

Part 2. THE BAD: The Work YOU Have To Do. (Condominiums)

Grab a pad and a pen and create a To Do list of all the items you feel you need to take care of in each of the following categories. It is best to take one blank page for each category and title it at the top, or you can print as many pages of our blank To Do list and write the category and sub-category on each page. Checkmark each item as you complete its To Do list.

Warning and Disclaimer: Do not attempt to perform any of the following items of repair, cleaning or improvements if you have no experience doing them. We recommend consulting, hiring and paying professionals instead of risking injury, death or property damage if things go wrong.

PHASE 1/ CONDO PREPARATION WORK

The most important phase because it will help you maximize the price you will get!

Outside. Because the outside is a common element controlled by the association, there is usually nothing you can do the outside of the building.

Outside – Special features.

- Patios and Balconies. Make sure they are clean, de-cluttered, and the floor is in good condition. Furniture should be in good condition and not cramp the space.
- If your condo has a rooftop terrace, decorating it with live plants and outdoor furniture will make it appealing and look useful to the buyers.

Inside the Condo. The following items will make a better first impression on buyers by improving the way the unit flows and feels. We recommend that you pay a few hundred dollars for a consultation with a local decorator or home stager if you have a large unit. The benefits are well worth it. We recommend making a To Do list for each room so you do not forget anything and keep the process simple.

Inside the Unit / Repairs. Address any of the following items of repairs for all rooms in your unit:

- Cracks and holes in the walls, peeling/faded paint or wall paper, unappealing paint colors (black, fluorescent, outdated wall paper...), and any stains or damage to walls or ceilings. Dark paint colors usually make a room look smaller.
- Repair as needed any broken blinds and cracked windows. Repair or replace broken or missing door handles and locks. Repair and paint any damage to doors.
- Clean and lubricate the tracks of any sliding doors and lubricate squeaky hinges.
- Repair and replace damaged or non-functioning light fixtures, fans, switches and outlets and their cover plates. Hire an electrician or handyman to do this. Replace all burnt out light bulbs.

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- Repair and paint any damaged baseboards.

Inside the Unit / De-Clutter. You may need to rent a storage for the items you cannot part with or donate items or throw away the worthless stuff. Remove any clutter that may include boxes, excess or bulky furniture that may be in the way of visitors or that make the rooms look smaller. Simple is better. Remove old mail, excess knick-knacks and any items that may be offensive. Your goal is to sell and move, so get a head start and make your move easier by getting rid of the useless stuff accumulated over the years and the stuff you will not need or want in your next place.

Inside the Unit / Decoration. You want the buyers to stay focused on the unit not on your personal life and choices.

- Keep in mind that not everybody likes dead animals/hunting trophies, naked/sexual art (children might be present) or weapons.
- Items flaunting your religion, political affiliations and sexual orientation may become a distraction to potential buyers or worse, turn them off.
- Your personal photos will naturally attract the attention of visitors away from the unit. Let's not distract them from the unit!
- Address any window coverings that may be out of style, unattractive or that darken a room.

Inside the Unit / Kitchen. The kitchen is one of the most important rooms and requires special attention.

- Clear up counter tops. Small appliances, clutter and accumulated old mail and magazines will hide any beautiful quartz or granite counters and make the kitchen look like it does not have enough counter space.
- Address any broken, rusted or damaged appliances.
- Clean up the inside and outside of your range, oven, stove, refrigerator, dishwasher, microwave...
- Clean up your trash container, sink, faucet, counters, and cabinets.
- Repair any leaky faucet, broken cabinet hinges, and obvious damage.

Inside the Unit / Bathrooms. Bathrooms are very important and can turn off potential buyers if they do not look and smell clean.

- Repair anything broken or leaking.
- Clean up toilet bowls, sinks, tubs and showers. Use a mold/mildew cleaner to remove unsightly stains on grout. (Follow all safety instructions for the product).
- Clean mirrors, windows, walls, floors, and any glass doors.

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- Replace any smelly, moldy or unattractive curtains.
- Plush floor mats by the sink, shower and toilet are unsightly, unsanitary, and a source of smell. Discard or replace with new ones.

Inside the Unit / Pets. Remember that not everybody likes pets, some people have allergies, and most people will be turned off by bad smells.

- Repair and paint any areas damaged by pets such as scratched door bottoms, walls, and baseboards.
- Clean and deodorize any areas where pets may have had smelly accidents.
- Throw away and replace any dirty, smelly or unattractive pet beds and furniture.
- If you have cats, clean the litter box in and out or replace it, and use a litter powder that neutralizes odors.
- Minimize the number of toys lying around and replace/get rid of chewed up and disgusting toys.

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Now that you took care of the unit preparation work, let's move on to the second short Phase 2. Note that you may get guidance for this Phase from the Flat Fee Broker you will select in the next Phase 3. So you might ask the Flat Fee Broker these questions.

PHASE 2/ PAPERWORK & CLOSING AGENT

Each State may have different requirements as far as the disclosures and contract documents required and your State may impose certain requirements as to who can prepare certain documents and close real estate transactions.

Paperwork – Determine Who can be the Closing Agent. In some States only attorneys can close real estate transactions. In most States the parties to a transaction can prepare real estate contracts and documents. In most States there are mandated disclosures that sellers must provide to buyers. Some of these disclosures carry penalties such as the right of the buyer to cancel the contract during a specific review time or if the seller fails to provide these disclosures.

It is best to consult with a local real estate attorney or title company to find out if your State requires the use of an attorney to close or if you can use a title company (usually less expensive than an attorney)

Paperwork – Select a Closing Agent. It is advisable to be prepared ahead of time and select your closing agent whether it be a title company or an attorney. Call several of them and inquire about how much they will charge and what services they will provide you. Ask if they will provide you with all required disclosure forms ahead of time and free of charge. Once you compare the closing agents fees, services and terms; select one.

Paperwork – Obtain Any Required Disclosures. Once you have selected a closing agent obtain any disclosure forms you need to fill out and gather all required additional documents.

For example, in the State of Florida condo owners are required to provide the buyer with a "Seller's Property Disclosure" in which the seller must disclose any defects, violations, or facts that they know of, that may negatively affect the property. In addition, if the property is located in a condominium association, the seller must provide a condo disclosure along with the financials and legal documents of the

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governing association to the buyer. The buyer has a certain number of days to review and may cancel the contract during this legal review period if they are not satisfied.

Paperwork – Fill Out All Required Disclosures in Advance. Be proactive and have any disclosures prepared in advance. Whenever possible, it is better to deal with a buyer who has reviewed and accepted the disclosures preferably before a contract is signed. Why face the risk of a buyer canceling later on in the process because of the disclosures?

Paperwork – Gather All Required Documents. Your closing agent should be able to provide you with a list of all documents required for your closing. These may include a full set of condominium documents including rules and regulations and the most recent 2 years of association financials, title insurance, original deed, leases... It is best you start locating them and gathering them early on in the process.

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Now that you took care of the unit preparation work, closing agent selection, and initial paperwork; let's address the second most crucial phase of the FSBO work. Phase 3 consists of the most important tasks that a competent professional agent would typically complete to market and attract the ultimate buyer for your condo.

PHASE 3/ MARKETING & SHOWING YOUR UNIT

If you interviewed several real estate agents you may have noticed that their marketing plan ranged from:

1/ The "Bare Bone" marketing plan: take pictures of your property with their phone or camera and input it in the local MLS (Multiple Listing Service). Most MLS will automatically feed your property listing to hundreds of consumer real estate websites including the most popular: Zillow®, Trulia®, Homes.com®, and Realtor.com®. These agents' strategy is based on the premise that since most sales involve another agent bringing a buyer, all they have to do now is cross their fingers and pray for that to happen, and hopefully before their listing agreement expires. Some of these agents will convince you to place a lockbox for easy access and showings. In most markets you can get this service for under \$200. So why pay any commission to a lazy listing agent?

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2/ The "Rolls Royce®" marketing plan. This will include a professional photo-video tour package, a professionally designed brochure, a custom website, accompanied showings, an online marketing plan, buyers' agents campaigns, open houses, pro-active follow up after showings... The more expensive the property, the higher the sellers' expectations will be. Agents who provide this level of service typically deal with high end properties where sellers are used to and prefer paying fees to professionals to take care of whatever needs they have. These sellers are ok with the real estate agents involved in the sale of their property sharing a commission in the hundreds of thousands of dollars and sometimes in excess of \$1,000,000. These sellers will not be caught dead going the FSBO route. Their time is better spent doing something else.

So if you are reading this guide, it is safe to assume that your property is in the low to mid-price range, which would lend itself more easily to a FSBO program, especially in a seller's market or if it is located in a high demand building.

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As a homeowner going the FSBO route you cannot be expected to learn how to implement complex online marketing campaigns and off-line targeted print campaigns. Therefore, this guide will only give you the most crucial marketing tasks you should implement to maximize your chances of selling. Here they are:

☐ **Pricing your Unit.** Even if you hired the best agent out there, a grossly overpriced unit will not sell no matter how much is spent on marketing and no matter how skilled the agent is. Making that mistake will pretty much guarantee a bad FSBO experience. How can you properly price your unit? You have several options:

- Pay for a professional appraisal. If your unit has unique features and there are no similar units that have recently sold or currently for sale in your building or comparable buildings, then the best route is to get a professional appraisal for a few hundred dollars and use it to justify your price to any buyers.
- Interview a few real estate agents who are active in your area and ask them to provide you with their opinions of value.
- Do it yourself by researching recent sales in your building and comparable buildings on your County Assessor's website.
- Do it yourself by looking at your neighborhood on Zillow.com and viewing all the sales and their pictures and descriptions if available. When compared to County Assessors' websites, Zillow.com has the major advantage of storing pictures and descriptions of past sales.

☐ **Marketing – Get Professional Photography.** Most buyers are online and will make the preliminary decision to see your unit based on the pictures they see. Why sabotage your efforts if you have already spent time, effort, and money in Phase 1 of Unit Preparation? If you are a good photographer and know how to do HDR photography and in-fill flash photography, then take your own pictures. Otherwise, go to Google.com and search “professional real estate photography in (your town)” and you will most likely find several providers priced under \$200. (Unless you are in a small town or remote area...). This is a small investment that pays exponentially. No buyer wants to look at dark, crooked or close-up pictures of walls, furniture... Professional photographers use high quality cameras and wide angle lenses to show more of a room with vivid colors. That being said, if you skipped Phase 1 of this guide, then professional photography will only show more clearly the mess, clutter, decoration and defects of your unit...

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- Marketing – Select a Local Flat Fee Broker.** In most metropolitan areas you should be able to do a Google.com search with “Flat fee MLS broker in...” or “Flat fee broker in...” and get results. Contact them and compare what they charge and what, if any services, they might provide. Make sure your property listing will appear on the major consumer real estate websites including: Zillow®, Trulia®, Homes.com®, and Realtor.com®. Some Flat Fee Brokers may offer add-on items such as sign, photography, electronic lockbox, brochure, offer negotiation, disclosure forms...
- Marketing – Write a Description of Your Unit and Building Benefits.** Nobody knows your unit, building and area better than you. So write a short description of the major features and benefits of your unit, building and area. Give this short description to the Flat Fee Broker to include in your listing description.
- Marketing – Decide on Times and Days for Showings with the Goal of Making Showings Easy and Convenient for Agents and their Buyers.** Have a clear schedule of the days and times you or whomever will be available to show your unit. If your unit is vacant, you may consider placing a lockbox for easy access. An electronic lockbox with showing agent tracking is better. If your building has security, the front desk may release the key/provide access to agents called in advance (Your Flat Fee Broker might provide the call ahead service and lockbox for a small fee)
- Marketing – Decide on a Commission to the Buyer’s Agent.** Consult with your Flat Fee Broker to find out what is the customary commission range in your market and offer a competitive commission, since you are saving on the listing side. The last thing you want is agents working with qualified and ready buyers not showing your unit because the agents feel the commission is too low compared to what your neighbors are offering.
- Marketing – Read and Understand the Flat Fee Broker Agreement.** Your selected Flat Fee Broker will provide you with a written agreement disclosing the extent and form of their representation; the limited services provided to you, and other general terms and conditions applicable to your agreement.
- Marketing – Clarify Who Gets Buyer Leads.** A very important question to clarify in writing is whether the Flat Fee Broker will give you all buyer leads or whether the Broker will keep those buyer leads for themselves to earn the buyer’s agent side of the commission if one of these buyers buys your unit.

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Marketing – Clarify What Happens if you Bring a Buyer. Another very important question is to clarify in writing if you owe a commission to the Flat Fee Broker if you bring a buyer. This is important because you probably do not want to pay a commission if you find a buyer for your unit.

Marketing – Provide the Flat Fee Broker with the Needed Info. Provide your selected Flat Fee Broker with the photos, description, commission amount/rate, showing instructions and any other information they required from you.

Marketing – Check the Flat Fee Broker's Work. This step is crucial to ensure you got what you paid for. Here is what you need to do:

Verify the MLS Listing. Request the Broker sends you a link to the full listing as it will appear on the MLS. Now you can check that all the pictures are there, and your description, showing instructions, commission, and the unit's factual data are accurate.

Verify Your Unit is Online. Perform this step if your plan with the Flat Fee Broker included online syndication. Go to the major consumer real estate websites: Zillow®, Trulia®, Homes.com®, and Realtor.com®... and search your address to make sure your property appears properly. Report any issues to the Broker so they can fix them.

Check that Any Other Services You Paid For were Provided. If you paid the Broker for any basic or optional services, check that they were all provided.

Marketing – Other Advertising. The following are additional ways of advertising your property locally to prospective buyers:

Property Sign. Most condo buildings do not allow for sale signs. But if you can put a sign, ask your broker to put it up or order and pay for a professionally designed sign.

Local Community Newspaper(s) and Website(s). If you are in a community or town that has its own community newspaper and/or website, it might be very

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beneficial to advertise your property there. Most buyers interested to buy in your area will get a copy of the local newspaper and visit the community website for local information, including listings and local real estate agents. This is especially true for small towns, rural areas, and suburban areas.

Open Houses (if allowed by the building). Experienced agents hold open houses to try to attract buyers looking in the area and neighbors who might become sellers. The potential buyers rarely end up buying the property they visit. You see, most buyers looking around on their own are either in the beginning stage of the buying process and not ready to buy now; or they are buyers who know what they are doing and looking to get a deal at a discount from what they may perceive as being a desperate owner. If you have the patience and free time to hold open houses and let unqualified strangers in your unit, then go ahead. That being said, take some precautions to prevent theft of your valuables by criminals targeting open houses. Qualified buyers usually work with a buyer's agent because they want a professional on their side.

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SHOWING YOUR UNIT

1/ If you want to show your unit in person because you can do a better job than the buyer's agent who has never seen it before; then the following tips will be very helpful:

- Be Friendly, Welcoming and Smile.** The buyers might already feel uneasy about meeting the owner and having the owner show them around.
- While Showing, Instead of Pointing to the Obvious, Emphasize any Unique Features and Benefits your Unit Offers.** These may include any of the following: recent renovations, high grade and unique finishes, hurricane protection features, a new central air conditioning unit, a new water heater, any air or water filtration system(s), double pane insulated windows, recessed LED lighting, a central vacuum system, any smart home features, built in home theater wiring and components...
- Clean and Prepare the Unit.** You only get one chance to make a good first good. Make sure the unit is clean, open windows and aerate it to remove any stale smells, turn all the lights on, open all blinds/curtains, turn off any TVs (low volume soft/neutral music is ok), make sure all beds are made, put away dirty laundry, put down the lids of all toilets. Adjust your thermostat so the unit is comfortable.
- Guests and Children.** If you have children or guests in your unit, it is best to have them stay all together in one large room or outside while you are showing. Most buyers get very uncomfortable looking inside a room while it is occupied and some will actually refuse to go in and say something like "It's ok, I can see from here". If several of your rooms are occupied, most buyers will feel they are intruding and would want to get out as quickly as possible. Not really your objective for a showing. Right?
- Pets.** Some dogs are quiet and will not bother visitors. Others will be hostile or bark to no end or jump on visitors. You know your dogs so put away any hyper friendly, loud or aggressive dogs in cages or have someone take them for a walk (weather permitting). Put away pet toys. Clean any litter boxes. Don't assume the buyer of your unit will be a pet person. Some people are allergic to pets, some people never liked them, and some people are scared of dogs. Don't let your pets sabotage your sale.

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2/ If you live in the unit and will be there during a showings, the best thing to do would be to open the door, greet the agent and buyers, tell them to take their time looking around and that you will be outside if they have any questions.

3/ If you decided to put a lockbox at your unit to allow agents to let themselves in while you are not there, there are some precautions to take:

- An electronic lockbox with tracking of which agent shows and at what time is preferable to a mechanical combination lockbox. Your Flat Fee Broker might charge a little extra for that but it is well worth it for your peace of mind. Many mechanical lockboxes can be easily opened with simple tools and once your combination is given out, you have no way of knowing who has it and who might come back to burglarize your unit. Many owners are very unpleasantly surprised when keys suddenly disappear from their cheap mechanical lockboxes, and they cannot prove who did it. You will be left with no option but re-key the front door for your safety and change the combination on the lockbox... until it happens again.

- If the unit is occupied by a tenant or you are living in it, make sure it is prepared for showings as discussed in the prior page, if possible. Make sure all valuable items such as cash, jewelry, watches, small electronics... are locked away. Make sure any dangerous items such as kitchen knives, weapons... are stored away and out of reach of any small children that may be present during the showings.

- If the unit is vacant and has no personal belongings or furniture in it, you still want to visit it several times a week to make sure it is always securely locked with all lights are off. Agents are notorious for leaving some lights on and maybe a door or two unlocked. An agent unfamiliar with your switches and quirky sliding glass door locks might mistakenly think they locked up all doors and turned everything off.

- If you want certain lights to stay on all the time, tape their switches in the "on" position and tape a little note saying: "Do not turn off this taped switch". If you want certain glass doors not to be opened, tape a sign to say so and tape over the lock.

- If you do not live near your unit anymore, you may want to have a neighbor or friend check on it on a regular basis to make sure nothing is amiss.