



10 Mistakes Every For Sale By Owner Should Avoid

1. Drafting the real estate contract on your own. Although you maybe tackling the challenge to sale your property on your own regarding the marketing, showing and negotiating details trying to do the legal side of the real estate transaction is something most for sale by owners should avoid. It is always good practice to hire an attorney to help with your real estate contract if a real estate professional is not involved in the transaction.
2. Failing to provide the potential buyer with a seller's disclosure. Normally most real estate transactions involve a detailed disclosure provided by the seller to the buyer outlining minor and major issues regarding the real estate that is being sold. Things such as: mechanical and structural defects that have occurred over the owner's ownership. Some courts have determined that if particular items are not disclosed to the buyer that a contract could be resented or monetary damages could result to the previous owner. Naturally only a court of law can make these determinations and it is good practice to provide a sellers disclosure any time you are selling a property. Consult your attorney for this form if you choose not to hire a real estate professional for this transaction.
3. Failing to provide the federal lead based paint disclosure documentation. If your property was built before 1978 (in certain circumstances for properties built during the year 1978) then you're required to provide a lead based paint disclosure to the buyers. Failing to do so could result in legal consequences. Consult your attorney for this form if you choose not to hire a real estate professional for this transaction.
4. Neglecting to register all potential buyers who preview your property. Although ever one that comes to look at your home may appear and seem to be a potential buyer in reality and unfortunately some people previewing you property have more in mind than buying your home. It is always a good idea to make note or register potential buyers along with their license plate numbers and other details incase a problem was to occur after the sale. Such as a theft or loss of personal property.
5. Providing too much information. Although many sellers know how much money they have invested in their property and believe that is a good selling feature to provide potential buyers. Sometimes telling too much information during the showing of the property can make it appear as though you're desperate or that something is wrong with the real estate. This mistake is not emphasizing to hide information from the buyer but just to remind for sale by owners not to appear over anxious in selling your real estate.

6. Failing to disclose material defects. As noted earlier with the sellers disclosure which normally does provide for this situation. Failing to disclose a material defect in the property can become a major liability in the future after the sale. If you know any major defects in the property, structural, mechanical or other issues or items that you feel the buyers should know about then it must be disclosed! Always disclose all material defects in the property.
7. Pricing your property incorrectly. Even though most for sale by owners want to save their property because they can save the marketing fee a real estate brokerage charges. Studies have indicated that most for sale by owners end up selling their property for less monies than what it is actually worth on today's market. Even though you maybe planning on selling the property on your own it is always a good idea to have an independent appraiser or two or three real estate broker offer you a price opinion so that you can feel confident that your property is priced accurately.
8. Most for sale by owners are not used to negotiating price and other items during the real estate transaction. Understanding important issues such as earnest money, possession, loan commitment and inspection dates all can play a major role in negotiation in the sales contract. Understanding what items can be negotiated for more or better terms is something the for sale by owner should take into consideration.
9. Understanding contingencies. Sometimes it maybe easy to get an offer to purchase on your property as a for sale by owner. However, what kind of contingencies have been placed in the verbiage of the contract? How quickly must the buyers get their loan approval? What about building inspections? All of these issues can play a major role in determining whether your real estate will close or not in a timely fashion or at all. Most for sale by owners generally have problems in this area of the sales contract and a good knowledge of all contingencies and how they work is suggested and required for any for sale by owner.
10. The closing. It is always a good idea to make sure the transaction is closed at a local escrow or title insurance company that handles in a certified and insured to participate with a real estate closing. You could as choose a local attorney to close your real estate transaction. But the bottom line is that you make sure an insured and qualified settlement closing agent is selected.

These are only ten mistakes that many for sale by owners make when trying to go down that long road of selling their property on their own. Although it is not a comprehensive and through list of mistakes that could arise it is a completion of mistakes that do occur on a regular basis for many for sale by owners. Naturally for a real estate professional I encourage all potential home sellers to use the services of a qualified residential real estate agent or an attorney when selling your home or real estate. However, I understand the need and desire for many people to try to sell their real estate on their own. If you choose in the future to secure the services a real estate professional I would love to have the opportunity to visit with you and share my detailed marketing plan with you. You can reach me at (586) 855-9216 or e-mail me at michellenaumovski@comcast.net