

Selling your home by yourself ... The truth!

The answer is very simple, people do this for the right reason since their real estate is one of their major investment and they are looking to maximise the profit from this investment.

This statement is true IF and only IF all following conditions are met. This article describes key issues that need to be looked at during the process of selling your property by yourself without the help of a professional real estate broker and concludes with a recommendation.

The process of your property sale requires a significant time and energy from you but if it is done properly, it is very rewarding. Important phases of this process are described as follows:

1. Evaluating and pricing
2. Listing and Marketing
3. Visits, negotiation and locking a deal
4. Filling legal documentation
5. Realizing buyer's conditions
6. Follow-up and transfer of required documentation to notary
7. Signing and transfer of the deed at the notary.

Evaluation and pricing: evaluate properly your property in order to determine the market value and the listing price; any mistake in the evaluation will lead to a loss of profit.

Fill a complete seller declaration form before a promise to purchase is signed in order to protect you from future legal surprises. When a buyer purchases a property, he should be informed about all known issues that could reduce the value of the property. Failure to inform the buyer could make the contract void or the seller could end up in a legal situation with the buyer. This is a major issue for the seller since he does not have an insurance to cover him. What was perceived as immediate profit would be lost under similar situation.

Listing and Marketing: With today's technology and the internet, marketing your property became very easy. Some websites offer you the possibility to publish your property for costs ranging between 800\$ to 1500\$ but you still need to do all the work. The exposure through these websites will be for people looking for an opportunity to buy directly from the owner. The perception of these buyers is that the price will be much lower than a property listed through a broker, and they are expecting to buy your property at a lower market price. Unfortunately you will not have the chance to get the visibility of your property for millions of buyers who would like to have a worry-free transaction through a real estate broker.

Visits, negotiation and locking a deal: This is a tough process but again it is very rewarding if you were able to do it. The difficulty is when the buyer is a very close friend, your close neighbour, tough negotiator or a game player. Getting visits is easy but getting people to sit down and sign a contract with you is another wrestling exercise. You need to be able to make the

potential buyer fall in love with your property to a point where he will be willing to sign a promise to purchase. You can understand that no one will be signing a contract given to him without consulting with a lawyer or a real estate broker from their side. In this situation, you will end up paying a commission from your profit to the broker of the buyer.

Filling legal documentation: be sure you have the right document to sign; I am sure you did your homework to get all kinds of documents that will hold in the court of law in case something went wrong after the signature, which is why people sign legal documents between each other in order to put in writing what they agreed on. I recommend you to put a lot of effort on the agreement conditions of the buyer and your conditions since these conditions would be the road block to close the deal.

The period between signing the promise to purchase and the transfer of the deed could be ranging from two months to eight months. Usually, during this period the new buyer keeps looking at other properties since he would like to confirm that he made the right choice. Many cases were reported where the buyer finds another property which is more appropriate for him. At this time, the game starts and the quality of your documentation and conditions becomes very important.. During all the waiting period, you will not be able to keep marketing your property to others but the buyer is in control since he could raise the flag at any time about something he was not aware about and he could be able to pull himself from the deal. Be sure you get a down payment from the buyer, which is a small compensation and is not a guarantee for you since the buyer could accept to lose this money in case he was able to get a better deal.

Realizing buyer's conditions: Do a close follow up on the buyer's conditions. Signing a promise to purchase is one thing but realising the conditions is another challenge since the buyer's motivation could change over time, he could not be qualifiable by a bank for a mortgage, or he could become unhappy after the inspection of your home. During all this period you will be in waiting mode until the buyer makes his decision to buy or let's you go to start the process from the beginning. The buyer will be in the driving seat until he shows up at the notary and the deed is signed.

Follow-up and transfer of required documentation to notary. Once all conditions are met, you will be in a waiting period until you get to the notary. Be sure you get the buyer to select a notary and give you his phone number. Since you don't have a broker to help you, you will be responsible to transfer all documentation required by the notary. Be sure you have regular calls with the buyer in order to be sure that he transferred all documentation to the notary and be sure that you call the notary in order to get the list of documents that you need to send to him.

Signing and transfer of the deed at the notary: Many cases were reported where the buyer does not show up at this meeting. As stated before the period between the promise to purchase and the signing is a couple of months; During this period the buyer situation could change due to many reasons, like loss of his job, separation, death or change in the priorities. Since you are not represented by a broker, you will not have at this time any insurance to compensate you for any damage.

Conclusion : Selling your property by yourself is legitimate and rewarding. Unfortunately, it comes with a lot of commitment and responsibilities. People who have the time and energy to do it will try to sell their property by themselves for a couple of weeks before they assign this task to a professional real estate broker. I wish I highlighted some of the truth and the ugly side of doing so. I was not born a real estate broker; I studied the real estate and became a specialist in this field. Before that I sold my properties by myself and based on this I can tell you what was perceived as a gain that will be done without a broker was completely not true due to the following:

- The buyer is expecting to buy through you at a reduced price
- Due to limited marketing tools, the price cannot be maximised beyond what is sold around you.
- Costs of doing it by yourself are not cheap and could range from 800\$ to 1500\$.
- Strong chance that a buyer will show up with his real estate broker, are you going to tell him NO or pay the buyer's real estate broker a commission!
- Future costs of any potential legal issues could take away most of your profit. Working with the right broker will reduce the risk of future surprises and will cover you for such situation.
- If the buyer did not show up due to described reasons, a good broker would have liability coverage for you.

Be sure you understand all the expenses and loses as described before and get an estimate from a professional real estate broker for his services in order for you to confirm your perception about the gain and to maximise your profit for the long run.

Please feel free to call me for any questions. I understand that both of us are in the same business for the meantime; you are selling your house and I do that every day. The only difference is that, I have the experience and the education to do it and I will be more than happy to share it with you without any commitment.

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