



For Sale By Owner Guide:

This guide was written for individuals just like you who have made the decision to sell their home, without the assistance of a real estate professional. We at Nehemiah Corporation can not stress enough the importance of using a licensed real estate professional to buy or sell a home. Every year there are new laws that may effect the way you sell your home to include required disclosures and hazardous waste issues. Employing a licensed real estate professional may provide you with the information you need to better protect yourself. You may find the process of selling your home very easy or it may turn out to be more complicated than you imagined depending on the details of your individual transaction.

We are providing a copy of this guide to assist you with the many details of selling your home and to make you aware of issues and situations that may come up during the transaction. Our goal is to assist you in selling your home as soon as possible utilizing The Nehemiah Program.

The material in this guide was taken from various sources. This guide is not to be considered as advice. The accuracy of the material is deemed reliable, but not guaranteed. This material is provided in order to help you locate and secure professionals assistance. It is recommended that you consult a professional before making important decisions regarding your real estate needs.

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Helpful Hints When Selling Your Own Home

Showing Your Property

In most cases you do not know the people viewing your home. Make sure your valuables are kept in a safe place and out of sight. Working with Real Estate Agents may solve this problem because they pre-qualify the people and usually escort them through your home.

Make a Professional Listing Flyer

You may want to create a flyer and include a picture of your home depending on curb appeal. Let people know that they can buy your home with “Zero Total Cash Out of Pocket”, and that they can use The Nehemiah Program. Make sure not to clutter the flyer with too much information. Make it precise and informative at the same time. Also be careful what you say on the flyer, some times the flyer can be construed differently by different people.

Financing Options Flyer

This will give potential buyers an idea of what income will be required by the lender, what the mortgage payments will be including the taxes and insurance etc., and interest rates are available. This will also show how they can buy your home with Zero Cash Out of Pocket. Again, be careful with the information used on this flyer. It is best to have this flyer prepared by a licensed real estate lender.

Completing Documents

If you do not understand completely, do not sign!!! **Get a professional.** Some Real Estate Agents if any will help you for a flat fee or you may want to work with a Real Estate Attorney.

A Guest Directory

You may want to have every potential buyer sign a guest directory. Keep it handy so you can contact them at a later date if any of the terms change.

Assembling a Support Team

When selling your home “By Owner” it is essential to assemble a support team.

TITLE INSURANCE COMPANY

CLOSING OFFICE

DESIGNATED NEHEMIAH LENDER

APPRAISER

HOME WARRANTY COMPANY

HOME INSPECTION COMPANY

TERMITE COMPANY

Chose your team players and get to know each of them. Let them know you are selling your home and will be sending them some business. Once you have established initial contact with them you may realize how useful and helpful they are. Ask them all questions about their roll and when they are called upon during the transaction.

You could run into some potential problems as you are selling your home without the assistance of a Real Estate professional. It's important to be aware of “what you don't know”. For such items, you can appoint a professional to handle specific parts of your real estate transaction. You are not expected to know everything, therefore, choose professionals who are experts in their field. Always keep in mind, FULL DISCLOSURE is the best defense.

The Escrow/ Closing Office

CHOOSING YOUR ESCROW/CLOSING COMPANY

In some parts of the country Title Companies and Escrow Firms that are licensed by their State perform Escrows. In other parts CLOSING OFFICES or CLOSING ATTORNEYS handle the closing process. All transaction funds must be kept in a trust account, thus, ensuring Escrow Companies and Closing Offices are properly managed and act as an impartial party to any real property transaction. Please consult a local real estate attorney for further clarification.

Since Escrow Companies generally work in conjunction with Title Companies or are operated as one company, you will find them listed in the yellow pages under “Real Estate Escrow” or “Real Estate Title Insurance”. Look for an Escrow Company that clearly defines its services and gives a list of their fees. Most real estate professionals can give you an idea of some local companies that will handle the closing process for you.

WHAT IS ESCROW?

You may have already heard phrases such as “the house fell out of escrow,” or “we are waiting for escrow to close.” So just what is an escrow?

Simply stated, escrow is the involvement of an impartial third party in a real estate transaction. This neutral third party acts as an intermediary between the buyer and seller as well as collects and remits funds as instructed. Generally, this means that when you buy a home, you do not pay the seller directly. Instead, you deposit funds with the Escrow Company and they remit to the seller on your behalf. The basic concept of escrow is to assure that both the buyer and the seller are protected during any real property transaction.

The Escrow/Closing - continued

Not only is ‘escrow/closing office’ the concept of a third party receiving and disbursing funds and submitting for recordation documents involved in the transaction, but in order to facilitate the transfer of property from the seller to the buyer, the escrow/closing office provider may:

- ◆ **Prepare and/or amend escrow/closing instructions.**
- ◆ **Determine the legal ownership and status of the property through a “title search.”**
- ◆ **Request a demand statement if a debt is to be paid in full by the seller.**
- ◆ **Verify that the buyer meets the lender’s requirements.**
- ◆ **Confirm that the property meets requirements imposed by the lender and/or buyer.**
- ◆ **Prorate taxes and insurance.**
- ◆ **Have legal documentation recorded.**
- ◆ **Comply with time limits imposed in the instructions.**
- ◆ **“Close” escrow when instructions have been fulfilled.**
- ◆ **Disburse funds as instructed.**
- ◆ **Prepare final Closing Statement for the buyer and seller.**

In addition, escrow/closing office providers may be held liable if instructions are violated during the course of an escrow/closing. Changes may be made to any escrow/closing instructions if both parties agree. Escrows/Closings have clearly defined time limits. If, for some reason, all instructions cannot be carried out before such time expires, the parties involved may request the return of documents, fees, funds and other related materials. They also may mutually agree to extend the time period by amending the instructions.

Escrow/Closing Office is an indispensable necessity in today’s marketplace. If you need further explanations during the process, always consult your escrow/closing officer. The function of escrow/closing is to make sure all sale conditions are met.

Concurrent Co-Ownership Interest

Note: Some local laws may apply to the way homeownership is held. Please consult a real estate attorney for further clarification.

	TENANCY IN COMMON	JOINT TENANCY	COMMUNITY PROPERTY
PARTIES	Any number of persons. (may be husband & wife)	Any number of persons. (may be husband & wife)	Only husband & wife.
DIVISION	Ownership can be divided into any number of interests, equal or unequal.	Ownership interests must be equal.	Ownership interest is equal.
TITLE	Each co-owner has a separate legal title to his undivided interest.	There is only one title to the whole property	Title is in the "community" Each interest is separate but management is unified.
POSSESSION	Equal right of possession.	Equal right of possession.	Equal right of possession.
CONVEYANCE	Each co-owner's interest may be conveyed separately by its owner.	Conveyance by one co-owner without the others breaks the joint tenancy, provided it is recorded prior to death.	Both co-owners must join on conveyance of real property. Separate interest cannot be conveyed.
PURCHASER'S STATUS	Purchaser will become a tenant in common with the other co-owners in the property.	Purchaser will become a tenant in common with the other co-owners in the property.	Purchaser can only acquire whole title of community: Cannot acquire a part of it.
DEATH	On co-owners death, his interest passes by will to his devisees or heirs. No right of survivorship.	On co-owner's death, his interest ends and cannot be disposed of by will. Survivor owns the property by rights of survivorship.	On co-owners death 1/2 belongs to survivor in severalty, 1/2 goes by will to descendant's devisees or by succession to survivor.
CREDITOR'S RIGHTS	Co-owner's interest may be sold on execution sale to satisfy his creditor. Creditor becomes a tenant in common.	Co-owner's interest may be sold on execution sale to satisfy creditor. Joint tenancy is broken. Creditor becomes tenant in common.	On co-owner's interest cannot be seized and sold separately. The whole property may be sold on execution sale to satisfy creditor.
PRESUMPTION	Court will presume tenancy in common if not expressly stated husband & wife.	Must be expressly stated in writing. Court will not presume joint tenancy.	Strong presumption that property acquired by husband & wife is community.

Closing Costs

The following is a guideline; the fees can vary, so be sure to check them carefully. This list will give you an idea of what the closing costs are for, not necessarily the specific amounts. There may be additional fees that apply to your certain area or state. Consult a closing professional for verification.

1. TAXES YES NO

You may be required to pay your property taxes through the last day of ownership. They may be prorated. You may be entitled to a refund if you have paid your annual taxes in advance.

2. INSURANCE YES NO

The buyer usually gets a new insurance policy. If they decide to take over your existing policy, you should expect to receive a refund of the difference.

3. ASSESSMENTS & LIENS YES NO

Anytime you have a lien or assessment against you and/or your property; you must pay them off before escrow can close. An example might be a tax lien or judgment of some sort. Be sure to check all figures so that you do not over-pay.

4. ESCROW & TITLE INSURANCE YES NO

The seller usually pays the title insurance fees for the buyer which are referred to as the "Owners Policy". This covers the new owners interest and "title" to his newly acquired property. The buyer may pay for the "Lenders" policy, which covers the new lender's interest in the property.

5. COMMISSION YES NO

If you have sold your home through a Real Estate Agent you will have a commission to pay. Make sure that it is correctly calculated on your closing statement.

6. INSPECTION FEES YES NO

There are several inspection fees that you may have to pay. Check all charges on your closing statement. Not everything is a set fee and some items are negotiable. Make sure the service was provided before you pay for it.

7. MISCELLANEOUS FEES YES NO

There are also several miscellaneous fees. Make sure the charges are fair and not excessive. The time to disagree about who pays what is BEFORE the escrow/closing instructions are signed. Once they are signed, you have agreed to the instructions. The instructions may not be changed unless mutually agreed to by all parties in writing!

ADDITIONAL ITEM TO CHECK FOR

Termite Inspection	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Termite Removal Costs	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Deed Recording Fees	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Loan Assumption Fees	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Home Warranty	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Attorney's Fees	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Document Preparation Fees	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Tax Service Fees				
(If giving 2nd Mortgage)	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Other_____	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO
Other_____	<input type="checkbox"/>	YES	<input type="checkbox"/>	NO

Remember to make sure you have “agreed in advance” to the validity of the charges as well as making sure the service was actually performed to your satisfaction. Charges may include inspection and report fees, attorney fees, escrow/closing fees, etc. Should you have any disagreement on the closing costs, do not sign the closing statements until you are satisfied that all charges and fees are valid and correctly calculated. All charges should be disclosed in writing. If there is a question, review the escrow instructions. It is recommended you have a real estate professional verify the accuracy of all your document prior to you signing them.

What is Title Insurance?

Title Insurance Companies insure the real property rights and interests of owners and lenders. They also ensure that any transfer of title takes place efficiently and correctly and that all interests of a homebuyer are protected to the maximum degree.

Title Insurance Companies provide services to buyers, sellers, real estate developers, builders, mortgage lenders and others who have an interest in a real estate transfer. Title Companies routinely issue two types of policies: the “owner’s policy” which covers the homebuyer, and the “lenders policy” which covers the bank, savings and loan or other lender for the life of the loan. Policies can be issued at the time of purchase or any refinance of the property for a modest, one-time premium.

Before issuing a policy, the Title Company performs an extensive search of relevant public records to determine the condition of the title to real property. Title Company personnel using public records, gathered, reorganized and indexed in a “title plant” perform the search.

With a thorough examination of records, title problems are usually found and cleared prior to the purchase of the property. If for some reason a claim, which is covered under the title insurance policy, is filed after the title policy is issued, the Title Company will pay the legal fee involved in defense of the rights of the owner or lender.

The fact that Title Companies work to eliminate risks before a problem develops makes title insurance decidedly different from other types of insurance. Most forms of insurance assume risks by providing financial protection through a pooling of risks for losses arising from an unforeseen event, such as fire, theft or accident. On the other hand, the purpose of title insurance is to eliminate risks and prevent losses caused by defects in the title that happened in the past. Risks are examined and mitigated before the property changes hands.

Clients often ask title, escrow, and closing office personnel, “Why do we need title insurance?” The best answer is that the purchase of the home is one of the most expensive and important purchases you will ever make. You and your mortgage lender need to be sure that the property is indeed yours and that, subject to the exclusions in the policy, no other individual or government entity has a right, lien, claim or encumbrance against your property.

The Designated Nehemiah Lender

There are many advantages to working with a dependable, experienced Designated Nehemiah Mortgage Company. Some of the important services your lender will provide are as follows:

Pre-Qualification of prospective buyers: A Lender may pre-qualify a potential buyer in order to be sure that they are adequately qualified, by an examination of their credit status and current financial situation. Do not waste time negotiating with unqualified buyers. This will save you precious time because you will know that the potential buyers are qualified.

Ability to find the right loan at competitive prices: A full service Mortgage Broker is able to shop for the best loan at the best possible price. This allows the borrower the freedom to select the loan best suited for their needs without having to “shop all over town”.

Efficient follow-up and teamwork: Once the transaction has been negotiated, the Lender will work with other Designated Nehemiah Real Estate professionals in order to see that the loan is approved and funded in a timely manner. The Lender may keep you informed with the significant details. Experience and knowledge are critical to getting the job done right.

The Appraiser

The appraisal process consists of several steps. They are as follows:

- Research of the subject property as to, bedrooms, baths, year built, lot size and square footage.
- Gathering data of recent sales in the neighborhood. The Appraiser hopes to locate at least 3 and preferably more similar-sized homes, which have sold and closed in your neighborhood. These homes need to be within one mile of the subject property and sold within the past 6 months. These homes are considered the “Comparable Properties” or “Comps”.
- Field inspection consists of two parts. First the inspection of the subject property. Secondly, the exterior inspection of the comparable properties which have been selected to estimate the value of the subject property.

The inspection consists of taking photos of the street scene and the front and rear of the home including portions of the yard. The Appraiser will make an interior inspection of the home, noting any items that would detract from or add to the value of your home. He will also draw a floor plan of the home while doing the inspection. Inspections of the comparable properties are limited to the exterior.

For features that cannot be seen from the street, the Appraiser can obtain reports from the Multiple Listing Services (MLS), county public records, along with other sources to help determine the condition and amenities of the comparable properties.

After the field inspection has been completed, the Appraiser must determine which comparable properties most resemble the subject property, making adjustments in value for any differences between them. After making the required adjustments, the Appraiser, through the reconciliation process with the comparable properties, will determine a final estimated value. This method is called the “Direct Sales Comparison Approach to Value,” and it accounts for many of the considerations in determining value of single family homes.

An Appraiser will call in advance to set up an appointment. At that time, offer to supply any information about the home’s size, number of bedrooms, bathrooms, pool, enclosed patio, etc. The more that is known about the property prior to the inspection, the better the Appraiser can focus on researching the most similar comparable. “Doing your homework” may maximize your chances of having an accurate appraisal.

It’s a good idea to let the Appraiser know of any items that you may think are important before he begins the inspection. Be close by to answer any questions that he may have, but don’t distract by following him through the house during the inspection.

Home Inspections

It's important to know a great deal about your house when you decide to sell. How do you handle disclosing particulars about your property with limited knowledge about the construction of your home? Use a Home Inspector, he can solve a series of potential problems for you.

If you used a licensed Home Inspector and a problem arises after the sale of your home, you can argue that not only were you unaware there was a problem, but also that you had the house professionally inspected and offered the report for review. If there are damages to be paid, and your Inspector is bonded and at fault, he may be responsible for paying the costs. Therefore, using an Inspector can be worthwhile.

FINDING A REPUTABLE HOME INSPECTOR

Home Inspectors are not required to have a contractors license, but having a contractors license doesn't necessarily qualify someone to be a Home Inspector either. They are, however, required to be a member of ASHI (American Society of Home Inspectors). The Local District Attorney upholds this requirement. ASHI sets the standards for Inspectors and makes an effort to see that its membership follows those standards. For more information about ASHI, you can contact the organization at Suite 630, 1010 Wisconsin Avenue, NW, Washington, D.C. 20007. Their telephone number is (202) 842-3096.

Are contractors qualified? Some are and some are not. A contractor who builds new homes may know very little about older homes. A plumbing contractor does not necessarily know about electricity. A cement contractor probably is not an expert on roofs. The value of their inspections is questionable at best.

Beware of inspectors who offer to do a home inspection for nominal fee, then find something wrong and offer to fix it, usually for a high fee. Some unscrupulous inspectors have been using home inspection as a way of procuring business.

Always insist on a written report from an Inspector. A verbal report may be useless to you in the event of a problem later on, as everyone seems to remember things differently.

Home Warranty

A Home Warranty policy typically costs \$275.00 to \$400.00 per year depending on the extent of coverage if you want standard coverage or if you want to cover additional items such as swimming pools, washers, dryers, refrigerators etc. As a “For Sale By Owner”, you may want to advertise that the Home Warranty is included in the sales price. This is money well spent. Once a buyer takes possession of the home and something breaks down, he/she will probably come back and ask that you fix and pay for it. The Home Warranty Company normally covers these mechanical-moving items and the new owner can renew the policy each year if he/she desires.

In the event of a problem, the Home Warranty Company will send a representative from one of their approved repair companies to fix it. They normally charge a deductible of \$25.00 - \$50.00 per claim.

Be careful to select a reputable Home Warranty Company. Check out their track record with your local REALTOR® or the Better Business Bureau. Consult your local yellow pages for listings of Home Warranty Companies. You can also contact some of the larger Air Conditioning and Heating Companies who contract Home Warranty Companies. They will be happy to give you the names of the Companies they are dealing with.

Preparing your House for Marketing

You know the feeling. You see a beautiful house, and you know that you would like to live there. That’s what you want prospective buyers to feel when they see your home. The deciding factor in most home sales is the “Curb Appeal” and attractiveness of the home. **The way you live in a home is different from the way you sell your home.**

Complete the repairs that are necessary to make your home look its best. Be careful not to invest in overly expensive or large scale improvements such as room additions or a new plumbing system. Making major repairs and/or upgrades may return you only a fraction of their cost if you are planning on selling soon. It may be better to disclose the problem and adjust the sales price accordingly. Instead, you should invest your improvement dollars and energy into cleaning and painting. You may realize more cash at the close than you will have spent for the cleaning and painting supplies.

Be as objective about your property's appearance as a buyer would be. Does that little crack in the wall really need to be fixed? Yes! It may cause doubts about how well the house is built. How your home is decorated is not as important as being clean, neat and in good repair.

A potential buyer will first see your home when they pull into the driveway. Be sure the landscaping and general appearance is attractive and neat. Trimmed lawn and shrubbery, trees free of dead limbs, weeded flowerbeds, a swept and stain-free driveway, clear sidewalks and gutters etc. may assure a pleasant first impression. Put in plenty of flowering plants, it's the easiest, least expensive way to beautify the exterior of your home.

As they approach the front door, little things will mean a lot. A clean, freshly painted front door, polished door knob and knocker, clean surrounding windows, screens and window sills will all be noticed. Once inside, the senses take over. The prospective buyer will notice odors and light. If possible, open curtains and drapes, blinds and windows to brighten the house. In winter, a fire in the fireplace or the smell of fresh bread baking in the oven lends warmth to your home. Fresh cut flowers add color and appeal. If the interior of your home needs painting, consider white or a light, neutral colors making the house appear larger, open and bright.

Make sure all rooms are clean and neat. Fingerprints, cracked plaster and clutter should all be eliminated. Fresh paint and polished woodwork will always improve the look and value. The kitchen and bathrooms are the rooms that really sell a house (or possibly turn a buyer off). Make them sparkle! Fresh, plush towels, cut flowers or silk flower arrangements, new shower curtains etc. will add luxury and glamour to the most ordinary bathrooms. To make dining room, living room and bedrooms look spacious and airy, remove some furniture. The rule of thumb is to remove approximately 1/3 of your furniture. Also consider putting away clutter, knick-knacks, collections, toys and other unnecessary items. They just draw attention away from the finer qualities of your home and tend to make the house appear smaller and messy. You are going to be moving anyway, so you might as well start packing now. Put away dishes and store counter-top appliances. Have carpets cleaned and remove throw rugs and area carpets if possible. Visit a local model home for other ideas. Do everything possible to make your home look its very best! Turn on all lamps and chandeliers to make the house glow even in daytime. Also, whenever possible, pets and children should not be present. An important point to remember is to never have to apologize for the appearance of your home. Keep it "ready to show" at all times!

Advertising

When a home is put on the market "by owner", the real estate industry calls this a FSBO. That means "For Sale by Owner". So, when you advertise let people know you are a FSBO. Include it in your ad. You may want to advertise in several places in order to get the most exposure of your home. You may want to consider advertising in any or all of the following ways:

- **Local newspapers, potpourri and home magazines**
- **Open house signs around the neighborhood**
- **Cable television channels**

- **A front yard *For Sale by Owner* sign**
- **Financing options flyer**
- **Listing flyer to pass around the neighborhood**

Make sure to include the following in your advertisement:

- FOR SALE BY OWNER.*
- Participating in The Nehemiah Program
- Zero Total Cash Can Move You In
- Number bedrooms and baths in your home.
- Square footage
- Type of structure style
- Neighborhood features
- Special features such as pool, spa, fruit trees, RV parking, etc.
- Your phone number
- The best time to call.
- Sales Price.

* For safety reasons some FSBO's do not include the address – have them call for an appointment.

The following Advertisement is typical and includes the necessary ingredients:

FOR SALE BY OWNER: Beautiful 1500 SQ. FT. - 3 bedroom, 2 bath home with sparkling pool and spa. Nice neighborhood, close to shopping and parks. Newly remodeled kitchen and bath. Owner anxious. Use The Nehemiah Program and move in with NO MONEY out of your pocket. Call Abby Homeowner days (909) 555-4422 or evenings (909) 555-8686.

The Yard Sign

Spend a little money and buy one from the local hardware store. Have it professionally lettered or purchase the “stick on” vinyl lettering. Make it look professional or risk looking like an inexperienced, easy mark for a sophisticated *For Sale by Owner* buyer. There are people out there just waiting to take advantage of the inexperienced seller. Always list your phone number on the sign. It is important to let people know that they can use The Nehemiah Program to purchase your home. Use the words, “Zero Total Cash Can Move You In”.

Be aware of local sign ordinances restricting the size and number of signs you can use. There is always a possibility that you cannot use a sign at all. Some tract restrictions prohibit or control the use of such signs.

Pricing Your House

Market Value is defined as the highest price a buyer is willing to pay and the lowest price a seller is willing to accept. Keep in mind that “Asking Price” is different from Sold Price”. Arriving at the equitable market value for your home may be crucial to selling your home. Your home may not sell if it is priced too high and you could lose money if it’s priced too low. Even if you are not working with a Real Estate Agent, you can still get information on pricing your home correctly. A good Real Estate Agent, however, is an expert in property values so it makes sense that arriving at a realistic price for your home is a lot easier if you consult a Real Estate professional for advice. They know the neighborhoods and the comparable sales information because they regularly preview all the homes for sale along with those that have already sold in your area.

The first step in pricing your home correctly is by visiting *Open Houses* in your neighborhood. Once there, obtain the listing flyer that the agent makes available for potential buyers. Compare the information on the flyers to your home: square footage, room count, baths, lot size, etc. This information may help you arrive at a listing price.

Once you have studied the comparable sales, you may decide what your asking price will be (remember to take into consideration the condition of your home). Deciding on a price can be difficult and not everyone will be able to do this effectively. Should you have a problem, you may wish to consult a local Real Estate Agent for his/her expertise. If you do not want to list your home with a Real Estate Agent, you may want to trade the names of individuals that attend your open house in return for some “off the record” advice.

As a seller of a property you are looking to attract as many potential buyers as possible to your product. The idea is the more people exposed to your product the faster it will sell. This is Marketing 101. Ask yourself the following questions. How many people are out in the market place shopping for a home in your price range who have a decent job, decent credit, and \$10,000 cash sitting ready for the downpayment and closing costs? Not a whole bunch. However, this is the client you are looking for. Someone who can qualify to purchase your home and who also has the necessary monies to complete the transaction. Now, ask yourself how many people are not out looking to buy a home who also have decent jobs and credit, however do not have the money needed for the downpayment and closing costs? There are more people in our society who can qualify for a home loan and lack downpayment than there are people who have the downpayment.

The Nehemiah Program will give your qualified buyers the downpayment. It is that simple! You will be exposing your property to a much larger pool of buyers who can now purchase your home. Just because you are participating in The Nehemiah Program doesn’t mean you have to sell your home to a Nehemiah buyer. You are using The Nehemiah Program as an additional selling tool.

Will it cost me more money to use The Nehemiah Program?

Generally when a seller is first introduced to The Nehemiah Program their impression is it will cost more money which reduces their bottom line. This is not the case. When you truly look at and compare the use of The Nehemiah Program to a non-Nehemiah transaction you will find that you can walk away with the same amount of money whether you sold using the program or not.

Example:

The property located at 123 Fiction St. has a full market value of \$100,000. The average reduction for a seller from an original asking price to final sales price ranges from 4-10% depending on your market. Using only a 5% reduction, we see that the final sales price is \$95,000. *(The reduction can come in the form of many different scenarios, like a price reduction, buyer contract negotiations, or concessions made for improvements)*

Subtract the average selling fees for a home seller *(Real estate commission's, pest inspections, transfer taxes, peroration's, etc.)* totaling approximately 8.5% or \$8,075. The seller's final net is **\$86,925**.

Taking the same property and utilizing The Nehemiah Program, we see that the full market value becomes the sales price at \$100,000. Subtract the normal 8.5% selling costs and also add in the 4% fee to Nehemiah, totaling 12.5% or \$12,500. The final net to the seller is **\$87,500**. The difference between the two examples is **\$575.00 more** to the seller when using The Nehemiah Program.

Either you use The Nehemiah Program now and increase your opportunity to sell faster or don't use it and wait for a buyer who has all the downpayment and closing costs. Either way, you end up at relatively the same bottom line. So why not use the program and benefit from the increased marketing and exposure. Keep in mind for every additional month your property sits on the market waiting for the perfect buyer you still have to make your mortgage payments.

Pricing considerations:

Some misinformed sellers have heard of the program and felt it necessary to just add the Nehemiah 4% to their asking price. The thought was, "If I am going to incur more fees than add it to my asking price to compensate for it". The problem lies in adding it to the ASKING price.

Just as in the example above with 123 Fiction Street. The seller was ASKING \$100,000. A non-Nehemiah came along and negotiated the sale price down to \$95,000. The seller gave up 5% to a non-Nehemiah buyer. Yet the fees to the seller are the exact same minus the Nehemiah 4%. The sellers fees are subtracted from the SALES price not the ASKING price. So why would the seller of 123 Fiction St. add 4% to his asking price making the sales price \$104,000 when a \$95,000 sale price to a non-Nehemiah was acceptable? The seller of 123 Fiction St. should be comfortable with a full price offer at \$100,000 with a Nehemiah buyer. Another way to look at the Nehemiah offer is to consider it the same thing as accepting a 96% of asking price offer.

TIP: If your home has been on the market for a while and you are considering reducing your price to generate some new interest in your house, you may want to use The Nehemiah Program instead. Do not reduce the price implement the program and start advertising "Zero total dollars move you in". This can be a very effective selling tool.

Selling Your Home Can Be Confusing

Without the professional guidance and expertise of a **REALTOR®**, buying or selling a home can evoke many unnecessary complications. The following information, as prepared by the *National Association of REALTOR® s*, best describes the many benefits of contacting a professional **REALTOR®** to handle all of your real estate needs. The term **REALTOR®** is a registered, collective membership trademark that identifies real estate professionals who are members of the *National Association of REALTOR® s* and subscribe to their strict Code of Ethics.

LISTED BELOW ARE JUST SOME OF THE WAYS A REALTOR® CAN HELP YOU SELL YOUR HOME:

- A **REALTOR®** is knowledgeable about the market and gives you the quickest exposure to the maximum number of buyers.
- A **REALTOR®** “qualifies” prospects as to their affordable price range and housing needs.
- A **REALTOR®** knows current real estate values and can help you set a realistic, competitive price. This skilled professional knows how to market your home effectively.
- A **REALTOR®** is familiar with the local home-loan market and can help you determine whether seller assisted financing may expedite your sale.
- A **REALTOR®** can figure the net proceeds from your sale, taking into account your outstanding loan balance, closing costs and possible owner financing.
- A **REALTOR®** can tap an even larger market through referrals and marketing techniques.
- A **REALTOR®** frees you from the problems associated with showing your home.
- A **REALTOR®** handles phone inquiries, appointments, showings and negotiations of the contract. Your home is shown only to serious, qualified buyers.
- A **REALTOR®** maintains objectivity in presenting offers and counter-offers.
- A **REALTOR®** can familiarize you with the closing procedures by explaining them in advance.

The Right Real Estate Agent

Should you decide to list your home with a *Designated Nehemiah Specialist*, be sure to interview more than one agent. If you have had a successful working relationship with a REALTOR® in the past, be sure to consider him or her. If, however, they are not expert in selling homes in your neighborhood or lack the experience to do the job, and do not understand The Nehemiah Program consider someone who specializes in what you need. Get referrals from friends and associates. Search through the *Designated Nehemiah Specialist* section of our Website to find a professional near you. Doing research will help you find the best REALTOR® for the job. Once you have your list of qualified Real Estate professionals, interview them and select the most qualified person.

When going through the interview process, obtain the following information:

- **How many Nehemiah Transactions have they completed?**
- **REALTOR® 's Name and Real Estate Company.**
- **Experience level, full time or part time.**
- **How long in the local area.**
- **Number of local sales in the last year.**
- **Compare the asking price and expected SOLD price each agent suggests.**
- **Compare marketing plans.**
- **Does the REALTOR® appear to be concerned with your listing?**
- **Does this person seem like the best one for the job?**
- **How do you relate to the Real Estate Agent?**
- **Get referrals and check them out.**