



FSBO – For Sale By Owner



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Milton, Ontario — February 2009 — Some people who are considering selling their home believe they can save thousands in commission by handling the sale themselves. Selling your home yourself is not only demanding and stressful but all too often, the net dollars are not favourable in comparison to having listed the property with a REALTOR®.

“People certainly have the right to sell their own homes, but by not using a local REALTOR® they are missing out on the advantage of utilizing the expert knowledge of an agent and access to the Multiple Listing Service (MLS®)”, states OMDREB President, Dianna Morrison. “Another important question to ask is - wouldn’t you want a professional to represent and protect your interests when it comes to one of the most significant investments and transactions of your life?”

Before anybody decides to fly solo through this complex, time consuming and financially perilous process they should consider asking themselves the following questions.

Will you really “save” the real estate commission?

When buyers see a home for sale ‘by owner’, they see a bargain. They imagine the REALTORS® fee going into their pocket, not yours.

Are you familiar with real estate law?

Complicated and ever changing, real estate law governs nearly every phase of selling your home. One misstep and an entire deal can fall through; sometimes leading to a chain reaction of failed transactions or a lawsuit. The potential liability is huge

How many buyers will you reach?

Selling a home takes more than just hanging a “For Sale” sign. How will you promote your home? Will you write and book your own ads? Print your own signs and design feature sheets? How will you use the Internet? Most buyers start their search for a home on-line, specifically through realtor.ca (previously mls.ca) - this is a feature exclusive to Real Estate Board Multiple Listing Services (MLS®)

Do you have the time?

Promoting a home is a full time job and you probably already have one. Will you hold Open Houses? Will you be able to take calls at any time? How about screening the callers to determine whether they are qualified to buy your home? What about the security aspect of allowing people through your home?

Do you know the market well enough to get the best price for your home?

Lacking experience, the average do it-your-selfer is merely guessing at their list price. Often they set the price too low and miss out on thousands of dollars or alternatively, set the price too high and drive away potential buyers.

What about your selling skills?

If the personalities of prospective buyers rub you the wrong way, can you still deal with them effectively? What about your own defensiveness when you hear negative comments about your

home? There is a lot to be said for keeping matters at arm’s length through a REALTOR®.

Do you have the negotiation skills to keep a deal on track?

When an offer comes in emotions can run very high which is why direct seller-to-buyer deals often end in disaster. Negotiations do not necessarily end once a purchase price is agreed upon...there can be issues arising after home inspection or changes in closing dates, just to give a few examples. REALTORS® are accustomed to dealing with these matters objectively and professionally.

“In the current market, pricing, presentation and exposure are absolutely critical to a successful sale. Do you have the time, knowledge and expertise to handle these matters effectively? This is what REALTORS® do,” notes Dianna Morrison, OMDREB President. “When buying or selling a home, a local REALTOR® will guide you through the most complex legal process that most people will ever encounter. The fact is most people who try to sell their own home end up using a REALTOR® in the end.”

Sources: The Oakville, Milton and District Real Estate Board (OMDREB)
The Ontario Real Estate Association (OREA)
The Canadian Real Estate Association (CREA)

Milton – January Sales Results

In the month of January, the number of residential sales in Milton dropped 18.9% compared to January 2008. The median sale and average sale prices of homes dropped very slightly.

“The Canadian Real Estate Association (CREA) forecast notes that the actual (unadjusted) number of new listings on the MLS® systems of real estate boards in Canada... in January 2009 fell 14.2 per cent from the level in January 2008. The decline in supply to meet lower demand is expected to help stabilize the resale housing market balance. New listings on the MLS® systems of real estate Boards in Canada have been trending steadily lower since peaking in the second quarter of 2008, and that trend is forecast to continue. The combination of rebounding sales activity and fewer new listings will with any luck, stabilize the MLS® resale housing market as the year progresses.

“New listings are staying on the market longer - and because people aren’t forced to sell they are willing to take them off if they don’t get their selling price,” states Dianna Morrison, OMDREB President.

Milton	2008	2009	% change
No. of Residential Sales	74	60	-18.9%
Average ¹ Sale Price	\$335,493	\$320,549	- 4.5%
Median ² Sale Price	\$320,000	\$309,000	-3.4%

1. The average home price is found by adding the value of all sales and dividing by the number of homes.
2. The median sale price is the midpoint of all sales.

Source: The Oakville, Milton and District Real Estate Board (OMDREB)

The Oakville, Milton and District Real Estate Board serves Oakville, Milton and surrounding communities with more than 1,400 REALTORS®. Your local REALTOR® can provide you with the data and services you need to make informed real estate decisions. To find out more about the REALTORS® in your area, and how you can benefit from the array of services a REALTOR® can provide, visit www.omidreb.on.ca or call OMDREB at 905.844.6491