



HOW TO SELL YOUR HOME FOR \$50,000 **MORE** WITHOUT LIFTING A FINGER

...AND HOW TO PURCHASE ANOTHER HOME AT THE SAME TIME!

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About

In this brief guide I explain the secret to putting yourself in the absolute best position in order to net the most out of selling and buying a home at the same time - ALL without investing even a dollar more into your property.

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- ✓ Discovering when the optimal time to sell is based on **your** goals, **your** home, and **your** market.
- ✓ Why you may *NOT* want to sell your home during the “peak season”
- ✓ Why your target purchase area has a direct impact on your timing in the market.
- ✓ And much more...



1. A Word from David



People are masters of selective perception... Confident and successful people tend to think of themselves as creators of their own reality and tend to consider all their positive achievements being their doing (which is typically true). On the other hand, it is easy to also blame the goals one has not yet reached on external forces (if we just hadn't succumbed to these forces,

we would have reached those goals already!). It is terrible that on many occasions, the difficult road to getting the thing that one wants has already been laid out in a road map.

I call this road map “guidance”.

I am positive that many can recall that all through 2020 and 2021 we received “guidance” that the interest rates were ultimately going to go up once the fed turns a corner. Through monthly updates, we received a constant stream of informational notice as to what direction the interest rates will eventually go and yet certain people were still in shock as to how quickly the interest rate environment was changing the real estate landscape from week to week. In other words, while we were told that a difficult time was coming up ahead for real estate purchases, many chose not to believe or prepare for it, leaving many sellers in a less than ideal situation today when trying to accomplish the goals they had originally planned.

While we cannot turn back time to more ideal market landscapes, we still possess the power to effectively plan our future to put us in the best position moving forward. By using what we know of the historical behavior of the market and understanding the timing of the annual cycles, we can evolve our strategies to still get the best outcome out of our next transaction.

As generally optimistic beings, we have a unique gift of selective hearing. In this age of constant input and over-consumption, we have so much information to consume that we **must** drown out the negative and unwanted news so we can make more room for the information we like to hear.

This is called “Selective perception”, but I call it **“Going ostrich”**.

A long time ago, I heard a story of an ostrich that saw a lion and buried its head in the sand. The ostrich thought that if he could not see the lion, then that lion could not see him. Guess who got bitten in the butt at the end of this story.

This short but informative eBook is meant to assist normal folks in the optimal planning and selling of their home in order to achieve the highest and best outcome - **based on their specific circumstances** - through understanding the simple cyclical market habits of the residential real estate market. By understanding the market better we can prevent ourselves from getting bit by the lion.





2. About Me

I'll never forget the feeling I had when I was invited to speak in front of a group of 200 highly successful business owners at the MGM. I did not prepare at all. You see, I fall into that same group of people who think they are the greatest thing since sliced bread – from time to time. After all, I am human, I am confident, and I have been lucky enough to be able to create a life for my family and children that many others unfortunately have not been able to do yet.

My name is David Adebayo, I am an Associate Broker in the DMV area and I have been selling residential and commercial real estate at a high level for well over a decade. By far the biggest pain points I have noticed from sellers has been **being able to decisively make decisions to get the outcome they really want, or the fear of making poor decisions on how to go about the sale of their property.**

On the outset, the premise of selling a home (to upgrade/downsize/relocate/etc.) sounds easy enough, but the nuances of the process can truly cause anxiety when trying to understand “When to sell, and why sell now? Should we wait until the market does “X”? Are we getting a fair price? Should we sell it on our own? Should we rent out the home instead? How do we know that we’ve made the right decision?”



I wrote this guide to help bring clarity around the decisions one needs to make in order to feel confident in what they are doing when considering selling their home, as to well as help organize the execution.

I have been fortunate enough to have served hundreds of clients over the past 14, from sophisticated investment groups who buy and sell dozens of properties a year, to my humble neighbors who originally bought their home in the 1970's for fifteen thousand dollars. To date I have sold over **\$120,000,000.00** worth of real estate and I have been selling in both extreme buyer's markets, and extreme seller's markets. I feel very rewarded with the value I have added to the process.

You see, in residential real estate, we have several data points that we can look at and reference in order to sell our homes and to do it in our favor based on what our next move and long-term goals are. In this guide I will go through the things that you should be considering when selling your home – **BASED ON YOUR OWN GOALS**. Not everyone's goals are similar and the main takeaway from this guide should be how to iron out what YOUR goals are, what decisions you should be making based on those goals, and how to execute them at a high level to achieve those specific goals.

There are a few principles that I want to go over, and then I want to get into strategy and what results we want to emulate to maximize our outcomes. These principles are not your run of the mill, bullshit sellers guide "How to prepare your home" that you can download on just about any other website. I'm sure if you are reading this guide, you already know the regurgitated statistics from NAR (The National Association of Realtors)...

- ✓ 86% of sellers work with an agent,
- ✓ FSBOs sell for an astonishing 32% lower than selling with an agent,
- ✓ 25% of FSBOs end up listing with an agent,
- ✓ 73% of buyers get a much better deal when buying a FSBO, etc. etc....

***This is not an undercover sales pitch in disguise either...** This is a comprehensive guide that provides real data points and real executable strategy for individuals that want to think a few steps ahead, maximize their outcome based on their own life's framework, and create some clarity for themselves and their family. My selfish goal is to extend so much value with this guide that you may consider interviewing me to be your buyer's agent, recommend me to a friend or family member that could use some help, or use me, my resources, and my processes to sell your property representing you as your agent.

Your strategy needs to make sense to you and be measurable on terms of what outcome you want. Since you are someone that truly wants to do something with their real estate, I want to show you how to do it and win. That leads us to our first step of the process: **Organizing the Sale**.



3. Organizing The Sale

The FIRST and most important item that needs to be identified is WINNING

Winning needs to be defined.

What would it mean to win at selling your home? This guide is a framework on how to plan this strategy, and after reading through it in its entirety, you will have a very clear idea as to what to do next. While reading this guide you need to start thinking about:

- ✓ What factors are causing you to consider selling in the first place?
- ✓ Why now/in a few months/next year/etc.? (Why is timing important?)
- ✓ Do you need to sell in order to buy another property?
- ✓ What area are you moving into?
- ✓ What kind of market is your home market and your target market experiencing? (Buyer's vs Seller's market)
- ✓ What kind of home will you be buying once you make the move?
- ✓ How long do you plan on staying there?
- ✓ Will equitable appreciation be an important factor in your next home?

- ✓ What condition is your home in and what will the condition of your next home ideally be?
- ✓ What are the long and short-term implications of selling at certain times of the year such as in the spring vs in the winter?
- ✓ Have you realistically considered renting out your property and what the challenges and benefits may be based on your specific property? For example, larger properties will have a **much** higher risk profile as there are many more things a tenant can break, much more costly to turn over in between tenants, as well as more maintenance and upkeep.

These are important questions to ask yourself – the more you know about your goals in this process, the easier it will be to make decisions and the more I (or your agent) can help you. Remember: the goal is to get you the deal of your dreams. Plan and then execute.



4. Principals To Selling a Home



In my most recent speaking engagement I was invited to the MGM National Harbor. I was referred by a buddy of mine to help one of his friends reorganize his investment portfolio and plan an upgrade strategy for his primary residence. After speaking to him for 10 minutes he was so impressed by my ideas he wanted to have me on as a keynote speaker for his next event. Of course, I agreed but what I did not know was that this event was going to be a significant one for the year and as the event neared, I failed to prepare. I did not do slides, I did not think of what I would be presenting, I did not research the attendees, – NOTHING. I was confident that I would be able to

go on stage, ramble on for an hour and somehow be able to add value. It was right up until two days before the event at the event mixer where I realized that this was a very serious group of people.

It is this kind of mindset that many sellers can fall into (especially in a hot market) when getting ready to enter the market. You see, price is a moving target. **If all you wanted to get out of this guide was how to sell your home for \$50,000.00 more without doing anything, I am about to tell you how right here.** The average prices of homes in every market ebb and flow depending on the time of year. In fact, in 2021-2022 in the area I live (Montgomery County) the difference in the average sales prices of single-family homes with 3 or more bedrooms from the lowest point in the market (Dec-Jan) to the highest point in the market (June-July) was about \$200,000.00.

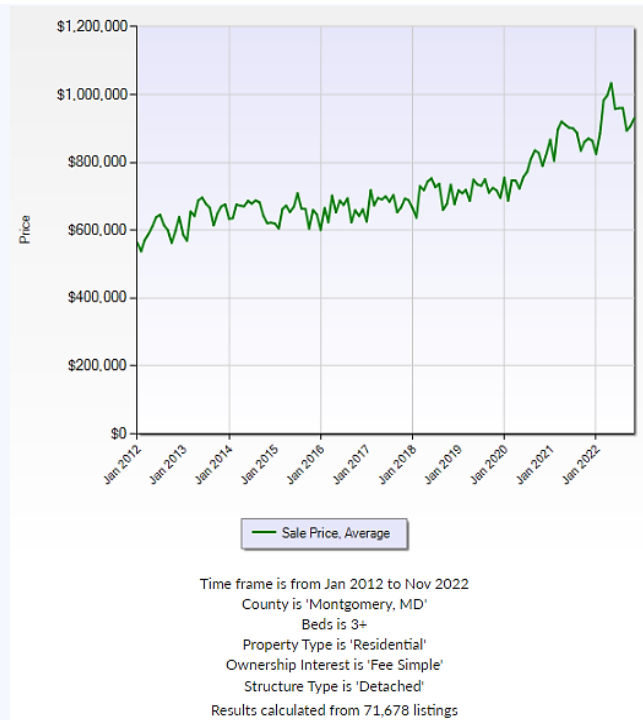
Why isn't the title of this guide "How to sell your home for \$200,000.00 more in your pocket, without lifting a finger."? Well, for **one**, 2020-2022 have been anomalies because of the Fed's (the Federal Reserve central banking system) reaction to the pandemic. In layman's terms, the Fed can make changes to the United States economic policy that can influence the economy to expand (create buying demand) or retract (decrease buying pressure). Thus the Fed created the extreme low interest rate environment. **Two** – I am a conservative planner. But, if you were to go back to a pre pandemic 2019 and 2018, the differences were ~\$73,000.00 and ~\$116,000.00 respectively. In fact, this trend is consistent with the way the market has behaved for the past 15 years. Looking at this chart of the past 10 years (Montgomery County 3+ Bedroom Detached homes) you can very clearly see the home values peaking in the summer, just to drop back down to earth in the winter, with the **smallest** differential being in 2014 at a \$51,000.00 difference.

The valuable principal here is that price is a moving target. In addition to the seasonal price changes, there are certain markets that could also see trends in **contract terms** amplified. This includes seller concessions (sellers paying buyer's closing costs), specific buyer financing that requires seller capital, stricter inspections, or adjustments to the closing timeline (rate buy downs, VA financing requirements, grant programs etc.), and a slew of other local programs buyers are utilizing in the area. With a less competitive market or with a less than premium home, these are things we need to consider - on both sides - when selling and buying. Now depending on what the goals are, what type of property you are selling, and what financing and programs you do or do not plan on using- these factors will absolutely affect what time of the year you should really be thinking about buying and selling. If you already have another arrangement or home you plan on moving into, or if the sale of this home is not crucial to the purchase of another home, I think it is a very simple and easy decision to make to sell in the summer months. For individuals that need to plan the sale around the purchase of another property- there is more to think about, and that is something I can help flesh out.

If you are not a numbers person or want to understand this more clearly, let's break this down in more digestible concepts:

- ✓ The Federal Reserve, which makes decisions that affect the economy, makes decisions to push us to buy more or to buy less.
- ✓ During Covid-19, the Fed made it very affordable to *borrow money*, which has made house prices increase because of the increased demand for houses. **This does not mean that this is always going to be the case.**
- ✓ I like to plan based on more *usual* times, meaning that I am looking at years *before* the pandemic.

- ✓ The result? Looking at the past ten years, house prices were ALWAYS trending highest in the summer, and lowest in the winter.
- ✓ When working together, this is what we will consider, as well as how the price may change depending on the programs we are using.
- ✓ The goal is to give YOU the best return inside of your transaction! So, we will work together to figure out when the best time is for you to sell and/or to buy a new home.



On the drive home from the MGM event mixer, all I could remember thinking about was how I did not want to disappoint the amazing group of people that I had just met. There was no way I could “wing it” and hit all the points that I needed to get out in order to add the most value possible. As soon as I got home, I pulled up my big notebook that I keep all my business thoughts and mentor notes logged in. I am a student of everything that I want to do well in and win, at a high level - including ad copy, speaking, marketing (basically what you need to know to captivate an audience), and I put together an outline of all the topics I wanted to cover. Then I wrote a script, practiced it, trimmed it down to my hour time slot, and then practiced memorizing the key points and stories so I did not ramble while presenting. I like to ramble. I also reached out to a buddy of mine that is constantly in the speaking circuit and owns a rockstar chimney company that is in the top 1% in his industry for some guidance on what he thought about my presentation.

Whenever I want guidance or want to do well at something specific, I do not want to reinvent the wheel. I like to connect with others that are super successful at getting high-level results in what it is that I am working on. If I can clearly identify what the optimal result is, it makes it easier to look for the person who is able to correctly guide me through **what steps** are involved in order to get that result, but most importantly, **how** to get them. For this, we need to work together. This is YOUR project, and I am here to help you see it through!

I want to go over the **variables** and **the steps** to take while selling your home, in order to get the specific results that you want, as well as how to discover what “results” we can measure to identify a win. I have discovered that yes, most people have an idea that they truly want to buy/sell their home, but do not know what *results* they want. Allow me to explain...





5. Timing Your Transactions

Depending on **how** you plan on buying, the ideal **condition** of, and **where** you want your next home to be, these variables will have a massive impact on **when** you should sell your current home. The **condition** of your home as well as **how long** you plan on living in the home will also greatly affect the ideal timing of the market.

When and Where

I am going to assume that you want to walk away with the most amount of money from the sale of your property. Every market has its own trends. Certain markets are more buyer or more seller-oriented than others, and it's important to know whether you are buying into or selling into each one. In a buyer's market, you can expect to be able to ask and receive seller concessions. In a seller's market you can expect to have to be very competitive with all offer terms.

I always research the market of a new listing so we can set our expectations as to how much we will be walking away with based on the *real buyers* that have been buying in the market recently. I have access to non-public data, so we can dive deep to not only discover how long properties are selling for and how long the property can expect to be on the market, but also how much buyers are normally receiving in credits and what kind of financing we can expect to see from the active buyer demographic in that area. It is important to know who we are marketing to in order to be able to tailor the offering towards that group. For this, we have to explore exactly who might be interested, and that includes knowing what they are looking for. The more you know about your target audience, the better you can highlight to them exactly what they are interested in!

If the **equitable appreciation** is not as important in home you are purchasing, there are many condos for sale within the DMV that we can do very well on when purchasing- with favorable contract terms and concessions – but there are also area pockets that have very high in demand condos and co-ops. Again, it is important to recognize where we are purchasing as well as selling so that we can iron out what our number goals should look like in terms of cash from the sale, and cash out during the purchase.

It is also important to note what the length of time is that we should be aiming for, for being on the market. Each market has an average “days on market” for each type of property, as well as expected flexibility from buyers once we go under contract. If the home we are selling is in a super-hot market, it may not be unreasonable for us to have more time to close when looking for a property to purchase as buyers are willing to wait to get the home they really want. These variables are important to understand as we decide **when** we want this to take place based on the other things going on in our lives. Do we NEED to be in a new school district by a certain date? Do we WANT to be in a certain community before a certain season/event? Do we WANT to get into a premium listing (usually spring/summer offerings), or do we prefer to purchase something we can add our own value to? Will we be investment “house hacking” and want to position the rental in the best possible market based on rearrangements?”

It can be difficult to refine and digest all of this information to properly develop a plan to time the market, sell, and/or buy a house on the most optimal terms possible. I personally use and can recommend professional tools that anyone can use to properly analyze and review sales data, tapestry reports, equity trends, and other data points to truly create a winning plan (**Bright MLS, STDB, Costar, and proprietary spreadsheets**).



I am **very** aware that these tools are expensive and still not everyone is able to focus on all the nuances of planning their next move so *thankfully*, this is where real estate experts come in. Through my experience and expertise, my goal is to provide **clarity, direction** and to be your **guiding partner** throughout the process. You want a beautiful home, and you should be able to get it on your own terms. All you need is someone who knows the ins and outs of the industry – and for this, I am your **advisor**.



6. Length Of Ownership

If we plan on using the next purchase as a stepping stone to put us in the best possible place for the next home, there are certain markets we can look at that can give us guidance as to building the most equity the quickest. Most people do not consider growth rates when purchasing their primary residence, but if we have a very real 5-year plan, I like to position my clients in the best way possible. We can look at historical growth rates, ongoing and soon to break ground developments to target certain areas that we would like to live in and estimate where we can expect our equity to be in the years to come. This way we can have a predictable plan to shoot for while we combine both the sale of our home and the purchase together.

Over the weeks and months after my successful event at the MGM (with a well-prepared presentation), I was inundated with Zoom calls, lunches, conference calls, and emails which brought me a fair amount of new business, contacts, and friendships. I do not know if I would have been as successful if I had not planned out my one-hour time slot.

My father has taught me many things over the years and one of his sayings was “If you fail to plan, then you are planning to fail.” I am very happy that I did. Since then, this is a lesson I have kept and continue to exercise every day! Planning is *crucial* for your real estate dreams to come true, and being supported by the right agent is the perfect addition to this. I am dedicated to the success of all of my clients, and I hope we can work together to create a win you can brag about.

I am hopeful that this has given you a few things to think about, but even more hopeful that it will help you organize your next move. If you have gotten at least one nugget of value out of this guide, then it was well worth the time I spent to sit down and write it.

If you want further help on organizing your move, I have put together a worksheet that you can fill out online and organize your thoughts at:

www.DMVrea.com/buyandsell

You can always call me at [301-603-3606](tel:301-603-3606) or email me at David@DMVrea.com

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Life is too short to be uncertain. Live with conviction.

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