

A PRACTICAL GUIDE FOR HOMEOWNERS
CONSIDERING SELLING ON THEIR OWN
AND UNDERSTANDING HOW TO
POSITION THEIR HOME SUCCESSFULLY
IN TODAY'S MARKET



**Helping homeowners understand pricing strategy, buyer behavior,
and how to position their home so the market responds.**

**Many successful home sales begin with understanding how buyers
actually make decisions.**

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exp[®]
REALTY

INTRODUCTION

Many homeowners initially decide to try selling their home on their own before working with a real estate professional.

This is understandable. Selling a home is one of the largest financial decisions a person will make, and many homeowners believe they may be able to save money by managing the process themselves.

However, selling a home involves much more than simply placing a sign in the yard or posting the property online.

Successful home sales require a combination of:

- Strategic pricing
- Professional marketing exposure
- Negotiation experience
- Legal compliance and disclosures
- Understanding buyer behavior



The purpose of this guide is not to discourage homeowners from selling on their own.

Instead, it is designed to help you understand the process so you can make the best decision for your situation.

WHY MANY FOR SALE BY OWNERS EVENTUALLY WORK WITH AN AGENT

Many homeowners begin by attempting to sell their home on their own.

Often this is done to explore the possibility of saving commission while testing the market.

However, many sellers eventually discover that selling a home involves more than simply finding a buyer.

In many cases homeowners begin as For Sale By Owners and later decide to work with a real estate professional once they better understand the complexity of the process.

This does not mean the seller made a mistake.

It simply means they explored their options before deciding which strategy would produce the strongest result.

Common challenges include:

- Limited exposure to qualified buyers
- Pricing based on estimates instead of actual market behavior
- Negotiating with experienced buyer agents
- Managing disclosures and legal requirements
- Coordinating inspections, escrow, and closing timelines

For many sellers, the decision is not whether they can sell the home themselves.

The decision becomes whether they want to manage the entire process alone or have professional representation protecting their interests.

THE BUYER PSYCHOLOGY PROBLEM

When buyers see a property listed as For Sale By Owner, several questions often arise.

Buyers may wonder:

- Is the home priced correctly
- Will the transaction be handled professionally
- Are disclosures being handled properly
- Will negotiations become complicated

In many cases buyers feel more comfortable when there is professional representation involved because it creates structure and reduces uncertainty.



PRICING STRATEGY MATTERS



Pricing a home correctly from the beginning is one of the most important factors in a successful sale.

Many FSBO sellers rely on:

- Online value estimates
- Advice from friends or neighbors
- Emotional attachment to the home

However buyers determine value by comparing:

- Recent neighborhood sales
- Competing listings
- Property condition
- Market demand

Strategic pricing positions the property so buyers respond quickly.

THE PENNY WISE POUND FOOLISH PROBLEM

Many homeowners attempt to sell their home themselves to save the listing commission.

However what often happens is the opposite.

A buyer approaching a For Sale By Owner property may attempt to negotiate a lower price because they assume the seller is saving commission.

In many cases the buyer attempts to capture the same savings the seller hoped to achieve.

This can create a situation where the seller becomes penny wise and pound foolish.

The buyer is negotiating for themselves.

They are not negotiating for the seller.

WHO DOES THE BUYER AGENT REPRESENT

When a buyer is working with an agent, that agent represents the buyer's interests.

Their job is to negotiate the best price and terms for the buyer.

This means:

- The buyer agent protects the buyer
- The buyer agent does not represent the seller
- Their fiduciary responsibility is to the buyer



Without representation, the seller may be negotiating with someone whose duty is to protect the other side.

LEGAL PROTECTION AND LIABILITY

Real estate transactions involve legal responsibilities.

Sellers must disclose known material facts about the property.

Examples include:

- Property condition issues
- Past repairs
- Environmental concerns
- Neighborhood factors



Licensed real estate professionals carry Errors and Omissions insurance which provides protection in the event of disputes.

Professional guidance helps reduce legal exposure.

MARKETING EXPOSURE

Successful marketing includes:

- Professional photography
- MLS exposure to thousands of agents
- Digital marketing
- Email marketing to buyer agents
- Open house exposure
- Targeted outreach to buyers



More than 90 percent of buyers begin their home search online.

TIME ON MARKET

The first few weeks after a property enters the market are often the most important.

During this time the property receives the highest level of buyer attention.

When a home sits too long buyers may assume something is wrong with it.

This is commonly called market fatigue.



UNDERSTANDING THE MICRO MARKET

There are two levels of the real estate market.

The Macro Market

Broad economic forces affecting housing overall.

Examples include:

- Interest rates
- Housing inventory
- Economic conditions

The Micro Market

What is happening immediately around your property.

Usually within a quarter mile to half mile radius.

This is where pricing decisions are truly made.

UNDERSTANDING ABSORPTION RATE

Absorption rate measures how quickly homes are selling compared to how many homes are available.

This tells us:

- How competitive the market is
- How aggressively pricing should be positioned
- How quickly buyers are purchasing homes

Key patterns we study include:

Percentage of homes selling above list price

Percentage selling at list price

Percentage selling below list price

Average percentage above list price when multiple offers occur

Average percentage below list price when pricing is misaligned

Homes requiring price adjustments before selling

CASE STUDY

Many homes that begin as For Sale By Owner listings eventually sell after being repositioned with a strategic marketing plan.

Often the difference is not the home.

The difference is:

- Pricing strategy
- Marketing exposure
- Buyer visibility
- Professional negotiation



Strategy changes how the market responds.

THE NET SHEET REALITY

Many sellers focus on saving commission.

However the final net proceeds often depend more on:

- Final sales price
- Negotiation strategy
- Repair negotiations
- Buyer concessions



The goal is not simply to avoid commission.

The goal is to maximize the seller's net proceeds.

WHAT SELLERS ACTUALLY NET

Example Scenario

Home Value Example

\$1,000,000

For Sale By Owner Sale

Estimated final negotiated price

\$930,000

Buyer concessions, repair credits, and negotiation pressure often reduce the final sales price.

Limited exposure typically results in fewer offers and stronger buyer negotiation leverage.

Agent Represented Sale

Strategic pricing and marketing exposure

Estimated final sales price

\$1,050,000

Less estimated commission (5%)

-\$52,500

Estimated Net to Seller

\$997,500

Creates competition, stronger terms, and a higher probability of multiple offers.

Net Difference to Seller: +\$67,500 (+7.3% more in your pocket)

Most people think they are saving 5%. What they don't realize is they are often losing 6% to 8% on the final price.

HIDDEN COSTS OF SELLING ALONE

Selling a home involves responsibilities such as:

- Screening buyers
- Verifying financing
- Negotiating repairs
- Managing deadlines
- Handling disclosures



Professional representation helps ensure the process is handled correctly.

SAFETY AND LIABILITY

Allowing unknown buyers into your home creates potential safety concerns.

Professional showings help ensure buyers are verified and documented.

Licensed agents also carry Errors and Omissions insurance providing additional protection.



Meet OUR TEAM



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Serving homeowners throughout the Bay Area with a focus on strategic marketing, clear communication, and professional guidance throughout the selling process.

EXPERIENCE MATTERS

Prior to my real estate career, I had the honor of serving in the United States Army. The values of discipline, integrity, and commitment continue to guide the way I serve my clients today.



I am also Trust and Probate Certified, which reflects additional training and specialized knowledge in handling real estate transactions involving trusts and probate matters.



FSBO AGENT PARTNERING OPTION

Some sellers already have potential buyers.

Those buyers can be excluded from the listing agreement.

If negotiations have not been finalized regarding price, terms, or conditions, we can step in and help complete the negotiation process.

Services may include:

- Verifying buyer financing
- Communicating with lenders
- Completing negotiations
- Preparing contracts
- Opening escrow
- Managing inspections
- Providing disclosures
- Coordinating closing

Compensation may include:

- A flat transaction fee
- A reduced percentage commission

Before You Decide

Selling a home is a major financial decision.

Before deciding whether to continue selling alone or work with an agent consider:

- Is the property receiving proper exposure
- Is pricing aligned with buyer behavior
- Are negotiations protecting the seller
- Are legal requirements handled correctly

The goal is not simply to sell the home.

The goal is to position the home so the market responds.

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MOVING FORWARD WITH CONFIDENCE

Selling a home is one of the largest financial decisions a homeowner will make.

With the right strategy and preparation many homes that initially struggle to sell can successfully close.

If you would like a confidential discussion about your property and the best strategy moving forward I would be happy to help

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