

A Message from the President of the Youngstown Columbiana Association of REALTORS®

IT'S ALWAYS BETTER TO DO IT WITH SOMEONE ELSE

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I'm talking about selling houses, people. Where are your minds?

Being in a "seller's market" does not make everyone a licensed REALTOR®. More and more people are rolling the dice at trying to sell their home on their own, otherwise known as FOR SALE BY OWNER or FSBO. Instead of working with a REALTOR®, sellers think their house will be sold as soon as it goes onto the market given the current conditions, avoiding the commission fees associated with the value and peace of mind a REALTOR® brings to the selling experience. However, like most things you think you can do on your own, selling your house is better for you when you choose to list with a REALTOR®, especially financially.

Look, I get it. Everyone is trying to either find ways to save money or make more. From cryptocurrency to side jobs from your current careers, I'm totally in favor of Capitalism succeeding for everyone. However, the misconception that FSBO homes make more for the seller than with REALTORS® is just not true.

According to the [Profile of Home Buyers and Sellers](http://nar.realtor) published by the *National Association of Realtors*(NAR) at <http://nar.realtor>, 41% of homeowners who tried to sell their house as a FSBO did so to avoid paying a commission or fee. While paying a 6% commission rate may seem too high for someone to comprehend when it comes to the value a REALTOR® provides, it is peanuts compared to what a real estate agent can sell your home for on the market.

According to this most recent study, FSBO homes typically sell for less than those listed with an agent. In 2020, the median FSBO home sold at \$217,900. While that was up from \$200,000 in 2019, it pales in comparison to the \$295,000 median sale price that happens when you work with A REALTOR®. If someone told you they could make you almost 30% more on your investments, 30% more on the sale of your car or lose 30% more weight than doing it on your own, you'd let them help you out, right?

That's probably why FSBO owners who try the market and end up switching to a REALTOR® on the sale of your home, receive 98% of their asking price, even though they had to reduce their price BEFORE working with an agent because it wasn't priced properly.

Just because it is a seller's market, doesn't mean FSBO sellers aren't at risk at leaving money on the table. Actually, the 6% savings from not paying a commission to a REALTOR® pales in comparison to the 30% a Realtor® can add to your sale price by listing and selling your home. This is in addition to the peace of mind REALTORS® provide during the sales process, handling all the details, contracts, closing, inspections, and negotiations that are involved with the sale of a home. REALTOR® are trained to sell your home for the most money possible and we're good at it.

So, if you're thinking about becoming adding FSBO to the list of titles you proudly carry, think about if you'd like to get 30% more money for your home without all the stress that goes into selling a home on your own. Chances are, you're going to see that doing it with someone like a REALTOR® is better than you thought was possible.

Patrick Burgan is the 2021 President of the Youngstown Columbiana Association of REALTORS®