



For Sale By Owner Case Studies

3614-A Alohea Avenue

TMK: 1-3-2-30-7

Mr. Lim has 4 adjacent houses. When time came to sell it he decided to sell all the houses himself in order to save money on the commission. In the process of selling the houses, he found out that his four houses only sat on three lots. One of the houses straddled the property line. In order to sell all the houses free and clear, Mr. Lim regretfully decides to tear down the house straddling the property line. In the end Mr. Lim saved himself approximately \$60,000 in commission costs.

If Mr. Lim had used a realtor, the realtor would have known that tearing down a house was an unnecessary task. If the house located on the property line was simply registered as an encroachment, Mr. Lim would have been able to sell FOUR houses instead of three. The total cost for registering the encroachment would have been around \$200. While Mr. Lim saved \$60,000 in commissions, he lost nearly \$600,000 by not being able to sell a fourth house.



608 Hausten Street

TMK: 1-2-7-12-21

Mr. Smith decided to sell his 5-unit apartment building by himself. After searching around, he decides what his apartment building is worth and accepts an offer for \$350,000. After closing, Mr. Smith saved approximately \$18,000 in commission costs. Immediately after closing, the buyer of Mr. Smith's apartment building turns around and sells the property at market value \$475,000.

If Mr. Smith had used a realtor to market his property, he would have known what the real market value of his property was and would have been able to make \$125,000 more. Mr. Smith saved \$18,000 in commissions, but lost \$125,000.