

Session 7: Secrets of Successful Listing

Reader's Clarification

As I am sure you will agree, the spoken word varies from the written word in that it is less structured. We have not made the types of grammatical changes you may normally expect because we feel that the word-for-word translation would be the most effective way to hone the techniques and will be less confusing than reading different words than you hear Tom say on the video.

Step #1: Preparation prior to going to the home for the listing presentation.

- a. Drive around to other F.S.B.O.'s in the area and gather data for listing appointment.

Phraseology:

Good afternoon sir, my name is _____, with _____. A family in the area is thinking of employing me to professionally market their home. To serve them better I'm preparing a Comparable Market Analysis of the area. If you'd be kind enough to show me your home, in appreciation, I'd be more than happy to give you a copy of my findings. This should greatly aid you in substantiating your value to any of your prospects.

- b. You must research the area.

Note: You must know more about the area than the owner.

- c. Commit to four hours which includes the preparation time and your presentation.

Step #2: List all comparables.

- a. All the properties that have sold in the last six months within a six block radius.
- b. Any property your seller could see in the area and might know.
- c. All properties that have been removed from the market.

Step #3: You must now drive through the area.

- a. Look at all the amenities and detriments:
 1. Shopping, schools, busy streets, bus stops, street lights.

Note: Look for any home within a five-house radius of the home you're listing that is in bad condition.

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Step #4: Write down the data about other properties.

- a. Outside color.
- b. Names of the owners of the home.
- c. Try to get the color or type of floor covering.
- d. Unusual amenities.
- e. Price, terms and length of time on the market.

Note: Always talk in terms of days — it's not three months, it's 90 days.

Step #5: Drive by the subject property during the day.

Make notes about the property:

- a. Write a dissertation about the landscaping.

Example: The yard has several tall, beautiful pine trees and a very nice flower garden. There is room for a pool in the back yard. The grass is very lush and green.

- b. Write a note about the paint.

Phraseology to use if the property is in bad condition:

You know, Mr. Johnson, the buyer may want to paint the home within the next six months to put it in top market condition. We, of course, could have it painted; however, they reflect it in their asking price.

- c. Roof condition.
- d. Write a paragraph or two about the area, the amenities and detriments.

Two-Step Listing Appointment

Try to have an appointment with either the husband or wife alone before your listing presentation.

Phraseology:

I would like to stop by this afternoon, prior to our evening appointment. I have a considerable amount of research to do before this evening. Would one o'clock be convenient or should I make it 2 o'clock?

1. Be on time!
2. Take a picture of the home.
3. Let the husband or wife show you the home.

Phraseology:

Mrs. Johnson, it would be of great help and it would enable me to do a more professional job this evening if you would show me through your home and show me all the things that you've enjoyed.

Questions to ask:

1. Have you folks sold another home before?
2. Did you have any difficulties in the sale of a home?
3. How long have you owned the home?
4. Mrs. Johnson, you've done such a nice job on the home. After all this work, why would you ever consider moving?
5. It would help me do a better job this evening if you could give me an idea of what you would like for the home; just approximately.
6. What are some of the neighborhood benefits you've found here?
7. If the vibes are good, ask to see the papers on the home.
8. Establish a nice rapport.

Step #6: Set the stage for the evening appointment.

- a. Before you leave, make sure you let them know exactly what time you're going to be there.
- b. Ask them to have a table ready.

Step #7: Preparation back at the office.

1. Assumptive listing folder
 - a. Name, Address, Property Evaluation and Analysis Prepared for (Name) written on the folder
 - b. Listing form
 - c. Have your Comparable Market Analysis filled out or computer printout

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- d. Seller's Net Proceeds Form
- e. The picture of the home

Information That Should Be on the Listing Form

- a. Lot size
- b. Taxes
- c. Room Sizes
- d. Your Fee For Service
- e. Length of listing
- f. Fill in the remarks and information

Note: Leave off one major detail about the property.

Step #8: Review all the data.

- a. How did the sold properties on your CMA actually compare to the one you're listing?
- b. Is this home average, sharp or poor?
- c. What will the home need to be saleable?
- d. How do we tell the seller?

Phraseology:

Mr. and Mrs. Johnson, my job is to help you folks get happily moved with as much money as possible. I kind of have an obligation to make suggestions. Would you be offended if I gave you some ideas for cosmetic repairs that will drastically increase your profit out of the home?

- e. If the home is over-improved, how do we tell the seller?

Phraseology:

Mr. and Mrs. Johnson your home is one of the nicest in the area. I hope you realize that real estate consists of land and improvements. Land normally appreciates due to a thing we call unearned increment or inflation. The improvements depreciate; they go down in value. Luckily, in most parts of the country, the land has appreciated faster than the improvements have depreciated so we have had an increase in value. But please realize that the improvements do not increase the value in proportion to their costs.

- f. Is there a demand for this property?

Step #9: You must establish Market Value.

Ask yourself these questions:

- a. How long have they owned the home and what have they done to it?
- b. What did they pay?
- c. How much do they want to sell it for?
- d. Why are they selling?
- e. Is the existing financing a benefit or detriment?
- f. Will I enjoy working with these people?

Step #10: Mentally prepare.

1. Get away from everybody
2. Psych-up
3. Block out personal problems
4. Vividly imagine taking the listing