



“Selling your Home as an Owner”

A Presentation by:

Key Realty

Selling Your Home as an Owner

Presentation Outline

- * Setting the price**
- * Things to keep in mind when writing your ad**
- * How to write a successful ad**
- * Answering the ad call**
- * Tips on showing the home**
- * Negotiating concepts**
- * “Open House” checklist**
- * Open House – 5 questions**
- * Qualifying the purchaser**
- * Writing the contract**
- * Financing the sale**
- * Follow-up – the most important part**
- * Advertising aid**
- * List of the people who contact you**
- * Follow-up sheet of interested people**
- * Home features worksheet**
- * List of related vocabulary**
- * The written contract**



Selling Your Home as an Owner

“Setting the Price”

1. The Free CMA.

The information you have received in CMA form is a carefully documented report that has been extensively researched and is based on comparable sales in the area. It is recommended that you give serious consideration to the information provided when establishing your price.

2. Don't go by what others are asking.

There is usually a difference between the price of a home and the value of a home. Value is what other homes similar to yours have sold for. Price is what you ask for yours. The easiest way to value a home is the comparison approach. In other words, collect information on the sale price of similar homes. Don't attempt to establish a price based on other homes still for sale, their price may be in error. Remember, an accurately-priced home is half-sold.

3. Don't use hearsay.

By all means don't use what someone said, they heard someone else say about what the house down the street sold for, be absolutely sure it's correct. If you are establishing price in your own mind, be sure the information you are working with is factual.

4. Don't overprice your home.

Purchasers will be comparing your house to other homes they have seen. If it's too highly priced, it won't favorably compare, and your efforts may actually result in the sale of other homes in the area.





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“Setting the Price”

5. Document your improvements.

Purchasers will sometimes ask what improvements you have made to your home since you owned it. Documenting these improvements will help the purchaser see the money you have spent.

Don't add all the money you've spent to improve your home to the price you paid for it, your improvements seldom increase the value of your house dollar for dollar.

30% is the approximate ratio in increased value and the cost of an improvement.



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Things to Remember when Marketing

- a. Don't overstate benefits.**
- b. Be factual, not flowery.**
- c. Always include the Price.**

How to write marketing information:

- 1. Here's what purchasers are looking for when they read an ad:**

Location	70%
Size And Number Of Rooms	45%
Price And Terms	40%
Type Of Construction	33%
Condition Or Appearance	20%
Age	17%
Type Of Heating	17%
Basement	8%
Size Of Lot	6%
Details About Extras	4%

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- 2. How do we cause them to call us?**
 - a. Try to visualize the type of people who will purchase your home, and then write directly to them.**
 - b. List all the selling points of your property, and then list a benefit to the purchaser for each selling point.
Then write the ad.
(Example: Fenced backyard - Safe place for kids to play)**

- 3. How to write the ad - Use the AIDA Method:**

- | | |
|--------------------|---|
| Attention - | Use your headline to attract the reader. |
| Interest - | Arouse interest in your opening sentence. Use emotional, economical and investment appeal. |
| Desire - | Create desire in the body of the ad by describing all the features of your home. |
| Action - | Impel action in closing. Mention price and phone number. |

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“Answering the Call”

1. Be available for phone calls.

If possible, have someone available at all times, preferably you, to answer ad calls. If you receive a message inquiring about the house, return the call as soon as possible.

Remember, a lot of people work second and third shifts. Most people calling will want to know the price and address, and then they'll want to drive by and call you back. Try to convince them to stop and take a look when they drive by, without appearing anxious. Tell them it will save them time.

2. Showings. Try to be as available as possible for showings.

While short notice showings may be inconvenient. Most of the time in the real estate business, the shorter time between the request for the showing and showing time, the better the buyer.

Remember, if you and/or your home are not available, your home is "Off the Market."

3. Don't overstate the benefits.

One of the most common mistakes a seller makes is to oversell the benefits of the house to the purchaser on the phone. Haven't you ever been disappointed after seeing something someone else told you about in such detail that it could

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never measure up to your expectations? Try to build their curiosity to see the home, don't explain each detail, they won't have any reason to come out and see your home.

Most people are calling on more than just your ad. What they really want is the answers to a few questions so they can eliminate your house and get on with the calling of other ads. So don't give them reasons to eliminate you.

4. Screening lookers.

There's a tendency to get a lot of annoying sightseers trooping through your home getting decorating ideas, furniture placement ideas, etc. Screen out these lookers by asking them questions over the phone, such as:

- * How many houses have they seen?**
- * What are they really looking for?**
- * How are they going to finance the home?**
- * Why are you moving?**
- * When are they planning on moving?**

Be sure to ask these QUESTIONS with delicacy, diplomacy, discretion and confidentiality.

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5. Be prepared to give directions.

Give directions to the purchaser from their house to your home. Always give directions like turn left, right, etc. rather than north or south, because it will prove too confusing to most purchasers, especially those from out-of-town.

6. Determine purchaser's preferences.

Try to determine as best you can from your phone conversation with the purchaser, what points he/she would be interested in if he/she were to see your home. These are the points to present to the purchaser when he/she is viewing your home.

This will help you avoid overselling the features of your house in which they have no interest.

7. Keep track of whom calls.

It is very important to keep a list of the people who call and those who actually come out and tour your home.

You will want to be sure that the person at the door has called before and is not just showing up at the door. An enclosed form in our Tips on Showing the Home



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Tips on Showing the Home

1. **Light it up.**
Lighting creates a good atmosphere during showings. Turn on your lights before all showings, even during daylight hours. Lights add to the brightness of the rooms. Table lamps in a room will give you better light than a ceiling fixture.
2. **Music makes comfort.** Turn off the television set when showing the house. Be sure the kids have something to do elsewhere. Soft music creates a cozy, relaxing mood for the showing. Television will only distract your lookers.
3. **Movement.** Stand to the side when showing the inside of the home, and inside the room, always step to the sidewall, rather than standing in the middle of the room, as it makes the rooms look smaller. Encourage inspection of closets and storage by leaving lights on and doors open.
4. **Defects.**
Never apologize for defects or lack of maintenance, this only draws attention to them. Also once they are mentioned, do not try to distract them by moving on to something else quickly, this only makes the customer suspicious.



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Tips on Showing the Home

5. Security.

Get license numbers. Obtain as much information about the purchaser as possible, and as he or she is leaving, jot down the license number of the vehicle in the event of any theft or other loss you may not have noticed during the showing.

6. Showings.

Show the home by appointment, and never show it to someone who has just come to the door. Try to schedule appointments, at a time when someone else will be in the home.

7. Define Needs.

Try to define the needs of the buyer, or what it is he or she is looking for, so that you can tailor your showing to their needs.

8. Don't talk too much. When in the actual showing stage, don't say frivolous things like "This is the kitchen." Remember it is impossible to carry on a detailed conversation and look at a home at the same time.

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Tips on Showing the Home

9. Open, honest and friendly.

Be open, friendly and honest in all your answers to questions. If you don't have the answer, don't try to bluff your way through, tell him/her you do not know but you will be glad to find out the answer and relate the information to him/her. He/she will appreciate your honesty and candor. Remember the law of full disclosure - Caveat Emptor ("Let the buyer beware.") no longer applies.

10. Welcome Objections.

Objections are really "buying signs."

After all, if they had no interest in your home would they really care how much the taxes are?

Objections must be overcome in order for a purchaser to buy. Try to anticipate the objection a purchaser will have and prepare persuasive answers.

Purchasers are reluctant to voice their objections directly to an owner for fear of offending. So, it is helpful if you can encourage your purchaser to express his/her feelings.

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Tips on Negotiating

1. Don't give away the store.

Don't offer anything of value until you have a serious buyer. To do so, before your purchaser has decided to make an offer to purchase your property, may appear as a desperate need to sell and in effect lower the asking price and weaken your position.

2. Want to buy a stove?

Don't negotiate the personal property until you have sold your house. Many sales are lost because of this reason.

3. Price negotiating. How would you handle a situation where your prospective buyer asks, "Will you take "X" dollars for your house?" If you say yes, you have just lowered your price. If you say no, you have just lost a good purchaser. We suggest the following response:

"We will be more than happy to consider any offer carefully that is submitted in writing from a qualified purchaser."

4. Document Everything.

This is where receipts for improvements are helpful, and also Competitive Market Analysis information.

“Open House Checklist - Before the Open...”



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- 1. Deliver "Open House" invitations to 20 nearest neighbors.**
- 2. Prepare a "Fact Sheet" for potential purchasers as a permanent follow-up tool. (See enclosed form)**
- 3. Prepare a Guest Book or Guest List.
Provide space for: Name, Address, and Phone Number.**
- 4. Plan refreshments. Home-baked cookies or freshly brewed coffee can be a welcome aroma to your visitors.**

"Open House Checklist - Day of the Open..."

- 5. Put "Open House" signs out 15 minutes before "Open House."**
- 6. Open all drapes, turn on all lights, and put refreshment out.**
- 7. Set up guest register, along with fact sheets near the front door.**
- 8. Greet your guests, provide a fact sheet, & ask them to sign your guest book.**
- 9. Answer any questions your guest may have.**
- 10. Avoid "Overselling" the features of the home. If the purchaser likes it, he/she will indicate this by the number and type of questions he/she asks.**





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Open House - The Five Questions

5 major questions you should ask at an Open House to qualify the visitors as to whether they are purchasers, sellers or lookers.

- 1. Did you see our marketing or stop because of the sign?**
- 2. How long have you been looking?**
- 3. Could I ask why are you considering moving?**
- 4. Do you have to sell your present home to buy another?**
- 5. If you find a home you like, when will you want to take possession?**

Please note:

Put this information on a separate 3x5 card and keep it for handy reference at your next open house.



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Qualifying the Buyer

1. Downpayment.

Find out how much money the purchaser intends to use as a down payment. Ask!! Where is this money? If it is not in a saving account, ask how liquid is it? If the downpayment is a gift from parents or relatives, be sure to get verification in writing from the person giving the money. Remember, money borrowed for a downpayment is illegal.

2. Monthly Payment.

Find out how much they can afford to pay each month in payments. Please include all income sources.

3. Monthly Debts.

Find out what their monthly debts are.

What the balance is and how long do they have yet to pay.

Maybe by paying off a debt they can qualify for more house.

4. Credit History.

Find out about the purchaser's credit history. (A written signed request signed is needed to order a credit report)

5. Home to Sell? Find out if the purchaser has a home to sell Before they purchase. If so, they are a seller, not a purchaser.

(Use the enclosed forms to help you qualify purchasers)

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Qualifying Questions to Ask

Urgency/Motivation to Purchase

- 1. Why are you moving?**
- 2. How soon must you take possession of your new house?**
- 3. Are you moving from another town?**
- 4. Must you sell your present home to buy?**

Buying Knowledge

- 1. How many homes have you owned before?**
- 2. How long have you been looking?**
- 3. What properties have you seen so far?**

Financial Situation

- 1. How long have you owned your present home?**
- 2. Where do you work? What do you do there?**
- 3. How much of your savings will you be investing in your new home?**
- 4. How much are your current house rental payments?**

House Requirements

- 1. Tell me about features you like in your present home?**
- 2. What is it about your present home that you don't like?**
- 3. Is there any home that you've already seen that you really like, but for one reason or another, didn't buy?**





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Writing the Contract

There are two essentials to remember when writing the contract, timing and validity. There are two ways to write a contract, write it yourself or have an attorney write it.

- 1. Make sure it is valid.**
- 2. Be sure to fill in all blanks.**
- 3. Don't forget possession time. Don't make it too long.
Remember the purchaser's payment starts at transfer of title.**
- 4. In writing the contract yourself, have the purchaser sign it and tell him/her that you will discuss it and respond. Then take the agreement to your attorney for review prior to your signature.**

Financing the Sale

- 1. Try to be as knowledgeable as you can be in this area. This is the single most important area in selling houses.**
- 2. The best way to be sure your contract does not fall apart after all your hard work is to be sure the buyer is financially qualified before you write the contract.**





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Follow-up

- 1. After the purchaser signs the contract, ask what bank they are going to. Then call the bank to verify the purchaser information.**
- 2. Call a local Title Insurance Company and arrange to have a title search and title guarantee policy issued. The title company will inform you of any encroachment or encumbrance on the title.**





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Advertising Aid

What's made your home a castle? You have enjoyed living in your present home. There are probably many things about it you have liked and appreciated. Some of these amenities of living will appeal to the new purchaser. Some of the reasons why your home was comfortable, useful and enjoyable to you, and emphasizing those features can make the difference between wasted, costly effort and a successful sale.

Seller	_____
Phone	_____
Address	_____
City	_____
Specifications	_____
Bedrooms	_____
Baths	_____
Dining Room	_____
Family Room	_____
Kitchen	_____
Garage	_____
Bonus Room	_____
Pool	_____
Additional Structures	_____





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Advertising Aid

Close Conveniences:

(Schools, churches, shopping, busses)

Type Of Area:

(Mature, older, wooded, newer, rustic)

Landscaping:

(Fruit trees, lawn, children's play area, barbecue, patio, special plants, sprinkler system, professional work)

Style of Home:

(Ranch, colonial, split-level, tri-level, Spanish contemporary, board and batten stucco, brick, shake, shingle)

Interior:

(Central hall plan, reverse plan, upper-lower level placement of rooms, type of flooring and covering, carpeting, shag, hardwood, oak plank)

Kitchen:

(Built-in's eating area, gas/electric, adjacent to family room, breakfast bar, tile, Formica, counters, wood cabinetry,)





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Advertising Aid

Dining Room:

(Built-in's, eating area, gas/electric, adjacent to family room, breakfast bar, tile/formica counters, wood cabinetry, dark/light)

Living Room:

(Decor, floors, window coverings, fireplaces, ceilings, bookcases)

Family Room:

(Location, fireplace, wet bar, cabinetry, library, shelving, ceilings, unusual features)

Master Bedroom:

(Sitting space, mirrors, dressing area, vanity, walk-in closets, decor)

Garage:

(Size, electric door opener, work area, storage, shelving)

Utility Room:

(Separate room, location, space, ironing, storage, shelving)





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Advertising Aid

Additional Features:

(View, hobby room, den, workshop, square footage, lot size, quiet area, availability of special services, recreation proximity, outdoor lighting, built-ins)

DIY (Do it Yourself!)

Please list any additional thought or catchy phrases that come to mind right now.





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Prospect Card

Name _____
Address _____
City _____
Call () Tour () Date _____

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Offer to Purchase

_____, Ohio, _____, 19_____

The undersigned purchaser(s) hereby offer to purchase property located at _____ and

described as follows, to wit: at a total price of

\$ _____ and upon the following terms and conditions, to wit:

\$ _____ herewith deposited to apply on the purchase price

\$ _____ Upon acceptance hereof

\$ _____ Mortgage (GI, FHA, CONV, Land

\$ _____ Additional Cash to be paid at closing

\$ _____ TOTAL PURCHASE PRICE

Warranty (Administrator's) (Executor's) (Trustee's) Deed is to be furnished together with a statement of Record Title, made by a responsible Title Company, showing said property free and clear from material defect or encumbrance, except as stated herein, and except existing easements and restrictions of record, city ordinances, and zoning regulations, at sole expense of seller. Seller to pay conveyance fee.

Any taxes and assessments now due and payable to be paid by seller and the next tax and assessment payment due at date of closing to be prorated as of closing date Rents to be pro-rated as of _____.





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Offer to Purchase

This contract shall be subject to purchaser securing or _____ securing at purchaser _____ expenses a (conventional, GI or FHA or _____) first mortgage loan in the amount of \$_____. Application to be made by purchaser _____ for said loan within three (3) days from date of acceptance of this purchase offer.

In the event of loss or damage to the premises before closing, purchaser _____ shall have the option to

- (1) complete the purchase and receive the proceeds of any insurance payable in connection with said loss or damage;**
- or**
- (2) rescind this contract and receive back all monies paid hereunder.**

**The above purchase price shall include the following items:
Draperies, Carpets, TV Antenna**

Possession to be given: () 30 days, () 60 days, () days from date of closing.

When this offer is accepted by the Seller _____, it shall constitute a binding contract for the purchase and sale of said property upon aforesaid terms and conditions. If the Seller _____ fails to accept this offer upon the above terms, on or before _____, then the aforesaid deposit shall





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be returned to the Purchaser without any liability upon the part of _____ to either party.

Both purchaser(s) and seller(s) have an automatic right of rescission for (3) business days from the date of acceptance, based on attorney's review.

This Offer Accepted this _____ day of _____, _____

Seller _____ (Date)

Seller _____ (Date)

Purchaser _____ (Date)

Purchaser _____ (Date)

