

## PRIVATE SELLING

Selling privately to save paying the real estate commissions is a difficult goal. The reality is that if a buyer chooses to give up the ease of buying without the assistance and guidance of a licensed realtor, they are usually only doing it to save precisely the same real estate fee as the seller. So, right from the beginning there is something of a contest between the buyer and seller.

Another obstacle a private seller faces is limited coverage. The only tools they have are a For Sale sign, an ad in the paper and perhaps a page on a website. Unlike the realtors' multiple listing system, a private seller has no existing pool of buyers to draw from. The more buyers there are, the higher the sale price tends to be. In multiple offer situations the seller is the winner.

The large majority of buyers prefer to buy through a realtor because they benefit greatly by viewing and comparing all the available suitable homes. The buyer gets the realtor's assistance in making an informed decision. The private seller has no such privilege. All the private seller can do is show their own home and then sit back and wait, hoping their prospect will make an offer and not just disappear.

Then there is the problem of face to face negotiations being awkward. When private sellers and private buyers meet to view the property they commonly form a friendly relationship right from the start. This makes it uncomfortable for both parties to negotiate harder for a better price. In contrast to this, when the parties meet and one does not like the other, negotiations will likely never start, so the seller fails to sell and the buyer fails to buy.

Other times, a relationship that starts out to be amiable can turn sour in an instant if there is a dispute over a fault found by a home inspection or a disagreement about a possession date. Solving these common problems without a realtor as an intermediary is not easy.

Sale of property is a multi-faceted process. Suppose a private seller has succeeded in negotiating an acceptable price. That is really only the beginning. The private seller is unlikely to be sure of how financially qualified the prospective buyer is and has their property tied up while the buyer is seeking mortgage approval. Once over that hurdle there are title searches and documents, easements and rights of way information to be provided, home inspections to be arranged and insurance issues to be handled. The sale of condos has even more detail to deal with. Realtors streamline all this because they have the knowledge, expertise and resources.

Valuable services are provided for the commission fees realtors charge.

