

Real Estate New Update November 15, 2018

FSBO Transactions Hit New Record Low!

Why?????

Today, consumers rely heavily on real estate agents, with 87 percent of home buyers using real estate agents last year, according to NAR's report. Sellers—90 percent of whom listed their homes in the MLS—placed high priority on the following five benefits of using a real estate professional: market the home to potential buyers (20 percent), price the home competitively (20 percent), sell the home within a specific time frame (19 percent), find a buyer for the home (14 percent), and help fix the home to sell better (14 percent). Sellers by far say the agent's reputation is the most important factor selecting an agent, at 31 percent. Sellers also placed high value on the agent's trustworthiness and honesty (19 percent) and whether the agent was a friend or family member (15 percent).

The number of For Sale by Owner transactions fell to a record low of 7 percent of all home sales in 2018, down from 8 percent last year, according to the National Association of REALTORS®' 2018 Profile of Home Buyers and Sellers. FSBOs—homeowners who try to sell their properties themselves without a real estate agent—have decreased dramatically since 1981, when they accounted for 15 percent of all home sales.

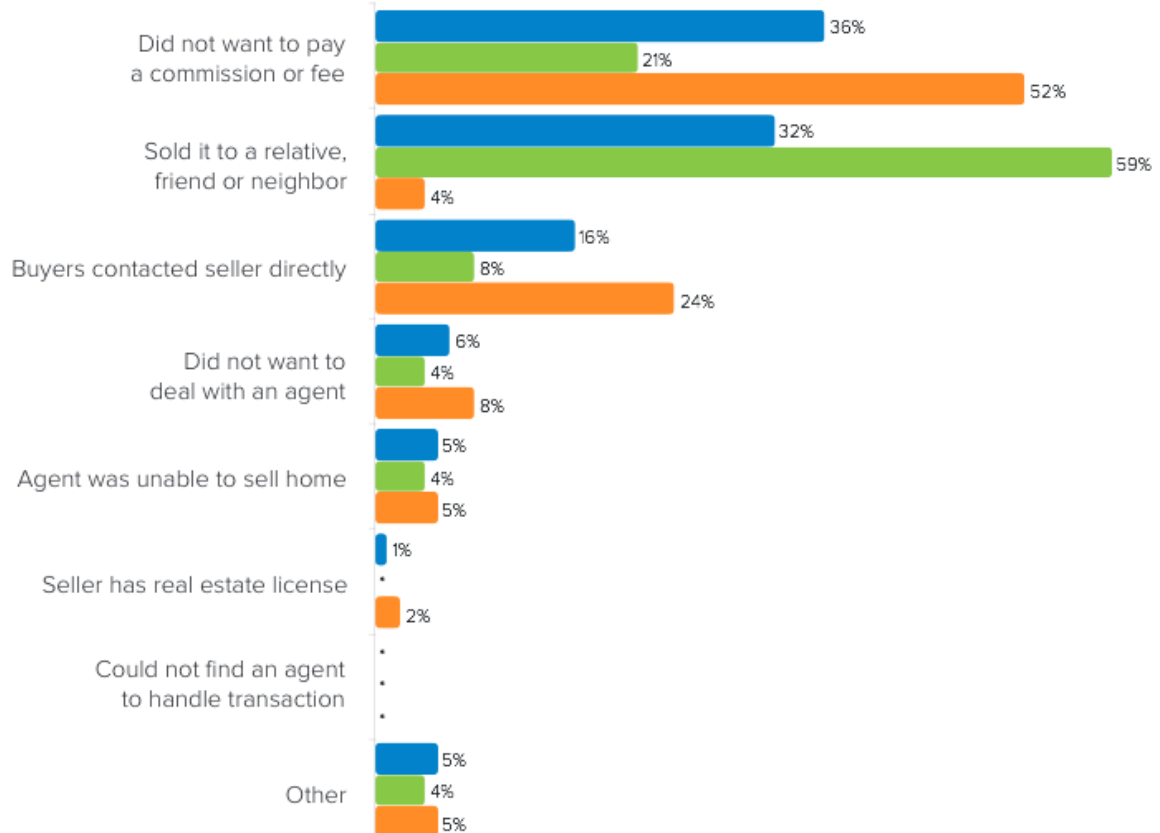
Exhibit 8–6: Selling Price, FSBO and Agent-Assisted Sellers

(Percentage Distribution)

	FSBO				AGENT-ASSISTED		
	ALL SELLERS	ALL FSBO	SELLER KNEW BUYER	SELLER DID NOT KNOW BUYER	ALL AGENT-ASSISTED	AGENT-ASSISTED ONLY	FIRST FSBO, THEN AGENT-ASSISTED
Median selling price	\$259,900	\$200,000	\$200,000	\$200,000	\$264,900	\$265,500	\$227,900
SALES PRICE COMPARED WITH ASKING PRICE:							
Less than 90%	7%	5%	6%	5%	7%	6%	25%
90% to 94%	13%	9%	6%	13%	12%	12%	16%
95% to 99%	35%	18%	11%	25%	37%	37%	30%
100%	26%	55%	69%	41%	24%	24%	16%
101% to 110%	16%	7%	1%	13%	17%	17%	5%
More than 110%	4%	6%	8%	4%	3%	3%	9%
Median (sales price as a percent of asking price)	99%	100%	100%	100%	99%	99%	97%
NUMBER OF TIMES ASKING PRICE WAS REDUCED:							
None	60%	75%	81%	67%	59%	59%	41%
One	23%	17%	11%	24%	24%	24%	27%
Two	10%	4%	3%	5%	10%	10%	9%
Three	5%	3%	3%	3%	5%	5%	11%
Four or more	2%	1%	2%	1%	2%	2%	11%

Exhibit 8–11: Most Important Reason for Selling Home as FSBO

(Percentage Distribution)



Let's talk about your homes value and how we can get you moved to where you are at today to your forever home.

Call us today!

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