

Better Homes and Gardens® Real Estate

SEEDS OF SUCCESS WORKBOOK

Session Seven

As an independent contractor sales associate affiliated with a Better Homes and Gardens® Real Estate franchised office, you have a variety of resources, tools, technologies and educational opportunities available to you. The Better Homes and Gardens Real Estate educational materials, programs, or meetings are not mandatory. Nothing in this document is intended to create an employment relationship. Any participation in this offering is entirely voluntary. Note: This document may contain suggestions and best practices with regard to specific issues you may encounter. These suggestions and best practices are completely voluntary for you to use at your discretion.

Session Seven

The Listing Process: A Professional Approach

Goals of This Session

At the end of this session, you'll have the tools to:

- Use the professional listing system to assemble your listing materials
- Ask critical qualifying questions to potential sellers to save you time and create results faster
- Explain how you work to raise your credibility and trust with the seller
- Be able to assemble a pre-first visit seller package
- Use a personal standards evaluator tool to determine which sellers are qualified to work with you
- Organize a listing presentation
- Create a marketing plan to use with sellers
- Craft an objection buster to answer common seller objections

Resource List for Session Seven

Materials

- Evaluating Property Salability
- My 22 Point Marketing Plan
- Pre-Qualifying Questions for Sellers
- Questionnaire for Sellers

Listing Presentation

- The Better Homes and Gardens® Real Estate listing presentation is available in the Greenhouse>Marketing>Presentations

Videos

Videos available in the Greenhouse>Learning>Be Better University>Resources>Video Resources>Seeds of Success

- Accelerate Training Video: Qualifying Sellers
- Accelerate Training Video: Proper Pricing
- Accelerate Training Video: Craft an Objection Buster

CMA Software

- The technology you use in your office, if you use specific technology, for competitive market analysis (CMA).

Creating Your Listing System Flow Chart

| ✓ | What | How | Materials to Use |
|---|--|---|---|
| | Pre-qualify seller | On phone/in person | Pre-qualifying Questions* |
| | Set appointment | | |
| | Educate seller/ raise your value | Provide information/ send to home | Pre-first Visit package* |
| | Qualify seller/educate | At home | <ul style="list-style-type: none"> • Qualify Seller Questionnaire* • Explain how you work |
| | Make 2nd appointment | In person | |
| | Evaluate your chance of success | Do research | |
| | Prepare marketing presentation with plan & CMA/market trends | | <ul style="list-style-type: none"> • Anticipate objections with visuals • BHGRE® materials • Market trends |
| | Present marketing plan (what you'll do & CMA) | At home with all decision-makers | <ul style="list-style-type: none"> • BHGRE Listing Presentation** • 21 Point Marketing Plan* |
| | List property | | Listing agreement |
| | Market property | <ul style="list-style-type: none"> • With your marketing plan • Communicate with seller | <ul style="list-style-type: none"> • 22 Point Marketing Plan • Internal marketing checklist* |

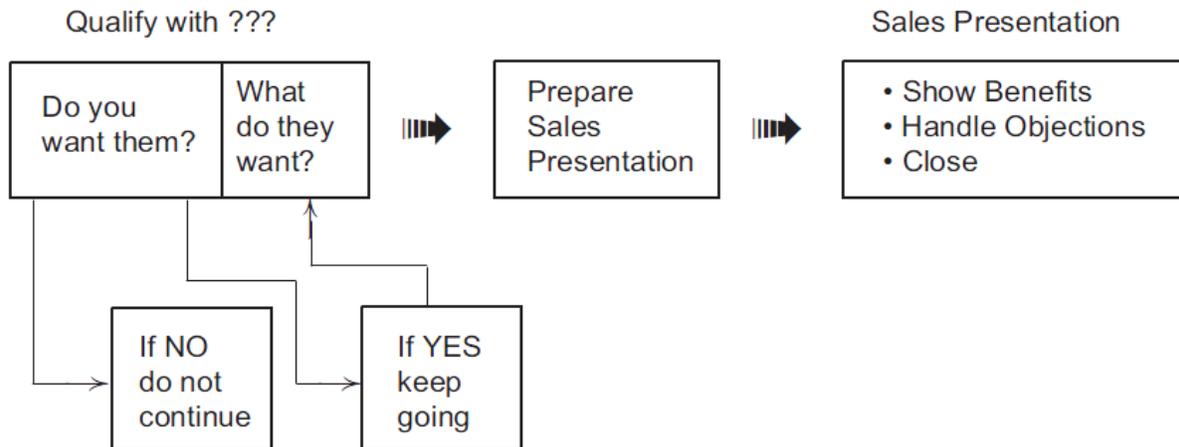
* Materials or documents are available in bit.ly/seedsofsuccess

** Materials or documents are available in the Greenhouse

Before You Sell Them: Are They Candidates for You?

Although your listing presentation should focus on presenting you as attractively as possible, it's important that we caution that all sellers should not be sold! Take some time out before you craft your presentation, and ask yourself, *“Does this seller meet my standards?”* Your qualifying questions should give you the answers.

Here is the flow of the seller interview process:



Two Qualifying Steps

1. Pre-qualifying—a few questions to determine if you want to go ahead.
2. Formal qualifying procedure—a face-to-face sit-down meeting.

Pre-Qualifying Questions

A sample list for **Pre-Qualifying Questions for Sellers** is in bit.ly/seedsofsuccess and available for your use.

Gathering Information on the Phone/Open House from the Seller to Determine Whether Seller Is Qualified to Work for You

Seller: _____ Date _____

1. How long have you lived in (or owned) your present home?
2. What major improvements have you made to this house?
3. What's your reason for moving?
4. When do you want or have to move?
5. What other source of funds do you have available to you?
6. How do you feel about owner financing?
7. Who else are you talking with about the sale of your house?
8. How did you arrive at your price?
9. What are your major concerns in making a move?
10. What is most important to you: Pricing? Timing? Convenience?
11. How would it affect your plans if you couldn't sell?
12. What would it take to list with me?

If You Believe Sellers May be Underwater or Threatened to Be Underwater

1. *“Has making payments on your home become a burden to you?”*
 - a. If yes: *“Are you current on your payments?”*
 - b. If no: *“Have you discussed options with anyone?”*

You can suggest contacting your Department of Licensing for helpful information; talk to an attorney who specializes in equity-short situations; refer them to a trusted short sale team.

2. *“How much equity do you believe you have?”*
3. *“How many loans do you have?”*
4. *“Do you have any hardships that would influence your ability to make your payments?”*

Property Address: _____

Take 5 minutes to edit the above. Add your additional questions:

1. _____
2. _____
3. _____

Now you have a draft of your **On The Spot Seller Questionnaire**.

This is the first part of your Listing System.

The Pre-First Visit Listing Package

If you really want to raise your credibility with the seller, consider adding a **Pre-First Visit Seller Package** to your listing process.

The function of a pre-first visit listing package (sometimes called the pre-listing package):

- Extra refinement
- Raises your credibility
- Prepares sellers
- You provide testimonials
- Helps you get more information to sellers
- Differentiates you

Working alone, decide the items you think are appropriate for this type of package:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

How would you deliver this package to a seller?

See the Pre-First Visit Seller Packages available in bit.ly/seedsofsuccess

Seller's Questionnaire

Your dialogue and actions

- What's in it for them to meet with you (qualifying appointment?)
- Introduce the questionnaire/explain why
- Ask questions first/preview the home second
- Sit in a comfortable place (kitchen table?)
- What is the seller looking for from you?

The seller's questionnaire reveals

- Lifestyle needs
- Preferences
- Function of need or feature
- What they don't want
- Hidden motivators
- Agent experiences
- Financial needs
- Timeframe
- Barriers

See the **Questionnaire for Sellers** in bit.ly/seedsofsuccess and customize it to fit your needs.

Now it is time to try role playing with someone in your class to ask qualifying questions and to discover underlying motivations.

Evaluate Your Seller and Property to Meet YOUR Standards

Write five guidelines for yourself that you would need in place to list the property:

1. _____
2. _____
3. _____
4. _____
5. _____

Write five guidelines for yourself that would cause you not to list the property:

1. _____
2. _____
3. _____
4. _____
5. _____

Make a checklist of these and use them to qualify each seller and property. This can be part of your listing system.

Call this list your **Seller/Property Standards Evaluation**.

At bit.ly/seedsofsuccess is the **Seller/Property Standards Evaluator**, a valuable tool to help assure sellers are qualified to work with you.

Explaining How You Work

When

After gathering information from the seller

Why

- To let sellers get to know you
- To raise your professionalism
- To prove you are worth the commission you want to charge

In this mini-presentation

- Your professional standards—and why
- What you will list—and what you won't list—and why
- What you will provide (My 22-Point Marketing Plan)
- How you will be accountable
- What else would you include to gain trust and confidence from the seller?

You can provide your Professional Portfolio (*You will learn how to put one together in session 8.*)

Finally, walk through the home and take notes to prepare for your CMA.

Now, we're finished with the information-gathering first step, and ready to move on to the listing presentation.

Presenting Your Listing Presentation

When should you give your listing presentation?

- In the first or second visit

***The BHGRE® Listing Presentation is in your Greenhouse>Marketing>Presentations**

Your 22-Point Marketing Plan

This presentation has many choices for your marketing of the listing. So the seller will know what you are committing to, create a Marketing Plan so the seller knows exactly what you're going to do and when you're going to do it. A sample marketing plan is the **MY 22-Point Marketing Plan** in bit.ly/seedsofsuccess.

Marketing plan resources are available for your use in the Greenhouse, including:

- Digital Marketing Center
- Printed postcards
- Ecards
- Social media
- PinPoint for targeted mailing campaigns

Customize the **My 22-Point Marketing Plan** to fit each seller's needs.

Presentation strategy: Show the seller a completed marketing plan, with dates of completion, so the seller knows you follow through on your promises.

The Listing Presentation

When to Give:

Before presenting the Competitive Market Analysis (CMA) and closing for the listing.

To give an effective marketing plan presentation, you must know:

1. The seller's motivation to move (bigger home, less space, more comfort, prestige, etc.)
 - a. By using the recommended **Pre-Qualifying Questions for Seller** questionnaire, you have discovered the seller's motivation.
2. Anticipated or potential objections:
 - a. Discovered during a good first-visit questioning session (such as have another agent, just want to sell it myself)

Skill Practice

Use the **My 22-Point Marketing Plan** with supporting visuals to anticipate objections.

Choose a partner. Think of a seller's situation (seller's motivation and two anticipated objections—not on pricing). Describe these to your partner, who will jot them down to remember his role in this practice session.

Now, with your partner playing the role of that seller and you the role of the real estate professional, give your marketing presentation.

Seller: listen to see how your agent anticipates the stated objections. If he/she doesn't bring these into the presentation, you bring them up as objections and see how he/she handles them. (Allow 25 minutes for each presentation.)

Afterward, give each other feedback using the evaluator below.

| Presentation Evaluator Analysis | | |
|--|---------|-------|
| Use a scale of 1-4 with 4 being the highest | Agent 1 | Agent |
| 1. The presentation was in a logical sequence. | _____ | _____ |
| 2. Asked questions to get my agreement and/or attention. | _____ | _____ |
| 3. Used effective visuals. | _____ | _____ |
| 4. Presented his/her 21-point marketing plan. | _____ | _____ |

Handling Objections: The Objection-Buster Technique

Importance of handling objections:

- Moves the sales process forward
- Poor handling (or none) stops the process
- Gives you confidence
- Helps sellers and buyers clarify real concerns
- Discovered during your qualifying and listing presentation

On the next pages are 26 common listing objections. Read them.

Working alone, choose five to work on during this session and to demonstrate next week in your Skill Practice (or in class).

Some Common Listing Objections

1. Your presentation is impressive, but I have a friend/relative in the business, and I think I owe it to him to list with him.
2. We appreciate your time but, we would like to try selling it ourselves for a few weeks.
3. We only want to sign a 30-day listing. As good as you seem to be, it shouldn't take any longer than 30 days anyway.
4. You're a fine company, but we have an appointment with (a strong competitor). We'll make up our mind after that. Ok?
5. The other real estate agent said she could get \$20,000 more than that price!
6. I remember reading in a real estate column that if I sign an Exclusive Agency Listing I can still sell the house myself and not owe a commission. That's what I'd like to do.
7. If I do sign your listing agreement, can I cancel the agreement whenever I want?
8. I don't want a key box on my door or anyone showing the house but you.
9. We had a very bad experience with the last real estate agency we dealt with. What makes you different than the rest? (Probably not stated unless you ask.)
10. Will you advertise my house every week?
11. I don't want to waste your time. I just want to know what you think my house is worth. Just give me a ballpark figure. I'll call you back if I like it.
12. What are you personally going to do to sell my house?
13. You're new. I think I need an experienced (or top, or person who works the area, etc.) agent.

14. Thank you, but we would like to think about this for a few days.
15. I'd like to talk to my attorney before I sign anything.
16. My attorney recommends that I not fill out a property disclosure form.
17. The other agent we interviewed said he would list our house for a lower commission. Are you willing to do that?
18. We like your presentation best, but we would like to test the market and list our house for \$20,000 more than you suggested.
19. We want the house shown by appointment only so we can be here to point out all the important little details of our house to lookers.
20. (FSBO) We will let you show the house, but we are only willing to pay one half of the commission.
21. (FSBO) Sure, you can show the house, and I hope you can sell it, but we are not paying any commissions. You will have to get the buyer to pay you,
22. I'll list with you if you will promise to advertise my house in the (expensive newspaper or magazine) and the Wall Street Journal.
23. Will you agree to advertise and hold my house open every Sunday?
24. I've never heard of your real estate firm. I think I need to list with the largest (or best known, etc.) company in the area.
25. The other real estate agent/firm I talked to has all the technology known to man.
26. They said they had the best web site. I think I need to list with him/that firm.

AAA Method of OBJECTION BUSTING

Just think of objections as one of the six no's that you need to accept from your seller to get yes.

Here's how to gracefully craft an objection buster. Use the AAA method.

| |
|------------|
| A – Agree |
| A – Ask |
| A – Answer |

Agree: When the objection comes from the seller, agree that he has an important point. After all, it's important to him!

Ask: Instead of countering the objection and risking an argument, first ask more questions to discover just exactly what the seller is talking about.

Answer the objection with new information. Last, close!!

Example Dialogue: *"I want to wait to sell."* (Objection)

- **Agree:** *"I can understand your concern. Selling is a big decision."*
- **Ask:** *"So I can understand exactly what you're thinking about, do you mind if I ask you a few questions?"*
- **Probe** and ask more: *"Tell me about wait to sell."*
- **Answer:** *"There's some information that could help you make the best decision. Let me show you..., or*

Do you have any questions? Let's go ahead."

On the next page is a worksheet for crafting an objection-buster.

Skill Practice

Working alone, use this worksheet and write your process.

Objection:

A You agree _____

A You ask _____

More probing questions:

Tell me more _____

Please explain _____

Then what happened _____

How, what, when why, how much _____

A You answer (use visual) _____

Close _____

- What visuals do you need to find to prove your claim?

- Where can you find them?

Pricing: Part of your Marketing Plan Competitive Market Analysis (CMA)

Fair Market Value: “The highest price in terms of money that a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not by undue stimulus.”

Practical Application of Fair Market Value: Define a range of value for marketing a property in a given market that, coupled with a professional marketing effort, will attract sufficient interest to generate a timely sale.

What is a CMA?

Price range vs. value

Part of your marketing plan—the pricing part

CMA Presentation Principle: Start with the global (your area) market and move to the specific home to educate the seller on the

1. Start with an explanation and educate about the market

State of the market

- Is it a sellers' market (more buyers than sellers)? Why is this important to the seller?
- Is it a buyers' market (more sellers than buyers)? Why is this important to the seller?
- Is it a transitioning market? Why is this important to the seller?
- Show proof of your claims. (MLS, trusted statistical analysis companies, etc.)

Market Statistics

- Number of homes available in that price range (that the seller is competing with):

- The number of buyers who bought in that price range within a period of time (supply vs. demand): _____
- Time on market for sold homes: _____

What this means to the seller:

2. Movement of the market in general

- Active (significance of supply)
- Pending (significance of pending sales vs. supply)
- Time on market for pending sales
- Expired (price range that determines a home will expire; significance of expired listings)
- Sold

3. Movement of the market in competing homes

- Active (significance of supply)
- Pending (significance of pending sales vs. supply). Time on market for pending sales.
- Expired (price range that determines a home will expire; significance of expired listings)
- Sold

4. Positioning your home in the present market for most attractive sale to you (pricing in relationship to best competition for a sale)

- Homes that best compete with seller's property—and why
- Positioning you feel is necessary to sell the home to the best buyer (positioning that creates competition and best price for the home)
- Educate the seller on what happens when the home isn't positioned properly and languishes on the market. Show examples of homes which didn't sell, had price reductions, and finally sold for a lower price than comparable homes which were properly positioned (priced in the market).

Your goal: Show the seller, with generous evidence, pricing substantiation for your claims.

Common agent mistakes:

1. _____
2. _____
3. _____
4. _____

Recommendations for CMA software: Toolkit CMA, RPR, MLS

Presenting the Market Analysis (CMA) and Closing for the Listing

Skill Practice

When to present the market analysis

How: Start with current trends

Choose a partner. The partner (seller) will have one anticipated objection: the price you are going to give him will be too low. Now, the agent presents the market analysis, starting with a short explanation of current trends. (Allow 10 minutes each to role play.)

- Agent: in your presentation, anticipate and address the price objection with your presentation. At the end of presentation and discussion, close for the listing.
- Partner (seller): if you don't think the agent gave you a good enough explanation of why he's recommending that price, give the price objection straight to him. **Caution to Partner:** don't make this practice so hard that the agent doesn't have time to close for the listing. Let the agent have a win!

After each presentation, use the evaluator below, discuss.

| Market Analysis Presentation Evaluator | | |
|---|---------|---------|
| Rating: 1-4, 4 being excellent | Agent 1 | Agent 2 |
| • Presentation was logical, starting with current trends. | _____ | _____ |
| • Current trends were tied logically to the specific home seller's market area. | _____ | _____ |
| • Material was presented in an informative, logical manner. | _____ | _____ |
| • Price objection was anticipated, and handled well. | _____ | _____ |
| • Visuals showed why over-pricing was dangerous. | _____ | _____ |
| • Closed for the listing. | _____ | _____ |
| • Recommendations for refinement: | | |
| Agent 1 _____ | | |
| Agent 2 _____ | | |

Summary of Session Seven

What You've Already Accomplished

1. Looked at the components for a complete listing system
2. Explored several questions to pre-qualify a seller
3. Learned the components of the pre-first visit seller's package
4. Found the importance of using a detailed Seller Questionnaire; designed a method to determine whether a seller is qualified to work with you
5. Learned ways to present how you work to raise credibility with the seller
6. Designed your marketing presentation using the BHGRE® listing presentation
7. Designed a marketing plan integrating the many marketing tools provided by BHGRE in the Greenhouse
8. Learned how to craft an objection buster

Recommended Actions to Take Right Now

1. Craft at least 5 objection-busters and practice them with another agent
2. Assemble a pre-first visit seller's package
3. Practice asking seller the questions in the Questionnaire for Sellers to uncover hidden motives
4. Practice your How I Work dialogue
5. Do a CMA on your own home; present it to a fellow agent and get feedback
6. Customize the My 22-Point Marketing Presentation
7. Put together your listing presentation and practice it
8. We suggest you watch these videos:
 - a) Video Resource | Accelerate Training Video: Proper Pricing
 - b) Video Resource | Accelerate Training Video: Craft an Objection Buster