

What If I Buy Privately? *Do I Even Need An Agent?*

We always encourage our clients to keep their eyes open for opportunities. We can't be everywhere at once, so if you see a house that is being sold privately, it may be an option.

If you call the number, view the home or visit an open house, no big deal. But, if you are seriously considering the home, then we highly suggest you get an agent or Realtor. Selling a home For Sale By Owner (FSBO) is becoming more and more popular since the availability to wide spread marketing on the internet. A seller who typically wants to save money, eliminate the "middle man", or simply believes they can just sell it on their own, puts a up sign or takes out an ad to offer his home for sale. It is very simple. . . until you find a buyer.

There is a very big difference between FSBO listings and Realtor listings. FSBOs are typically extremely amateur, usually don't understand the entire sale process thoroughly, or their disclosure obligations under common law. They usually have generic contracts (sometimes horribly outdated from their lawyer's archives), the information used to market the home has not been professionally verified, and they are not bound by any regulatory body. To top it all off ... they have already declined the advice & representation of a professional.

Please don't misunderstand this information. FSBOs are very realistic options for purchasing a home, but a Realtor will be able to dramatically protect your interests. Here are a few critical items a Realtor will cover for you:

Verify the Information – land use, square footage, accuracy of features, title, red flags, property history, necessary docs, etc.

Professional Up-to-Date Forms – Realtor contracts can change two or three times a year in order to keep up to modern trends.

Offer Neutral Third Party Negotiating – Keeping emotions out of negotiations is virtually impossible on your own. You can sabotage your efforts without help.

Properly Written Contracts and Terms – Your Realtor will protect your best interests.

Determine True Market Value of the Property – What did every home in the neighborhood sell for? Are the sellers accurate on their price?

Here are 5 common FSBO myths that buyers have:

I Will Have to Pay My Realtor – Realtors negotiate commissions with the seller to be paid out from the proceeds of the sale.

FSBOs Won't Work with Realtors – A sane person will review any offer they receive. Most actually offer to pay Realtors already.

I Can Save Money by Buying Privately – Private sellers are typically trying to save money already. This is a tough negotiating mentality to start with.

We Can Just Talk Face to Face and Work it Out – Third party negotiating always saves you money. Emotions are suicide here.

Realtors Only Work with Other Realtors – If a Realtor is truly committed to your best interests, then they will help represent you with a private sale.