Considering 'For Sale by Owner'? Here Are the Considerations

I understand the temptation to try to sell one's home without an agent, especially now that there are multiple to compete with the commission websites which can give you some

REAL ESTATE

TODAY

By JIM SMITH,

Realtor®

all-important Internet exposure. After all, it's estimated that 80% of homebuyers begin their search on the Internet before ever contacting a real estate agent.

There are real estate brokers with access to the MLS who sell "entry only" service, meaning they will put your home on the MLS for, say, \$500 (even though it

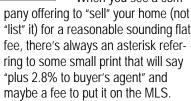
costs them almost nothing) but on your MLS listing, brokers and buyers are instructed to direct all showing requests and contracts to the seller directly.

Part of getting on the MLS, however, is that your "broker" — even if he provided "entry only" service must offer a co-op commission to

Why wait until Thursday? Get this column by email on Monday. Send your request to Jim@GoldenRealEstate.com. fellow MLS users, and that commission is almost always 2.8% in order offered on other listings.

> So, right from the start you are not going from 5 or 6% commission to zero, you are going from 5 or 6% to 2.8%. And some brokers will offer vou even lower than 5% if you agree to have them represent you on the purchase of your replacement home or earn a referral fee if you

are buying out of state. When you see a com-



Remember, you do need to get your home on the MLS if you want to get on any of the non-FSBO websites such as realtor.com and on company websites such as remax. com, homesincolorado.com, colora-

dohomes.com, and on the countless "interceptor" websites such as homegain.com, justlisted.com, etc.

Moreover, most buyers are represented by an agent nowadays and why not, since the seller pays their commission? — so even sellers who take the straight FSBO route (without MLS presence) tend to offer a "co-op" commission in order to attract brokers and their buvers.

Therefore, the question becomes, "Will it be worth saving the *listing* agent's share of the commission to go it alone?" To answer this guestion, you first need to assess your availability to show your own home whenever a buyer asks to see it. The showing process among agents is designed not only to facilitate the showings themselves, but to protect you from criminality. A showing desk, for example, will not give out the lockbox code to the calling agent, but rather give the lockbox code in a return phone call to that agent's company, asking for the agent by name, having found that agent on the state's list of licensed agents.

The next question is the value

question: What will you get for the 1 to 3% extra that is the true cost of being represented as a seller?

Unless you're an experienced seller, you'll want to be represented, especially if the buyer is represented, or else you'll be at a real disadvantage in negotiation and sheer expertise. If your home was built before 1978, will you remember to sign a lead-based paint disclosure or risk a five-figure fine? When inspection issues or a low appraisal value threaten to kill the contract, will you know how to negotiate around those problems?

Marketing a home well — creating virtual and video tours, color brochures, enhanced presence on realtor.com (not available to you from "entry only" brokers), and the like come easily to an experienced broker, but may not be so easy for you to carry off.

Personally, I believe in the value of expertise. That's why I hired a commercial Realtor to list my office building last year, even though I could have listed it myself. That's why I use an accountant for my taxes, and even an auto broker to locate a hard-to-find car. The more experience I gain in this business. the more convinced I am of the value which I bring to my clients. In almost every transaction there's at least one occasion where I handle something in a way that I know my client wouldn't have been able to handle it, and it gives me great "job satisfaction."

I have left no room this week to promote one of my great listings, so please visit my website (below) and check them out! Thanks.

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Jim Smith

Broker Associate



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303-525-1851 Jim@GoldenRealEstate.com See all Jim's listings at www.JimSmith.com