150,000	\$150,000
Net Proceeds from Sale	\$38,000	\$43,605	\$50,000
Real Cost of Selling	32%	15%	0%
Advantages	Requires sell time on your part, and you don't have to show your own home	Reach the most buyer's (including those with agents) Still can sell FSBO if your buyer has no agent	Least expensive option
Disadvantages	Most expensive option, less control over the selling process	Some up front fees	Fewer buyers if you exclude those who are working with an agent.

Preparing Your Home

Below is a quick checklist that will help you prepare your home for sale. Focus on the exterior of the house first because if that doesn't attract buyers, they won't even walk in the front door. Do the inexpensive fixes first. You can always negotiate with the buyer on the more expensive repairs at the time of sale. The three most important things to remember are, Clean, Clean, Clean!

Exterior

- Remove Clutter from Front Yard
- Clear yard equipment from lawn
- Mow and water lawn
- Weed yard and garden
- Prune trees & bushes so they don't touch the house
- Plant colorful flowers
- Clean front entrance
- Clean entryway
- Repaint or replace front door
- Fix broken windows, shutters, screens
- Polish door handles, address numbers, fixtures
- Replace worn or broken items
- Replace burnt out bulbs
- Replace welcome mat
- Wash all windows and floors
- Clean Back Yard
- Remove gardening equipment
- Clean outdoor grill, barbeque and lawn furniture
- Repair missing deck slats, screens, concrete patio cracks
- Store items that make yard look cluttered
- Make sure sprinklers and faucets are working
- Clean and repair pumps and filters for swimming pool, Jacuzzi®, and outdoor showers
- Clean ponds and fountains

Interior

- Remove excess furniture
- Remove excess collectibles
- Remove excess artwork and photographs
- Clean out closets and cabinets
- Clean out garage and basement
- Clear counter and tabletops
- Clean appliances
- Scrub bathroom
- Remove carpet stains
- Shampoo carpets
- Remove cobwebs from ceiling corners
- Clean fireplace
- Clean or replace drapes
- Wash pets
- Clean litter box
- Remove mildew
- Add fresh scent like potpourri
- Consider having your home Staged
- Find a Stager in your area at www.owners.com/stage
- Search for qualified local contractors and repairmen at www.owners.com/Services

Repairs

- Look High and Low
- Make Necessary Repairs
- Remove debris from roof and gutters
- Inspect and clean chimney
- Repair/replace worn shingles
- Wash or paint exterior if needed
- Clean, paint and align gutters and downspouts
- Clean grease and old spills from driveway
- Check foundation for cracks and repair
- Caulk windows, tubs, showers and sinks
- Make sure toilets and faucets work well
- Install new carpeting if needed
- Touch up or repaint walls neutral color
- Replace switches and outlets that don't work
- Replace burnt out bulbs



Marketing Your Home to Buyers

If you want to sell something, you have to come up with a marketing plan. Even if it's just lemonade, you still need a stand and a sign to attract customers.

Selling real estate is no exception. The professionals in the field know this well. Every good agent has a marketing plan. It typically includes listing the property on the MLS (Multiple Listing Service) so that other brokers can help sell it, generating interest in the property by "talking it up" at sales meetings, placing advertising in the newspaper, and planting a bold sign in front.

- From "Successful Marketing for Owners", by Bob Irwin at www.owners.com/articles

Marketing Plan

Read free articles from bestselling author Bob Irwin on FSBO marketing at the Owners.com Article Library Include in your marketing plan the following:

- Online Advertising
 - List on Owners.com
 - Get your home listed on the MLS – Questions? Call 888-645-6305
 - List on Craigslist.org
- Offline Advertising
 - Newspapers classifieds
- Local Promotion
 - Yard Sign with the URL of your online ad
 - Flyers to post in your neighborhood
- Online Networking
 - Notify friends and co-workers of your online listing
- Plan for an Open House
- Agent incentives
 - Decide what you will offer an agent if they represent a buyer (generally 2% - 3%)
- Consider a Home Warranty to increase value to buyers

Online Advertising

- Take Photos of the Exterior, Entry, Inside and back yard
- Write a short ad describing your home
- Write a longer description that emphasizes your homes' unique features
 - Read about writing good ads in Bob Irwin's article "[Writing Advertising Copy That Sells](http://www.owners.com/articles)" in the Owners.com Article Library at www.owners.com/articles
- List your home on the MLS to attract buyers who are using agents at www.owners.com/mls
- List your home for free on Craigslist.org (Owners provides a free listing tool to make this easy to do)

Offline Advertising

- Order a Yard sign
- Print flyers
- Order a Brochure holder to place flyers next to your For Sale sign
- Place your short copy ad in your local newspaper's classified section

Holding an Open House

Open houses are a traditional way of showing a house to prospective purchasers. Basically, you put up a sign and/or run an advertisement and invite people into your house to look around. They are usually held in the afternoon on Saturday or Sunday.

Many of the steps you will take before for an open house are the same as those you'll need to do before showing your home to a possible buyer or buyer's agent. Here are some tips and rules of thumb.

Before You Show

- Advertise the open house in the weekend real estate section of your local paper
- If there are several homes for sale in your neighborhood, put up directional signs to your house and expect to pick up some traffic from other open houses in the area
- Always put the house in prime showing condition. – clean, clean, clean
- Put soft music on and play up the best features
- If you have a fireplace and it's cold outside, light a fire
- Turn on lights in darker rooms
- Be sure the house smells nice
- Place fresh flowers in different rooms
- Put away all small valuables
- Have a sign-in sheet for buyers to put their names, addresses and phone numbers. Ask everyone to sign it.
- Have house information flyers and financing sheets ready
- Have offer forms ready just in case. You can order all the forms and contracts you need at www.owners.com/forms

Showing Your Home

- When buyers come through; let them look around without you. Introduce yourself at the door, shake hands and tell them you're available to answer questions. Then, let them look.
- Before they leave, ask if you can answer any questions.
- Ask if you can tell them anything about the neighborhood or schools.
- Mention any special features such as a Home Warranty
- Smile

Follow Up

- Follow up after the open house with everyone who came through.
- Ask if there is any further information you can provide about the house and whether they had interest in the house.

Closing the Sale

There are many details to consider when you are closing your sale. One option we recommend is having a professional review your sale contract to make sure that everything is in order. Worry free paperwork with professional contract review is included in Owners Agent Assisted package. For a small fixed fee a licensed professional or real estate attorney can save you a lot of time and uncertainty.

Here is a list of things to remember when you close your sale:

Preparing

- [Order Contract Forms](#) – If your buyer is represented by an agent they may provide these, or you can order them at www.owners.com/forms
- Read Bob Irwin's articles on negotiating and closing in the Owners.com [Article Library](#) at www.owners.com/articles
- Decide on your timing requirements for escrow, when do you need to move, how long do you need in your house.
- Get professional contract review
- Review local disclosure requirements

Negotiating

- Review The Contract; list all the items that are benefits and all those that are negatives.
- Decide on Counter offer price
- Schedule:
 - Inspections
 - Counter-offer date
 - Settlement and closing dates
- Set earnest money deposit amount
- Accept contract

Closing

- Home inspection completed
- Solve home inspection issues
- Additional possible inspections
 - Roof Inspection - Ask Your Local FSBO Expert For Recommendations
 - Electrical Inspection
 - Sewer
- Property disclosures approved by buyer
- Schedule appraisal – usually by buyer

- Mortgage approval confirmed
- Read about Escrow in Owners.com Sellers Handbook (FREE) at www.owners.com/handbook
- Open escrow – either with your title company or the buyers
- Deposit earnest money with Escrow company
- Documentation to escrow company
 - Purchase price
 - Address and description of the property (this will all be contained in the purchase agreement)
 - Seller's name and address
 - Buyer's name and address
 - Parties to whom the preliminary title report or the abstract of title are to be sent (generally they are the buyer, seller and lender).
 - Termite report information (who will do the inspection)
 - Amount of deposit to be held in escrow
 - Insurance agent for the buyer
 - Financing information
 - Any personal property involved in the sale
 - Rent, if any
 - Projected closing date
- Termite Inspection
- Confirm buyer's home owners insurance
- Complete contractually required repairs

Settlement

- Final walk through with Buyer – make sure you have your contract in hand.
- Settlement with either your escrow company, buyer's agent or buyer directly
- Review closing documents 48 hours before closing to catch any error or omissions