

**Please note that this is the first two pages of a ten page document. [Log in](#) to obtain access to the complete tutorial. If you don't have a username yet, [registration](#) is free. We do not spam our user community.**

## **Step 5: Choose Your Representative**

Real estate agents account for over 75% of home sales each year. Many of those agents are very good. As in any service-oriented industry, some of those agents are not so good. If you want to engage an agent, make sure you choose a talented one with whom you feel comfortable.

You don't have to use a real estate agent if you don't want to. If you don't use an agent, you can sell your house yourself. Your house will be **For Sale By Owner**, pronounced "FizzBo." Many people who try to sell a house themselves don't truly understand the process and give up after a month. **Recognize that the primary reason FSBOs fail is because the home is priced incorrectly, most likely higher than the market will bear.**

Because it represents such a large investment, many people are afraid to sell their home themselves because they fear making a big mistake. If you understand the steps in the process, there is nothing to be afraid of. Keep the sale in perspective. There are a series of tasks you perform, and once they are completed, you've sold your home!

Some agents will state that you can only sell your own house if you are motivated and of a superior enough intellect to do it on your own. That is not necessarily true. If you do your research properly, price your house competitively, and keep a person close by who can review contracts and handle a real estate settlement, you can sell your house by yourself. FSBOs tend to be more successful in hot markets where properties sell quickly. However, if you understand the sales process and your market, you can sell a good home anywhere at any time.

Reasons why you might FSBO:

- You already have a buyer.
- You know the house and neighborhood well enough that you clearly understand your home's value.
- Your market may be active enough that the house will sell itself in a short time.
- You don't mind doing the extra work required to save money on commissions.
- You like the challenge or you like maintaining control of the process.

If you decide to FSBO, recognize that you will be responsible for the following:

- determining your property's value
- advertising your property via the Internet, community papers, flyers, mailings, or word of mouth
- taking phone calls from potential buyers
- scheduling and conducting home showings
- receiving and reviewing purchase offers
- working with property inspectors
- investigating your buyers' financial capacity to purchase your house
- controlling the closing process



You should engage an attorney to help you through the selling process. S/he will help you understand a purchase contract, assist you in reviewing offers you receive, engage an escrow officer, and create closing documentation. S/he may even negotiate on your behalf if you do not feel comfortable negotiating with the buyer or the buyer's representative. If you do not feel comfortable performing any of these activities and you don't have an attorney that helps lighten the load, consider using an agent.

Reasons why you might not FSBO:

- You don't want the hassle of advertising, showing the house, qualifying buyers for financing, and monitoring the closing process.
- You won't have access to the Multiple Listing Service, a regional database of homes listed for review and access by real estate agents only.
- You don't know how to price your property.
- You have trouble distinguishing among serious and non-serious buyers.
- You don't negotiate well.
- You don't understand the home selling process and would prefer to rely on an expert.
- You want to avoid legal trouble by risking situations where you might not disclose something you should have, discriminate against a possible buyer, or not close the sale correctly with the appropriate documentation.

[hometoday.com](http://hometoday.com) can't make the decision for you, but we do explain how to sell your house whether or not you decide to use a real estate agent. Selling a house is a science, not a mystery. If you understand the tasks involved with selling a home, you can do perfectly well without an agent. However, contracting the services of a good agent can, in some cases, minimize your workload. Using an agent that isn't so good could actually cause you to expend more effort to sell your home. You decide whether the service that the agent provides is worth the fee s/he will charge. You may try to sell the house on your own and then decide to work with an agent if you can't do it yourself. There is nothing wrong with that; make the decision with which you feel most comfortable.

If you decide not to use an agent, make sure that you hire an attorney well-versed in local real estate law to help you maneuver through the legal process of selling a home.

### **What is an agent?**

First, recognize that there are three kinds of real estate professionals. A **salesperson** or **sales associate** has taken some real estate courses and received a license to sell as long as s/he is affiliated with a real estate broker who supervises the work s/he performs.

A **real estate broker** has more real estate scholastic training, more years of experience, and a higher level license. A broker generally operates an office and supervises a group of salespeople.

Information in this document is deemed reliable but is not guaranteed.

This document copyright 1999-2002 by [hometoday.com](http://hometoday.com) and may not be reproduced or retransmitted for commercial purposes without the express written permission of the authors.

