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Why I wouldn't sell my home myself

May 13, 2011

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Since writing about whether you could create a bidding war without an agent, I have received numerous emails from sellers, real estate agents and companies that provide "for sale by owner" services on the pros and cons of selling by yourself.

Allison Philpot sold her home in Ottawa using a For Sale by Owner marketing service. She listed her home for \$419,000, and was able to create a bidding war after her first open house. She received a top bid of \$429,000, which she accepted.

The buyers seemed like nice people, as they lived in the community. Unfortunately, they later terminated the deal, relying on a condition in the offer, although Allison suspected that they just found a house that they liked better. The second bidder was no longer interested.

She then dealt with another buyer, who was represented by a buyer agent. Allison later admitted that she was out-matched in the negotiations, and eventually sold her home for \$405,000. In addition, she agreed to pay the buyer agent a commission of approximately 2 per cent or \$8,000. So her net selling price was \$397,000.

After the fact, she reasoned that had she used an agent from the start, she would have probably sold for about \$430,000, and that even if she paid \$20,000 in commission, she would have netted \$410,000, or \$13,000 more, without any of the aggravation.

Still, Allison states that had she not gone through the experience herself, she would probably have felt that she had overpaid the agent.

The buyer who walked away from the first deal later told Allison that he would never try and buy a property again without an agent, as he found the process way too stressful himself.

I received many emails from real estate agents talking about their additional network of potential buyers that they bring to every sale, as well as their own experience in qualifying potential buyers in advance and protecting sellers from unusual clauses that are sometimes inserted into agreements. Many agents in Vancouver are now setting up marketing events overseas, as more and more foreigners are looking at Canadian real estate as a safe haven to invest. More buyers mean better prices for sellers.

I spoke with Patrick Sullivan, a vice-president for [Com Free](#), a company that provides services to assist home owners selling by themselves. These tools include a guide to assist the seller in determining the sale price, staging the home for sale, conducting open houses and preparing for negotiations. He suggested that there is no real harm in a seller trying to save money selling by themselves. They can sell with an agent later if they are not successful. He also claims that Com Free listings continue to grow and that they have many success stories. However, because they have no contract with the seller, the seller is not obligated to tell them how long it took to sell and what the property sold for, so it is difficult for Com Free to state how their seller compares with sellers who use an agent.

If you plan on doing this by yourself, at a minimum either have your lawyer look at the contract before you sign it, or make the deal conditional on your lawyer's review and approval of the agreement. In my opinion, no marketing service can properly prepare buyers or sellers to deal with the stress and emotion that will invariably be involved with any real estate negotiation. It is not easy. Every buyer, seller and property are unique and will require a successful strategy to win.

Whatever method you choose to buy or sell your next home, be prepared and fully informed before you start.

Also read:

[Should you sell before buying?](#)

Mark Weisleder is a lawyer, author and speaker to the real estate industry.



Allison Philpot sold her house privately but wonders if it was worth the trouble she experienced.

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