

Session 8: The Actual Listing Presentation

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.

F.S.B.O.'s are the easiest ones to get a listing from when you know what to say.

You must commit three weeks to this program.

Things to do before calling on a F.S.B.O. ad:

- a. Cut the ads out of the paper every morning.
- b. Find out what telephone prefix numbers represent homes in your area.
- c. Paste the ads on 3x5 cards.
- d. File the ads by phone numbers.

Phraseology of the call:

Good morning sir, my name is _____, with _____.

Seller: Are you a Real Estate Agent?

Salesperson: Yes, were you hoping one of us would call?

Seller: No, I was hoping for a buyer.

Salesperson: Well, I noticed your ad in the paper this morning and was wondering if you'd be offended if I just stop by to see your home.

Seller: Look, the ad said for principals only. I don't see any point in your stopping by. We're not going to list this home and I'm not going to pay those commissions either.

Salesperson: Sir, your home is in my service area; and if I have a buyer that I can't find a home for, I was wondering if you'd mind if I sent them directly to you with no commission charged. Now, you're probably wondering why I would do that, aren't you?

Seller: I certainly am.

Salesperson: Well, sir, if I sent you a qualified buyer and you got happily moved with your money, I bet in the years ahead, you wouldn't mind referring someone to me, would you?

Seller: Well no, certainly not, that would be fine.

Salesperson: Well, I could come by this afternoon or would this evening be better?

Seller: Well, this afternoon would be a little better.

Salesperson: I have an appointment opening at 1:00 or would 3:00 be better for inspection?

Seller: Three o'clock is fine.

Salesperson: Fine. My name is _____, and your last name sir?

Seller: It's _____.

Salesperson: Mr. _____. I'll look forward to seeing you promptly at 3:00. Goodbye.

The only reason you call is to just get an appointment to see the home.

Watch as Tom arrives at the F.S.B.O. this afternoon.

Step #1: Take a picture of the home as a gift.

Step #2: Carry a Sold Folder.

Step #3: Arrive on time.

The key to the F.S.B.O. is the follow up.

Note: You never discuss price and terms with a F.S.B.O.

Seller: We're asking \$150,000. What do you think of the value?

Salesperson: Mr. Johnson, I could pick a figure out of thin air, but a professional relies on the facts. I have a considerable amount of research to do before I can show you all of the comparables in the neighborhood. Please, let me do my research; when can we go over those details?

Close the appointment for the listing presentation.

Preparation Before the Presentation

- a. Thank you notes.
- b. Visit F.S.B.O.s once a week.

Actual Listing Presentation

- a. Establish rapport with the sellers.
- b. Go through the home with them again.
- c. Your goal is to have them like and trust you.
- d. Listing Presentation at a table.

Phraseology:

Salesperson: Before we begin, I just want to let you know that I've enjoyed the last two months working with you, trying to help you sell the home yourself. I hope you'll call me _____ and I'd like to be able to call you by your first names.

Seller: That would be all right. I'm Ken and this is Serita.

Salesperson: O.K. You know, the longer I'm in Real Estate, the more I find people live in a home they love and move without ever having a picture of it. So, when I was here a couple of months ago and first met you, I took a color photo of your home, so you'd have an idea of what it looked like when you moved.

Seller: Ah, thank you very much.

Salesperson: You know, many people feel all real estate companies and salespeople are the same. Before making a decision on a company or its representative, I think it's important that you're aware of what the company can do for you. See, I'm very proud of my firm and I'd like to take a moment and just show you the benefits that we have to offer.

(Show the Visual Aid Booklet)

Three Areas of a Visual Aid Booklet

1. Who we are.
2. What we have done.
3. What we will do for you.

Pictures That Should Be Included

- President of the company
- Picture of the office/salespeople
- Copy of your license
- Production graph
- List of recent closed sales
- Awards won by the company
- Personal awards
- Happy family with a sold sign
- Three proof letters/thank you notes from sellers
- Picture of you in front of a Multiple/Board of Realtors meeting
- Picture of a large check (results)

Practice saying: Now let me show you a marketing plan that will allow that to happen. Then close your book.

Salesperson: So, this last page tells the story of why I'm here this evening and that's to get you happily moved with your check, just as soon as possible. So, let's go over a marketing plan on how we can make that happen.

Now, most of the day today was spent researching data and compiling what we call a Comparative Market Analysis. One of the basic factors that determine whether a property will sell is the establishment of a fair market value price. Now, as you can see, this form shows the properties that are for sale now, the properties that have sold in the last six months, and those that were removed from the market place during their exposure. Why don't we just go through the figures. This was also taken off a computer printout and shows all the homes that have been sold in this area.

Seller: I know this home. This kid's dad — I know him, he's in my Cub Scout Troop, and this home sold for much more than this, Tom. This must be wrong.

Salesperson: You're referring to the Jackson home? Well, first of all, we find this happens quite often. Many times when a neighbor puts their home on the market, another neighbor will ask them what they sold it for and they (of course) say, we got what we wanted. Now, the neighbor, knowing what they were asking assumes they received much more. This is a common problem, but I can assure you these figures are facts of record.

Seller: All I know is that they did say that they got what they were asking.

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Salesperson: Well, in essence they did. If you'll notice, there's two columns: there's the listed price, then there's the sale price. You'll notice the discrepancy; they did have to adjust to the market place. In doing so, they in essence, got what they wanted.

Seller: How do you like that! Well, I'll tell you something, Tom, our home is much nicer than most of these homes.

Salesperson: Well, in fact, I think it's one of the nicest homes in the area; quality improvements and pride of ownership are so important in selling a home. However, the improvements primarily enhance the property's ability to sell and don't always increase the value in proportion to the cost of the improvements.

Seller: You know, we've already had a problem trying to sell one home and we lost money on it. Our next home we also took a beating on. We're just not willing to sell at these prices. I'm not willing to lose money on this home.

Salesperson: Well, obviously, you wouldn't be so strong in your feelings unless you had some idea of what you'd like for the home. How much do you feel the price should be?

Seller: I don't see how we could accept anything less than \$145,000. We've just spent so much money on this home that we can't give it away.

Salesperson: You know, maybe I missed something in my research; and, if you could take a moment and tell me why you feel \$145,000 is about what you think a buyer would pay for the home.

Seller: Well, for one thing, this is one of the finest residential neighborhoods in town, isn't it? We've put a lot of work into this home. I hand rubbed all those kitchen cabinets myself.

We had a decorator come in here. Look at the carpeting. I want you to know that was the most expensive carpeting in the entire store. We color coordinated the whole home and look at the draperies — they're all custom designed, too.

We installed that beautiful block wall fence all around our home. You won't find that in most houses in this neighborhood.

Show me another kitchen with parquet in it.

What about the sprinkler system that's controlled by an automatic valve in the garage. You haven't seen that yet.

Oh, and the bathrooms. There is not another home in this area with spacious bathrooms like these. Well, and it's all color coordinated, too.

We upgraded all the fixtures as far as the valves and faucets are concerned. There isn't another house on the street like this.

Salesperson: Take a moment, if you will, and I'd like you to think back to when you purchased the home. Did you do all of these beautiful improvements to just re-sell the property as a speculator or did you do them because you like quality and are somewhat quality conscious?

Seller: We always buy the very best things because we take a lot of pride in our home. But we do want the money back out of it, don't we Ken?

That's right and I don't see why we can't get our money back out of it. People are willing to pay for the kinds of things we've put in this home.

Salesperson: Well, in essence they do. But they pay in not only money, they pay in what we call buyer emotional appeal. You see, your home is much more competitive compared to the other properties that are for sale because of what you've done. In other words, many people will look at a re-sale property; a used home, rather than when you bought this home, a new home, where you choose colors, floor plan, options. One of the reasons they look at a re-sale is because they expect much of the work to be done. You see, what I wish I could do is just sit down with a calculator and have you tell me every dime that you've spent; then I'd add it all up and put an annual appreciation on top of that, and then to be able to sit here tonight and honestly say, that's what you can get for the home. I'd make you very happy right now if I could do that. But in fairness to you, if I did that tonight and four to six months from now, you're still sitting here and we're not getting good activity, then I have in essence let you down, and I don't want to do that. I'd really like to say this is what I feel the market will bear based on the way it is today.

Seller: We still want to be able to get our money out of this home and we're willing to wait.

Salesperson: First of all, the price of a property is flexible depending upon financing, terms and length of exposure to the market. About how long had you planned for a marketing plan? In other words, about how soon would you folks like to move if everything works out the way you want it?

Seller: The company said I should be there in 90 days but as far as I'm concerned, we can wait four to six months. If I have to, I'll just move and wait for my family until we sell the house.

Salesperson: So, we're not under a lot of pressure; there's really no hurry?

Seller: You know, if we had to, we could rent.

Salesperson: Well, this is true; renting a home is a good investment. However, it's definitely a proven fact that very few tenants take the pride in ownership that an owner does. In fact, it's feasible that any appreciation in value over the next two or three years could be offset by what we call deferred maintenance and necessary repairs. Have you ever rented a home from out-of-state before?

Seller: No.

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Salesperson: It can be a rude awakening. The other day, I was talking to a broker who had been in real estate for almost 20 years, and he decided to rent his home. He thought he had qualified people. It was sad to find out that they were what we call professional tenants. He said that after six months of no rent and going through eviction proceedings, he finally got his home back. He said it cost almost \$4,000 to repair and refurbish the home. This is the type of thing that bothers me. Doesn't it worry you folks just a bit?

Seller: Well, we talked it over and we decided that if we very carefully selected our tenants that we probably could avoid that problem.

Salesperson: I'm not so worried about the tenant that you select. While you're here, you could check with their past landlord, their credit, and, you can screen them. What worries me is in six months or a year when they move, you might have to rely on a friend or a relative to select someone to come and live in this home. You see, right now your home is in what I call the peak of buyer emotional appeal. In other words, when someone comes in here they're going to be excited with what you've done. I don't want to take a chance of having someone here six months and suddenly say, look at the walls and the carpets.

Seller: We talked about renting as an alternative to having to sell the house for less money than it's worth.

Salesperson: Serita, just so that I don't make a mistake, would you want us to call for an appointment before showing the home or shall we just stop by?

Seller: I certainly would want you to call. I don't like people just dropping in at my door. Besides, I don't keep myself very presentable in the morning; I really would appreciate it if you'd call.

Wait a minute, we're not ready to sign anything yet. What are you writing there?

Salesperson: I understand that. I organize my thoughts and keep everything in the proper perspective and I do that on the paperwork. I don't want to forget anything. Now, if we did go ahead and we got the right buyer and everything worked out, which would best suit you — a 30- or 60-day possession date and closing?

Seller: Well, if we did decide to list the house with you and you were able to sell it, I suppose we'd want to close escrow as quickly as possible.

Salesperson: Well, then, let's push for 30 days. Ken, I was somewhat assumptive today and I gathered some details and made a few notes. Also, one of the most important parts of this employment agreement is the remarks and information. This is what other agents and salespeople read when they select properties to show. Now, I filled it out; tell me what your feelings are on what I said about your home.

Seller: That looks pretty impressive. Wait a minute, Tom, you left out the covered patio.

Salesperson: Oh, my gosh, you're kidding! That is a tremendous selling point. Let me write that in. Now, one of the things I think we should discuss, is this: when people come to look at your home, I don't know if you'd noticed this, but we've got two ways to come into the property. We have off the main thoroughfare or through the back of the development. Three doors up, there's a home that really takes away from the appearance of your home as you drive to the property. I'd like to stipulate that we bring them in off Daisy Lane. I think the view is much nicer.

Seller: That sounds good.

Salesperson: Fine. Let me put that as the route.

Seller: You know, Tom, that's an important point, but frankly, what's more important to me is getting the right amount of money for this house. You know, when I first got wind of the fact that I might be transferred, I called over a couple of other brokers and they went through the house. There was one fellow who told me that he'd have no problem getting \$145,000. He said that he might even get more than that.

Salesperson: So, you've had a couple of other opinions?

Seller: It was before we knew for sure that we were going to move.

Salesperson: I'm curious, when this person came over did he bring with him the Comparable Market Analysis and a computer printout of the values in the area?

Seller: Well, no, he didn't give us any of that data.

Salesperson: Did he measure the home like I did?

Seller: No, he just came in and walked around the house.

Salesperson: Did he have the visual aid presentation showing all the actual benefits?

Seller: No, he just gave us an opinion.

Salesperson: So, he walked in and more or less said, "What you want, I can get?"

Seller: Well, he was familiar with the neighborhood.

Salesperson: I wish I could do that. You see, I've seen salespeople take a listing at any price. Then, six months later, the home is still sitting there, and as I mentioned earlier, the advantage of that first time exposure is gone. In some instances, especially when that person does move or let's say if you, Ken, were to move and leave Serita here to sell the home; they sometimes get so frustrated and take less than they could have if they started at a realistic value. See, this is something I think we have to consider. It would be convenient to move as a family, wouldn't it?

Seller: Yes, it really would, Tom. I certainly don't want to leave my family behind, that's true.

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Salesperson: Double moves are expensive, aren't they? This is what I'm so concerned about; that I do my job tonight and make sure that we put the home at least as close to the market, provable market, as possible.

Seller: You know, Tom, talking about the cost of selling the home — I've been wondering, you've put a lot of energy into talking to us the last few weeks and we haven't signed anything yet but you don't do that for nothing and we haven't discussed that yet, you know.

Salesperson: Well, first of all, we call it a fee for service and in today's market it is negotiable and there is no set fee. We, however, have found to give the finest service, a complete marketing plan and to really do the job, we work comfortably at 7%. I can assure you, however, that the service you will receive will far outweigh the fee, and that's really what you both want, isn't it?

Seller: Yes, I suppose so. But 7% of \$145,000 is a lot of money.

Salesperson: Well, I think when you see all the things that we do and the service I'll give you, you'll agree that we do work for it. The complexities of real estate today are tremendously more difficult than they have been over the years — the qualification of the buyer, financing, all the arrangements, and making sure the closing settlement is exactly the way you want. There's a lot more to it than meets the eye.

Seller: One thing Tom, if we do decide to go ahead and sign with you, we don't want to give out a key. We had a neighbor and they had their property on the market; they had nothing but problems. The doors were left open and people were strolling in and out. The place looked like they had a party and we just don't want any of that — we don't want to give out a key.

Salesperson: It's not mandatory that we have a key. Serita, are you home most of the time?

Seller: Well, most of the time; I belong to a couple of clubs, I'm not here all of the time but most of the time.

Salesperson: When do you go shopping or have these club meetings?

Seller: I usually do my shopping on Fridays.

Salesperson: Well, it would be a shame to have a qualified buyer available to see the home at these times and fate is such a funny thing. Is your hesitancy possibly having a lot of people with access to the key?

Seller: Oh yes, we just don't want uninvited people coming in and to just have it out and available, we don't want that.

Salesperson: What worries me is a lot of times a salesperson looks through the multiple book to select homes to show and if there is no access, many feel that they might not be able to get in and they pass up showing your home. I have an idea. Rather than use our lock box, why don't I take the key and stipulate that it is at the listing office and anyone else who wants to show it has to check it out; we have a little form where they put their name on it when they check out keys for our exclusive type of properties. So, why don't we do that? That way they have to come to us and we then know who had that key. I hate not to have access in fairness to both of you.

Seller: As long as you have it, we trust your judgment.

You know Tom, one thing we're going to have to insist on is that we don't want a sign in our yard.

We don't want people to know that we're about to move.

Salesperson: Fine, we don't require a sign on the property. However, a large percentage of our buyer activity comes from calls on properties with our signs on them. We are interested in complete exposure, aren't we?

Seller: Sure.

Salesperson: Another thing that worries me is your concern about not having the neighbors know you're moving. In today's world when expensive cars drive up and people get out, scurry in — scurry out, I think your neighbors are going to wonder what is going on in your house.

Seller: We never thought of that. Maybe we should have a sign, huh?

Salesperson: I have an idea, let's try something. Right now the market is rather strong and the home has such nice buyer emotional appeal. What I'd like to do is suggest that we hold the sign off for about three weeks. The reason for this is twofold. First of all, to see if we can possibly interest someone who we're now working with to invest in your home and not have to hassle with your neighbors knowing, that would be ideal. Secondly, if we, at our office, can find a buyer for the property, we cut down a lot of the problems with what we call cooperative sales. It gives us a chance in our office to find the buyer and arrange financing. I'm much closer to the people we work with in the office so, what I'd like to do is hold the sign off for three weeks. Now, at the end of three weeks if we haven't found a buyer for the home, then let's go ahead and make that the next step in our marketing plan; make sense?

Seller: O.K., you've told us that complete exposure is very important for selling it. So, if we're not going to be having the sign, then I assume that newspaper advertising will be very important. How much do you advertise?

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Salesperson: The decision as to what properties are advertised is somewhat left up to management. When they come over here for our preview of the property, management decides as to our advertising program. You see, past experience has proven to us that the main reason we advertise a home is to primarily make the phone ring and attract calls. They don't have all of the amenities and it is a lot less money and we get more calls, people are looking for a bargain. Then when we invite them to the office and bring them over and show a home like yours, it literally sells itself. Let's wait as far as advertising; let management and the people involved in that part of the company make the decision when we take the listing and expose the property on the preview day.

Seller: We'll leave the advertising up to you; but, I'll tell you something, if we're not getting action in the next couple of weeks, if there aren't people coming through this home, I'll be back in touch with you. We'll expect you to be doing considerably more marketing.

Salesperson: Well that's my job. In fact, I will make a commitment to you right now. My job isn't over tonight, it really just begins. In fact, you'll hear from me once a week, I'll be calling you. We'll discuss all activity and on a monthly basis we'll have an interview. Now, don't get me wrong; I know when I say that, you might be saying, what do you mean monthly? No one knows the future. I wish more than you both know, that I had a crystal ball right here and could look in it and say: I see the people and here's the date. No one can do that. What we have to do is get the home at a good marketable value with all the terms; and with the home looking as nice as it is, I'm very confident we're not only going to have good activity, but we will be bringing you a commitment in a rather short period of time.

Seller: You know Tom, we've talked about signs in the yard, we've talked about keys, but I don't know if we've agreed on what we should sell this house for. What do you think we can get for this house?

Salesperson: All right, looking at averages and analyzing the four properties that I inspected before I came over here; their amenities, number of days on the market, type of financing, we did have one that used the government insured FHA program. What that means is these folks did pay points. Now as we've discussed, we're setting this with conventional financing with our 10% as the initial investment. As I talk about this, you might notice I have pretty well prepared an Estimated Sellers Proceeds Form, showing just approximate figures as to the charges. I feel that to be realistic we should start somewhere in between the minimum expectancy of \$125,000 and \$135,000.

Seller: That's ridiculous! That's absolutely unacceptable. I'm not going to sell my home for \$125,000, that's giving it away!

Salesperson: I didn't say we have to. I said that this is where I'd like you to think for minimum expectation. No one knows the market place, interest rates fluctuate, and buyer and seller activity fluctuates. Again, we have to be as close to the actual market as possible.

Seller: How much are you saying is the best that we can get for this house?

Salesperson: I would hate to start at much more than \$135,000 as a beginning figure.

Seller: That's net to us of course; that's after your commission and everything, right?

Salesperson: How I wish it was! I could add the figures on top of that, and if I did, we'd come up with just approximately \$143,000 to \$145,000, back to where you started. I wish I could take it at that but I just don't feel the market is there; keep in mind it's not me saying that. When I saw your reaction, I hope you realize, that I wish it was up to me. Golly, the last two months I've enjoyed getting to know you people.

The people who decide what the value really is, are the people in this box (Estimated Seller's Proceeds Form). Not so much what the properties are listed for or the ones that have the signs on them, and of course, not that F.S.B.O.; you know the home on the corner — it's been there for, I know, a couple of years; we can't even consider that. I'm talking about those people who are serious. Those people who have placed a home at market and the people who are actually in this little box. As you can see regarding \$135,000 there's only one that is within \$2,000 of that value.

Seller: Would you consider this? What if we list the house at \$145,000 for two weeks and see what happens?

Salesperson: Well, you see if I did that, I'd be concerned with that first time exposure. Your home in a way could be compared to a loaf of bread in a store. I know that sounds funny but when a loaf of bread is put out it's fresh, it's new, people squeeze it, right? Three or four days later, it can become somewhat stale. Well, a home in the listing book is kind of the same way. I want to hit the market at the very best value possible. I'd like you to pretend right now, that I'm sitting here as a buyer, (of course I can't be, I'm here as your representative) but, I'd love you to say, "Tom, if you were here with a check and we could move in 30 days, what's the lowest we can go?" I would start at that figure.

Seller: Well, what do you think about listing it at \$142,000? Do you think that will be all right?

Salesperson: (Pause) Tell you what I'd like to do. I'm going to go ahead and stretch, against my better judgment, and put the home on the market at \$140,000. Will you be patient with me? Again, I may be back here in 30 days and say, "Ken, what can I say?" Look, there are four people in my office that have given me their analysis of the property. We've not had one in this area sell for \$140,000 ever, but, the home of course is beautiful.

Seller: \$140,000, that's an awfully tough decision to make. What do you think honey?

Well Tom, would you think if we sell at \$140,000 it will sell fast enough that we could move together as a family? We really do want to do that.

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Salesperson: Again, I don't know the future. That's why tonight, I'm spending so much time to make sure that we're as close to the market as possible. We've agreed we're starting above what the other homes have sold for but we've also agreed that it's the nicest home in the area. So, all I can say is that based on the facts, I'm confident that we'll do the job, and of course, just as soon as possible.

Now, one thing I forgot to mention. Tuesday morning we have the preview of New Property Day. This is when I bring all the other salespeople by to inspect the home and that's a very important day. You see, if the other salespeople are impressed with your home, they're more apt to show it; and, of course, the more showings we have, the better chance we have for a sale. So, let's have the home just as nice as it is today on Tuesday at 10:00 A.M., O.K.? What I'd like to do is basically go over with you the approximates of how you'll come out at the end of this based at \$140,000. On my Seller's Proceeds Form I'm going to adjust the charges a bit based on \$140,000.

Now, this is your approximate loan balance right here. You've shown me the loan documents and we've verified that. I have the standard charges outlined here. Based on this, you will be receiving; now again these are approximations based on the fluctuation of your impounds for taxes and insurance, the time of the month we close — we call that prorations — so what we're looking at is approximately \$29,750 in cash and because we're offering the home with the minimum on 10% initial investment to attract more buyer activity you will then be carrying a \$14,000 or 10% secondary position. What this means is, our buyer must qualify for the new loan so the lender that loans the first mortgage of 80% will make sure their credit, their bill paying habits, all the things you'd be concerned about, will be taken care of when they give them the first loan. You will be carrying back \$14,000 and this will be payable in three years. What's nice though, is you'll be getting an interest rate approximately 1% above the normal conventional rate. So, you'll be getting a very nice return on your money.

Seller: Let me make sure I understand you. Are you saying we have to take a second mortgage back?

Salesperson: I heartily suggest it. You see, to get someone to pay cash for a new loan today, which in essence is based on the value of the home, 20% down, this eliminates the number of people we have for the home. That's why I'd like to consider putting it at 10% down and have them get their new 80% loan with you carrying back the 10% in a secondary position.

In three years they'll have their deferred initial investment to come up with. Which means that you'll have all your money in three years at an interest rate above what the conventional rate is and a lot more interest than you'll ever get putting it in a bank.

Seller: What happens if we need that amount of money now to put toward our new home?

Salesperson: Well, there are options. Have you found a home yet?

Seller: No.

Salesperson: Well, there are options that we can do with this second. It can, of course, be discounted and marketed; but I would suggest against that. You see, in other words, if you were to say to me, Tom, we want to sell that second; then it could take anywhere between a 25% and a 30% discount to get the cash and there again, we're lowering what you're getting; I'd rather see if you can hold that, put it in the bank and with the interest you're getting on it, it's a fabulous return.

Seller: I understand that new homes are more expensive where we're going, Tom.

Salesperson: Well, this may be true. Hopefully you might also find a seller of a property who may be willing to take the second when you move into their home. Many times buyers give these as part of the purchase price on another home.

Seller: Do you think it will be secure? We wouldn't lose that money?

Salesperson: Well, the reason I think it's very secure is the people who are loaning on the first mortgage to your buyer, are going to qualify them. They're going to make sure they have a good job and the credit.

Seller: Do you think we should listen to Tom, honey?

I have confidence in you, Tom.

Salesperson: I'm trying to make it as easy as possible to make sure that you get moved as soon as possible and of course, with the maximum amount of money. Now, we may be fortunate to have a buyer who says, "I don't want a second either." They may say, "I want to pay cash down to a first." If they do, of course, the problem with those people is they do at times negotiate because they have cash.

Seller: Do you think that second mortgage will allow us to sell quickly so we can move together and make that \$140,000 realistic?

Salesperson: It definitely increases the number of people we can show the home to. That's why I've set it up this way.

Seller: I just want to make something very clear though. If we do that and if we list at \$140,000 and we agree to the second mortgage; don't come back to me with any lower offers.

Salesperson: The other thing I'm going to ask you both to do right now is to help me. I'd like you to invest in what we call a marketing plan. That means I'd like to have you invest \$50.00 to greatly enhance the marketability of your home.

Seller: Are you talking about an appraisal now?

Salesperson: No, what I'd like to do is make the figure \$139,950, and I'll tell you why. Have you noticed that in the stores the price of an item may be \$10.00 but they mark the item at \$9.95? The item seems cheaper and it sells faster. \$50.00 puts the home in the book at the \$130,000 range and it will increase the marketability of the home. Can we do that?

Session 8: The Actual Listing Presentation

Seller: I'll agree to spend \$50.00 if it will help us sell our house quicker.

Salesperson: Well, I think I have everything. Ken and Serita, with your approval right down here, I'll get to work getting you happily moved as a family.

Seller: Tom, this listing agreement says six months. I'm not going to agree to six months.

Salesperson: Well, we could go longer, but I don't think that we need to.

Seller: Longer, I didn't mean longer! I meant shorter. I told you four to six months, but I'll tell you we really do have to move. I won't agree to six months; four months is the most I'm willing to go...4 months and that's too long!

Salesperson: Well, I'm going to go ahead without getting my manager's approval and put it at 120 days. Now, I'll need you to initial that change right there.

Seller: It's O.K. to sign?

Salesperson: You're going to put your approval here whereby you employ me to get you happily moved, and that will be right on this line.

Seller: You go ahead and sign first honey, I guess this is all right. Is this the usual thing?

Salesperson: This is our standard form. You'll be happy when I get you moved, don't worry.

Seller: Here you are, Tom.

Salesperson: Now a couple of things before I leave. First of all, I want you to realize that most of our sales staff is working with about five prospects at all times. I say that to you because they may have someone they've been working with for months just waiting for this type of property. Now, we might be lucky enough to get a deposit in the next day or two. That would be great, wouldn't it?

Also, I want you to realize that we're going to stipulate as we have here that people call for an appointment before they come and show the home. Realize that some of our salespeople are out showing homes, they get excited about your property when they think of it and they may come over here without stopping and calling. Now, if that happens and it's too inconvenient, you ask them to return. But, keep in mind they may have a qualified buyer able and ready to make a decision today, so if it's not too inconvenient you might make an exception and let them show the people through the home.

One thing, too, I want you to realize the market for the home — I mean the actual final value that we come up with is really established by what buyers are willing to pay. We're, of course, shooting for \$139,950. However, if a lower offer comes in on the property we'll then sit down. We'll go through it, analyze it, and at that point decide on the plan of action to take.

I want to sincerely thank you both for your confidence in listing the home with me. You can be assured that I will do my very best to justify your trust.

Seller: Thank you Tom.

Salesperson: I'll see you on Tuesday morning, and don't you worry.

Pick Out Some of the Techniques

Tie-downs:

Similar situation:

Erroneous conclusion minor closing technique:

Minor objections:

The words can become yours if you're willing to pay the price of _____
_____ and _____.

Watch the listing presentation a minimum of 10 times.

The day we were born we knew no words. Every word you now say has been developed by the people who taught you our language.

Make the commitment or stay average.