

[www.FSBObasics.com](http://www.FSBObasics.com)

For Sale By Owner  
**For Sale By Owner**  
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# Introduction

This package has every thing you need to create your own For Sale By Owner Program:

The main For Sale By Owner Manual is put together in page order, as you should give it to the FSBO after they have decided to use your program. The most important section of the manual is the guest register in the back of the book. It easily lies open on their counter for signatures.

This is very important. If the FSBO is not willing to have each potential buyer fill out the information and give you a call so you can follow up, you are wasting your time. This is where you get your leads and most importantly help the FSBO. Remember, 50 potential buyers may look at their home but only one will buy it. The other 49 need financing too.

There are other items that should be put in the inside pocket of the manual for the seller but they are not included in this book because every state has different requirements. I always include a blank Real Estate Sales Contract and any Real Estate Sales Disclaimers required by your state. Most sellers do not have them and are not aware of the disclosures. I also spend time teaching them how to fill them out.

There is also a “small folder” content section in the package that is a condensed version of the main For Sale By Owner manual. Many loan officers or real estate agents have several of these made up in advance and carry them in their car. When they happen to see a FSBO sign they just drive up, give it to the homeowners and begin to build a relationship.

Watch the For Sale By Owner video for clarification of both manuals at:  
<http://www.mortgageguidelines.blogspot.com/2008/05/for-sale-by-owner-manual.html>

I include several sample flyers as a demonstration of how easy they are to create. These flyers do not include pictures because it would increase the download time for this PDF. Pictures are very easy to add to your flyers and should be because they help the buyers remember the home. After a buyer has looked at three or four homes the features all seem to run together in their memory.

You also will find information about seller concessions. This is the area where most sellers and buyers make major mistakes with the contract. I always spend time reviewing this information with the sellers and I insert it in the front pocket with the sales contract.

If you decide to create your own program and would like to use these documents for your Manual I will be happy to send you the Microsoft Word documents so you can easily edit them with your company information or tailor the program to fit your commitment level. Send an email and I will zip them off to you. [info@fsbobasics.com](mailto:info@fsbobasics.com)

I created a short video so you can see what the manual will look like and how to put it together. The manual is inexpensive intentionally, but looks very professional and is easily duplicated. You can view that video on my mortgage guidelines blog at any time.

If all else fails and you have any questions just send an email to [info@fsbobasics.com](mailto:info@fsbobasics.com). The offer extends to any homeowners trying to sell their home on their own.

Note: Many of the documents and flyers display the name of Peach State Mortgage. This is a company in Georgia that used this program and these documents were edited for their company. I have their permission to use these documents with their information and I have done so only to demonstrate how easy it is to put your company in its place. It is not intended as an advertisement.

# **The Main For Sale By Owner Manual**

The following pages are in the order they would appear in an actual manual for the FSBO. If it is difficult to envision what it would look like please view the video.

Please keep in mind that if you would like the following pages in Microsoft Word so you can edit them and print them on your letterhead just let me know and I'll send you the link.



# ***Peach State Mortgage Corp.***

***FOR SALE BY OWNER  
PROGRAM***

***Torri Thomas***

***770 565 7556***

Peach State Mortgage Corp.  
135 Powers Ferry Road SE, Marietta, Georgia, 30067  
770 565 7556 [www.peachstatemortgage.com](http://www.peachstatemortgage.com)

All of the pages for the manual and small folder are designed to be printed on to your company letterhead to reflect a very professional image. The font color can easily be changed to match your company colors.

## **WHY USE *Peach State Mortgage*?**

*Peach State Mortgage* is a full service lender. We are not a Savings & Loan, a Bank, or Mortgage Company that is limited to only internal loan programs. The local banks and “in house” mortgage companies only have their money available and therefore only their underwriters to review your client’s loan. If they are not able to get the loan approved they have nowhere else to go.

*Peach State Mortgage* has over 60 investors to present your clients loan to. Sixty places to tell you YES as opposed to one place to tell you no. Furthermore, with over 60 investors to choose from, we are able to provide your clients with multiple choices of rates, programs, and investors.

This is just a sample of what *Peach State Mortgage* can offer you and your clients:

- VA FHA Purchase/Refinance
- Conventional Purchase/Refinance
- Equity Line to 125%
- Non-Conforming from A-D credit
- Purchase/Refinance good-slow credit, bankruptcy, repos, foreclosures
- Commercial Loans (A-D Credit) \$25,000 to \$250,000,000
- Homes with acreage
- Manufactured/Prefab
- No income verification to 80%
- No asset verification to 75%
- 90 % investor purchase

At *Kitsap Lending Group* we don’t give you Lip Service. We give your clients service that is second to none, while still providing them with the most competitive rates in the industry.

ASK FOR: ***Torri Thomas***

Again, this is formatted so you can print it on to your letterhead.

Dear For Sale by Owner:

This book was designed specifically for individuals just like you who have made the decision to sell their homes on their own without the assistance of a real estate professional. You may find the process of selling your home very easy or it may turn out to be very complicated depending on the details of your particular transaction.

One of the major problems you may encounter will be getting your potential buyer qualified and processed for the necessary financing. Some buyers have not had the experience of home ownership and are not aware of the financing options available. They may lack the confidence to go out on their own to find the right mortgage.

*Peach State Mortgage* has sources for buyers with strong credit or with credit problems. Unlike banks and “in house” mortgage companies, we have over 60 investors searching for a place to put their money. This means that we offer some of the most competitive rates in the industry.

I would like to offer you my assistance and services in exchange for the opportunity of possibly providing a loan to your potential buyers. There are many advantages of working with a reliable, professional mortgage company. Some of the very important services that I as your lender will provide are listed here and on the next page.

**Follow-up on each potential buyer:** Sometimes buyers are reluctant to give straight forward feedback to the home owners for fear of offending them or because they are not sure of their own ability to buy. I will supply you with a guest register and will personally call everyone that views your home for you.

Again, this is formatted so you can print it on to your letterhead.

**Pre-Qualification of all prospective buyers:** As your lending professional, I will pre-qualify each potential buyer in order to make sure that they are sufficiently qualified by thorough examination of their credit status and current financial situation. This is extremely important in order not to waste time negotiating with unqualified buyers. This will save valuable time.

**Ability to find the right loan at competitive prices:** As a full service mortgage broker, I am able to shop for the best loan and the best possible price. This allows the borrower the freedom to select the loan best suited for his needs at the best prices without having to shop all over town.

**Efficient follow-up and teamwork:** Once the transaction has been negotiated, I will work hand in hand with the other support team members in order to make sure that the loan is approved and funded in a timely manner. I am capable of locating and handling any unforeseen situations before they become a problem. I will keep you informed along the way of all important details. I have the experience and knowledge to get the job done right!

As a service oriented business professional, I will handle your potential buyers with care and confidentiality and make sure they are well informed on all of their loan options. You can rest assured that your sale transaction will not be held up in the loan process. I am committed to my customers and will do everything in my power to assist them with their success.

I will also provide for your use a professional For Sale By Owner sign, a Financing Available sign, a professional flyer designed specifically for your home, a guest register, and a For Sale By Owner book that has many great ideas to guide you through this sale.

## **ADVERTISING YOUR HOME FOR SALE BY OWNER**

When you sell your home By Owner, the real estate industry calls you a FSBO, which means For Sale By Owner. Some buyers think this is great because they can deal with you easier than a trained real estate professional. They can deduct what you are saving by not having a Realtor and they tend to make lower offers. This doesn't always happen but you need to be aware of it.

When placing your advertising, you want to let people know you are a FSBO. Put it in your ad. You may want to advertise in several places in order to get the most exposure for your home. Some of the places to consider advertising are:

- YOUR FRONT YARD WITH A FSBO SIGN
- LISTING FLYER FOR HOME AND TO PASS AROUND
- FINANCING OPTIONS FLYER
- OPEN HOUSE SIGNS AROUND THE NEIGHBORHOOD
- LOCAL NEWSPAPERS, PENNYSAVER, HOME MAGAZINES
- CABLE TELEVISION REAL ESTATE CHANNEL

**Make sure to include the following in ALL of your advertising.**

1. Indicate your selling by owner. (this really attracts excitement)
2. Indicate the structure style and number of bedrooms and baths.
3. Tell about the neighborhood, eliminate the address. (make them call)
4. Indicate the sales price.
5. Indicate the special features like pool, spa, fruit trees, RV parking etc.
6. Indicate the best phone numbers and times you can be reached.

## **ADVERTISING YOUR HOME FOR SALE BY OWNER (Continued)**

The following is a typical ad that includes the necessary ingredients.

**FOR SALE BY OWNER: Beautiful, 4BD, 2.5BA home. Sparkling pool and spa. Excellent schools, walk to shopping and parks. Just remodeled, plus new paint. Owner anxious. \$255,000. Bill Johnson (213 555-1212 Day, (714) 555-1212 Eve's.**

Bigger ads cost more and show inexperience and most often are just a waste of your money. Don't list things that tell everything...just the basics. If your property has things that people are NOT looking for and you list them all, you are chasing them away before they have the opportunity to see for themselves. They may settle for what they didn't want for what they do want. If all else fails, go to the library and check out a FSBO book. They have complete marketing plans and can assist you greatly.

### **THE YARD SIGN**

Don't make your own! No plywood and spray paint. Go and buy one from the local sign shop or hardware store. Have it professionally lettered or purchase the "stick-on" vinyl lettering. Make it look professional or you risk looking like an inexperienced, easy mark for sophisticated FSBO buyers. There are sharks out there waiting to take advantage of your inexperience and you must beware.

Always list your phone number on the sign. You may want to also add "Shown by appointment only". This won't keep them from knocking unannounced every time but it will send the message that you would appreciate an advance call. Beware of local sign ordinances restricting the size and number of signs you can use and the possibility that you cannot use any at all. Check with your local building department if you have any questions.

## **MORE HELPFUL IDEAS WHEN SELLING AS A FSBO**

### **WHEN SHOWING YOUR PROPERTY...**

Beware of thieves. You don't know the people viewing your home in most cases. Make sure your valuables are safely stored away or even placed in another location such as a safety deposit box or with a close family member. Some people don't worry about this. Some are really worried. Working with a realtor can solve this problem because they pre-qualify the person first, know who they are and escort them through your home personally.

### **MAKING A PROFESSIONAL LISTING FLYER...**

Take a look at the sample flyers included in this book. Notice how professional they are. You may want to include an actual picture or maybe not depending on the curb appeal of your particular home. At any rate, talk to the person who gave you this book about how you can get a **FREE FLYER** done professionally that includes all the necessary ingredients.

### **FINANCING OPTIONS FLYER...**

Take a look at the sample included. This gives 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 of course what loan programs are available and the current interest rates.

### **FILLING OUT DOCUMENTS...**

If you don't understand completely, don't sign! Get a professional. Some Realtors will do it for you for a flat fee or you may want to work with a real estate attorney. Don't forget if you list with a Realtor, this is no longer a concern.

### **GUEST DIRECTORY...**

It is a part of this book for a reason. Have potential buyers fill it out and keep it handy so you can contact them if you change your selling terms.

## TITLE INSURANCE

**Title Insurance is the ultimate property protection. In real estate, “title” means a right to ownership. The title insurance professional you work with is very important to the sales transaction. If you have clear title to a house or property, it means that you own it free and clear. The document stating your right to a property is also called a title.**

### TITLE HAZARDS

**Various kinds of claims can exist to “cloud” a title. Some examples are:**

- Long lost relatives or heirs could show up with a claim that supersedes yours.
- Sometimes fraud is involved such as forgery on recorded documents.
- Liens due to foreclosures. (non-payment of loans to the original lender)
- Easements (rights to use of the land for other purposes like utilities, etc.)
- IRS tax liens from the previous owner.

**Keeping it safe:** When buying a property, the best way to protect your investment is to obtain the services of a reputable Title Company to do a thorough title search, and insure you against the chance of some lien being overlooked.

**Seller’s Proof:** It is general practice in a real estate transaction for the “Seller” to purchase the title insurance policy covering the new owner. The understanding is that the seller is proving to the new buyer that the property has clear and marketable title. The buyer receives an owner’s title policy from the title insurance company at the close of escrow to insure his interests. The buyer is generally required by the lender to provide an additional policy of title insurance covering the lender's interest in the property for the amount of the loan he is taking out on the property. This is generally paid for by the new buyer and provided to the lender at the close of escrow.

**Title Claims:** In the unlikely event that an unforeseen claim to a title shows up, your title insurance policy reimburses you for all losses covered by your policy, and may also provide legal support to defend your rights.

## THE APPRAISAL

Having an idea in what is involved in appraising a piece of property can greatly help in maximizing the appraised value and avoiding costly details and re-inspections. The appraisal process consists of several steps. The following are the major steps in the sequence normally followed by appraisers:

1. Research the subject property as to size, bedrooms, baths, year built, lot size and square footage.
2. Gather data of recent sales in the subject's neighborhood. The appraiser needs to locate at least 3 and preferably similar-sized homes that have sold and closed escrow in the neighborhood. The homes need to be within one mile of the subject and sold within the past six months. These homes are considered the "Comparable Properties" or "Comps" for short.
3. Field inspection consists of two parts: first the inspection of the subject property, and second, the exterior inspection of the comparable properties which have been selected to estimate the value of the subject property.

The subject inspection consists of taking photos of the street scene, front of the home and rear of the home, which may include portions of the yard. The appraiser will make an interior inspection for condition, 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.

The inspection of the comparable properties is limited to an exterior inspection. For features which cannot be seen from the street, the appraiser has reports from Multiple Listing Services (MLS), California Market Data Cooperative (CMDC), county public records, and appraisal files along with other sources to help determine the condition and amenities of the comparables. After the field inspection has been completed, the appraiser must determine which comparable properties most resemble the subject, making slight adjustments in value for any differences between them.

## **THE APPRAISAL (Continued)**

Making the required adjustments, the appraiser must go through the reconciliation process with the three comparable properties to determine a final estimated value. This method of estimated value is called the “Direct Sales Comparison Approach to Value”, and it accounts for nearly all of the considerations in determining value of single family property.

It is important to consider that the appraiser will be taking photos of the street scene and of the front of the subject. The street scene gives the lenders some kind of idea as to the type of neighborhood in which the home is located. The photo of the front of the home gives the lender an idea of its condition and its curb appeal. And lastly, a photo of the back of the home and part of the rear yard is taken. Many homeowners don't take care of the rear portion of their homes and back yards, so for this reason the rear photo is required.

In most cases, (over 90% of the time) what you see in the condition of an exterior home will be repeated almost exactly in the interior. So one of the most important things you can do to enhance the value or perceived value is to improve the curb appeal of your home.

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

While your home is being inspected, don't follow the appraiser from room to room causing distraction. Instead, allow the inspection to go smoothly. In case the appraiser has any questions, be close by to answer them. The time to mention the things you think are important is either before or just after the inspection.

## HOME INSPECTIONS

You need to know a great deal about your house when you sell it, usually more than the average seller knows or wants to know. So, how do you handle disclosure without spending the next six months learning about construction? Many sellers use an inspector. The inspector solves a whole series of problems. If the inspector you use is bonded, and a problem arises after the sale, it is easy enough to say to the buyers, "I didn't know there was a problem. I had the house inspected and I trusted the work of the inspector. "Blame the inspector."

That of course, does not get you off the hook, but it does help things. In addition, if there are damages to be paid and the inspector is to blame and is bonded the inspector may have to pay them instead of you. Thus, using an inspector can be very worthwhile.

### **FINDING A REPUTABLE HOUSE INSPECTOR...**

Almost anyone can inspect a house but that does not mean they are qualified. In recent years, contractors without enough work have taken to house inspections to supplement their income. A house inspection usually costs between \$250 to \$400. A contractor can walk through your house, check little boxes on a form, and charge you several hundred dollars for a few hours work. But are contractors qualified? Some are and some definitely are not. A contractor who builds new property may know very little about older property. A plumbing contractor doesn't necessarily know about electrical. A cement contractor probably is not an expert on roofs. The value of their inspections is questionable at best.

The real problem is that inspections are relatively new. In a few years, states will undoubtedly begin licensing and testing housing inspectors. But as of now, few states are doing this, so sellers are on their own. One way of qualifying a potential inspector is to insist that he be a member of ASHI. This is the American Society of Home Inspectors. It is a trade organization that has been endeavoring to raise the standards of house inspectors in general.

## **HOME INSPECTIONS (Continued)**

ASHI sets standards for inspectors and makes an effort to see that its membership follows those standards. ASHI however does not require its members to be contractors. Having a contractor's license does not necessarily qualify someone to be a house inspector. 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.

Beware of contractors who offer to do a home inspection for a nominal fee, then find something wrong and offer to fix it, usually for a high fee. Some unscrupulous contractors have been using home inspection as a way of procuring business. A good rule of thumb is to never have a person do the work who does the inspection. Also, don't ask the inspector to refer you to someone. That someone could be the inspector's brother-in-law or sister who is on a team.

Always insist on getting a written report from an inspector. An oral report is useless to you if there should be a problem from the buyer later. When problems occur everyone seems to remember things differently. You may say the inspector told you the house was perfect, but the inspector may say the defects that the buyer is now complaining about were disclosed in the inspection. Get it in writing.

### **TERMITE INSPECTION**

This is just a quick note to point out that termite inspections are not really a new part of the home inspection process. Lenders have been requiring termite inspections as a condition for approving a new home loan for decades. A termite inspection and the repair of damage have been a requirement of home sales almost as long. In almost all states, termite inspectors are licensed, and their written reports are required to be registered

## HOME WARRANTY

In addition to inspections, you can also obtain a home warranty that will cover the major systems for the new buyer. These will include heating, air conditioning, electricity, plumbing, appliances and more. The typical home warranty costs approximately \$275.00 to \$400.00 per year depending on what additional items you may choose to have covered. For an additional fee, you may choose to have coverage for pools and their associated electrical appliances as well as other items usually not covered such as washers, dryers, refrigerators etc.

As a For Sale By Owner, you may want to advertise that the home warranty will be included with the home sale. The money will be well spent. Once a buyer takes possession of his new home, it can be very troublesome and expensive if major systems break down. The home Warranty Company covers these items just like an insurance policy and the coverage can be renewed each year if desired.

In the event of a problem, the home warranty company will charge a deductible, usually \$25 to \$50 per claim, and they'll send out their approved repair companies to take care of the problem. I personally saved almost \$4,000 in repairs the first year I bought my own home due to air conditioning and plumbing problems that needed repair.

Consult your local yellow pages for listings of Home Warranty Companies or ask your local real estate company. You can also contact some of the larger air conditioning and heating companies who contract with these home warranty companies. They will be happy to give you the names of the ones they are dealing with.

Be careful to select your reputable home warranty company. Check out their track record with your local Realtor or the Better Business Bureau.

## **PREPARING YOUR HOUSE FOR MARKET**

You know the feeling well. You see a beautiful house, and you just know that you'd 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 house.

Do the repairs that are necessary in order to make your home look it's best. Be careful not to invest in overly expensive or large scale improvements like room additions and new plumbing systems. Making these major repairs will only return you a fraction of their cost. It would be much 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 will definitely realize more cash at closing time then you will have spent for the cleaning and painting supplies!

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

The first look a prospect will have at your home is when they pull up in the driveway. Be sure the landscaping and general appearance is attractive and neat. A trimmed lawn, cut shrubbery, trees free of dead limbs, weeded flower beds, a swept and stain free driveway, clear sidewalks and gutters etc. will assure a pleasant first impression. Put in plenty of flowering plants. It's the easiest, least expensive way to beautify the exterior of your house.

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 widow sills will all be noticed. Once inside, the senses take over. The prospective buyer will notice odors and light. If possible,

## **PREPARING YOUR HOUSE FOR MARKET (Continued)**

open curtains, drapes, blinds, and windows to brighten and freshen the house.

In winter a fireplace and bread in the oven lends warmth to your home. Fresh cut flowers add colors and appeal. If the interior of your home needs painting, consider white or a light, neutral color making the house appear larger, open and bright.

Make sure all rooms are clean and neat. Fingerprints, cracked plaster and clutter should be eliminated everywhere. Fresh paint and polished woodwork will always improve the look and value. Kitchen and bathrooms are the rooms that can really sell a house - or turn a buyer off. Make them sparkle. Fresh plush towels, 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 big and airy, remove some furniture. Also consider putting away the cluttering nick-naks, collections, toys, and other unnecessary items. They just draw attention away from your home's other features and make the house appear smaller and messy.

Put away dishes and store counter-top appliances. Have carpets cleaned. Remove throw rugs and area carpets if possible. Visit a local model home tour for other ideas. Do everything possible to make your home look its very best. It really doesn't take much money, just your time and energy. Get rid of the junk and everything you have stored in closets and garage. Have a garage sale if necessary or give the stuff away to your friends or charity. You will probably be glad you did it now rather than having to move it all to your new home! To add warmth and charm to your home when buyers visit, play soft romantic music. Turn on all lamps and chandeliers to make the house glow even in daytime. Also whenever possible, pets and children should not be around. **An important point to remember is to never have to apologize for the appearance of your home. Keep it "ready to show" all the time!**

## HOW TO HOLD A SUCCESSFUL OPEN HOUSE

- ◆ Best days: Saturday and Sunday, 1:00-4:00.
- ◆ Use a guest list to register all those who look at your home.
- ◆ Turn on lights in all rooms and open blinds to let as much light into home as possible.
- ◆ Have soft background music playing wherever a radio is available.
- ◆ Light fireplace for warm and homey feeling.
- ◆ Use open house signs and flags to draw as much attention to the home as possible and make it easy to find.
- ◆ Make sure home is neat and clean inside and out. Fresh paint and clean carpets go a long way.
- ◆ Park cars away from your home and out of garage. It will make garage look larger than if cars are inside. Cleaning garage can also help.
- ◆ Put all toys away, inside and out.
- ◆ Water the lawn, front and back, just prior to open house starting.
- ◆ Put a drop of vanilla on the oven rack and turn oven to 350 degrees for a great smell or bake a batch of cookies during the open house.
- ◆ Keep pets secured - don't scare off the prospects.

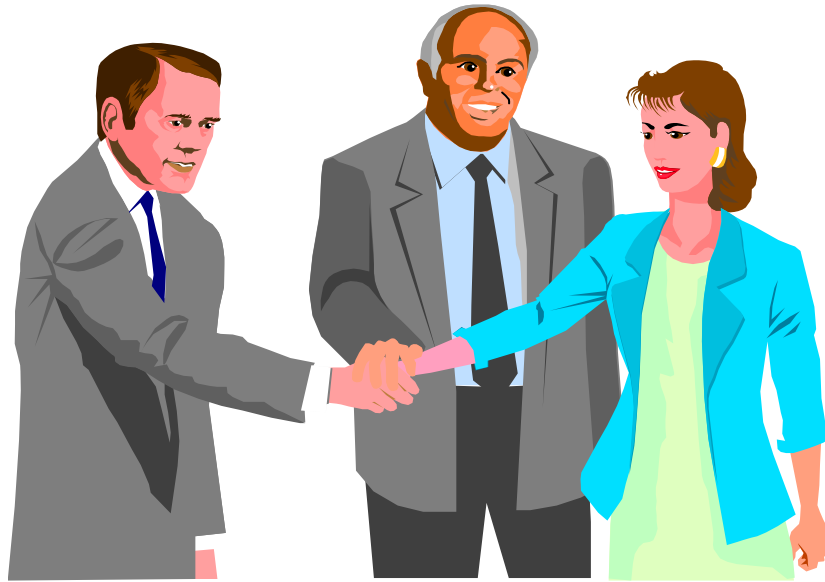
SAMPLE FLYERS

This flyer is included to show how easy it is to insert pictures of the home for sale. It can be fun if you have a creative nature and the software will let you do just about anything you can think of.

## **FOR SALE BY OWNER**

**JOHN AND SUE JONES**

**(770) 386-2240**



**2799 DELK ROAD, MARIETTA, GA.**

**\$68,000**

**THIS GREAT THREE BEDROOM TWO BATH HOME COULD BE YOURS FOR AS LITTLE AS \$3000 DOWN AND \$695 PER MONTH IF YOU QUALIFY. (30 YEARS @ X% INTEREST, X.X% APR)**

**FINANCING ARRANGED THROUGH:**

**[PEACH STATE MORTGAGE CORPORATION](#)**

**MANY PROGRAMS ARE AVAILABLE. CALL FOR A QUICK, CONFIDENTIAL PRE-QUALIFICATION TODAY.**

**ASK FOR: Kale Enterprise Corp.**

**(770) 565 7556 OFFICE**

## **COMMUNITY HOME BUYER PROGRAM**

**SELLING PRICE: \$79,500**

- **\$2400 DOWN PAYMENT**
- **30 YR FIXED**
- **7.5% INTEREST**
- **7.70% APR**
- **\$539.09 PAYMENTS**

**3%DOWN**

**CLOSING COST MAY BE A GIFT**

**SELLER MAY PAY UP TO 3% OF CLOSING**

**FUNDS NEEDED TO CLOSE**

**APPROXIMATELY \$6274**

THE COMMUNITY HOME BUYERS PROGRAM IS DESIGNED FOR BUYERS WITH "A" CREDIT. HOWEVER, WE HAVE OVER SIXTY INVESTERS THAT WE WORK WITH SO WE HAVE MANY DIFFERENT PROGRAMS AVAILABLE. THERE ARE PROGRAMS FOR PEOPLE WITH SLOW CREDIT TO BANKRUPTCY. ALL OF THESE PROGRAMS ARE AT COMPETITIVE RATES.

Call: **Kale Enterprise Corp**  
**770 565 xxxx**

**For Sale by Owner**

**Reduced to \$179,000**

**7090 Threadstone Overlook,  
Deluth GA. 30096**

**Owner: 704-419-0xxx Pgr. 401-703-7xxx**

***Extremely well maintained and full of  
upgrades***

**Main Level:**

- Built-in Bookshelves in Living Room
- Dinning Room has Trey Ceilings
- Wall of Windows in Family Room
- Marble Fireplace with Gas Logs

**Second Level:**

- 4 Large Bedrooms and Two Baths
- Master Suite has Vaulted Ceilings, Master bath, Walk-in Closet, Jacuzzi Tub and Separate Shower
- Bedrooms 2 and 3 have Walk-in Closets

***This lovely home has Zoned Heating and Air  
Conditioning, and has been recently painted  
inside and out.***

**Seller will consider helping with closing cost and down payment.**

**By Appointment Only**



## ***Middle Tennessee's Full Service Mortgage Professionals***

***We offer a full spectrum of mortgage loans:***

***CONVENTIONAL FHA/VA NON-CONFORMING  
PURCHASE or REFINANCE  
RESIDENTIAL or COMMERCIAL  
RURAL and AGRICULTURE***

### ***SPECIAL PROGRAMS:***

*All Credit History Considered Including Bankruptcy and foreclosures*

- ◆ *Zero Down*
- ◆ *No Income Verification*
- ◆ *First Time Home Buyer*
- ◆ *Lease Purchase*
- ◆ *90% Investor Purchase*
- ◆ *97% No MI*
- ◆ *Commercial to \$500,000,000*
- ◆ *Home Improvement / Debt Consolidation*
- ◆ *Cash Out*

***Jumbo Loans***

***Ask About Our Free Service to "For Sale By Owners".***

**Call For Free Pre-Qualification and Consultation By Phone.**

***Peach State Mortgage Corp.***

[www.peachstatemtg.com](http://www.peachstatemtg.com)

**Wilson County  
615 444 2266**

**Murfreesboro  
615 848 5671**

**Nashville  
615 221 5141**

**North Georgia  
770 479 0092**

**Toll Free  
800 477 8434**

The seller should agree to have everyone sign in for a lot of reasons but with out this you have no buyers to follow up on. This is where you get your leads! This page and the next page should lay open on the sellers counter so everyone signs in.



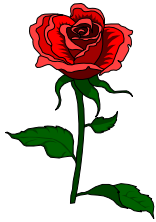
*Please*

*Don't Forget*

*To Sign*

*Our Guest*

*Register*



# Please Sign In

<u>Date</u>	<u>Name</u>	<u>Address</u>	<u>Phone Number</u>
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____
4.	_____	_____	_____
5.	_____	_____	_____
6.	_____	_____	_____
7.	_____	_____	_____
8.	_____	_____	_____
9.	_____	_____	_____
10.	_____	_____	_____
11.	_____	_____	_____
12.	_____	_____	_____
13.	_____	_____	_____
14.	_____	_____	_____
15.	_____	_____	_____
16.	_____	_____	_____

## **The Small Folder, Condensed Version For Sale By Owner Manual**

The following pages are in the order they would appear in a small folder for the FSBO. It is very brief and used as a handout as you stumble upon sellers while you are out and about. It opens the door and starts the conversation so you can build a relationship with the sellers. If it is difficult to envision what it would look like please view the video.

Please keep in mind that if you would like the following pages in Microsoft Word so you can edit them and print them on your letterhead just let me know and I'll send you the link.

***Kilgor Lending  
Group***

***FOR SALE BY OWNER***

# HOW CAN WE HELP?

WE WILL PROVIDE FOR YOUR USE THE FOLLOWING:  
*(absolutely free of charge)*

- **FOR SALE BY OWNER SIGN**
- **FINANCING AVAILABLE SIGN**
- **HOME FLYER**
- **FINANCING FLYER**
- **FOR SALE BY OWNER BOOK**
- **GUEST REGISTER**
- **BUYER FOLLOW UP**
- **MY PERSONAL SERVICES**

# **SIGNS**

- **FOR SALE BY OWNER**
- **FINANCING AVAILABLE**

# **BUYER FOLLOW UP**

**I WILL *PERSONALLY* CALL EVERY POTENTIAL BUYER THAT SIGNS YOUR GUEST REGISTER.**

- **ARE THEY INTERESTED IN YOUR HOME?**
- **HAVE THEY ARRANGED FOR FINANCING?**
- **PRE-QUALIFY**

# **MY SERVICES**

- **PRE-QUALIFY ALL INTERESTED BUYERS**
- **FIND THE RIGHT LOAN**
- **MAKE ALL ARRANGEMENTS:  
ATTORNEYS, CLOSING, INSPECTIONS...**
- **EFFICIENT FOLLOW-UP AND  
COMMUNICATION**
- **HANDLE UNFORSEEN PROBLEMS**

## WHY USE *Kilgor Lending Group*?

*Kilgor Lending Group* is a full service lender. We are not a Savings & Loan, a Bank, or Mortgage Company that is limited to only internal loan programs. The local banks and “in house” mortgage companies only have their money available and therefore only their underwriters to review your client’s loan. If they are not able to get the loan approved they have no where else to go.

*Kilgor Lending Group* has over 60 investors to present your clients loan to. Sixty places to tell you YES as opposed to one place to tell you no. Furthermore, with over 60 investors to choose from, we are able to provide your clients with multiple choices of rates, programs, and investors.

This is just a sample of what *Peach State Mortgage* can offer you and your clients:

- VA FHA Purchase/Refinance
- Conventional Purchase/Refinance
- Equity Line to 125%
- Non-Conforming from A-D credit
- Purchase/Refinance good-slow credit, bankruptcy, repos, foreclosures
- Commercial Loans (A-D Credit) \$25,000 to \$250,000,000
- Homes with acreage
- Manufactured/Prefab
- No income verification to 100%
- No asset verification to 100%
- 100 % investor purchase

At *Kilgor Lending group* we don’t give you Lip Service. We give your clients service that is second to none, while still providing them with the most competitive rates in the industry.

ASK FOR: ***Torri Thomas***

Dear For Sale By Owner:

Kilgor Lending Group is one of the largest mortgage brokers in the New Jersey area. We spend over \$10,000 each month in advertising in this area alone. Our phones ring all day long from people interested in being pre-qualified to purchase a home. Most of these people have not talked to a Real Estate Agent or even begun to look for a home. Naturally, we like to offer our customers as much help as possible in their search for a home.

If they prefer working with a Real Estate Agent we have a list of reputable agents in the area that we refer them to. Many of our customers prefer not to work with an agent because they feel they can get a better deal working just with the seller. For these customers we keep an active list and description of For Sale By Owner properties in the area. We also offer the buyer a free appraisal if they happen to purchase a home on our list.

I would like to put your home on our list as a service to our customers. There is no charge to you, obligation, or contract to sign. It's very simple... fill out the attached information sheet and return it to us. If you have a flyer of your home send it too and we will put it in our FSBO book. We only ask that when you sell your home you call and let us know so we can take your home off the list.

Please feel free to call me with any questions you might have or stop by our office if you get a chance. We also offer a full-blown "For Sale By Owner Program" where we will follow up on every buyer that views your home. We provide you with a large FSBO sign, flyers on your home and a guest register. Again... there is no charge to you.

Sincerely,

Torri Thomas  
Kilgor Lending Group

FOR SALE BY OWNER INFORMATION SHEET

Sellers Name:

Day Phone:

Evening Phone:

Property Address:

Selling Price:

Property Description: (or include flyer)

Please add our home to your for Sale By Owner list at no obligation or cost to us.

Signed \_\_\_\_\_ Date \_\_\_\_\_

Signed \_\_\_\_\_ Date \_\_\_\_\_

Please send additional information on For Sale By Owner Program.

Yes No (circle one)

# Concessions

The following pages contain information about seller concessions. I put this document in the inside pocket of the main manual and I spend a lot of time going over it with the sellers. Even some real estate agents don't understand seller concessions, which is why they sometimes have to re-write contracts and re-negotiate the selling price.

As you discuss this information with the sellers a lot of other questions will come up so this is a time that you can really shine with your knowledge.

Give them some tips on the contract, about financing, and protective clauses they should write in.

## **Seller Concessions for Home Buyers and Sellers**

It is not uncommon for real estate agents, mortgage loan officers, buyers and sellers to inquire as to how much the seller is allowed to pay in contributions on a conventional mortgage loan. Any closing costs that are normally paid by the borrower are considered contributions if they are not paid by the borrower. The seller, builder, developer, real estate agent or any other interested party to the transaction, including any affiliates, may pay these contributions.

The maximum allowable contributions from interested parties are based upon the lesser of the purchase price or appraised value, property type and the down payment amount.

Primary residences and second homes with less than 10% down allow contributions of 3%. If the buyer pays between 10 and 25% down the contributions are limited to 6%. Down payments of more than 25% allows contributions up to 9% on conforming loan amounts but non-conforming loans are limited to 6%. The maximum contribution is 6% for conforming 80/20 and 90/10 on primary residence and second home financing.

The contribution on investment properties is limited to 2% regardless of amount paid down.

Contributions toward any of the following are included in the maximum allowable limits:

1. Closing Costs
2. Discount points
3. Commitment fees
4. Origination Fees
5. Mortgage insurance premium
6. Discount Points for temporarily or permanently lower the borrowers monthly payment or interest rate.
7. Any other transfer charges normally paid by the borrower, e.g., transfer taxes, tax stamps, title insurance, surveys, appraisal, and recording and attorney fees.

8. Homeowner association fees for future dues. If there are excess contributions, a downward adjustment to the property's sales price must be made to reflect the amount of any contributions that exceed the maximum contribution limits. The LTV/TLTV ratio must then be calculated based upon the lesser of the reduced sales price or the appraised value.

The cost of any personal property, e.g., furniture, decorator items, automobiles or other "giveaways", must always be deducted from the property's sales price regardless of the amount of any other contributions.

A cash credit, cash rebate, incentive or inducement/enticement to purchase from the seller, builder, or developer must also always be deducted from the property's sales price. Examples may include but are not limited to: excessive marketing costs, commissions, or seller financing at below market interest rates.

A new LTV/TLTV must be calculated whenever the property's sales price is reduced. The LTV/TLTV is based on the lesser of the adjusted sales price or the appraised value.

### **Personal Property Exception**

Typically, a short list of personal property may come with a house. Most built-in appliances (such as stove, refrigerator, dishwasher), window coverings and carpeting, are usually considered to be fixtures so no adjustment to the purchase price is needed.

Sometimes personal property may be left for convenience and has minimal value (e.g., pool cleaning equipment, lawn mowers, picnic tables and patio sets). Generally, if personal property equals less than 2% of the value of the property or has a value of less than \$500 it is not considered a contribution.

You can see how important it is that Loan Officers and Real Estate Agents understand the limits of concessions. Sales contracts and mortgage loans should be structured accordingly. A lack of training on our part can cause major frustration for the buyer and seller.

# Conclusion

We haven't spent a lot of time talking about signs. I've included a picture of the signs we used but I don't recommend doing anything like these. They had metal frames, were very heavy, and were expensive. I recommend you get small signs from one of the quick sign companies in your neighborhood.

You should have two signs: One that says For Sale By Owner with the owners phone number, the other should be simple with something like financing provided by: Your company and phone number.

However, as you know, buyers are really only interested in how much their payments will be and how much \$ is required down. You will obviously put several examples in the financing flyer but you can also pick the best program you have and include that info on the yard sign. It's really up to you. The zero down programs use to really bring in leads but those programs are harder to find now. Sometimes, simple is better.



I really hope this information is helpful for you. It is not rocket science but it does work. This is a used and proven program. The best thing about it other than it works is that it is affordable and easy to duplicate.

[For Sale By Owner Video](#)

email: [info@fsbobasics.com](mailto:info@fsbobasics.com)

Wishing you the best.

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