

“Marketing Tips for ‘For Sale By Owners’”

By Joel Ward

The first step in marketing your home is preparation. Here are the steps I recommend for getting ready to market your home:

1. Prepare your home for the market. I’ve written an article which deals specifically with this step. Please give me a call if you would like a copy of this article.
2. Price your home competitively. Again, I have information for you about the process of pricing your home. If you would like a copy, please give me a call. This is a critically important step: If you price your home too low, it will sell quickly but may sell for thousands less than it is worth. If you price your home too high, it won’t sell at all.
3. Develop your written communications about your home. Make a list of the most important features of your home: square footage, number of bedrooms, number of baths, lot size, basement, garage, fireplace, formal dining room, amount of real estate taxes, etc. As you might imagine, buyers want to have lots of information about any home which they are thinking about buying, and the more information you can provide the better. In addition to providing written information about your home, consider taking pictures of the front, rear, and street views as well as special views of the interior.

When you’ve accomplished all this, you need to consider the ways available to you to actually communicate with potential buyers.

Yard Signs: “For Sale By Owner” signs are available at many local hardware stores for a variety of prices. These signs can be effective if you are located on a busy street, but they are much less effective if you are not. If you are on a side street, you might want to purchase additional directional signs directing traffic from the nearest busy street to your home. (Before putting a directional sign in someone else’s yard, it is good idea to give that homeowner the courtesy of asking permission first. Also, signs on city parkways are prohibited in both Champaign and Urbana.) Be sure to put a phone number on the sign which will be answered or upon which a message can be left at any time, and be sure to check for messages frequently.

Newspaper: Perhaps the most common way to communicate with potential buyers is the local newspaper. Advertising studies indicate that buyers are more likely to respond to ads with more information in them, so don’t be stingy with the size of your ad. Sunday is the most popular day for advertising real estate for sale, so you certainly need to have an ad in each Sunday paper. However, buyers often want to look at homes on the weekend, so it’s a good idea to run an ad on Thursday and Friday as well. The rate for a two-inch ad in the News-Gazette (for 30 or more

insertions) is \$16.25 per insertion. In a typical month, this would come to \$209.63 for three ads per week. Of course, you may choose to advertise either more or less than this amount.

Open Houses: Holding open houses is a great way to bring people through your home. It is especially necessary for homes which may appear small or plain on the outside, but have terrific features on the inside. Since there are really no other methods available to the For Sale By Owner seller to bring people through their home, we recommend holding frequent open houses. The best way for private individuals to advertise an open house in the newspaper is with the News-Gazette "Photo Showcase" ad which gives you the opportunity to include a picture of your home. The cost of this ad is \$65.00 for the first insertion and \$48.75 for subsequent insertions. For two open houses a month, this comes to another \$113.75 per month. Also, it's a good idea to purchase additional "Open House" signs to direct potential buyers to your home. Open Houses can be held anytime, but the customary time in our market is on Sundays from 2-4 p.m.

One final note about open houses, and other showings of your home: Be Careful! You are opening your home to total strangers, and it's only prudent to take some precautions: Have every visitor sign in with name, address and phone; try not to be alone when you show the home; do not have the children in the house during showings or open houses; do not leave any valuables such as cash or jewelry out in plain sight; accompany visitors through your home and try not to let people wander around without you; and if you become uncomfortable with any visitor for any reason, ask them to leave right away.

Internet Exposure: More and more buyers are searching for homes on the Internet. There are several websites which offer services to For Sale By Owners. Typical fees for a two-month contract are in the range of \$175.00, with renewals at lower rates. This amounts to another \$87.50 per month.

Information Sheets: For potential buyers who visit your home, it is helpful to have available information sheets about your home. These sheets need to be as detailed and complete as possible, because it is the only source of detailed information the buyer has about your home. This is also a good opportunity to provide the potential buyer with color pictures of your home. Some For Sale By Owner sellers place a supply of these information sheets in an "Information Tube" attached to the "For Sale By Owner" sign. Buyers will typically look at several homes for sale and your information sheets are very helpful in keeping the details of your home clear in the minds of potential buyers.

Finally, it's important to obtain feedback information from potential buyers who have seen your home. What did they like most about your home? Were there things about your home that they did not like, and if so, what were they? How did your home compare to the other homes they have seen and considered? What suggestions do they have about what you can do to improve the attractiveness of your home? This information is valuable to you because you can consider it in

making changes in your marketing strategy. For example, if everyone says that the purple bedroom needs to be repainted, then you really might want to consider repainting it! In order to obtain this information, it's important to require all visitors to your home to sign a guest book with name, address and phone.

As you can see, doing a good job marketing your home is hard work and it can also be pretty expensive. I hope this information has been helpful to you, and invite you to give me a call if you have any questions. Good luck!