



# **Selling A House During Divorce**

**Common issues you should expect and how to deal with them**

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**Your Local Real Estate Expert**

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# 1. Preface

Considering everything you're thinking, feeling, and dealing with, one of the last things you want to think about is selling your house.

Selling a house is a stressful thing to do even when you're not getting divorced. But when you are, it can be even more stressful.

Hopefully this guide will help you along the way and make it as smooth of a process as possible.

First off, you're not alone. While there are many reasons people sell a house, divorce is certainly a common one. And because of that, we agents see the most common issues time and time again.

This guide was written to help you understand some common issues you should expect and how to deal with them.

While this is not legal, marital, or financial advice, hopefully this guide will help you protect yourself from losing time, money, and your sanity while selling your house.

We'll begin by looking at some of the common *roots* of the problems. Then we'll get into some of the most typical problems, followed by what you should do to make the sale of your house as smooth as possible.

With that said, this guide might not cover every question or concern you might have. So, if you have a thought or a question you'd like a real estate agent's perspective on, please feel free to reach out to me directly. I'm glad to help.

## 2. Motivation

More often than not, one person is more motivated to get the house sold than the other in a divorce.

One wants to just get it sold as quickly as possible and move on, while oftentimes the other is in no rush to get the house sold.

No, this doesn't apply to *every* couple...

Sometimes, though, it's so subtle you don't even realize that it *is* an issue...until it's too late.

There are so many reasons why one of you might be more motivated than the other—too many scenarios to possibly cover.

Neither of you is “right” or “wrong” to feel the way you feel. There's surely a lot of history that led to how you feel and why you want what you want, when you want it. You have the right to feel how you feel.

But there is a “right” perspective to have when it comes to selling the house.

Both of you need to work together to get this done. It doesn't work if one is getting in the way. As you'll see, it's crucial to sell as quickly as possible, but at the same time, *not* “at all costs.”

For now, just give some thought as to which one of you is more motivated.

- ▶ Is it you?
- ▶ Is it him/her?
- ▶ What makes you feel the way you feel?

Motivation is one of the main roots to all of the issues you can experience when selling your house due to a divorce.

Knowing this, and understanding how *you* feel and what your level of motivation is, will be helpful as you move forward.

### 3. Revenge

Again, not every divorce is filled with anger, but it's pretty common for one (or both) people to want to get some revenge on the other.

Revenge...getting the other person back for what they did. Or didn't do. Or whatever.

It comes in so many forms during a divorce—struggles over money, possessions, children...

Much of that gets handled in a pretty cut and dried way by lawyers and the court system...

*But the house is a ripe place for revenge.* It usually comes in the form of one spouse getting in the way of the house selling quickly.

However, it could also be the opposite. One spouse could be just trying to dump the house for less than it's worth in order to hurt the other one financially.

The worst part about it is that it can be hard to pinpoint or prove. (Not always, of course. Some people are pretty blatant about it.)

It's hard to prove when, or even if, someone is doing anything "wrong".

It's also hard to prove exactly why a house isn't selling. Or why it isn't selling fast enough. Or selling for as much money as it should have.

This is another thing that you can't necessarily snap your fingers and fix. Hopefully revenge *isn't* an issue in your divorce. Hopefully it won't play any role in how the sale of your house goes. But it might.

And while the potential for revenge may seem obvious to someone who's already been through this, it can be quite a surprise to someone going through it for the first

time—especially if the spouse has been agreeable in other ways throughout the process.

So, for now just be aware that this might be the root of one of the problems we will be getting into shortly.

## 4. Emotion

Regardless of why you're divorcing, your marriage probably had some good times and memories. Your house wasn't just a house, it was a home. A home to the good memories.

It's natural to want to hold on to the memories.

And whether or not people do it knowingly, it's pretty common to do things and make choices that get in the way of selling their house because of the memories and emotion tied to the house.

It's as simple as that.

Real estate agents aren't (usually) licensed therapists. However, they certainly do their fair share of listening and helping people deal with complicated emotions—and not just during a divorce. Emotions affect many people who are buying and selling houses; it's an emotional process for many reasons.

Like motivation and revenge, emotion is often one of the root causes for most of the problems divorcees face during the sale of their house.

Simply knowing and addressing the root of the problems will help you. More importantly, it will help you understand *who* is causing the problems, not just what or why. Otherwise, you'll find yourself trying to solve the wrong problems the wrong way.

Now we can get into the most typical problems people deal with when selling a house due to divorce. Keep each of these in mind as you read about each problem. Which of these three things—motivation, revenge, or emotion—could be the root of the problem you're dealing with?



## 5. Pricing

Pricing a home for sale is as much an art as it is a science. Even the “science” of it is pretty subjective. What one agent or appraiser will say is the value may differ from another.

Pricing is something many homeowners tend to ignore even the best advice on. Most homeowners believe their house is worth more than any professional recommends, even when they aren't getting divorced.

While it's pretty common for most homeowners to list their home for too high of a price, it can go either way when people are divorcing. Certainly many divorcing couples want to price their home for more than it's worth. But there are others who actually want to price it too low.

What makes matters more difficult in a divorce is that you have two people with different motivations, who already don't necessarily agree on things, who now have to agree on a list price for their home.

Out of all the problems and issues you may have to deal with, the *value* of your home is one of the only ones that is pretty much out of your control—for *both* of you. The *market value* is determined by the buyers in the market. By definition, it is “what a ready, willing, and able buyer is willing to pay for it.”

Getting the highest amount a ready, willing, and able buyer will pay is the trick. And pricing plays a huge role in that.

Your home needs to be priced properly. *Not* too high. That rarely, if ever, works.

But not too low either. That *will* get a house sold and perhaps drive multiple offers so you end up getting as much as the market will bear. But that can be a dangerous tactic if there aren't multiple buyers who come to the table at the same time with offers.

But to stay on point, the “problems” you’re likely to encounter are a spouse who either:

- ▶ Wants to price too low.
- ▶ Wants to price too high.

A spouse who wants to price too low is usually the one who just wants to get away from the situation and start their “new life.” Whatever that may be for him or her and for whatever reasons he or she has. But it could also be a form of revenge (trying to hurt the other spouse financially by selling for less than they could).

But more often than not, it’s a matter of one spouse insisting on overpricing and refusing to reduce the price as time moves on. This is often because they need a certain amount of money in order to afford the lifestyle and living arrangement they want or envision. (Not that a person’s wants or needs have any bearing on how much a house can or will ever sell for.)

Overpricing can also be a means of revenge. It can be a way in which to hold up the progress of the sale or get in the way of the other spouse from moving on.

**Pro tip:** You will probably both choose your own real estate agent to give you an opinion on the value of the home. It’s not unheard of for a spouse to ask his or her real estate agent to come in with either a value that’s too high or too low. While that should never happen, it can and does. The best solution is to ask an agent neither one of you has any connection with to give an independent opinion on the value of your home.

A home that’s properly priced within the market should sell as quickly as possible. “Quickly” is a relative term. In some price ranges and neighborhoods, that may be a few weeks. In others it may be months or even years. How quickly your well-priced home should sell in your price range and market is something a skilled real estate agent should be able to give you a pretty good handle on.

Your goal, no matter how you feel or what your motivations are, should be to sell your

home as quickly as possible. And, of course, for as much as possible.

It's not a game. The house is not a tool or weapon to be used against one's spouse. It's an asset and/or a liability that needs to be dealt with due to the divorce, one way or another.

Too often, people simply prolong the inevitable and hurt themselves financially and emotionally by dragging it out longer than what is necessary.

Which goes hand in hand with the next topic...

## 6. Showing The House

Ideally, when anyone is selling a house, they should make the house as easy to show as possible. Meaning, if someone wants to see the house on a certain day and time, the answer should pretty much always be yes.

Beyond that, the house should be clean and tidy when the buyers and their agent show up. Also, the owner should be out of the house so they can look at the house in private.

Even people not going through a divorce don't always do all of the above. But when it comes to houses being sold due to divorce, one spouse often makes it difficult to even show the house.

They may simply say no to any requests for appointments. Or perhaps they just leave it a mess. Or smelly. Or worse, damage the house so it shows poorly.

Other times they just stick around during showing and make the buyers' and agent's experience awkward or miserable.

If you aren't the one living in the house, you may never know why your house isn't selling. It's hard for you to know how many people wanted to see the house but weren't allowed in. Or, if the reason people aren't making offers is because the house showed poorly.

While it may be difficult for you to change how your spouse handles requests to show the house, or how he or she presents the house for a showing, it is something you should know could be the reason why your house isn't selling.

A lot of times when this is happening, the house not being shown enough—or selling quickly enough—is blamed on the real estate agent. They figure it must be because the agent isn't marketing the property properly or is doing something else wrong.

So, knowing what could be the reason(s) behind your house not getting shown or sold,

consider whether or not your spouse is the cause. Perhaps request that all showing requests be made in a way that both parties can see the total number of requests for appointments and how often they were denied. If it's a matter of the house being dirty, smelly, or unpleasant to show for any other reason, you will find that out through "feedback" the showing agents give your agent.

Otherwise, if your house is already priced appropriately and is being shown readily (and the house shows well), then you should expect to get offers.

## 7. Killing Deals

If you're getting offers, and even if you accept an offer, you're not entirely out of the woods yet.

This is the case regardless of whether or not you're selling due to divorce. A deal is never done until the closing takes place. There's always something that can go wrong.

More often than not, the things that go wrong can be overcome. Sometimes it's a matter of time and patience with banks or title companies. Or, the buyer or seller needs to clear something up or get some documentation together. It could be appraisal issues.

While any of those things could become "deal killers," the most common deal killer is usually a buyer or seller who refuses to give in.

Giving in might sound horrible. Or weak. But it isn't really either of those things usually.

Not giving in is usually a matter of one person's pride or lack of proper perspective or understanding.

But when it comes to divorce, not giving in, not being agreeable, being stubborn, sticking to his or her guns...or any other variation...is often one spouse's way of holding things up. Or taking revenge on the other. Here are some examples:

- ▶ It could come out in the form of **not being willing to budge on the asking price.**
- ▶ It could be seen during **home inspection issues.** (Almost every house will have something come up during an inspection. And usually, the owner will agree to take care of at least some of the items and either fix them or give a credit for them.) In a divorce, this is an easy way to "kill" a deal.
- ▶ It's not unheard of for one spouse to **just disappear for days** and not be available to sign documents. Sometimes they disappear when it comes time to sign a great

offer. Sometimes they disappear on closing day. Despite calls, text messages, or emails, the person is just not findable.

If this is a problem within your sale, it will be pretty obvious. However, it may not be obvious until you're in the middle of a deal.

Just because someone is "killing a deal" doesn't necessarily mean they're being mean or aggressive. That's a whole other issue...

## 8. Taking Things Out On Agents

Real estate agents can find themselves dealing with some pretty angry people.

In defense of real estate buyers and sellers everywhere, it can be an extremely stressful process on many levels. Not that it makes being angry, aggressive, or offensive to a real estate agent acceptable, but it's at least understandable. To some degree, it's expected by real estate agents as "part of the job description."

Those moments are usually few and far between, and the offending client usually calms down and apologizes. Or at least doesn't do it again.

But there are just some clients who are just plain angry and mean to agents.

As you can imagine, this can easily happen when the client is going through a divorce and especially if they're selling the house and don't really want to. But it can also be because they really want the house sold, and it just isn't happening quickly enough or the way they hoped.

So, what happens is their listing agent takes the brunt of it.

But it can also be the agents of buyers who want to see the house. An angry seller can simply be rude to anyone calling to schedule an appointment and, thus, scare the agent and buyers off.

If someone is being this way, it's certainly going to affect the ability of an agent to do their job well, if at all.

This is another one of those things that will be obvious if it's going on. Dealing with this will obviously vary from one person to another. We'll be getting into the best solution for all problems (not just this one) at the end of this guide.

But for now, just be aware that this can and does happen. And if it does, it's a problem.



But as with all of the problems we're going over, it usually has deeper roots.

## 9. Divorcing The Agents

When people are selling their house due to divorce, there's a good chance they'll get "divorced" two more times during the process.

Most divorcing couples each have their own real estate agent they turn to initially.

You can't list your house with two agents (usually). So, what happens is one spouse agrees to go with the other spouse's choice of agent to start with.

But too often, the spouse who gives in doesn't truly trust or listen to the other spouse's choice.

There's a fear that the agent is looking out more for the other spouse's best interest. That's natural and understandable. But it doesn't do anyone any good.

It leads to the one spouse "protecting" him or herself, usually by just not agreeing to what might be very good advice from the agent. Which then leads to the house not selling. Which then leads to the contract with that agent expiring. Which then leads to the next logical step...

*"Your agent didn't get the job done, so now it's time to go with my agent."*

Which, as you can guess, basically just reverses the roles and it happens all over again. The listing expires a second time, and now it's on to choosing the final agent—someone more neutral.

That's how and where it should have all started—a neutral agent. But we'll get to that in more detail further within the guide.

For now, just know that this could be why you or your spouse is acting or reacting a certain way to perfectly good advice. It's a matter of trust, which is important to have with your real estate agent no matter when or why you're selling a house.

And let's face it, many people going through a divorce are already dealing with trust issues. So, when you think about it, this makes total sense.

Unfortunately, many home sales due to divorce end up being listed two or three times because it's just one of those things most people don't think about, and most agents don't think to talk about. Especially if the agent happens to be on one side or the other.

## 10. Burying The Bills

Just because you're getting divorced and selling the house doesn't mean the bills don't have to be paid.

But bills getting paid can be tricky when it comes to divorce.

Sometimes it's a misunderstanding... "I thought you were paying the mortgage!"

Sometimes it's a lack of knowledge... "I thought the taxes were being paid as part of the mortgage!"

Sometimes money's just tight...

And sometimes it's just malicious, and a spouse doesn't pay the mortgage or other bills on purpose in order to get revenge by ruining the credit rating of their soon-to-be ex.

No matter what the reason, this can hurt the sale of a home in many ways:

- ▶ It can lead to liens on the property or legal action, like foreclosure.
- ▶ It could lead to owing so much in fines and penalties that it holds up the sale by creating the need for a "short sale."
- ▶ It can ruin both of your credit scores.
- ▶ Or, in the least, it can get in the way of walking away with as much money as possible.

This is not to suggest that you or your spouse is evil or malicious. Truthfully, a lot of times it's just a matter of people not sitting down and really discussing who is responsible for paying the different bills.

This is easy enough to solve...

- ▶ Make sure you trust and know that your spouse is paying the bills if he or she is in charge of doing so.
- ▶ Check the status of your accounts, or ask for proof of payments if you're in doubt.
- ▶ Or, if you can't trust your spouse to be on top of the bills, request to take on the responsibility yourself.

## 11. Children

Not every divorcing couple has children, but when there are, they can certainly affect the sale process.

You've surely heard, if not experienced, how kids are affected by a divorce. Children are also often affected when their house is being sold.

Combining a divorce and the sale of the house can affect children all the more so.

How does it affect the sale? There are many ways...

It might just be as simple as the mom or dad (or both) dragging things out as long as possible to avoid dealing with the emotions and children.

But it could also come in the form of the children literally acting out and getting in the way of the sale by saying and doing things in front of buyers or agents. Or, making the house messy or breaking things.

Or, anywhere in between those two ends of the spectrum.

This is such a sensitive subject. Nobody can truly address it other than the parents and perhaps a professional therapist. If the latter isn't an option, do your best to be open and discuss things up front with your children.

## 12. Hope

Hope sounds like an odd thing to mention as a problem or issue. But when it comes to selling a home due to divorce, hope is often the underlying cause for a house not selling.

A lot of people going through a divorce don't really want to sell their home.

They wish they "got the house in the divorce." But it isn't that simple in most cases. You don't just "get" the house. There's usually a mortgage and/or equity that need to be addressed.

But maybe they wish their spouse was ordered to contribute enough money each month so he or she would be able to keep the house and stay in it.

Sometimes they wish they could "buy out" their spouse.

Unfortunately, keeping the house is not always possible for either party. And more often than not, if the house was put on the market for sale, it's because there was no way for one spouse to keep the house. The options were explored. Selling the house was the only true option.

But that doesn't mean that one of them isn't *hoping* that maybe it's still possible.

- ▶ "Maybe my lawyer can negotiate for me to get the house and enough money..."
- ▶ "Maybe the judge will order him/her to let me keep the house..."
- ▶ "Maybe mom and dad will give me enough money to buy him/her out..."
- ▶ "Maybe we'll still get back together..."

It's thoughts like these that run through the minds of many people who are selling their house due to divorce. Sometimes it remains just a thought. Sometimes it comes out in

discussion at some point during the process.

You may never know if that's why your house isn't selling, because it isn't exactly what's causing the house not to sell.

That said, hope may be what's causing the decisions, actions, and reactions to many things that *do* directly affect the house not selling. For example:

- ▶ Not pricing the house correctly
- ▶ Not allowing people in to see the house
- ▶ Not being agreeable and "killing deals"

If there's any hope that you or your spouse has to keep the house, figure it out *before* you put your house on the market. Otherwise, it could end up causing problems.



## 13. Put It In Neutral

The best overall solution to most of the problems we've gone over is to hire a "neutral" real estate agent. Meaning, an agent that neither one of you may feel has an allegiance to the other.

The relationship between a real estate agent and his/her client is a "fiduciary relationship." In simplest terms, it's a "trusting relationship." That's important to have, but it's not always the case—even when two clients *aren't* divorcing.

But when the two clients are divorcing, it becomes even more difficult to achieve.

It's not like each of you hiring your own divorce attorney...

You can't each hire your own real estate agent to sell the house and represent your personal feelings and interests. You hire one who represents *both* of you.

Beyond that...

Ideally, you should hire an agent who isn't *just* neutral, but one who also has a solid understanding of the unique problems and issues that often occur during the sale of a house due to divorce.

The real estate agent you hire needs to have a firm grasp on these subtle problems and issues and not get caught up in the fray.

Your agent needs to be fair, but firm, and make sure the process is as smooth as possible. And that includes being able to identify any underlying reasons *why* things are happening and being able to help you resolve them.

Selling a house can be an emotional and stressful process for even the happiest couple in the world to go through. Many agents find themselves flustered and floundering to explain why their house isn't selling. Even in the best circumstances, it can be hard to

pinpoint or explain why a house isn't selling.

Hopefully this guide will help you avoid many, if not all, of the problems and issues we've gone over.

As you move forward, please feel free to reach out to me with any questions. I'll take great pride in bringing a neutral voice to your situation, and rest assured I have a thorough understanding of what you're going through right now.

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We are dedicated to selling your home or finding you that dream home you are searching for. Real Estate is our full-time career and has been for over 35 years combined. You are invited to browse our website and call or e-mail us with any questions you have about buying or selling a home. Quality Time - it's one of the most important things in life and it's at the core of how we operate personally and professionally. It's the reason we have chosen to work together. As a husband and wife team, we can be in more than one place at one time - whether that means attending to the needs of more than one client or just finding the right balance between family and business commitments. It has afforded us the luxury of being more involved in our community and more involved in the lives of our children. Over the years we have had the privilege of getting to know a lot of like-minded people, many of whom have become clients and much more who have become friends. Success in real estate is not as simple as being a good negotiator, a good marketer or even a nice person - you have to truly listen to your clients and their needs. We have been building meaningful relationships with our clients and meeting their needs for over 35 years. We offer honest service, with integrity. We are here to answer your questions and make what can be a stressful situation an enjoyable experience. We are here to help you every step of the way and we are here for the long run. We are Regan and Geoff Archambault and we would be happy to assist you with any of your real estate needs.