



Thinking of Selling? 5 Reasons You Shouldn't FSBO

In today's market, with home prices rising and a lack of inventory, some homeowners may consider trying to sell their home on their own, known in the industry as a *For Sale by Owner (FSBO)*. There are several reasons why this might not be a good idea for the vast majority of sellers.

Here are the top five reasons:

1. There Are Too Many People to Negotiate With

Here is a list of some of the people with whom you must be prepared to negotiate if you decide to For Sale By Owner:

- The buyer who wants the best deal possible
- The buyer's agent who solely represents the best interest of the buyer
- The buyer's attorney (in some parts of the country)
- The home inspection companies, which work for the buyer and will almost always find some problems with the house
- The appraiser if there is a question of value

2. Exposure to Prospective Purchasers

Recent studies have shown that 88% of buyers search online for a home. That is in comparison to only 21% looking at print newspaper ads. Most real estate agents have an internet strategy to promote the sale of your home. Do you?

3. Results Come from the Internet

Where did buyers find the home they actually purchased?

- 44% on the internet
- 33% from a Real Estate Agent
- 9% from a yard sign
- 1% from newspapers

The days of selling your house by just putting up a sign and putting it in the paper are long gone. Having a strong internet strategy is crucial.

4. FSBOing Has Become More And More Difficult

The paperwork involved in selling and buying a home has increased dramatically as industry disclosures and regulations have become mandatory. This is one of the reasons that the percentage of people FSBOing has dropped from 19% to 8% over the last 20+ years.

The 8% share represents the lowest recorded figure since NAR began collecting data in 1981.

5. You Net More Money When Using an Agent

Many homeowners believe that they will save the real estate commission by selling on their own. Realize that the main reason buyers look at FSBOs is because they also believe they can save the real estate agent's commission. The seller and buyer can't both save the commission.

Studies have shown that the typical house sold by the homeowner sells for \$210,000, while the typical house sold by an agent sells for \$249,000. This doesn't mean that an agent can get \$39,000 more for your home as studies have shown that people are more likely to FSBO in markets with lower price points. However, it does show that selling on your own might not make sense.

Bottom Line

Before you decide to take on the challenges of selling your house on your own, let's get together and discuss your needs.

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Thank you for this opportunity to earn your business! Before you choose a REALTOR®, it's important to compare credentials, sales records and client satisfaction ratings to ensure you're getting the right agent for your individual needs. Your agent should inspire the utmost of confidence in knowing they have the knowledge, determination, and commitment to negotiate a win-win for you no matter what the situation.