

FSBO

Rescue Guide



Insider tips and hacks from a top performing real estate professional with over 30 years experience.

Jay Martinez

cell: **602.369.7450**
jay@luxerealestategroup.com



My name is Jay Martinez and I am the Founder and Designated Broker of the Luxe Real Estate Group. For over 30 years I have represented sellers and buyers in Scottsdale, Paradise Valley and across Maricopa County. I have closed over 1000 transactions and get results for my clients.

My team and I offer full-service, discounted listing programs for home sellers—our plans are designed to save you money while getting the results you need.

Here are some resource links to find out more:

About Me: <https://luxerealestategroup.com/luxe-agent/jay-martinez/>

What My Clients Say: <https://luxerealestategroup.com/client-acclaim/>

My Marketing: <https://luxerealestategroup.com/luxe-home-marketing-program/>

Recent Sales: <https://luxerealestategroup.com/past-sales-jay-martinez/>



The **Luxe Real Estate Group** is a boutique firm offering residential and commercial clients the highest level of service and expertise in the industry. The agents of Luxe form a dynamic, hard-working and dedicated team who continually strive to exceed client expectations. By incorporating the latest in technology and leading edge marketing with skillful negotiating, Luxe real estate professionals are able to consistently outperform the competition. Whatever your real estate needs may be, let us take care of every detail—from listing to sale or purchase to close.

We are **client focused and results driven**—firmly dedicated to providing our valued clients world class service and outstanding results.

[Luxerealestategroup.com](https://luxerealestategroup.com)

Should you decide to hire a professional to help market and sell your home, my team and I will work tirelessly to get the job done. If you have any questions about the home sale process, please contact me any time. Best of luck with your home sale.

FOR SALE BY OWNER

Table of Contents

STEP 1

Preparing Your Home for Sale

STEP 2

Properly Pricing Your Home

STEP 3

Preparing Your Marketing Plan

STEP 4

Preparing for a Future Contract

STEP 5

Handling Showings

STEP 6

Negotiating a Contract

STEP 7

Escrow and the Inspection Period

STEP 8

Completing Repairs & Important Follow-up Items

STEP 9

Escrow Signing and Final Walk-through

INFO

Resources for Home Sellers

Preparing Your Home for Sale

Before you begin the home sale process, you will want to get your home in show ready condition. What does “show ready” mean and what does it entail? Well, show ready means making your home look as much like a model home as possible. Ideally, you’d want to address the following:

Exterior Preparation

- Weed yards front/back
- Green up your grass
- Add/replace crushed granite (rock landscaping) as needed
- Add a splash of color if possible using flowers in beds or pots (though pots should be used sparingly)
- Touch-up exterior stucco if it’s peeling or chipped and touch-up areas where paint is faded or chipping
- Clean your driveway—a pressure washer works great
- Clean your front door and paint or varnish as needed
- Repair/replace broken doorbell
- Be sure there is no worn out trim around exterior doors and/or the garage
- If your address marker has fallen down, install a new one

This is a good start and remember to never underestimate the power of curb appeal. A large part of a buyer’s decision, and initial reaction to a home, will be based upon curb appeal.

For Condo/Town Home owners—you can tidy up your front door, install a new door mat, replace the burnt out bulb at the front door and address any HOA items before you begin marketing. Some things may be out of your control, but there might be things your HOA can address that will help you sell your condo/town home more quickly.

Interior Preparation

- Clean home thoroughly including windows inside and out
- Paint odd colored or brightly colored rooms in a more neutral tone
- Box-up excess stuff like your bottle cap collection, baubles, Star Wars figures, etc. 😊
- Clean up your garage—buyers will pay more for a home with a clean and tidy garage
- Repair broken windows, light fixtures and plumbing fixtures
- Be sure all major systems are in working order
- Replace worn out carpeting

Basically, you want the interior of your home to be spotless and to be minimal in terms of furnishings and “stuff”. You only get one chance to make a first impression so spend time preparing your home for sale.

***Before you list your home for sale
you must get it “Show Ready”***

Properly Pricing Your Home

This is perhaps the most important step in selling your home. It is critical that you get your hands on the latest data before pricing your home and here are some resources:

- Tax records
- Aggregator sites like Zillow
- Website of a local real estate agent
- Direct from a real estate agent

Tax Records

If you've ever tried to navigate the Maricopa.gov site, you know that it is not user friendly. More importantly, the sale information listed will not provide critical detail about the improvements or lack thereof for the recent sales. Tax records are a good place to start, but you will need more detailed information.

Zillow

Have you ever looked up the "Zestimate" on your home? While this much maligned figure has improved over time, it is still far from precise. Zillow is another place to browse to get a general idea of what's going on, but again, you will need better info to dial in the price correctly.

Website of a local real estate agent

The Arizona Regional Multiple Listing Service (MLS) is now allowing agents to display sold data—the problem is that most of the IDX providers (Internet Data Exchange providers that supply the website interface needed for agents to display listing information) are not on board yet. There are a handful of sites out there where you can find MLS sold data.

Direct from a real estate agent

Now, my agent friends are going to hate me for this, and I truly don't recommend this as it is not fair to the agent, but....you could call up your friendly neighborhood agent and tell him/her that you are thinking about selling your home—the agent will likely be happy to send you a market analysis or provide one in person (in the hopes of getting a listing) and then you've got the latest info about recent sales in your area. Trouble is that while agents with MLS access can all pull the same data, not all agents have the same level of experience or competence—the data you get could vary greatly from agent-to-agent depending upon your property. For example, let's say you have a very "unique" home in a community where virtually no sales have oc-

STEP 2

curred for the past six months—this is a situation where you may need professional help. One option would be to have your home appraised before you go to market.

What about the state of the market?

Well, this is a very important question and unless you rely solely on recent news articles, it may be tough to ascertain current market conditions. Again, you could pick the brain of an unwitting real estate agent to get info on things like days on market trends, current inventory levels, sold price per square foot ratio for your area, etc. It would also be important to know current financing rates/trends and you could easily get this information by calling a reputable mortgage broker.

Once you collected your recent sale data and info on current market trends, it is time to analyze the sold and active listing info to determine an asking price.

Market trends are hugely important when pricing your home. In 2005, you could look at recent sales in your community and then add \$20K or more to your asking price—knowing that you'd get multiple offers in just a few days—we are not in that kind of market currently.

Will you price your home with agents in mind?

Many FSBO's are more than happy to pay a buyer broker commission if an agent brings a ready, willing and able buyer. So, do you price your home in line with recent MLS sales knowing that an agent may bring a buyer? If you find the buyer, will you reduce your price to reflect that absence of agent commission? There is no "standard" fee and remember that you may always try to negotiate the commission.

Bottom line is that arriving at the correct list price is absolutely critical.

Preparing Your Marketing Plan

You are going into battle against other sellers and you will be competing with homes that have massive exposure via the local MLS—you'll want to prepare a marketing plan before you embark on this important journey—remember, you are likely selling one of your most expensive assets.

Key Marketing Plan Elements

- Pre-listing Marketing
- Online advertising
- Offline advertising
- Partnering with a lender and/or real estate agent

Let's take a brief look at each of these components.

Pre-Listing Marketing

Before you go to market, you should consider whether or not you'll do any "coming soon" advertising. You should also decide whether or not to obtain professional photographs and video for your home.

Pro Tip: Get professional photos (unless you are a professional photographer and have a wide angle lens).

With sites like Zillow and Realtor.com at the forefront of initial online home searches, it's vital to show your home in its best light. You need quality photographs that can convey the "story" of your home.

In terms of coming soon advertising, you could do some social media posting and send a mailer or flyer to your neighbors.

Online Advertising

Nothing will be more important in your marketing campaign than internet marketing. Here are some good options:

- *Zillow.com*
- *FSBO.com*
- *Forsalebyowner.com*
- *Craigslist.com*
- *Flat-fee MLS listing* (There are limited service listing agents who will post your home on the MLS for a small, flat fee—you pay the buyer broker fee plus the flat fee)
- *Social media sites*
- *You Tube video*

STEP 3

Offline Advertising

- For Sale Sign
- Flyer or brochure
- Just Listed postcards
- Open House

Partner with a Lender or Real Estate Agent

There are agents and lenders that will partner with you to help absorb the marketing costs in return for potential referrals and more specifically, to earn your business should you choose to buy or have difficulty in selling your home.

Here are some of the ways an agent or lender might be able to help:

- Pay for the cost of a yard sign
- Pay for flyers
- Sponsor an open house

In summary, your marketing plan should include professional photography and possibly video, a yard sign (ideally, mounted on a quality post) or sign in window if you have a condo, full-color flyer, advertising on major websites and social media posts. If you are looking for a top-notch lender, see the resources section of this guide.

Pro Tip: Hire a Photographer

STEP 4

Preparing for a Future Contract

Instead of waiting until you get an offer, it is best to prepare for a future contract so that you feel comfortable with the paperwork. The negotiation process can be emotionally charged (without an agent to act as a buffer) and having some knowledge about the contract may put your mind at ease.

Here are two likely contract scenarios:

- Offer from a real estate agent
- Offer from a buyer without an agent

If you get an offer from a real estate agent, the offer terms will be presented on an Arizona Association of Realtors (AAR) approved form called the Residential Purchase Contract. You may contact me to request a sample of the form.

If you get an offer from a buyer who does not have an agent, you can do one of few things:

Find a non-realtor approved contract online or get help from an attorney. Some title companies may offer help as well, but not all of them. I prepare my home sellers ahead of time and if you go it alone, you should be prepared too.

Screen Buyers Before Showings

Handling Showings

Buyers do not like it when the seller is home, but without the benefit of an agent, you won't likely feel comfortable leaving your home while strangers walk through it. Your best bet is to wait out front while the buyer views the home or sit in the back yard—the downside to handling showings yourself is that unless the showing is being handled by an agent, you are opening your home up to complete strangers. Keep all valuables out of sight (jewelry, wallet, phone, etc.). When you list with an agent, this is one of the big benefits in terms of safety, time management and likely more money (due to increased traffic)—not much more to say about showings except that you would be wise to screen the buyer ahead of time—ask them to provide a loan preapproval letter or perhaps proof of funds if paying by cash. If you live alone, you might also consider limiting showings to daytime hours.

STEP 5

STEP 6

Negotiating a Contract

Now comes the fun part.

Getting an offer can be exciting and rewarding if you keep some pointers in mind as you negotiate:

Leave your emotions at the door. You may love your home dearly, but treat it as a business transaction.

If you get a low offer, don't despair. In my experience, some buyers are just fishing at first for a steal, but are willing to come up a lot if they love the home. Pro Tip: any offer is a good offer in the sense that someone likes your home. Treat every offer seriously.

Read the contract terms carefully. Little details can spoil a deal and you don't want to overlook anything.

Adopt an attitude of cooperation and kindness from the start. My grandma used to say "you catch more flies with honey than with vinegar" and this is often true when negotiating.

Know when to stay firm and when to be flexible. As a rule, don't sweat the little stuff in the contract—focus on the few things that are most important to you. For example, if the buyers asks for a home warranty and for you to pay the HOA costs, it might be better to agree to these items and then counter offer on the price—it shows a degree of reasonableness on your part.

Don't be short-sighted. Many a seller has ignored the advice of a realtor about when to accept an offer, only to have their home sit for months afterward....losing money along the way. Even if you don't get your exact number, keep in mind that there are costs to not selling—sometimes the costs are intangible and other times, the costs are easy to calculate. If selling is truly your goal, consider the negotiations a fluid process and think about your long-term goals.

Escrow and the Inspection Period

Once you have a contract signed by both buyer and seller, the buyer will need to open escrow with a local title company. For a referral to a reputable escrow officer/company, see the resources section of this guide. To find out more about the escrow process in Arizona, check out this post I wrote: <https://luxerealestategroup.com/arizona-escrow-process-explained/>

If an agent has presented an offer on your home, the inspection period will begin the day after contract acceptance and generally runs for 10 days—though this is negotiable prior to contract acceptance. If you are not using a standard AAR contract (see link at Step #4 above for details), the inspection period might be longer or shorter than 10 days.

Buyers don't always complete the same types of inspections, but when represented by an agent, most will want to complete (at a minimum) a professional home inspection and termite inspection. Once the inspections are complete, the agent represented buyer, will submit what's called a Buyer Inspection Notice and Seller's Response form (BINSR for short)—this form must be submitted before the inspection period expires and it provides the buyer one of three options:

- Accept the home AS IS
- Request that repairs be made by the seller
- Cancellation of the contract

For non-standard contracts, there may or may not be a repair request provision. Prior to listing your home, it's a good idea to fix blatant issues such as leaky faucets, broken appliances, faulty outlets, etc.

STEP 7

STEP 8

Completing Repairs & Important Follow-up Items

Once you get through the inspection period, a buyer who is relying upon financing will then order the appraisal through his/her lender—you will want to check in with the lender regularly to make sure the loan is on track. Good lenders will send out regular updates, but it is best to be proactive.

The appraisal could take a week to 10 days to be completed once ordered.

If you agreed to complete repairs and an AAR contract is being used, repairs must be completed at least three days prior to the close of escrow and paid receipts must be provided to the buyer.

Other Potential Follow-up Items

- Be sure that the title company receives your opening package—the opening package is sent to sellers early in the escrow process—there is information that you must provide the title company and one critical piece is your loan pay-off information.
- Check-in with the escrow officer to see if the HOA “demand” has been ordered (this only applies if your home lies within a homeowners association). The HOA demand provides the title company with critical information needed for your escrow. By law, HOA’s have up to 10 days to provide the information once the order has been received.
- If you agreed to accept a contract contingent upon the sale of another home, you’ll want to check in with the agent on that deal to make sure things are on track.
- Review the title commitment (requirements) section once received from the escrow company.

This is just a short list and every transaction is a bit different. Be sure to stay on top of all details so that nothing slips through the cracks.

Escrow Signing and Final Walk-Through

If you’ve made it this far, your close of escrow date will be approaching fast. The escrow officer will prepare an estimated settlement statement for you to review before you sign your closing documents—be sure to review it carefully before you go in to sign documents. Due to the Patriot Act, all title companies will require two forms of identification when you sign.

The buyer will want to do a final walk-through (in most cases) to make sure your home is in substantially the same condition and that agreed upon repairs have been completed. You should keep your utilities on until the close of escrow and do not cancel your homeowner’s insurance policy until you have successfully closed. Plan on being out of your home the day before the close of escrow and be sure to leave things like garage remotes, mail key, etc. behind for the buyer.

Congratulations! You sold your home without professional help. If the above sounds daunting and you want professional help, my contact information can be found below.



STEP 9

INFO

Resources for Home Sellers

Here are a few good resources as you navigate the home sale process:

Lender

Eddie Knoell

Signature Home Loans

602.677.3105

eddie@azmortgagebrothers.com

Title Company

Deanna Lee

WFG National Title

602.910.4749

dlee@wfgtitle.com

Home Staging

Lavish Interiors

lavishinteriors.net

Handyman Company

Handyman Connection

Owner: Allen Hopkins 602.424.6700

ahopkins@handymanconnection.com

*Please tell these vendors I sent you.

If you need any other contractors, do not hesitate to contact me at 602.369.7450 or at jay@luxerealestategroup.com

Disclaimer: The information contained in this guide is for educational purposes only. Information is deemed accurate, but not guaranteed. Results may vary.

Copyright Infringement Notice: E-books are protected by copyright laws. You do not have permission to resell, copy or distribute this publication without written consent from the author. You do have permission to print one copy of this e-book for your personal use or to save a copy of the PDF to your computer, CD or other storage device for your personal use.

Copyright © 2022 Jay Martinez – All Rights Reserved