

SELLING YOUR HOME

For Sale by Owner

Pricing and Marketing your
Home with Confidence

SHARKEY
REAL ESTATE

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Introduction



So, you are thinking about selling your house but are you ready, willing, and able to sell your property? Selling a property is not like having a garage sale or selling a car, as most homes will have emotional, family, and other essential meanings attached to them that will affect the seller when installing the "FOR Sale" sign on the front lawn.

Introduction



When selling your home, it is not a matter of luck, as making this critical decision can be based on personal financial or career reasons or that the market is good. However, whatever the reason for selling, you must know how to do so.

Your Motivation



Understanding your motivation and knowing why you are selling your home and what benefit you expect to gain will help you throughout the entire process; in addition, knowing the market will teach you what to expect as you move toward a sale. If you are motivated to succeed as a For Sale by Owner selling your home on your own, you must have the know-how to do so.

What You'll learn in this course



In this course, you'll gain insights into the process of selling a home, emphasizing the emotional and financial considerations tied to property transactions. The course introduces the concept of "For Sale By Owner" (FSBO) and outlines the importance of having a comprehensive checklist or plan when opting for this approach.

Introduction



You'll learn that Market Research becomes the foundation, urging sellers to be aware of local market conditions and trends. The module guides you through evaluating market knowledge, understanding different types of markets (Buyer's, Seller's, Balanced), and considering factors like safety, school systems, and proximity to amenities. Types of buyers are explored, helping sellers identify and engage with investors, first-time buyers, and move-up buyers.

What You'll learn in this course



✓ **Module 1: Pricing Your Home**

The course delves into the crucial aspect of pricing your home as an FSBO, emphasizing the need for a realistic listing price. It outlines the process of doing a comparative market analysis, researching current market prices, considering return on investment for improvements, and understanding market trends. The impact of seasonality on local market behavior is also highlighted.

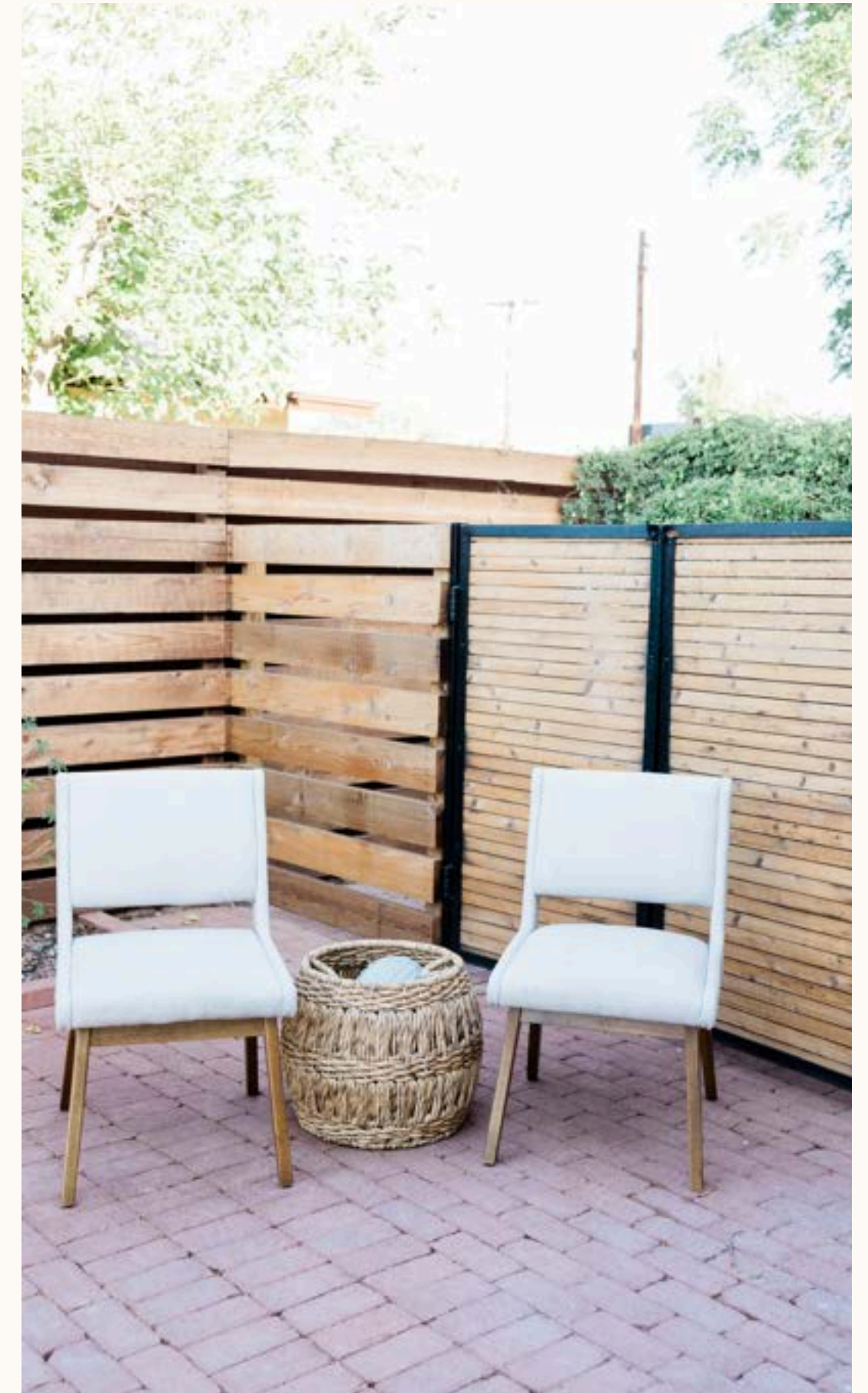
✓ **Module 2: Marketing Your Home**

This module underscores the significance of effective marketing for FSBO. It covers various strategies, including using professional photos, eye-catching yard signs, word of mouth, flyers, and online platforms like MLS. The importance of professional photos, yard signs, word of mouth, and flyers are stressed, along with utilizing online platforms, virtual tours, social media, and traditional advertising avenues like newspapers.



What is a For Sale by Owner?

A For Sale by Owner or (FSBO) involves the sale of property directly by the owner without the services of a real estate agent or broker. Homeowners often choose this option to avoid paying the real estate agent a commission on the sale. The process of selling your home must involve you having a for sale by owner (FSBO) checklist, or a step-by-step plan outlining the tasks of selling the property without the help of a real estate agent.



Module 1:

Preparing your Home



Market Research

The first step is being aware of local market conditions and trends. This will help you to make your home competitive with others for sale in the area. Market conditions include prices, market time, and the style of home that is popular in your marketplace. So, you must evaluate the market knowledge you already have and expand on it with information about different types of markets, timing your sale, and your role in the process.





You will have to start your research by checking with your favourite real estate agent or the assessor's office to get the sold prices for homes in your area. Determining the sold prices and market time will give you a better evaluation of what is happening in your real estate market.

Reading your local newspaper's real estate section is also an excellent way to start. You can also check with your local Chamber of Commerce, your favorite real estate agent, the local Board, or the Association of Realtors for information about the market.

The Internet is also a good source for a lot of up-to-date articles explaining what is happening in the real estate market. You must ensure that you are well acquainted with market conditions as much as possible.; as familiarity with the current climate will help you market to the broadest audience.



You must ensure that you know the current market; this may include:

- Buyer's Market
- Seller's Market
- Balanced Market



An aerial photograph of a residential neighborhood. The houses are mostly white with orange-tiled roofs. There are several swimming pools visible, including a large one in the upper left and a smaller one in the upper right. The houses are surrounded by greenery and palm trees. The overall scene is a dense, sunny suburban or tropical setting.

Buyer's Market

In a buyer's market, the supply outweighs the demand; in other words, there are more houses for sale and a limited number of buyers. In a buyer's market, the buyer usually has the advantage over the seller during price negotiations; these few buyers are also looking for a bargain, and their experience in the marketplace has taught them that they are in the driver's seat. They know how many homes are for sale and will look at other properties similar to yours and may not get a chance to see your property because they will already find one before getting to yours.



Seller's Market

In a seller's market, the demand is more than the supply; or there are more buyers than houses for sale. As sellers, you will have the advantage as you can dictate the price. When positioning yourself in a seller's market, you must be ready to move quickly, as buyers will constantly be on the lookout, waiting in the wings for homes to come on the market. Most times, buyers may have been looking for houses in your marketplace for some time, and they know what they want.

They usually have an agent checking new properties daily to see what fits their parameters. These buyers are knowledgeable about market values; they know if a property is priced too high or right and is worth making an offer. They usually come with a preapproved loan, and their downpayment is in cash.

In a strong seller's market, buyers can purchase your home without inspections or other contingencies. They know they could be competing with other buyers in a multiple-offer situation. They may have usually missed out on other properties in the past, so they are ready to move fast. You may have to move fast too.



Balanced Market

In a balanced real estate market, supply and demand are the same when buyer demand matches the number of homes for sale.

In a balanced market:

- Buyers will place reasonable offers on homes that are acceptable to sellers.
- Houses will remain on the market for a moderate amount of time
- Home prices are typically stable or grow steadily.

When Doing Your Market research there are a few

factors that may affect your local real estate market



Recent Sales



Your competition



Pricing



Proximity To amenities



Safety



The neighborhood



Property Condition



Seasonal trends

Types of Buyers

Knowing your market involves knowing the variety of buyers who are looking for homes as well. Typically, homebuyers can be categorized into one of three general categories:

- The investor– This is a buyer looking to purchase purely as an investment.
- First-time buyers– A buyer purchasing his first home.
- The move-up buyer – The buyer, looking to upgrade from one home to another,

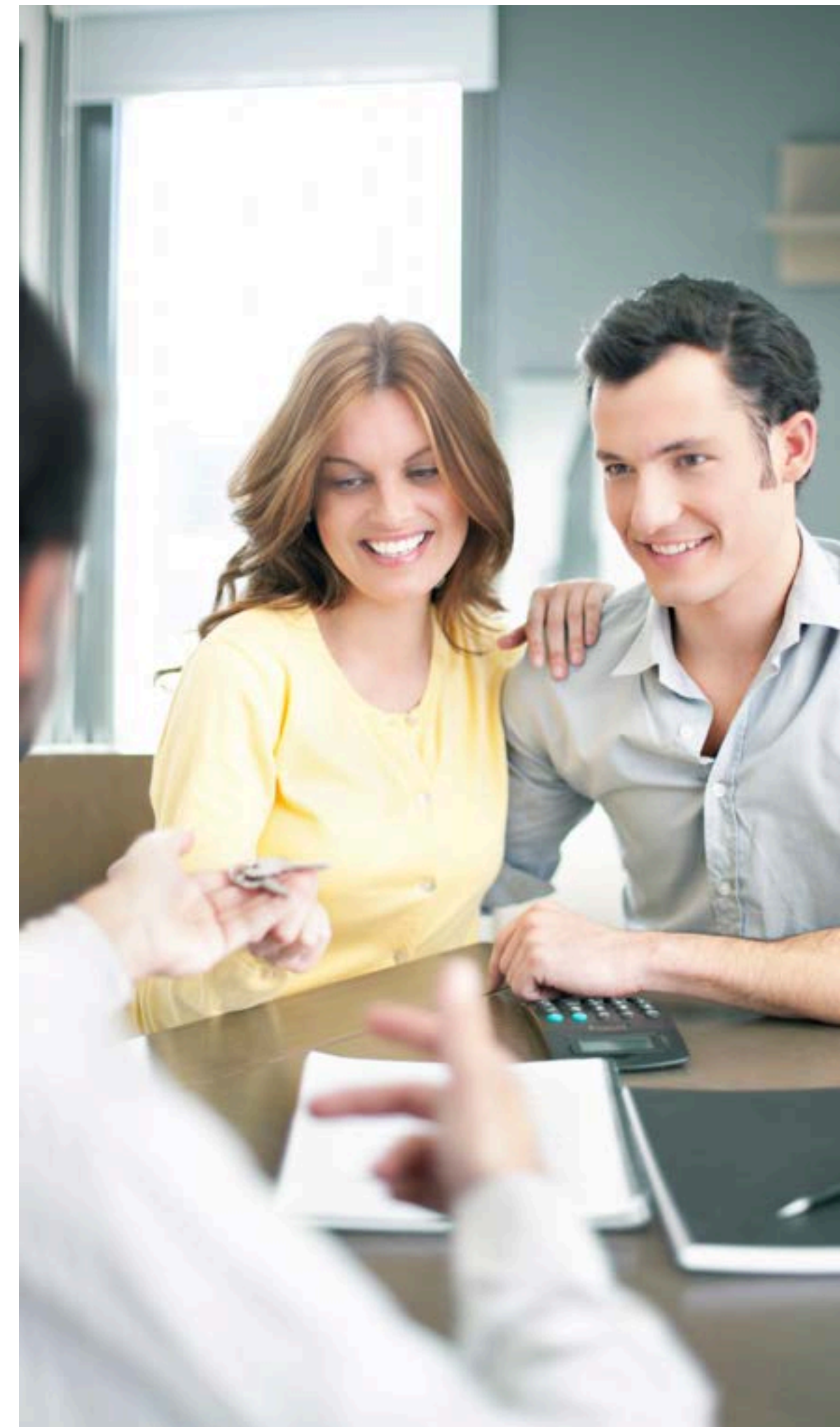


The ideal buyer is ready, able, and eager to purchase. They typically know what they are looking for and need a house fairly quickly because they have moved from out of state or have sold their previous home.

The serious buyers who may not be fully ready to purchase are a bit more challenging to work with because they are usually hesitant, on the hunt for an ideal home at an excellent price, and are willing to keep looking until they find it.

Investors can also be challenging to work with because they look for the best deal and sometimes attempt to convince you to sell or push you into an uncomfortable deal.

The casual buyer not serious about buying may come to your open house to see what your house looks like and what is on the market.



It can be an emotional roller coaster, as you will not immediately know what kind of buyers are at your private showings or open houses. This is because buyers will come to an open house and show interest, talk up your home, comment on how much they like it, and then you never hear from them again,

However, asking a few questions such as the ones listed below can help you get an idea of a buyer's intentions.

- When do you plan to buy a home?
- Is this your first home purchase?
- Are you pre-qualified or preapproved for a loan?
- Are you working with a real estate agent?
- Do you live in the area?
- What are you looking for in a house?



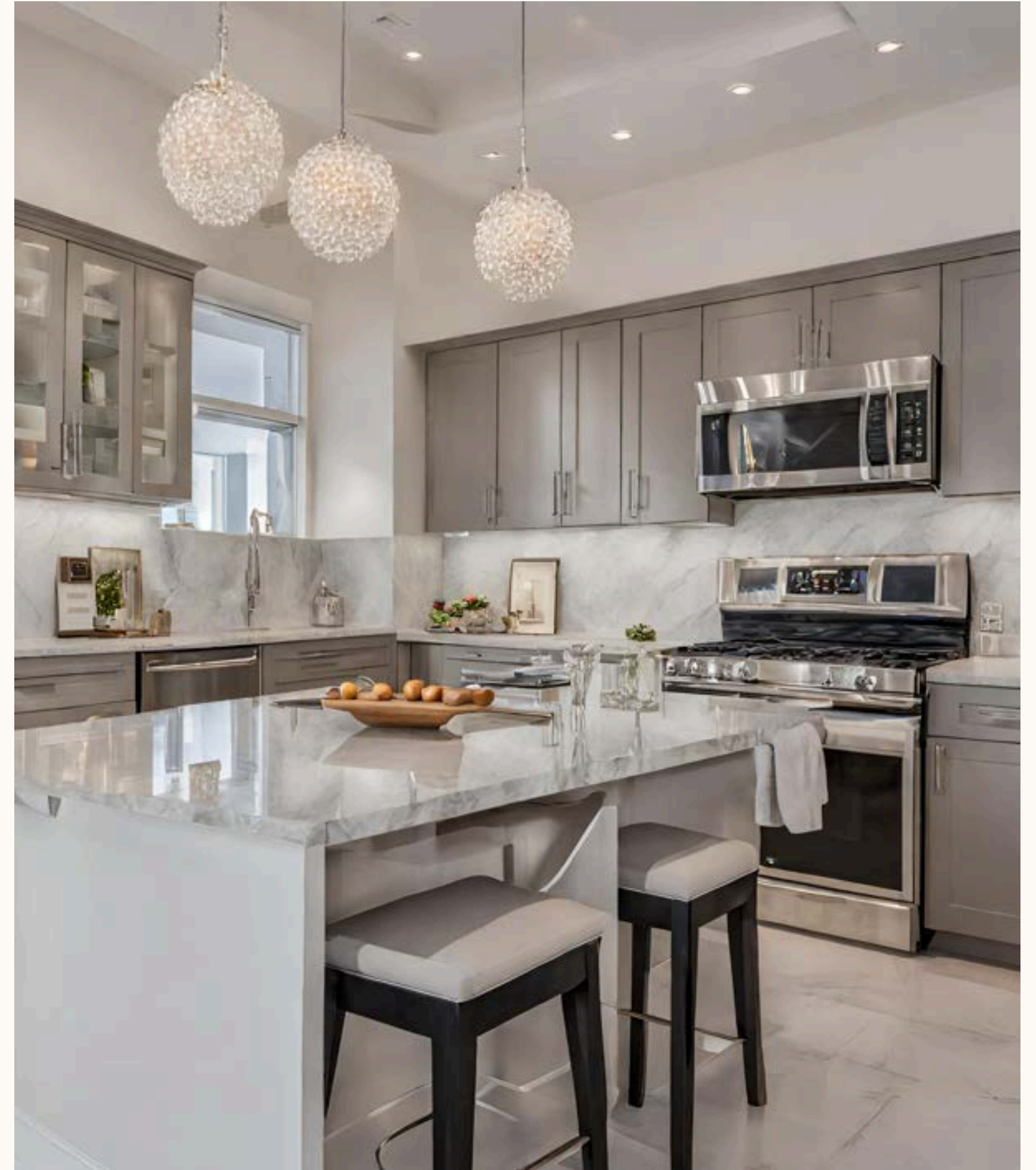
Pricing your Home

Setting the Right Listing Price
for Your FSBO Property



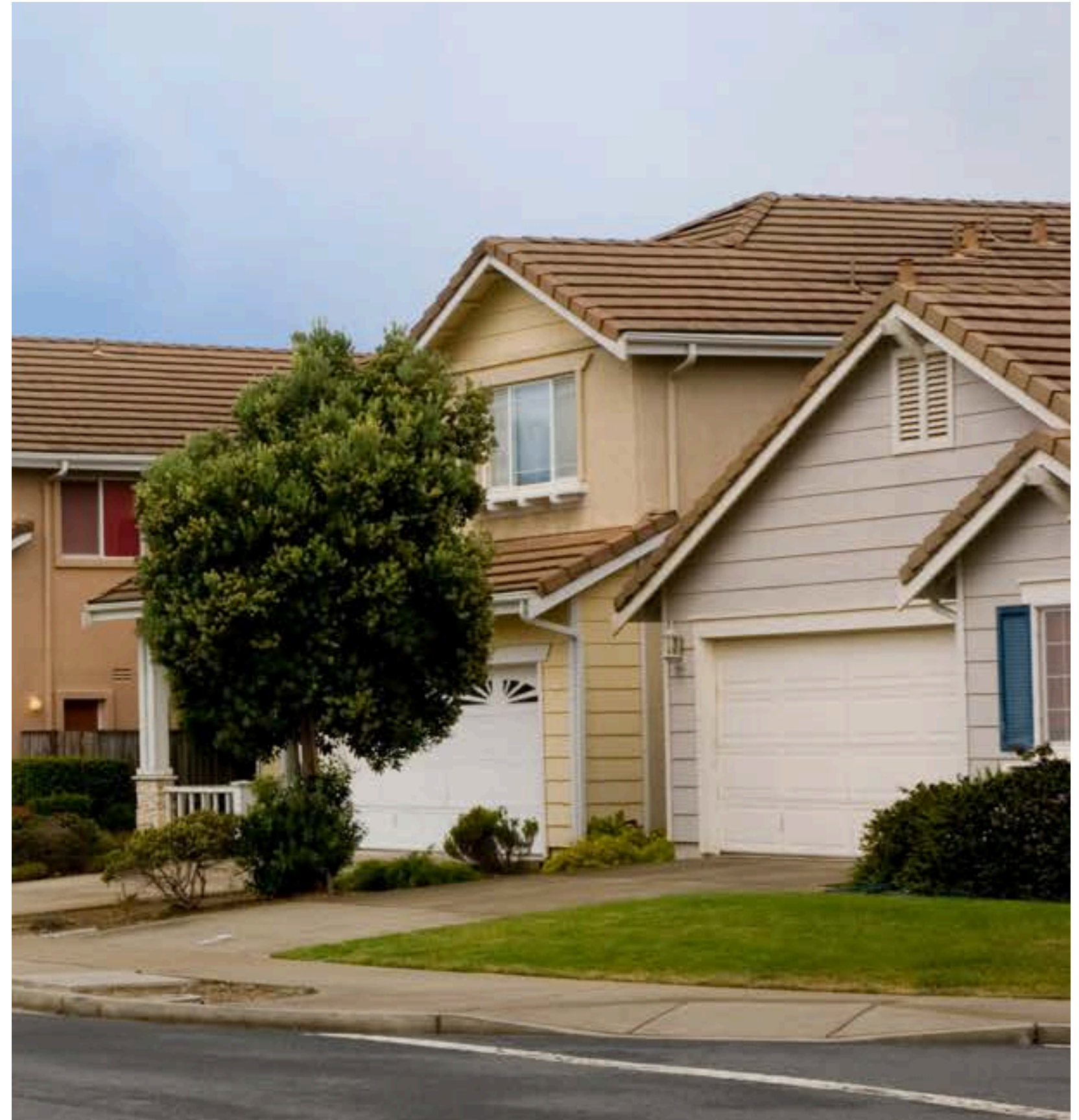
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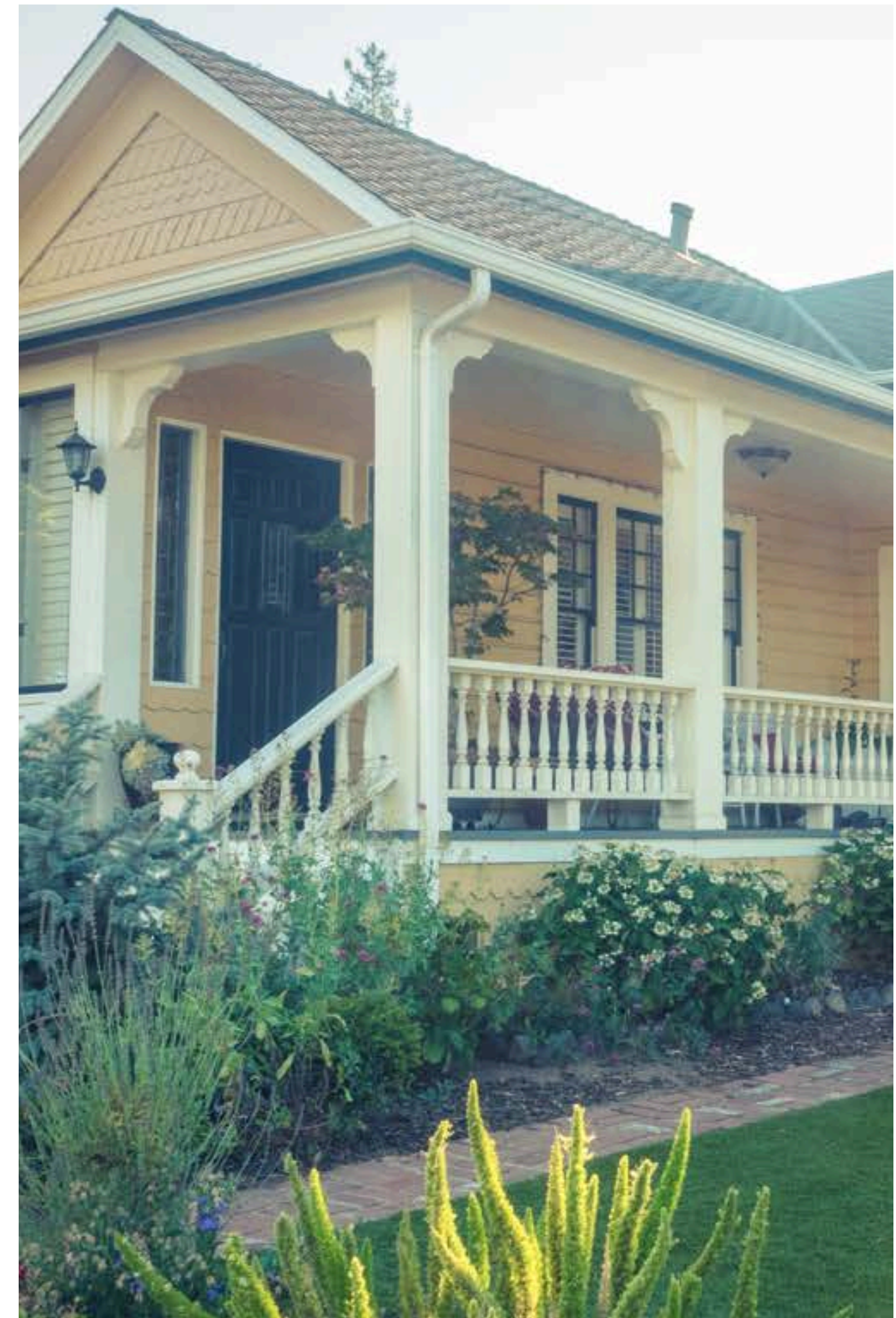
Determining the Right Listing Price

When listing your property as an FSBO, you must first determine your property's listing price; this is essential as it will significantly impact the entire sales process. The home price is a significant factor in making homebuying decisions. Listing your property as an FSBO will involve researching comparables and setting a fair price for your home.



It is essential that you understand the local market and how much your home is worth based on the features of your property, as FSBOs usually fail because the pricing is too high for their home or the neighborhood.

To help you decide on a reasonable price, you can do a comparative market analysis of the home sale values for similar comparable properties in your area. Comparables or comps is simply a list of house sales with similar characteristics as the house of the owner or seller and is typically used to find the fair value of a home in real estate.



To accurately price your home, here are a few things you should research:

Current prices for homes similar to yours in your city and neighborhood.

Use online Listing websites like Zillow, Trulia, or Realtor, com to make a list of recently sold on the market or pending in your surrounding area in the past three to six months. These properties must have similar features to your home, for example, the square footage, number of bedrooms, baths, and property condition. Then, you can review the prices of these similar properties to get an idea of how you should price your house.

The Return on Investment (ROI) of any improvements and renovations you've made to your home. This can take quite some time and research, depending on how many improvements you've made to your home. Be careful not to over or underprice the ROI since that will directly affect your home value.



Find market trends by looking at prices over time. However, without access to MLS data, finding accurate data about the market over time will be more challenging.

Using the information in your market research, you can better set a realistic highest and lowest price for your house. The highest price is the offer amount you want to receive, while the lowest price is the minimum you would accept as a seller.



Seasonality can also affect your local market behavior; set a realistic timeline for your home sale timeline by researching the best and worst times to sell a home. You can also predict market behavior by knowing the ideal or the worst times for buying a home.



You can also choose to get professional estimates of the value of your home's value by consulting a local appraiser. You can find home appraisal services by contacting your mortgage provider or local bank or doing an online search through Google for appraisers in your area. Always keep in mind that your asking price will affect the negotiations and the sellability of your home.



You must set the correct asking price, as setting your price too low can be just as costly to you as setting it too high. Home prices are determined not by your emotional attachment or what you feel your home is worth but by fluctuations in the marketplace. To set a realistic price for your home, you must compare the price features and condition of all similar homes in your neighborhood, particularly to other similar homes that have sold in the last few months. You must also be familiar with the terms of each potential sale. You must also carefully budget your selling costs and calculate your best estimate of how much profit you will make from selling your home.





To price your home to sell, you'll have to price it to market. That means projecting where the market will be when your home is listed or goes on sale. So how do you project home prices without knowing where home prices will be tomorrow?

You can do this by identifying trends by looking at the following:

- The inventory of unsold homes
- On average days houses are on the market
- Months of inventory
- The rising or falling of the number of inventory

Module 2:

Marketing your Home

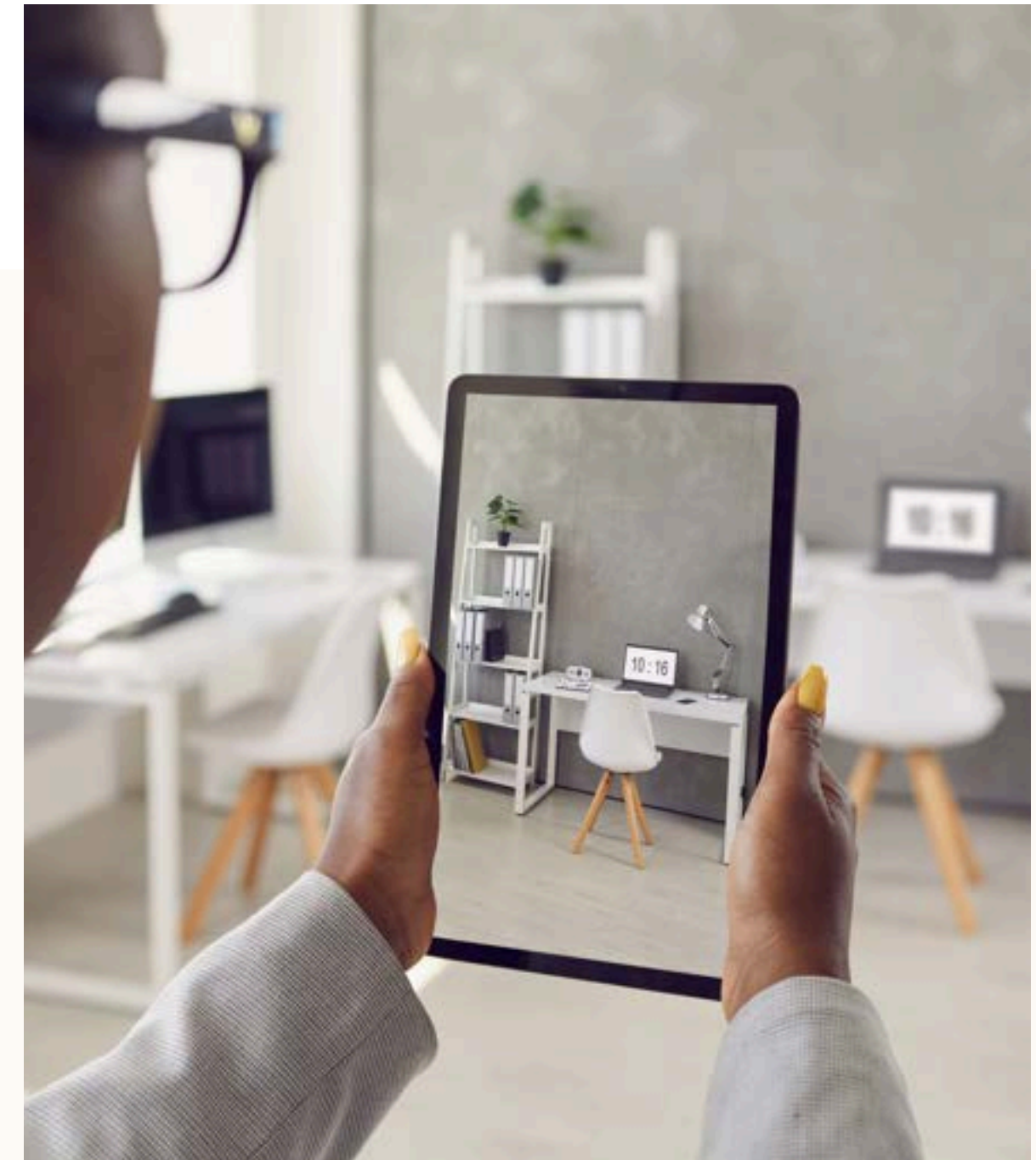


Different ways to market your home FSBO

The first step is being aware of local market conditions and trends. This will help you to make your home competitive with others for sale in the area. Market conditions include prices, market time, and the style of home that is popular in your marketplace. So, you must evaluate the market knowledge you already have and expand on it with information about different types of markets, timing your sale, and your role in the process.



Let's take a look
at essential
promotional
tools that you
should use.



Professional Photos

Consider making the investment and hiring a professional photographer. High-quality home photography is key to getting people in for showings. Unfortunately, one of the biggest mistakes that FSBO homeowners make is using grainy, poorly-lit, or otherwise unappealing photos for their online listings.



Put up a Sign



Signs are one of the most effective sales tools. Ensure that you put up an eye-catching yard sign and other signages, for example, "For sale by owner," "Open house, or "directional signs. You may also include details on the sign as a further enticement for the buyer, such as 'Great View Large Lot or" A Pool."

Word of Mouth

Word of mouth is one of the best techniques for marketing your house, as you may have friends, relatives, and business associates who may know of someone looking to purchase a home. First, let them know you are selling your home by phone or email. Then, give them a house description using photos and videos. Also, give a link to the website where you have placed an ad.



Flyers

Another way to market your home is to print out flyers.

Flyers and brochures are great souvenirs. These can be distributed to neighbors or prospective buyers during the open house events and showings as they highlight essential information about your home. These flyers should include a picture of your home and other vital information about the home, such as square footage, amenities, bedrooms, bathrooms, etc.



Put a box on your yard sign to hold flyers so potential buyers can stop by and take one. Also, send them to all your neighbors, as one of them may be looking to buy a nearby home for a relative or pick up an investment property. You can also post flyers in libraries, stores, restaurants, doctor's offices, etc., on the bulletin boards at community centers, gyms, and grocery stores. Remember that the more visible you make your home, the more chance people will see it.

The multiple Listing Service is a cooperative that allows all realtors to work on your house. It is operated by the local realtor association and preferred by buyers looking to buy a new home. So when you put your home on the MLS, you will have the agent with whom you and all realtors in the area working on it. You can also seek the services of an FSBO help website to list your home on the multiple listing services. Most of these services will typically charge a fee per listing.

The screenshot shows the Georgia Multiple Listing Service (MLS) website. At the top, there is a navigation bar with the logo and links for Buy, Rent, Agents, Resources, My Account, and a Logout button. Below the navigation bar is a large banner image of a modern living room with a white sofa and a coffee table. Under the banner, there are tabs for Residential, Rental, Land, Multi, and Commercial. Below the tabs is a search bar with a 'Type a City' input field, 'Price Low' and 'Price High' dropdowns, a 'Search' button, and a '+ Options' button. Below the search bar is a grid of six property listings, each with a thumbnail image, price, address, and listing number (LN).

Price	Address	LN
\$629,000	125 Burnham Wood Alpharetta, GA 30022	8932603
\$1,375,000	2269 Pan Am Marietta, GA 30062	8936379
\$900,000	1968 Bobby Brown State Park Elberton, GA 30635	8952047
\$625,000	720 Horsley Mill Carrollton, GA 30116	8973474
\$1,950,000	1391 Wesley Atlanta, GA 30327	8983866
\$393,000	6631 Pierles Sugar Hill, GA 30088	8984445

Create a Virtual Tour

Include virtual tour items in online advertisements to attract potential buyers. You can also consider hiring a good videographer to create a virtual tour of the house. There also, videographers can capture an aerial view of the house using drones and create virtual tours that may include HD photos of each section of the house that buyers would be interested in seeing and a media item that gives potential buyers a walkthrough of the house.



Advertise Online



Social media is a good way of advertising your property to a larger audience, as this is where buyers will check first. An easy, low-cost way to reach homebuyers in your locality is through Facebook posts. You can save money on advertising your property by joining Facebook groups to promote your listing to buyers looking for FSBOs.

Facebook will also post automatically to your Instagram account, another less costly way of advertising your property online. Post great pictures of the interior and exterior of your home in your advertisements. Include your contact information, the property price, your address, and a list of the property features. When you list on the MLS, your home is typically picked up and shown on www.realtor.com, the most widely viewed real estate website by buyers.

In addition, you can list your property for free on Craigslist.com and several FSBO websites, such as owners.com and www.fsbo.com, that will list your property either for free or for a nominal fee.

Local Newspaper and Ad Space

It may be old-fashioned, but it is still highly effective. Buyers check newspapers for homes for sale. You can pay for ad space.

You can increase the reach of your marketing efforts by paying for ad space. For example, you can pay for an ad in your local newspaper or websites catering to FSBOs, on the radio, or public bulletin boards. You can also use Craigslist to share information about the house and contact information that potential buyers can use to reach you.

