

KWU Scripts Catalog: Volume I: Working with Buyers

Tammy Kroop

Acknowledgments

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Buyer Leads from Marketing

Interactive Voice Response (IVR) Calls

IVR Courtesy Callback: Script #1

AGENT: Good afternoon, this is _____ with the _____ Group at Keller Williams Realty. This is just a courtesy call. I noticed that you called on our listing at 123 Elm Street. I just wanted to know, did you get all the information you were looking for?

BUYER: *I sure did.*

AGENT: Great. Are you looking to be in that area?

BUYER: *Yes, I am.*

AGENT: Okay, fabulous. Are you interested in taking a look at that house?

BUYER: We're kind of just getting started. We'd like to drive around a little first.

AGENT: No problem. Would it be helpful to you if I were to give you a list of everything that's currently available in your price range and with the criteria that you need in a home?

IVR Courtesy Callback: Script #2

AGENT: The reason for my call is that I noticed you called on our listing at 123 Main Street. I just wanted to make sure that you received all of the information you needed.

BUYER: *Yes, I did.*

AGENT: Great. So, how long have you been looking for a home?

IVR Courtesy Callback: Script #3

- AGENT:** Hi, this is _____ with Keller Williams Realty. You called on the property located at _____. Are you in the market for a home?
- BUYER:** *Not yet. I'm just calling to get the price.*
- AGENT:** This is a wonderful home. It has ... *[Describe the home and some of its features and benefits.]* The list price is _____. Does this sound like something you are interested in? Do you plan on purchasing a home within the next year?
- BUYER:** *Maybe ... but I don't want to commit to anything right now.*
- AGENT:** Even if you are not in the market for a new home right now, you have nothing to lose and everything to gain by beginning to explore your options. When would be a good time for us to sit down and discuss this further?

IVR Courtesy Callback: Script #4

- AGENT:** Hi, this is _____ with Keller Williams Realty. You called about the property located at _____. Are you in the market for a home?
- PROSPECT:** Yes.
- AGENT:** Are you currently working with a real estate agent?
- PROSPECT:** *Not yet.*
- AGENT:** It would be my pleasure to help you find the perfect home. Do you have a timeframe for when you want to move? *[Listen and document response.]* Do you have a price range? *[Listen and document response.]* I have a good inventory of homes to choose from that are similar to the property you called about.
- PROSPECT:** Great!
- AGENT:** One more important question: have you had the opportunity to meet with a lender?
- PROSPECT:** No.
- AGENT:** Meeting with a lender is not mandatory at this point, but our customers tell us over and over again that one of the most beneficial meetings for them was meeting with a lender.
- PROSPECT:** Really?

(continued on next page)

IVR Courtesy Callback: Script #4 (continued)

AGENT: When you meet with a lender, you will learn how much it will cost you to get into a home and what your monthly payments will be. Many times customers find that they actually qualify for more than they expected. Meeting with a lender makes our time looking at homes more efficient because we focus only on the homes you're comfortable making monthly payments on. Does this make sense?

PROSPECT: What about the home I'm calling about? What if someone buys it up before I do?

AGENT: Most sellers want the security of working with a buyer who is qualified to purchase their home. Meeting with a lender doesn't take that long. As a matter of fact, I can recommend a couple of lenders you may meet with today or tomorrow. Are you interested?

PROSPECT: Sure.

AGENT: I recommend that you call _____. Now, to keep things moving, would it be possible for us to meet at my office after you have met with a lender so I can show you what's available?

PROSPECT: Can you just show me the house that I called about?

AGENT: I'm happy to do that, but most of the time buyers want to look at a number of homes within their price range so that they can compare prices and be in a better position to negotiate. To make the best use of your time, let's start with a meeting in my office so I can show you ten or so other homes that meet your needs. This will put you in a better position to negotiate. Does this sound like a good starting point? Let's set a time to sit down and discuss this.

IVR Courtesy Callback: Script #5

PROSPECT: I got all the information I needed. Thank you very much.

AGENT: This home is in the _____ neighborhood. Is this an area you are looking to buy in?

PROSPECT: Yes.

AGENT: I may know of other homes in that neighborhood that you might be interested in.

PROSPECT: I really like the house that I called on.

AGENT: I understand. What do you like about it?

PROSPECT: The look and the size.

(continued on next page)

IVR Courtesy Callback: Script #5 (continued)

- AGENT:** I suggest that we meet so that I can see what I can do to get you the home of your dreams. What's a good time for you?
- PROSPECT:** *I'm really not interested. I got all the information that I needed.*
- AGENT:** No problem. Do you mind if I send you some information on financing?
- PROSPECT:** *Sure, go ahead. By the way, how did you get my number?*
- AGENT:** The telephone system that we use captures telephone numbers the same as Caller ID. I was following up to see if you got all the information you needed and if I could answer any questions that you might have regarding financing.
- PROSPECT:** *Send me that information on financing and I'll give you a call.*
- AGENT:** No problem ... so the correct spelling of your name is ...

IVR Courtesy Callback: Script #6

- AGENT:** Hi, this is _____ with Keller Williams Realty. You just called on _____ (Property Address). Is there anything I can help you with? Are you currently in the market for a new home?
- PROSPECT:** *Yes.*
- AGENT:** Are you currently working with an agent?
- PROSPECT:** *No.*
- AGENT:** It would be my pleasure to help you find your perfect home, and I must tell you that I operate a little differently. The way I prefer to work is to have you come into the office so we can uncover exactly what you need in your next home. You see, I'm not like most agents who just throw you into the car and show you 50 homes hoping you stumble upon the perfect home. If you choose to work with me, we are going to take a proactive approach which virtually assures you of getting what you want and wanting what you get; thus, assuring us of a win-win relationship. Does this sound like something that could benefit you?
- PROSPECT:** *Possibly.*
- AGENT:** Great! When would be a good time for us to get together?

IVR Courtesy Callback: Script #7

AGENT: Hi, this is _____ with Keller Williams Realty. You just called on _____ (Property Address). Is there anything I can help you with? Are you currently in the market for a new home?

PROSPECT: Yes.

AGENT: Great! Are you currently working with an agent?

PROSPECT: Yes.

AGENT: Great. Would you be offended if I asked for your home address so that I may stay in touch with you through the mail?

IVR Courtesy Callback: Script #8

AGENT: Hi, my name is _____ with the _____ team with Keller Williams Realty. We've received an inquiry from someone at your phone number about _____ (Property Address). Were you the one who called?

PROSPECT: Yes.

AGENT: Great! There are two reasons for my call. The first is quality assurance. Did the service give you all of the details you requested?

PROSPECT: Yes, but I'm really not interested in that home.

AGENT: I appreciate your feedback. There's some additional information I'd like to share with your agent. Who's representing you in your home search?

IVR Courtesy Callback: Script #9

AGENT: This is _____ with Keller Williams Realty. I see that you called on a home in _____ (area). One thing you should know about that area is that the homes do not stay on the market very long. It sounds like you have been driving around looking at homes out there and calling the signs.

PROSPECT: Yes, I have been.

AGENT: Let me save you a lot of time in your hunt for a home. Drop by my office and let's run some new searches on the computer with the criteria you are looking for in a new home. Then we'll go view some of the houses. This will save you a lot of time. I have openings at 4:30 and 6:00 p.m. today. What time works best?

IVR Courtesy Callback: Script #10

AGENT: Hi, this is _____ with the _____ group and someone from your home just called on one of our talking ads. As a matter of courtesy, we like to call back to make sure your questions were answered. What price range are you looking in? Have you heard of _____ (team name)?

PROSPECT: Yes, I have.

AGENT: Great! We are on our toes and have been the #1 team in the area for the past ____ years because we offer some very unique services. I am a member of the buyer agent team. Typically, most agents who you call from a For Sale sign are working for the property owner. When you work with a member of our buyer agent team, you are working with someone who instead represents you and who looks out for your best interests. This can save you a lot of time and money. Being a part of a team means I can focus 100 percent of my efforts on finding just the right home for you. All of this service is free of charge to you. You are interested in purchasing a home, aren't you?

PROSPECT: Yes.

AGENT: Great! Are you working with another agent?

PROSPECT: We're not interested in purchasing now; we are just looking.

AGENT: We may have just the right service to help you. It's a unique program we offer called the "Buyer Instant Notification Program".

IVR Courtesy Callback: Script #11

AGENT: Hi, this is _____ with the _____ group and someone from your home just called on one of our talking ads. As a matter of courtesy, we like to call back to make sure your questions were answered. What price range are you looking in? Have you heard of _____ (team name)?

PROSPECT: Yes, I have.

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IVR Courtesy Callback: Script #11 (continued)

AGENT: Great! We are on our toes and have been the number one team in the area for the past ____ years because we offer some very unique services. I am a member of the buyer agent team. Typically, most agents who you call from a For Sale sign are working for the property owner. When you work with a member of our buyer agent team, you are working with someone who instead represents you and who looks out for your best interests. This can save you a lot of time and money. Being a part of a team means I can focus 100 percent of my efforts on finding just the right home for you. As your representative, I can negotiate the best price and terms for you on the home we find. All of this service is free of charge to you. You are interested in purchasing a home, aren't you?

PROSPECT: Yes. We are already working with an agent.

AGENT: Then, they should be giving you the latest information on the newest properties coming on the market. How committed are you to your agent?

IVR Courtesy Callback: Script #12

AGENT: Hi, this is _____ with the _____ group and someone from your home just called on one of our talking ads. As a matter of courtesy, we like to call back to make sure your questions were answered. What price range are you looking in? Have you heard of _____ (team name)?

PROSPECT: Yes, I have.

AGENT: Great! We are on our toes and have been the #1 team in the area for the past ____ years because we offer some very unique services. I am a member of the buyer agent team. Typically, most agents who you call from a For Sale sign are working for the property owner. When you work with a member of our buyer agent team, you are working with someone who instead represents you and who looks out for your best interests. This can save you a lot of time and money. Being a part of a team means I can focus 100 percent of my efforts on finding just the right home for you. As your representative, I can negotiate the best price and terms for you on the home we find. All of this service is free of charge to you. You are interested in purchasing a home, aren't you?

PROSPECT: Yes.

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IVR Courtesy Callback: Script #12 (continued)

AGENT: Great! Are you working with another agent?
PROSPECT: *We really want to see a lot of homes before deciding to purchase.*
AGENT: The problem with driving around and calling from signs is that agent is working for the seller and that property may already be under contract. Even newspaper and magazine ads are put to press a month ago and the best properties are already gone. Working with a buyer agent can save you a lot of time and effort. I can put you down in front of the Multiple Listing Service and enter your specific criteria for a home: price, number of bedrooms, amenities, the areas you want to live in, and so forth. It will show us the latest, freshest information on properties that have come on the market. I also preview about forty homes every week and work with about twenty builders in the area. About half of my business is new construction. I know the market and can work to negotiate the best price and terms for you. Does this sound like something you would be interested in?
PROSPECT: Yes.
AGENT: Let's set up an appointment for you to come to my office. It will only take about thirty minutes. Would later this afternoon work for you or would tomorrow be better?

IVR Courtesy Callback: Script #13

AGENT: This is _____ with Keller Williams Realty. How are you today?
BUYER: *I'm great, thanks.*
AGENT: Our technology (IVR system) indicated that you have been looking at the _____ (advertising) and that you're interested in a fantastic piece of property in _____ (location). I'm not sure if you're aware of it, but _____ (city) is one of the few cities *[Insert strong points of area or house: e.g., where we have a 20 percent homestead exemption]*. This home is absolutely fantastic, and I'd love the opportunity to show you this property. Do you have any questions on that property?
BUYER: *Yes, how much is it?*
AGENT: That home is listed right now at \$_____. It's about _____ square feet—a fantastic custom home. Is that in your price range?
BUYER: *Yes, it is.*

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IVR Courtesy Callback: Script #13 (continued)

- AGENT:** Great. Are there other areas you are looking in?
- BUYER:* Yes, we want to stay in the _____ (school district).
- AGENT:** Excellent. Are you currently working with an agent?
- BUYER:* No, and this is my first phone call on a property.
- AGENT:** Let me tell you about a program we use that would be of extreme benefit to you. I will have a buyer's specialist contact you to find out your exact parameters. After that we can put you into a program that allows you to receive, by email, every property that meets your parameters the moment it is listed. Is that something you think might be of benefit to you?
- BUYER:* Yes. Can you tell me more about the program?
- AGENT:** The program is actually sent through the Multiple Listings Service or MLS. We'll take some time to enter your parameters. First of all, what is your name?
- BUYER:* _____ (name).
- AGENT:** What are you specifically looking for? What is the price range?
- BUYER:* Between \$_____ and \$_____.
- AGENT:** Okay, between \$_____ and \$_____? And how soon do you need to purchase a home?
- BUYER:* Within the next three months. I'm still in a lease, so I'm not sure I really need to start looking for houses yet.
- AGENT:** When does your lease expire?
- BUYER:* Not until _____ (three months from now).
- AGENT:** This is not too soon to start, at least begin familiarizing yourself with what you can find in your price range in the area. Are you specifically interested in the _____ (location) school district?
- BUYER:* Yes, the school district has a strong reputation.
- AGENT:** So, you do have children. Is there a specific number of bedrooms and bathrooms that you're looking for?
- BUYER:* Four bedrooms and no fewer than two bathrooms.
- AGENT:** Are there any other features that you're looking for in this home like a swimming pool, or mature trees?
- BUYER:* Not really. I'm fairly open to any kind of additional features and landscaping.

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IVR Courtesy Callback: Script #13 (continued)

- AGENT:** We shouldn't have any problem finding homes that meet your price range and bedroom requirements. Let me get your email address and I'll email you every property in your price range and preferred area with at least four bedroom and two bathrooms. If we find that there are lots of properties that meet these criteria, then we'll have to talk about narrowing your parameters. For instance we may try to decide between an upper and lower master bedroom. Let's first find out about those parameters, and we'll condense them depending on how many houses turn up. Does that sound good?
- BUYER:* Yes.
- AGENT:** Once I send these properties, you will have the option to see that property if it interests you. I will talk to one of the buyer's agent to arrange to have you prequalified. Have you spoken to a banker or a mortgage company?
- BUYER:* No, I haven't.
- AGENT:** We have a person we work with who is incredible. Do you want our contact to give you a call?
- BUYER:* Sure—she can give me a call.
- AGENT:** *[Arrange time and contact information.]*
- BUYER:* Is this better than looking for houses on my own?
- AGENT:** Absolutely. When you look for houses on your own while driving around, you might like the outside of the home, but it could be a \$_____ piece of property, or it could already be sold or under contract. We're going to save you time.
- BUYER:* Do I have to sign anything?
- AGENT:** We use a buyer's agreement form that asks you to be faithful to us since we're going to give you our faithful service. We'll explain how the program works, we'll show you a few properties, and then we'll ask you to sign the agreement—if you are comfortable with us and believe in the service we can give you.
- BUYER:* Once I sign the agreement, I'm not free to work with other agents?

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IVR Courtesy Callback: Script #13 (continued)

AGENT: We urge you not to. If you decide to work with another agent, that agent is going to be showing you a property and working for you for free. I don't think that's a win-win situation for you or me. Let me tell you why it's not a win situation for you: we would immediately take you off of our program. Let's say the perfect home for you comes on the market—you wouldn't be one of our customers and so you wouldn't know about it. Someone who is not going to be faithful to one agent might not get that great deal. Does that make sense?

BUYER: Yes, it does.

AGENT: Our position is this—we don't want you to work with us if you're not interested or if you don't desire the services we're going to provide you. We want it to be a win-win situation. We want you to be comfortable with us and know that we're giving you 100 percent of our efforts. We are a family team, and what's important to you is important to us and that is finding your house.

BUYER: I like that. How is your team different from others?

AGENT: We have dedicated ourselves to building a team of hard-working, ethical people. I can give you some references that attest to it. We are with Keller Williams Realty—a fantastic company that is number one in the area, and so we are listing masters. Keller Williams Realty is a phenomenal company that provides us with a strong backing.

BUYER: What else should I know about Keller Williams?

AGENT: Keller Williams has a belief system that is certainly my belief system—rooted in integrity, honesty, trust, and teamwork. I would love to go over that with you. Keller Williams is a company and a team that will provide the best service it can for you.

BUYER: Sounds great.

AGENT: Do afternoons or evenings work better for you to meet with us?

BUYER: Evenings after 4:30 p.m.

AGENT: [Set appointment.] We look forward to meeting you and interviewing for the job to represent you in the purchase of your new property.

IVR Courtesy Callback: Script #14

AGENT: Hi my name is _____. I'm calling from _____ (team) over at Keller Williams Realty, and I noticed that you made a call to our free real estate information line about a property on _____ (address). As a courtesy to you, we would like to call back to make sure you got all of your questions answered and to find out what about this home caught your eye? *[Listen to response.]* Who am I speaking with?

Responding to Incoming Calls

Calls Generated From Print Ads: Script #1

[First you want to get a little bit of a feel for the person.]

AGENT: *Mr. Buyer*, hey thanks for calling the _____ team.

BUYER: *Good to talk to you.*

AGENT: No, thank you for calling us. By the way, we're here to help. We specialize in helping people who want to not only buy a home that they really love, but one that's a great investment. Does that make sense?

BUYER: *Yes.*

AGENT: And you've probably been looking a little while for a home that suites you, isn't that true?

BUYER: *Yes, quite a while.*

AGENT: Well, most people have, and you're probably discovering that you're not finding much, correct? I'll tell you one of the reasons, something that makes it important for us to get together. Most homes that are the best buys never make it out to the general public that is looking for them. Do you understand that? Here's what happens: agents sell the best homes first. Not to themselves, but to their best clients—and that's what I do. So I am constantly watching the homes that are coming on the market, and I'm talking to other agents in the industry about homes that are ready to come on the market, so that, typically, when a home that's a really good buy comes on, we're there before it ever reaching a newspaper ad. Let me ask you this: do you think it would be an advantage to you to have access to those homes?

BUYER: *Yes. The newspaper hasn't turned up anything.*

AGENT: Yes—good for you. That's exactly what we found to be true. Let me ask you: do you think it would be worthwhile getting together for fifteen or twenty minutes to find out if we can get you what you're looking for?

Calls Generated from Print Ads: Script #2

Buyer calls in and learns that the property has already been sold

AGENT: Hi *Mr. Buyer*, you were calling on property. That's a really nice house. Unfortunately, I have bad news for you: we already sold that house. But tell me, what are you looking for?

BUYER: *Well, the description of that house sounded great.*

AGENT: That particular house was over in the _____ neighborhood. Is that the area you're interested in? I know the area real well, and I sell a lot of houses over there. Do you have an agent right now?

BUYER: *I don't.*

AGENT: You're going to run into this situation often as you call out of these magazines. One thing you have to understand about these magazines is that they take four weeks to hit the stands. When I order a magazine, it takes three to four weeks for it to publish and be distributed. You're going to run into this all the time, especially in this kind of a hot market. So what I really recommend is that you settle down with an agent—stop using these magazines. I mean, it's okay, but what an agent can do for you is get you only the properties that are still on the market.

Calls Generated from Print Ads: Script #3

BUYER: *I saw an advertisement for _____ (property address).*

AGENT: It's in _____ (location). Where exactly is that property advertised?

BUYER: *Well, that's not really the area we're looking to buy into.*

AGENT: You know, I advertise like that without listing an area for a simple reason. You can purchase a house any place for zero down. It's not the house itself—it's the financing program that we use. Do you have any idea what your credit is like?

BUYER: *I really don't know.*

AGENT: I work with a wonderful lender. It would take about ten or fifteen minutes over the phone: would you answer a few questions, get to know the lender, and make sure you're comfortable with them. They would call you back in about an hour or an hour-and-a-half to let you know where you stand.

Calls Generated from Print Ads: Script #4

BUYER: *Where is the house you're advertising located?*

AGENT: _____ (location)

BUYER: *Well, that's not really the area we're looking to buy into.*

AGENT: I advertise like that without listing an area for a simple reason. You can purchase a house any place for zero down. It's not the house itself—it's the financing program that we use. Do you have any idea what your credit is like?

BUYER: *I really don't know.*

AGENT: Do you have any idea what your credit is like?

BUYER: *I don't think it's very good.*

AGENT: I understand. We've all had our ups and downs in life. What I would suggest is that you call my lender and, he'll run your credit report. We can then look at whether or not you are qualified now. If you don't qualify, we'll discuss what you'd have to do over the next six months to make sure you can purchase a house within the next year.

Calls Generated from Print Ads: Script #5

BUYER: *Hi, I would like to get the address for _____ property that you have advertised in XYZ newspaper.*

AGENT: That's a great property. Everyone's been calling on that home. So you're looking to buy a home?

BUYER: *Yes.*

AGENT: What is your price range?

BUYER: *\$175,000 to \$200,000.*

AGENT: In what area are you looking?

BUYER: *South of the river.*

AGENT: What was your name?

BUYER: *[Buyer gives name.]*

AGENT: And what's a number where I can call you back?

BUYER: *[Buyer gives number.]*

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Calls Generated from Print Ads: Script #5 (continued)

- AGENT:** Great, thank you. The house that you called about is a three bedroom, two bath, 1500 square foot, and it is priced at \$175,000. Does that sound like something you'd be interested in?
- BUYER:** *So far. Where's it located?*
- AGENT:** It's located south of the river on Hale Street. It's still available.
- BUYER:** *Can I do a drive-by?*
- AGENT:** Sure you can do a drive-by. What I would prefer to do is have you come into our office. You see, we act a little different in our office—we act as consultants. Have you ever worked with a real estate agent that works as a consultant?
- BUYER:** *No.*
- AGENT:** This is how it works. I sit down with you and educate you on the process of buying a home and we also figure out what your needs are. I identify whether I can help you or not and if you're comfortable working with me. Would you like to set a time to come into the office and go through that process?

Calls Generated from Direct Mail: Script #1

- PROSPECT:** *A friend gave me one of your mailers and said you specialize in the _____ (area). How much are homes there?*
- AGENT:** Please thank your friend and you're smart to be considering _____ (area). It's a top area primarily due to the location and schools so the average days on market are lower *[if that's not true, know something good to say about the community that demonstrates you are on the inside track]* than other similar communities. I would be happy to help you.
- How soon would you like to move?
 - So are you currently renting or do you need to sell a home first?
 - Have you talked with a lender to determine your price range options?
- PROSPECT:** *I only asked how much houses were in _____ (area).*
- AGENT:** Prices range from \$_____ (\$250,000) to \$_____ (\$750,000). Is that a range you would be interested in?
- PROSPECT:** How much is the house on _____ (street name)?

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Calls Generated from Direct Mail: Script #1 (continued)

AGENT: I'm happy to check on that for you. But even better, I have some open appointments today. I can give you the advantage of the tools I use to professionally evaluate properties. I believe that in a few minutes I could save you days and possibly thousands of dollars by using a seasoned approach.

PROSPECT: *What else can you do for me?*

AGENT: The most complex and difficult part of my job today is often after the negotiation of price on the property. Proper home inspection is critical and not knowing your rights under the terms of the contract is where people get hurt. If we decide to commit to each other through Buyer's Agency, then I represent you before, during and after the sale. And I would be delighted and happy to provide you references of clients who will confirm that my loyalty extends past the closing.

Calls Generated from Direct Mail: Script #2

PROSPECT: *I see that you just sold a house in my neighborhood. Do you have any idea what my home might be worth?*

AGENT: I would love to help you identify what your home is worth. First I would need to see your home. There are so many factors that influence what a property will sell for that I would never just drive by and guess. I could break away at ____ (time) and come by today or is tomorrow better? How soon do you plan to be on the market?

PROSPECT: *I never said I was putting it on the market. I just want to know how much you can sell it for.*

AGENT: Okay, I'll come see your home and I can help you evaluate the recent market activity. You are the one who sells your home. My benefit is to give you data on a range of prices that you should consider.

PROSPECT: *What do you mean? I thought agents were the ones who sold houses.*

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Calls Generated from Direct Mail: Script #2 (continued)

AGENT: Only the owner can sell their property. My job is to give you comparable market information and evaluations and the demand for this type of property in this market. You're the one who ultimately decides the price and what condition in which you will present the property. Another reason you benefit by having me represent you when you do sell your home is I can help you stage your house so it appeals to the greatest number of people. It's in your interest to put your house in the best possible condition, because we've got a huge market of homes right now—a lot of competition. One my role is to help you identify the repair and/or updates that are important, and those that are not. Only a percentage of homes that go on the open market sell. I want to make sure your in that percentage.

PROSPECT: Okay, great. Anything else? Can you help me through the selling process?

AGENT: I think I can be very valuable to you. Practice doesn't make perfect, but practice does make better. I've been selling homes for ____ years. I've got plenty of letters of reference from people who are very happy that I've helped with their sale.

Responding to Sign Calls

Buyer Interview: Script #1

AGENT: Hi this is _____ with _____. How can I help you?

BUYER: I saw your sign about 123 Elm Street ...

AGENT: Oh, everyone is calling on that one!

BUYER: What is the price on that one? I just want the info ...

AGENT: Oh, that's priced at _____. Is that the price range you're looking for, or is there another range that suits you better?

BUYER: That's about right.

AGENT: So you're interested in buying a home? Great! And your name was? And phone number? So, how have you been going about your home search? Are you working with an agent? Who would that be? I would be happy to call and give him the MLS# or I can give it to you ... which would you prefer?

BUYER: I will call.

AGENT: Do you own your own home or are you renting?

BUYER: Renting.

AGENT: Are you tied to a lease or are you renting month to month?

BUYER: or

BUYER: I own a house.

AGENT: Do you need to sell before you buy another home? Would you be interested in a free market analysis to see what your present home is worth? I will have _____ (listing specialist), give you a call [Listen to the response.] How long have you been looking?

BUYER: Well if you could just send me info on _____.

AGENT: Have you seen any homes that you liked?

BUYER: There are a few homes in my price range ... [Go for the appointment.]

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Buyer Interview: Script #1 (continued)

AGENT: What prevented you from buying? Have you or will you be looking at builder's models? If it was really just about a 3/2/2 you would have bought the first one you saw ... Right? So there really is a lot more to it than that ... *[Go right into: We're a Little Different script ...]* Have you been prequalified by a lender? What price range do you have in mind? How soon do you want to be in a new home? If we find the right home, are you prepared to make a decision at this time? On a scale of one to ten, with one meaning you are not interested at all in purchasing a home and ten meaning you want to be in a home as soon as possible, how would you rate yourself?

About a six.

AGENT: (Anything less than a ten) What would it take for you to move to a ten? What features do you have to have in a home? We make a 100 percent commitment to our buyers and we ask our buyers to make a 100 percent commitment to us. How do you feel about that arrangement?

We're a Little Different

AGENT: We're a little different than most real estate agents. We take a counseling approach. Have you ever worked with an agent like that? Let me explain my role on the team. I only represent buyers on the buyer's side of the transaction. Our buyers find it most helpful for them if we start the process of searching for a home by having a counseling session in my office so I can help you better and faster to find your dream home. Does that sound good to you? This counseling session will take approximately thirty minutes to an hour depending on your questions and during that session we will need to go through some disclosures required by law. Can we do this during the day or are early evening hours better for you? Would _____ be okay, or is _____ better for you?

Qualifying a Buyer Over the Phone: Script #1

AGENT: Thanks for choosing the _____ Group; this is _____. How may I help you?

BUYER: I was calling about a house I saw for sale.

AGENT: Wonderful. Do you have an address for that home?

BUYER: 123 Elm Street.

AGENT: Fabulous. Oh, that's a wonderful home. We've had a lot of calls on that. I'm just going to get that information for you. Let me ask, what was it about that home that caught your attention?

BUYER: We really like the location, and the landscaping in front is great.

AGENT: All right, I'm just pulling that up. You know, the current price on that is \$125,000. Is that the price range you're looking to be in?

BUYER: Yeah, actually it is.

AGENT: Let me ask you, are you working with an agent at this point? Do you have somebody helping you find a home?

BUYER: No, we are just starting out.

AGENT: Okay, great. Let me ask you, how are you finding your homes? Just by driving around?

BUYER: Yeah, so far. We just started.

AGENT: I'm sorry; I didn't catch your name.

BUYER: Ms. Buyer.

AGENT: Hi, Ms. Buyer. My name's _____. I tell you what, Ms. Buyer. I don't know if this would be a value to you, but we have a program that allows us to e-mail you listings that fit your needs every time something goes onto the market. This program goes into the Multiple Listings Service twice a day, and it'll search for homes that fit your criteria. And it will just generate an e-mail to you. Is that something you'd be interested in getting?

BUYER: Yeah! Absolutely!

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Qualifying a Buyer Over the Phone: Script #1 (continued)

AGENT: Okay, great. Well, let me get some information from you. *[Capture their name, e-mail address, and then ask questions specific to what they are looking for in a home.]* What is it you're looking for in a home? What do you need in the way of bedrooms? *[Listen to the response.]* Do you have kids? *[Listen to the response and continue asking a few initial needs analysis questions.]* Okay. Well, I tell you what, Ms. Buyer. What I'm going to do is, my partner, his name is _____, is a Buyer's Specialist. All he does is represent buyers. And the neat thing about that from your perspective is, he doesn't ever list anything. So he's not going to try to sell you anything. But he's going to be the one that will input this information, do the initial search for you in the multiple listings service. So I'm going to give this to him and have him call you. Will that be okay?

BUYER: *That's fine.*

AGENT: When's the best time to get a hold of you?

BUYER: *Usually around 4:00 p.m.*

AGENT: Okay, great. I'm going to have my Buyer's Specialist give you a call around 4:00 p.m., and he'll probably ask you some more questions to get a better idea of what it is you're looking for in a home. And what I'd like to say is, just be really honest with him. Tell him what you do like, and tell him equally what you don't like. That will help him do a better job for you.

BUYER: *Okay, I can do that.*

Qualifying a Buyer Over the Phone: Script #2

[Phone rings.]

AGENT: Thank you for calling the _____ team at Keller Williams Realty. How may we help you?

BUYER: *Oh, I saw your sign over on 123 Main St. I was wondering what that house sold for.*

AGENT: Oh great, we appreciate you calling and we would be happy to tell you about that home. It was on the market for X number of days, it had four bedrooms, two and a half baths, and it was listed at X price.

BUYER: *Well, what did it sell for?*

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Qualifying a Buyer Over the Phone: Script #2 (continued)

- AGENT:** Well, it hasn't gone to settlement yet, so we can't quite disclose that, but we can tell you the seller is real happy with the numbers that they got and there happens to be another home just like it down the street. Are you interested in seeing that home?
- BUYER:* Yes.
- AGENT:** Great. Are you currently working with an agent?
- BUYER:* No.
- AGENT:** Well we would be more than happy to make an appointment. How about I meet you there at _____ (time)?

Qualifying a Buyer Over the Phone: Script #3

- AGENT:** This is _____, how may I help you?
- BUYER:* I saw a listing and I'm wondering about the address. Can you tell me?
- AGENT:** Okay, sure. I only have one listing in that neighborhood at the moment. That particular property is \$_____; is that in your price range?
- BUYER:* Yes.
- AGENT:** Well, good. I'll tell you a little bit about the house. [Describe house.] It's a really nice house—you said that's what you're looking for? Would you like to set up an appointment to see it?
- BUYER:* I'm not that serious right now, but I would like the address.
- AGENT:** No problem. It's _____ (address). But let me ask you a couple of questions. Do you have an agent?
- BUYER:* No.
- AGENT:** You said all you want for now is the address. When are you planning on buying?
- BUYER:* Sometime soon.
- AGENT:** In the next six months? Three months?
- BUYER:* Probably in the next six months.
- AGENT:** Okay, six months. What is your current living situation—are you renting? When does your lease expire? You are looking kind of early. If you don't mind, what I'd be happy to do first thing is to offer to send you a list of the properties that match your criteria. I can email it to you or fax it to you. But I would like to get your name and number so I can stay in touch with you.

Qualifying a Buyer Over the Phone: Script #4

BUYER: *Hi. I'm calling for information on a property you advertised. Could you tell me about the property?*

AGENT: Sure. I'd be happy to give that information to you. Now, how did you find out about the home?

BUYER: *I saw a sign on my drive to work.*

AGENT: So you saw the sign. Excellent. Thank you for that. I like to know where my advertising dollars are getting a response, so I appreciate your letting me know that. And while I'm retrieving that information for you, what price range are you considering

BUYER: *Upper \$200,000s is my top range.*

AGENT: Okay. Now, the home is \$249,000. It's in the _____ neighborhood. Is that a price range and an area that's a consideration for you?

BUYER: *Yes.*

AGENT: So it is! Okay. Four bedrooms, three-and-a-half bathrooms. Is that what you are looking for?

BUYER: *Depending on the appearance. Maybe you could just give me the address?*

AGENT: Okay. Certainly. Let me get that for you and call you right back. Your number, please? [Take down contact information.] Got it. And I'll call you right back. Okay?

I have no problem getting a phone number. People who do have problems with that really need to practice their scripts. The problem isn't that somebody won't give them their phone number. It's that the agent isn't saying things in a convincing, professional manner that compels the listener to do what they are asking to do.

-Mike Netzel

Qualifying a Buyer Over the Phone: Script #5

AGENT: Hi, this is _____.

BUYER: Yes, I would like to get some information about the house on _____ (property address).

AGENT: Great, what is your name?

BUYER: [Buyer gives name.]

AGENT: *Mr. Buyer*, do me a huge favor. I was just finishing up with a customer. Can you give me two minutes and let me grab that file and I'll call you right back.

BUYER: Sure.

AGENT: Thanks. What is the best number to call you back?

BUYER: [Buyer gives number.]

AGENT: Okay, I'll call you right back with all the information in two minutes.

Qualifying a Buyer Over the Phone: Script #6

AGENT: I've found that a lot of people call me from their cell phones. Are you driving right now? I don't want you to have a wreck.

BUYER: I'm driving.

AGENT: Please take a moment to pull over to the side of the road because I'm going to give you a lot of information. In addition to this home, I noticed that you called on _____ (property address) as well. It's got four bedrooms, three baths, and it's priced at \$219,000. Is that the floor plan that you're looking for?

BUYER: Close enough.

AGENT: Just out of curiosity, did your agent ask you to call me directly?

BUYER: I don't have an agent.

AGENT: How long have you been looking for a home?

BUYER: Two weeks.

AGENT: What prompted you to call on this particular property?

BUYER: I'm calling on everything I like.

AGENT: Have you worked with an agent before and know the services that an agent can provide?

BUYER: No.

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Qualifying a Buyer Over the Phone: Script #6 (continued)

- AGENT:** I'd like to explain to you how I work. If I can get you to come to my office, we can sit down and go over the criteria that you're looking for. We'll take a look at the Multiple Listing Service to determine what homes are available that fit your price range and the size of home you're looking for. This would save you a lot of time, and I know that time is very valuable to you, isn't it?
- BUYER:** Yes.
- AGENT:** Would you like to come in this afternoon, or would tomorrow morning work better?
- BUYER:** Tomorrow morning.
- AGENT:** Have you ever been prequalified before? It means that you sit down with a lender and figure out how much you are able to afford so that you can decide on a price range you are comfortable with. I'd like to set that up so that when you come in we can get you prequalified. I'm going to turn you into a cash buyer. That means we'll have a lot more room—or tools in our toolbox—so that when we find the perfect home, you'll be a cash buyer. This means that you've been prequalified and that you're just as good as a buyer paying cash. It'll give us a lot more ability to negotiate in your favor. We're removing the contingencies in order for you to be able to afford a home.
- BUYER:** Great. I'll see you tomorrow morning.

Qualifying a Buyer Over the Phone: Script #7

- AGENT:** This is _____ (name). How may I help you?
- BUYER:** We're out at your listing on _____ (address). Can you tell me more about this piece of property?
- AGENT:** That house is \$250,000, it's on five acres and it's 2600 square feet, built in 1964. It has three bedrooms and two baths. Does that sound like something you're looking for?
- BUYER:** Not really.
- AGENT:** What are you looking for? How long have you been looking? Are you working with a real estate agent?
- BUYER:** No, we're just out riding around looking at houses right now.

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Qualifying a Buyer Over the Phone: Script #7 (continued)

AGENT: May I offer you some free services? If you'll give me your name and phone number, I'll mail you some information on all the homes in this area that meet your criteria. We'll be glad to show you some properties, if you'd like, including for sale by owners. We'll ask you to sign a Buyer Agency Agreement, which states that if we show you a home and you decide to write an offer on it, we'll be the ones to write the offer for you. Anything that's out there and available, that meets your criteria, we want to show you.

Qualifying a Buyer Over the Phone: Script #8

AGENT: Hello, Keller Williams Realty, how may I help you today?

BUYER: I was calling to find out the price on _____ (property address).

AGENT: Yes, that home is \$124,000, is this price range what you are seeking?

BUYER: Yes.

AGENT: My name is _____, may I have your name? *[Write down name.]* This property has three bedrooms but you cannot fully appreciate the features without seeing the property. Have you been working with another agent?

BUYER: No.

AGENT: Do you have a home to sell in order to buy?

BUYER: No.

AGENT: Have you visited with a loan officer? *[Listen to the response.]* Is this your first home? *[Listen to the response.]* Has anyone discussed agency relationships with you? *[Explain this.]* Would you like to see some more homes in the area while we are out? Let's make an appointment. When could we get together?

Qualifying a Buyer Over the Phone: Script #9

AGENT: Hello, Keller Williams Realty, how may I help you today?

BUYER: *I was calling about _____ (property address).*

AGENT: Yes, that home is \$124,000, is this price range what you are seeking?

BUYER: Yes.

AGENT: My name is _____, could I have your name? *[Write down name.]* This property has three bedrooms but you cannot fully appreciate the features without seeing the property. Have you been working with another agent?

BUYER: Yes.

AGENT: Have you signed an agreement for representation with that agent?

BUYER: Yes.

AGENT: Great. You know you should really call your agent for them to show this property to you.

Qualifying a Buyer Over the Phone: Script #10

AGENT: Hello, Keller Williams Realty, how may I help you today?

BUYER: *I would like to get some information about the house on _____.*

AGENT: Yes, that home is \$124,000, is this price range what you are seeking?

BUYER: Yes.

AGENT: My name is _____, could I have your name? *[Write down name.]* This property has three bedrooms but you cannot fully appreciate the features without seeing the property. Have you been working with another agent?

BUYER: Yes.

AGENT: Have you signed an agreement for representation with that agent?

BUYER: No.

AGENT: Do you have a home to sell in order to buy?

BUYER: No.

AGENT: Have you visited with a loan officer? *[Listen to response.]* Is this your first home? *[Listen to response.]* Has anyone discussed agency relationships with you? *[Explain this.]* Would you like to see some more homes in the area while we are out? Let me make a few appointments ...

Qualifying a Buyer Over the Phone: Script #11

- AGENT:** Hello, Keller Williams Realty, how may I help you today?
- BUYER:** *I would like information about _____ property.*
- AGENT:** Yes, that home is \$124,000, is this price range what you are seeking?
- BUYER:** *Yes.*
- AGENT:** My name is _____, could I have your name? *[Write down name.]* This property has three bedrooms but you cannot fully appreciate the features without seeing the property. Have you been working with another agent?
- BUYER:** *Yes.*
- AGENT:** Have you signed an agreement for representation with that agent?
- BUYER:** *No.*
- AGENT:** Do you have a home to sell in order to buy?
- BUYER:** *Yes.*
- AGENT:** Would you like for me to do a market analysis to give you an idea of that property value? *[Listen to response.]* Would you be paying cash? *[Listen to response.]* Is this your first home? *[Listen to response.]* Would late this afternoon or Saturday be better for you?

Qualifying a Buyer Over the Phone: Script #12

- BUYER:** *I'm calling about the home at _____ (address). How much is that home worth?*
- AGENT:** The home is worth whatever somebody's willing to spend and also receive on the home. And as you see, it sold for \$250,000.
- BUYER:** *I'm considering selling my home and want to get an idea of how to price it.*
- AGENT:** If you're truly interested in selling your home, I'd love to come over and look at it. My process is to tour your house thoroughly. I will leave you detailed statistics about the area and sale prices of comparable homes. I will follow-up with you by phone to set up another appointment for you to come to my office to discuss pricing. I will show you exactly what the market is willing to offer for your house. If you want to list your home at 10 percent above the average list price, you probably won't sell your house at this time, since we're in a very slow market.

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Qualifying a Buyer Over the Phone: Script #12 (continued)

BUYER: *Well, my house is better than everybody else's.*
AGENT: Your house is better to you because it is your home. It is the place that you have loved and taken care of. The market is totally impartial to what you feel about your house. They're going to look at it in comparison to other homes for sale.

Qualifying a Buyer Over the Phone: Script #13

BUYER: *I saw your sign in front of 123 South Street and I'd love to look at it.*
AGENT: Well, that's great. How long have you been looking?
BUYER: *One month.*
AGENT: Are you working with an agent, or looking on your own?
BUYER: *We have seen a few houses with different agents.*
AGENT: Would it make sense to do "one stop shopping" and let me and my team steer you through the buying process? I'd like you to go on my website and register. You'll be emailed three times per day with all of the listings that meet your criteria. It doesn't have to be my listing or my client. I can sell you any property in _____ (city/state/province). However, you must be preapproved first. I don't want to disappoint you by showing you a house, having you love it, and then not being able to purchase it because you weren't preapproved and ready to buy now. I am a real estate consultant, and I am here to council and assist you on the best way to purchase your new home.

Qualifying a Buyer Over the Phone: Script #14

AGENT: _____, Keller Williams Realty, how may I help you?
BUYER: *Hi, I'm inquiring about your house over on _____ (Maple Street).*
AGENT: That's a great house. We've seen a lot of excitement about that particular property. How can I help you with that house? What would you like to know?
BUYER: *I'd like to know the number of bedrooms and the price.*
AGENT: It has four bedrooms. Are you looking for a four-bedroom home?

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Qualifying a Buyer Over the Phone: Script #14 (continued)

- BUYER:** *I'm actually looking for a five-bedroom. Does it have a den?*
- AGENT:** That particular property does not have a den. It sounds like you have some very specific needs in a house.
- BUYER:** *I do.*
- AGENT:** What's your situation? Are you renting now or do you own a home?
- BUYER:** *I own a home and we're trying to upsize. We're expecting our third child and we want to get into a larger home.*
- AGENT:** You would need to sell that home before moving into a new home, correct?
- BUYER:** *That's correct.*
- AGENT:** Well, we'd love to help you. We have lots of success in helping buyers and sellers just like you. I'd like to schedule a time for you and your wife to come into the office. You'll be meeting with our buyer specialist. He is an expert on properties in this area. He'll spend some time assessing your needs so we don't waste you and your wife's time. We know that time is valuable, especially when you've got a family. You'll also be meeting with me so that I can help you with getting your home sold. Does afternoon or evening work better for you?

Qualifying a Buyer Over the Phone: Script #15

- AGENT:** This is _____ from Keller Williams Realty. You called and were looking at a home over on _____ (Maple Street). Is that correct?
- BUYER:** *Yes. My husband and I were looking at that home. We drove by and saw the sign in the yard. Is that a five-bedroom?*
- AGENT:** Actually, it's a four-bedroom with a den.
- BUYER:** *All right. Could we see that house?*
- AGENT:** Absolutely. Let me just get some information before we get you into the house. We're very excited about this house—everyone's been calling about it. So it's a real hot property. Are you going to be financing or paying cash for it?
- BUYER:** *We're going to be financing.*
- AGENT:** Have you been prequalified?
- BUYER:** *No. We haven't been prequalified.*

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Qualifying a Buyer Over the Phone: Script #15 (continued)

- AGENT:** What is your time frame for moving? When would you like to be moved in?
- BUYER:** *Well, we're expecting our fourth baby in four months, so we'd like to do this as quickly as possible.*
- AGENT:** We have a policy that buyers get prequalified with a lender before we show them any homes. My lender can come into the office while you are here and take care of that. It's about a 15-minute process. Just so you know, I'm a buyer's agent and I work strictly with buyers. My fiduciary and legal responsibility is to represent you in the transaction of this home. I want to make sure you understand how the process works and that you're represented in the best manner. So, does _____ (time) work for you?
- BUYER:** *So you want us to come in and talk to your mortgage company?*
- AGENT:** Yes, come in and talk to the mortgage company and make sure you can prequalify. Because if the house you want to see ends up being the house for you, we need a conditional loan approval before we can submit an offer.
- BUYER:** *So after I come in and talk to your mortgage company, you will show me that house?*
- AGENT:** Absolutely. But it's very important that we know, up-front, that you qualify for the home.
- BUYER:** _____ (Date and time) is fine.

Qualifying a Buyer Over the Phone: Script #16

- AGENT:** I'm assuming that since you called in on one of our listings that you're not currently working with another agent at this time?
- BUYER:** *No, I am not working with a real estate agent.*
- AGENT:** Excellent! Do you own a home or are you renting?
- BUYER:** *Actually, I do have an agent.*
- AGENT:** Excellent! Do you own a home or are you renting?
- BUYER:** *I own my home.*

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Qualifying a Buyer Over the Phone: Script #16 (continued)

AGENT: Do you need to sell it before you buy another home? Would you like us to give you a free comparative market analysis of your home at no cost or obligation? It would help you to determine what your home is worth in today's market. And at the same time, we can show you what to do—and what not do—in preparing your home for sale. Tell me a little bit about your home ... *[Get address, multiple phone numbers, and try to schedule the appointment or have listing specialist give them a call.]*

or

Buyer Leads from Marketing

BUYER: *I'm renting.*

AGENT: Are you tied to a lease or are you renting month to month?

- How long have you been looking?
- Have you seen any homes that you liked?
- What prevented you from buying?
- Have you or will you be looking at builder's models?
- Have you been prequalified by a lender?
- What price range do you have in mind?
- How soon do you want to be in a new home?
- On a scale of one to ten, with "one" meaning you are not interested at all in purchasing a home and "ten" meaning you want to be in a home as soon as possible, how would you rate yourself? *[Anything less than ten?] What would it take for you to move to a ten?*

Qualifying a Buyer Over the Phone: Script #17

BUYER: *I'm calling about the property on _____ (street name). What can you tell me about it?*

AGENT: Let's see ... *[Take a moment to look it up.]* Here we go. We have a lot of information on that one. I can tell you everything you want to know, or maybe we can start with what's most important to you. What square footage are you looking for? And what is your price range?

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Qualifying a Buyer Over the Phone: Script #17 (continued)

BUYER: *I like that neighborhood, so I just wanted to know about that house.*

AGENT: So you like that neighborhood as well? That neighborhood is actually in the _____ (school district). Is the school district something that's important to you? Is that why you're looking in that area? What brings you to that neighborhood?

BUYER: *I have some close friends who live in that neighborhood, and we have a six-year old so the schools are important to us.*

AGENT: Well the school is _____ (elementary school) and, as I said, it's in the _____ (school district). If you look up the school on our web page you'll see the list of awards it has received lately. *[Add other information about school and/or neighborhood].* That house is _____ (square footage) and it's priced at \$_____. Is that the price range you were hoping for?

BUYER: *Actually, that's higher than I had in mind.*

AGENT: Okay. We do have other homes in that neighborhood. Have you seen them or had a chance to look at them, yet?

BUYER: *No. I haven't seen any others in that neighborhood except the property I called about. I'm not sure at this point whether I'll be working with an agent.*

AGENT: Here's what I can do for you at this point. I work in that area a lot—I'm in the neighborhood every day. Let me get your name, phone number, and email address and I'll email you everything that's in the neighborhood. I'll do whatever I can to make sure you find the right home in the area. Would you be interested in my emailing you properties in the area?

BUYER: *Yes, that would be excellent.*

AGENT: Then we'll get you in that program. The program will email you everything that's in the price range that you want. Obviously, we'll have to talk about price range a little bit. Then, any time a new listing comes up, it will be sent to you automatically. You'll get up-to-date, up-to-the-minute listings. Does that sound like something you'd be interested in?

BUYER: *That does sound good. But I don't know my price range yet.*

AGENT: I have a lender with whom we work regularly. I can have him call you and you two can talk over the phone. He will help you determine a good price range. He'll get the basic information—how much you make, etc.—and we'll at least have a starting point. I don't want to show you homes that you can't afford or that are a too low-cost and low-end for your needs. Would it be all right if I had him give you a call?

BUYER: *Sure.*

We Want to See the House: Script #1

AGENT: I'd be happy to show you the house. Are you aware of the fact that you can be represented by someone who can advise you in this transaction and give you advice? Before we look at the home together, I can discuss your options. When would you like to meet?

We Want to See the House: Script #2

AGENT: I'd be happy to show you the house. Would you like to see more than one at the same time? We can drive by thirty or so homes in an hour by using the computer at our office. Would you like to meet at my office tonight?

We Want to See the House: Script #3

BUYER: *I am calling about the home at _____.* Can you show it to me?

AGENT: May I ask—are you already working with an agent?

BUYER: *Actually, no we're not.*

AGENT: Have you talked with a lender yet?

BUYER: *No.*

AGENT: We'd love to show you the home, but first, I'd like to suggest that you meet with a lender to get prequalified. We have a lot of properties that we can look at, and it would save you a lot of time to know your price range. Once we get you prequalified, we can start using our Multiple Listing Service to find homes that meet your criteria. We can have new listings emailed to you on a daily basis. This saves you a lot of running around. And what a lot of buyers don't understand is that they are not paying for our services. Our services are being paid for by the seller. The importance of having us as your agent is that we are full-time and this is all we do for a living. So our main objective is to help you find what you're looking for. Would _____ (time) work for you to get together?

BUYER: *Sure. I'm excited to see this house.*

Buyer Cannot Afford Listed Property; Script #1

- AGENT:** Okay. Now, the home is \$249,000. It's in the _____ neighborhood. Is that a price range and an area that's a consideration for you?
- BUYER:** *No. That's going to cost too much*
- AGENT:** Okay, so it's not in your range. What price range are you considering?
- BUYER:** *A good \$50,000 below that.*
- AGENT:** So a good \$50,000 below that. Okay, so we're looking around \$200,000. Is that right?
- BUYER:** *Right.*
- AGENT:** The first question I always have is, have you had the benefit of talking with a lender and looking at the dozens and dozens of different options out there for you to finance your new home purchase?
- BUYER:** *My brother-in-law is friends with a banker and he mentioned something to me, but nothing serious.*
- AGENT:** So your brother-in-law is friends with a banker. And you had a conversation where he said that \$200,000 is a price that would be okay for you?
- BUYER:** *Right.*
- AGENT:** Okay. I would offer you that one of the first things our clients enjoy is talking with a lender so that you can make an informed decision. That is the kind of decision you want to make on your purchase, right?
- BUYER:** *Definitely.*
- AGENT:** In today's market you have dozens of choices. You want to make the one that works best for you. Why don't I do this first: why don't I have one of the lenders we work with contact you. You have no obligation to work with them, long-term. That's absolutely up to you. The reason that it makes sense for you to do this now is twofold. First, you need somebody who will explain your different choices, so you can choose. I mean, kind of a straightforward way of proceeding, wouldn't you agree?
- BUYER:** *Yes.*

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Buyer Cannot Afford Listed Property: Script #1 (continued)

- AGENT:** And then second, it makes complete sense today that you would have credit reports—are you aware that 30–40 percent of credit reports actually have errors in them?
- BUYER:** *No way.*
- AGENT:** Yes. What's worse is that a lot of people are only finding out about them when the home of their dreams hinges upon the resolution of the false information. That isn't what you want, is it?
- BUYER:** *Not at that point.*
- AGENT:** Okay. I hope you can see that we're committed to our clients. What I want to do, first of all, is to inform you of your choices, and second, if there is anything that is incorrect on there, especially something that could affect your mortgage, allow you to discover that now. And I would ask that if that's the kind of agent that you're looking to work with on your six-figure home purchase?
- BUYER:** *Yes.*
- AGENT:** Excellent. Okay, so what I'm going to do is ask you for your name and your number. *[Gather the information.]* Great. And I'm going to have _____(lender) give you a call. Okay? Is this the best number for her to reach you? Great. I'll follow back up a little bit later today, and we'll talk about how we may best help you in getting settled into the home of your dreams. Now, won't that be great?
- BUYER:** *Yeah.*
- AGENT:** Okay. Excellent. _____, I thank you for your call, and I look forward to getting you settled into your home.

Buyer Presentation

We're a Little Different ...

Introducing the Email Notification Program: Script #1

AGENT: We have a neat program set up that lets me email you all of the homes on the market right now, and lets me continue to send you homes as they come on the market. Is that a program that you would be interested in?

Introducing the Email Notification Program: Script #2

AGENT: Our professional, honest integrity stands above all. In addition, we allow clients to view homes by way of e-mail in the comfort of their own homes—with a “no pressure” atmosphere. Educating our clients is our #1 goal—education expands minds and offers security.

Introducing the Email Notification Program: Script #3

BUYER: *Is there an advantage to working with an agent?*

AGENT: Yes there is. I've got my ear to the ground and I will hear about homes going up for sale before they even hit the market. Sometimes homes will sell even before they go on the market because agents know about them. I use a program that automatically emails properties to you and you can browse through them and select the ones you want to see. Most agents are going to put you in a car and show you homes that they like. Not to say that that's wrong or right, but I'd much rather be showing you the homes that you want to see. This will save you time and energy. I hear about homes that are going to have a price adjustment and homes that are going to have concerns or problems. I can help you in areas where you have particular needs or a service you're looking for. I will have more information on the front end and I can educate you on the process.

Explaining the Team Concept: Script #1

AGENT: We have a team—a real estate team—that we work with. The reason we've put this team together is to better serve and benefit our clients. Compare it to building a home. Imagine if you had one individual who came in and cleared the ground, put in the foundation, did the framework, the electrical work, the plumbing, all the finish carpentry, and painted the house. It would be a process that would take forever. It would be two years before you'd own a home. The same thing is true in real estate. By specializing on our team, each individual has services that they bring to the plate that better serve you, such as our buyer specialists. They won't be doing anything but shopping for homes for you.

BUYER: So I won't be working with you on a daily basis?

AGENT: Correct. And that's because my area of expertise on the team is on the listing side. I am available to support my team. But you will be better served by somebody who has knowledge of the marketplace in the area where you're looking.

Explaining the Team Concept: Script #2

BUYER: How will working with a team benefit me?

AGENT: Let me explain how we work. We use a model similar to that of a medical practice. We have a receptionist to whom you'll speak when you call the office. We have a buyer specialist who is dedicated to working with buyers. We have a closing coordinator who makes sure all transactions are complete and accurate. When you decide to sell your house, we have a listing specialist whose full-time task is selling homes. Just like at a medical practice, where a receptionist, nurse, and doctor each take care of a patient in their unique and special way, the team at _____ (team name) works together to serve you. When you call our office and need to see a property, someone on our team is going to be available for you. You'll never get lost in the shuffle because we work as one team motivated by your needs. Working with the buyer specialist guarantees that you'll have access to the most up-to-date homes on the market as quickly as possible. We use an instant buyer notification program so that, as soon as a property joins the market, you are notified by email or phone—whichever you prefer. Our goal is to get you the best value for your money. We do that for you in the shortest amount of time, with the least amount of hassle. Does that sound like it would work for you?

Consultants vs. Agents; Fiduciary vs. Functionary: Script #1

- AGENT:** In this market, you need a consultant rather than a salesperson. Do you like being high-pressured into making a decision?
- BUYER:* *Absolutely not.*
- AGENT:** Nobody does. That's why our team is fully committed to the consultative approach to selling. I'll present you with all the options, and you can make an educated decision. I'm not here to pressure you into making a bad decision. I want to give you enough good information so that you can make a good decision. Won't that be great?
- BUYER:* *Yes.*

Consultants vs. Agents; Fiduciary vs. Functionary: Script #2

- AGENT:** Are you familiar with our VIP Home Buyer Service?
- BUYER:* *No, I'm not.*
- AGENT:** May I tell you about it?
- BUYER:* *Sure.*
- AGENT:** We're a little different than most agents. We take a counseling approach. Have you ever worked with an agent like that? Our buyers find it most helpful if we start the process of searching for a home by having a counseling session in our office so I can help you better and faster to find your dream home. During the counseling session, I determine what your needs and wants are in your new home. Next, I program that information into our computer database, and that computer will search all of the available listings, from every real estate company in _____ (city), to find homes that match your home-buying criteria. After that, we can view the color pictures of those homes online, pick out the best three or four, and go out and take a look at them.

Consultants vs. Agents; Fiduciary vs. Functionary: Script #3

[This script takes away the fears of a buyer who is intimidated by a sales approach. Most of this should be accredited to Althea Osborn who taught me how to be a buyer's agent.]

AGENT: Please let me tell you how I operate.

BUYER: *That would be great.*

AGENT: I am an Un-agent—a fiduciary. That means I'm not a salesperson, so to speak.

BUYER: *What do you mean by that?*

AGENT: For instance, the first day we work together, we're not even going to look at houses much. The first day we're going to look at areas, neighborhoods, schools, churches, commute times, appreciation rates, and everything else you need to know about the area. We may "pop into" one or two homes, simply so you can see what those homes look like, but also, so I can get feedback on what you're looking for, so that I don't waste your time. If I've done my job right, by the end of the first day you should have a really good idea of what price ranges you want, what schools you want, what commute times you want and what neighborhoods you want to focus on.

BUYER: *Are we going to look at new homes and old homes?*

AGENT: That will be completely dependent on your needs. The first day we will focus on everything but the house. Real estate is like a piece of clothing: it's only as good as the cloth. We want to make sure you're buying the right cloth. *[Clothing analogy attributed to Althea Osborn.]*

BUYER: *How does that apply to looking at neighborhoods?*

AGENT: You're not just buying a house, and you're not just buying a price. You're buying the commute times, you're buying the appreciation rates, you're buying the tax rate, you're buying the schools, the churches, the safety, and the crime rate—you're buying all those things when you buy into a community. *[Telling people what you're going to do puts them on a "safe island".]* We're going to go out for two to three hours and look at schools, neighborhoods and churches. I'm going to talk to you about what I like and don't like about all the neighborhoods, and I'm going to give you every piece of information I have on the neighborhoods. By the end of the day, if I do everything right, you'll know which area fits you the best. The second time we go out, we'll actually look at properties and values, and I'll teach you about different types of layouts and what to look for in a house.

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Consultants vs. Agents; Fiduciary vs. Functionary: Script #3 (continued)

BUYER: *Okay. Then what?*

AGENT: By the sixth to ninth hour, we should have a good idea of what you're looking for. At that time, we'll go into attack mode. We'll look at all the new listings as they come onto the market and hunt down the good properties that no one has seen yet. All the best houses sell within the first two to three weeks, even in this hot market. It will generally take me nine to twelve hours to find a home that will meet your needs. Is that okay with you?

Rapport Building

Using FORD: Script #1

Tip!

Build Rapport around FORD: Family, Occupation, Recreation, Dreams—it's a great way to break the tension.

AGENT: Hello, *Mr. and Mrs. Buyer!* I'm _____, and it's a pleasure meeting you. Did you have any problems finding my office? It's kind of _____ (hot, etc.) out there today, isn't it? May I offer you something to drink? Before we get started, why don't you tell me a little about yourselves? Tell me about your family—do you have any children? *[Listen to the response, reply/respond as appropriate to build rapport.]*

What do you do for a living? How long have you been in that field? Do you enjoy your work? *[Listen to the response, reply/respond as appropriate to build rapport.]*

What do you do for fun? Do you have any hobbies? *[Listen to the response, reply/respond as appropriate to build rapport.]*

If you could live anywhere in the world, where would you live? *[Listen to the response, reply/respond as appropriate to build rapport.]*

Confirming That You Have Built Rapport: Script #1

AGENT: Do you think you're in rapport with me right now?

BUYER: Yes.

AGENT: We've known each other for only how long?

BUYER: Less than a day.

AGENT: It really doesn't take a long time with me, does it?

BUYER: Not at all. I feel like you listen to me.

AGENT: Do you feel I know what I'm talking about? You want to work with somebody knowledgeable, don't you?

BUYER: Definitely.

AGENT: The longer we talk, the more you realize that I'm different from most agents, don't you?

BUYER: Yes.

AGENT: You do want to work with the best agent, isn't that correct?

BUYER: Yes.

AGENT: Excellent. I want to work with you as well. Here's how I work.

First Meeting at the Office

Explaining How One of Three Things Is Going to Happen: Script #1

[When your clients arrive, welcome them in and offer something to drink before seating them in a conference room. Keep initial questions light and professional; do not discuss personal issues at this point.]

Setting the Tone:

AGENT: Let me share with you the _____ team's mission. It's important that you know that. The mission of the _____ team is to help you achieve your goals and exceed your expectations, so you will never, hesitate to refer us to friends, family, or coworkers. Therefore, at the end of today's meeting, one of three things is going to happen. One, you're going to understand all the benefits that our team can provide to you, and you're going to choose to hire us. And that would be great. Two, you may not understand all the benefits that our team can provide to you, and you may choose not to hire us. And to be quite honest, that wouldn't be so great. Or three, I may choose not to represent you in the purchase of your next home. Now, would that be a fair assessment? *[Pause to allow them to answer the question.]*

BUYER: *What do you mean? Why wouldn't you represent me?*

AGENT: Well, let me explain why I would say that.

BUYER: *Please do.*

AGENT: Remember that I told you my mission was to help you achieve your goals and exceed your expectations? Well, if at any time in our meeting today I feel I cannot do that, I would rather turn you down now than let you down later, and we can just part friends. Does that sound fair?

BUYER: *Yes.*

Tip!

The buyer may respond internally, so it is important to pay attention to body language. Allow them time to absorb the full impact of your presentation.

Explaining Agency

Differentiating Buyer Agency Form from a Contract: Script #1

AGENT: I am required by the State/Province of _____ to disclose this information with you. You need to read this and sign here. This is not a contract or an agreement. It is simply a document that states that I have explained what "Agency" is. In this packet is a brief explanation of "Agency". Let's take a look at it. *[Refer to the packet and explain.]*

Tip!

What you are required by law to disclose varies from state to state and province to province. Please consult with your Team Leader for specifics.

Explaining Agency as a Way to Guarantee Buyer's Rights: Script #1

AGENT: Let me share something with you—did you know that you have rights? The same rights that a seller does?

BUYER: What ...?

AGENT: Let me share with you that a seller hires an agent to help them with marketing, presentation, and negotiations during the sale of their property. Right?

BUYER: Yes.

AGENT: Well, you as a buyer have the same rights to hire an agent to represent you in your best interest in the transaction. However, we get the seller to pay the fee. So you get this for free. How does that sound?

BUYER: Wow! That's great.

AGENT: There are three ways I can represent you in a transaction. *[Explain single agency, transaction broker, and transaction-to-transaction broker, then push the disclosures over to the side.]*

Tip!

The buyer will be tense under the pressure of being asked to sign something. Watch their body language—they will visibly relax when you take away that pressure.

Instilling Confidence in Your Services: Script #1

- AGENT:** Buyer agency is an agreement that you and I put together. I represent you strictly as a buyer. There are two ways you can work with an agent: when you call off a sign, the agent who answers considers you to be their customer. Every time you call that agent, that agent is actually working for the seller, not you, the buyer. It is that agent's fiduciary duty, written into a listing contract, to work with that seller. Does that make sense?
- BUYER:** Yes.
- AGENT:** In buyer agency, we would write up a contract and I would let all the other agents know that I am working for you. What that means is that I can point out things to you—for example, about the furnace, the roof, etc.—because I'm working for you, not the seller.
- BUYER:** *As a first-time homebuyer, what should I expect during this process? How long should I expect this to take before I buy a home?*
- AGENT:** There's no specific timetable. Everyone's home-buying schedule is individualized. I've shown some buyer's fifty houses and I've shown other buyer's three houses. You're going to know when you walk into that property whether or not it's the one for you. We'll sit down and go through your needs and wants. Sometimes we get really lucky and we're able to put all those things together. You may have to give or take a little bit. One home might have a great garage but not a great yard. Another home might have a great yard but not a garage. Does that make sense?
- BUYER:** Yes.
- AGENT:** You can see that there's no specific timetable. We'd like to get it done as quickly and efficiently as possible for you, but we also don't want to jump into something and then regret buying it later.
- BUYER:** *Right. Are there certain things we just can't control in the process that I should be aware of?*
- AGENT:** Yes—I have a list. I'll give that to you in our meeting. There are fifty-two things. I will go over all of those when we sit down. Think of me as the pilot of a plane. There's going to be turbulence, but my job is to make sure that we get through the turbulence and have a smooth landing.
- BUYER:** *That's comforting.*

Explaining Buyer Agency and Transaction Broker: Script #1

AGENT: There are two ways for us to work together. One way is called "buyer agency." The other way is called "transaction broker." The biggest difference is that if you choose me as your buyer's agent, then I can find out the seller's motivating factors, such as: are they getting a divorce or are they relocating? As a buyer's agent, I can tell you everything that I know, thereby increasing your leverage to negotiate. You do want to save money, correct?

BUYER: Yes.

AGENT: As a transaction broker, I can't tell you anything about what their motivating factors are, and therefore I wouldn't be able to save you money. Which way do you prefer to work? Buyer agency and saving money? Or transaction broker and not knowing what's going on?

BUYER: *Buyer agency, definitely.*

AGENT: All the people in the know choose that option. All brokers have access to the same information. I've had clients in the past who didn't understand that I can show them any listing out there. If the property has been listed by ABC or XYZ Real Estate, I can still show you the home. I represent your best interests, and the best part is that the seller pays all my fees. Let's sign the buyer agency agreement now. Then I can start looking for the right home for you and get you to a lender to turn you into a cash buyer.

Explaining Buyer Agency and Transaction Broker: Script #2

AGENT: How did you find this property?

BUYER: *I was just on the Internet.*

AGENT: Is that how you're finding most of the properties?

BUYER: *Yeah—we're really into the Internet.*

AGENT: Are you working with an agent who is helping you find properties?

BUYER: *No, we can't afford an agent.*

AGENT: Do you have just a minute for me to explain to you how an agent works? I'd like to help you—and it won't cost you anything.

BUYER: *How does that work?*

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Explaining Buyer Agency and Transaction Broker: Script #2 (continued)

AGENT: We have what's called "buyer agency," and with buyer agency, you can use me as your agent and, even if you don't sign a contract with me, you can work with me as a "transaction broker." You simply sign a statement that says you are aware that there are different types of agency out there for you, and that you know you're not bound by contracts. Then I can start to help you by finding properties that meet your criteria. If you decide to buy a property that I've shown you, the seller pays all the commissions on the transaction. I get paid a 2.8 percent cooperation fee out of the sales price of a home—paid by the seller. The listing agent for the property pays me out of their commission. So you don't have to come up with a penny out of your pocket. In fact, as a fiduciary, I work for your best interests. I take legal responsibility for you, and I try to get the best deal possible for you. The listing agent keeps the entire commission and works solely on behalf of the seller, whose interests are often against your best interests. Does that make any sense to you?

BUYER: *Yes. But what does "buyer agency" involve?*

AGENT: Well, it means a few different things. I can represent you and your interests. I can help you to come up with an appraised value for the property. I can help you to make sure we get the right experts in to inspect and appraise the home. I can make sure that, if there are unseen issues with the property, you're not stuck in a bad contract. I'll be able to represent the contract in your best interests. I don't want you buying a house that will cost you a huge amount of money and problems down the road. I also don't want you paying too much money for the home. What's more, I don't want you to lose a really hot property by paying too little. Certain properties are priced too low, and we may want to jump on one of those if it comes on the market.

Setting up a Trial Relationship: Script #1

AGENT: You've called me about a particular home, and mentioned a couple other homes in the neighborhood that you would like to see. I would like to show you those homes, but for us to do business together, I must have a commitment in place. I am happy to let you try me out for a day—we can look at a few homes for an hour so that you can get a feel for my style and see if our personalities match. I won't ask you to commit to signing an agreement at that time. But to continue to look at homes together, we must have the agreement in place stating that we commit to doing business together.

Explaining the Home-Buying Process

Establishing a Standard for Your Performance: Script #1

AGENT: I am very good at my job. It is very important to me that you understand what is going to happen through this transaction. If I do not explain this process and the step falls through, the file does not close, and you do not get your home, I have failed at my job. I don't like to fail and I like to close all of my deals. So do you have any questions before we go through the process? When questions arise, please do not hesitate to call me. I will get you the answer.

Explaining the Multiple Listing Service: Script #1

BUYER: *Why would I want to have access to the MLS?*

AGENT: We can sort and search through all of the houses listed on the Multiple Listing Service (MLS) using any parameter that you want. The MLS is the best service we can give you. We'll be informing you, not just about homes that meet your wants or needs, but also the re-sale potential of those homes. If you are transferred or have to move again in three years, we've been up front with you about what makes your house sell and what does not make your house sell. We can look in the Multiple Listing Service to see all houses with a master bedroom on the first floor, or one-story homes, etc. That's where the MLS really benefits you. Do you have any other questions? We look forward to setting up an appointment, so that we can go through this in more detail.

Explaining the Multiple Listing Service: Script #2

AGENT: Let's discuss the home-buying process. First of all, let me explain my role in the transaction. I'm going to be representing you. I'll be working very hard to find you a home that is a good investment and a good neighborhood for you to raise your children in. We're going to be taking many factors into consideration when we're looking for homes. And then we're going to look at the Multiple Listing Service (MLS) to see what properties are available for sale. Do you know what the MLS is?

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Explaining the Multiple Listing Service: Script #2 (continued)

BUYER: *I've heard some agents mention it, but I'm not sure what it is.*

AGENT: You may have heard it mentioned as the MLS—Multiple Listing Service. It is a network of all the properties that are listed by every agent within our county. I can pull up any house that is on the market and offered through the service. Once we enter our price range and features that you want in your new home, we will be able to view listings with virtual tours and interior pictures of the homes. I'm also going to be showing you properties listed by every other agent. Because I am representing you, you need to call me—not the agent listed on the sign—if you happen to see a home that you're interested in. All you need to do is call me with that information and I can pull up the listing in just a few seconds.

Using a Home-Buying Packet: Script #1

AGENT: In this packet is a description of the home-buying process. *[Refer to the packet, but don't explain anything in the packet yet.]*

How long do you think it takes to buy a home? *[Listen to the response and then give a range for how long it typically takes.]*

Do you mind if I ask you a personal question? As far as the home-buying process is concerned, what are your biggest fears? What's keeping you up at night?

There is a certain amount of stress associated with buying a home. This is normal because your home is a very important part of your life and it is a substantial investment. The first step to managing this stress is to understand what lies ahead and how I will help you through each step in the home-buying process.

Are you ready to learn about the home-buying process? *[Refer to the home-buying packet as you explain each step in the process and what you will do to help the client through each step.]*

Tip!

Remember, as you go through the home-buying process with the potential buyers, that this is your opportunity to set yourself apart from other agents.

Differentiating Between First-Time and Veteran Home Buyers: Script #1

If a First-Time Buyer:

AGENT: *Mr. and Mrs. Buyer,* is this your first home?

BUYER: Yes.

AGENT: Well, I was just wondering if it would be all right if I took a few minutes to go through the entire buying process with you to explain how we do it so we can be on the same page. Would that be okay? *[Be sure to ask for permission before going further.]*

BUYER: *Oh, yes, thank you.*

Tip!

Asking for permission to proceed puts the buyer at ease, allowing them to give you their full attention.

If Not a First-Time Buyer:

AGENT: *Mr. and Mrs. Buyer,* this isn't your first home, is it?

BUYER: *Oh, no, we've bought _____ homes.*

AGENT: Great! I realize you probably know everything about buying a house, but I was wondering if it would be okay if I just quickly go through the process and explain how I do things here to make sure we're both on the same page. Would that be okay?

BUYER: *Oh, yes, that would be fine.*

AGENT: After we finish our meeting today, I'm going to have a very clear picture of what you want. So I'm going to start my research process to help you find those perfect homes that meet your criteria. Now understand, this research process could take as little as thirty minutes, or as long as two to five hours, depending on exactly what it is you're looking for, and whether it's available. My research will not only be through the Multiple Listing Service, but will also include for sale by owners and new construction.

BUYER: *How can you do that?*

AGENT: I will show you for sale by owners and new construction. That's my job: to find what fits your needs. When I do my research, I pull out the best of the best. And unfortunately, in some markets there's not a whole lot to look at, anyway. I want to make sure you understand that. But my job is to pull out what best suits your needs, so we're not wasting your time. I want you to know I'm going to weed through and pull out the best of the best, so when we go out to look at homes, they're the ones that best suit you.

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Differentiating Between First-Time and Veteran Home Buyers: Script #1 (continued)

Tip!

Don't cut corners—always set expectations from the start, no matter how experienced the buyer.

BUYER:

Okay, that sounds good.

AGENT:

Now, when we go out the door to look at properties, I want you to understand what's going to happen. Interestingly enough, the average buyers who work with our team—if we've done our research properly—will look at only an average of three to five homes before they choose a home. Let me ask you a question. Would it be okay, when we go out to look at properties, if the first house you saw was the perfect house? *[You are setting them up for success.]*

Tip!

Remember: It's always about them—their time.

Preparing the Buyer Moving into a Significantly Higher-Priced Market: Script #1

AGENT:

We're moving into another market. We're going to do the same thing in finding your next house as we did when we found your first house. We're going to do an investment analysis, just as if I were listing your home for sale. We're going to do a comparative market analysis that will tell us what the value of the house should be. We're going to negotiate very hard on your behalf to get the best value for your money. Let's look at all the choices that we have, and when you find the house that you want; we'll pull our market analysis even tighter to make sure that the value is there for you. Will that work?

BUYER:

Sounds like a great plan.

Explaining What We Can and Cannot Control: Script #1

AGENT: I generally like to discuss what we can and can't control in the home-buying process because it helps to keep things in perspective and it gives us an idea of where our negotiation leverage can be applied.

Let's start with what we cannot control. We cannot control:

- Whether it's a buyer's market or a seller's market
- Interest rates
- When a home is available to look at
- Offers from other buyers

Now let's look at what we can control. We can control:

- Your emotional reactions to a house
- Property condition—there are lots of opportunities to apply negotiation leverage here
- The price you are willing to offer
- The price you are willing to walk away from

Are you aware that a low offer can actually cost you money? Let's say that we find your ideal home and you make a low offer because you want room to negotiate and possibly purchase your ideal home for less.

For instance, let's say that the price is \$250,000 and you offer \$200,000. What usually ends up happening is that you insult the seller and it ends up costing you money. If we can take a minute, I'll explain.

Mr. and Mrs. Buyer, imagine that you are the seller; you have lived in the home for ten to fifteen years, your children were born and raised here, and you took the time to listen to your agent when pricing the property for sale. How would you feel if you were the seller and had made a very real effort to price your property well, and a buyer was asking you to accept a price that was far below the actual market value? *Mr. and Mrs. Buyer*, don't you think you would feel that the buyer was being unreasonable?

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Explaining What We Can and Cannot Control: Script #1 (continued)

AGENT: What we have learned from working with hundreds of buyers is that the buyer often ends up paying more for a property when their initial offer is too low. Do you know why? *[Listen to the response.]* Because the seller believes the buyer is being unreasonable and either doesn't counter at all or gives the buyer a much higher counter. Does that make sense?

The good news is that you, and only you, control what you offer. I will work with you to analyze the market and discover what similar homes are selling for so that we can strategize and determine the right price to offer. Does this sound fair?

Do you have any questions about how we make an offer?

The Real Estate Investor

Educating an Investor About How You Do Business: Script #1

AGENT: Here's how an investment transaction works. First of all, you have to trust me to know my market very well and that I will recognize a good transaction when I encounter it. When I find a great transaction and call you with an investment opportunity, you have to understand that you cannot get a good value if you move in slow motion. Good investment properties often disappear before they even get on the market. If I call you, you need to be willing and able to look at the opportunity immediately. Not only that, but you may have to look at it without me. When I give you a property to look at, you need to look at it as soon as possible. You also need to be financially prepared to buy it. How big of a transaction are you interested in?

Verifying That Investor Has the Capital You Require: Script #1

AGENT: How big of a transaction are you interested in? If I find you a super investment property, how quickly can you close?

INVESTOR: *Why would I have to close quickly?*

AGENT: Most of the very motivated sellers need money very quickly, which means that you have to move fast. You can't get super savings—fifty cents on the dollar—if you move in slow-motion.

Responding to Small Stakes/No-Money-Down Investor: Script #1

INVESTOR: *I would like to put no money down.*

AGENT: That's great. I'm going to put you at the top of my serious investor client list. When I find a transaction that fits your needs, I will call you right away.

Conducting the Needs Analysis

Using the Buyer Counseling Interview Questionnaire: Script #1

AGENT: I want to start by getting to know you. I will be asking you a lot of questions in order to understand your wants, needs, and vision for your next ideal home. You will not find anyone else in the real estate business who consults the way I do. When we're through, we will have stunning clarity about what's right for you. Are you ready? Let's begin. *[Follow the questions in the Buyer Counseling Interview Questionnaire for the actual needs analysis. Download a free copy of the Buyer Counseling Interview Questionnaire on the Keller Williams University Website (<http://kellerwilliamsuniversity.com>). Use the following follow-up questions to dig deeper into the buyer's motivations.]*

Follow-up Questions

AGENT: What exactly do you mean by _____? (e.g. large yard, etc.)
Can you describe to me what that looks like to you?
Is that a nice-to-have feature or a need-to-have? Something that is nice-to-have is a feature that you're willing to sacrifice for one of your need-to-have features.
What do you get when you have a _____? (e.g. large yard, etc.)
What does that do for you?
How does that make you feel?

Using the Buyer Counseling Interview Questionnaire: Script #2

- AGENT:** You'll see on our questionnaire that we ask you to list as many of the features and benefits that you'd like to have in your new home. We really do want to see your whole laundry list—everything that would be your ideal. Then we ask you on this separate question, what are your must-haves. So, we want to see everything that would be ideal for you, and what you really must have in your new home. The third step in this process is for you to identify your three or four highest priorities within your must-haves. The reason we do this is to find out what is most important to you. What you need to keep in mind is that there may not be the ideal, perfect home out there. There may be homes that are seven or eight out of ten homes that, with a little bit of work, you can customize and make nearly perfect. So, while it's important that we not look for a home that has every single one of your desired features and benefits, we'll absolutely plan to find one that has the three or four features that you must have, and then as many of the other must-haves, desired features, and benefits as possible. We'll look at that home and analyze the degree to which you can customize it for yourself.
- BUYER:** *How will you help me to narrow down all the choices? There are a lot of houses out there.*
- AGENT:** That's part of our expertise. A qualified, superior agent will spend time up front preparing for this. That's why we'd like to spend an hour or so with you here in the office to accurately identify your needs and wants. It's our job to go into the Multiple Listing Service, contact the other agents who we know who may have new listings coming onto the market, and even analyze some of the for sale by owners who have been sighted by one of our team members, in order to identify those homes which meet your highest criteria and priorities. I'm assuming you don't want us to waste any of your time, correct?
- BUYER:** *Correct.*
- AGENT:** We don't want to waste your time, and obviously it's not cost-effective to our business if we're wasting our time. So we have a mutual interest in identifying the best properties that will suit your needs.

Identifying a Buyer's Primary Needs: Script #1

- AGENT:** Before we start the meeting, I'd like to ask what it will take in order for this meeting to be a "ten." Let me define that. A "ten" is when you walk out of here with every question answered; a "ten" is a great meeting, well worth your time. And a "one" on that scale is when you say, "I can't believe I just wasted sixty minutes." What will it take for this meeting to be a "ten"?
- BUYER:* Well, I want to find out what is available near the schools I'm looking at.
- AGENT:** Great. Is that most important to you?
- BUYER:* Yes, I think the right school is the most important thing in our next home.
- AGENT:** Okay. So what age are your children?
- BUYER:* Seven and nine.
- AGENT:** Seven and nine. Excellent. How long do you anticipate living here in town?
- BUYER:* Until they are through high school.
- AGENT:** So you anticipate you'll be here for seven to eight years. It's a corporate relocation that's bringing you here, correct? On a scale from one to ten, what is the likelihood that the work environment will support you living here for that length of time?
- BUYER:* I can choose where I go.
- AGENT:** So you have freedom then. You have a lot of certainty.
- BUYER:* Yes.
- AGENT:** Great. I ask that question because I have clients who are in and out in two years. And they don't know whether or not that will happen. And again, the reason I ask that question is, if there's a possibility you're leaving in two years, then resale is a much stronger consideration. That makes sense, right?
- BUYER:* Yes.
- AGENT:** Okay. So the schools are pivotal for the children. I completely understand that. How would you know that it's a great school?
- BUYER:* Academically supportive and they will offer classes or extracurricular activities that meet their interests
- AGENT:** Okay. So they will be academically supportive and will support your children's interests.
- BUYER:* Yes.

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Identifying a Buyer's Primary Needs: Script #1 (continued)

AGENT: Got that. Now, here's the question. At the ages of seven and nine, where do you think their strengths lie, academically? Because different schools have strengths in different areas.

BUYER: *I think they're bright kids. Typical kids who love to have fun and want to be safe.*

AGENT: Great! I'd like to share the information we have for you about different school districts. I get to decide what is a great school district for my children, and what isn't. I completely respect that you, as a valued client of ours, should also get to decide. I view my role as making sure I provide all the information you need in order to make decisions you're comfortable with. Is that something that works for you?

BUYER: *That would be helpful.*

AGENT: This package contains all the different websites for the school districts. Know that this will be an ongoing conversation between you and me. And please remember, the only question that bothers me is the one you don't ask. Now, it's a home purchase that has brought us together. I understand that the home is only part of that purchase. Our commitment to you, our client, is not just to sell you this home, it's to respect that you are a client for life. We want to be your agent for life. You have other choices; we want to make sure that we are your best choice. I think you're probably noticing that in some of what we're talking about. Has that become apparent to you?

BUYER: *Yeah. I get that sense.*

AGENT: Excellent. And by the way, I want you to know that the best is yet to come. That's okay, right?

BUYER: *Great.*

Tip!

You want to maintain a speech pattern that forces involvement and demands participation. These scripts are designed to create a dialogue and demolish monologue.

Using “The Tens” to Identify a Buyer’s Primary Needs: Script #1

[After explaining the buying process]

- AGENT:** Do you have any questions about how the buying process will go with our team? *[Listen to the response and answer any questions they may have before moving on.]* Okay. Now for the really tough part. *[Buyer will look at you funny.]* Oh, I’m only teasing. This is the fun part. This is all about you and what you want.
- BUYER:** *Oh, okay. [You are building a relationship with the client. You are asking a lot of questions and at the same time, giving them a lot of information to assimilate.]*
- AGENT:** Okay, Mr. and Mrs. Buyer. We’re going to start with the transaction, not the house. We’re going to talk about what you want in the house in just a minute. But we’re going to start with the process because a lot is going to happen in this process, and I want to make sure that you’re really happy. So, based on a scale of one to ten, with “one” being, “Not very good,” and “ten” being, “It’s awesome. It’s a great experience,” what one thing has to happen for this transaction or this process to be a ten for you. Mr. Buyer, you have to answer separately from Mrs. Buyer. And you, Mrs. Buyer, can’t just say, “What he said.” You each have to give me an answer on this. Mr. Buyer? *[Then stop talking and let them respond.]*
- BUYER:** *Well, I want to get a good deal.*
- AGENT:** Really. Well, explain to me why a good deal is important to you.
- BUYER:** *Well, I just want to make sure that I’m not paying too much for that house.*
- AGENT:** Okay, can you describe for me what you feel is a good deal? *[Listen to the response.]* Mrs. Buyer, what one thing has to happen for it to be a ten?
- BUYER:** *I need good communication.*
- AGENT:** Okay. Well, why is good communication important to you?
- BUYER:** *I want to know what’s going on. I want to know what’s happening.*
- AGENT:** Okay, well, describe for me what good communication is to you.
- BUYER:** *Well, when I call you, I expect you to call me back.*

Tip!

You want to get a very clear picture of what they want. It is a good idea to dig three layers—keep asking until you have a clear answer.

(continued on next page)

Using "The Tens" to Identify a Buyer's Primary Needs: Script #1 (continued)

AGENT: Well, let me ask you a question. When you say that you expect me to call you back, what do you think is a reasonable amount of time for me to get back to you? *[You want to be specific about expectations. If they say, "Within twenty minutes," that's not reasonable when you're working with many clients. If you determine the buyer's idea of communication—or other expectation—up front, you are less likely to come up to a brick wall later.]* If we could add just one more thing to make it a ten-plus, what would that be? *[Ask each one the same question, listen to the response.]* If we could add one more thing to make it a ten plus-plus transaction, what would that one thing be? *[This process is imperative to the success of your relationship and your clients' happiness.]*

It's time to go through the house. Let's talk about the most important things to have in your new home. These aren't the "want-to-haves". These are the "have-to-haves". So based on a scale of one to ten, "one" being not so important, "ten" being extremely important, what one thing does your new house have to have and/or be to be a ten. *Mr. Buyer?*

BUYER: *Ah, a three-car garage. [Be sure to write this down.]*

AGENT: Really? Why is a three-car garage important to you?

BUYER: *Well, because I do woodworking, I need to have an extra area.*

AGENT: Really. *[Though a three-car garage is rather clear, there may be a certain price range of home they need to consider.]* Okay, well I can see how that's important. What happens if we locate a home that meets your needs and doesn't have a three-car garage? What if we find a house that has everything else, but not a three-car garage? *[Listen to the response. You want them to solve the problem now before they get into the heat of emotion. Repeat this process with Mrs. Buyer.]* Great. *Mrs. Buyer*, how about you? What one thing does your new house have to have for it to be a ten?

BUYER: *A large yard.*

AGENT: Really. Why is that important to you?

BUYER: *Then I can't see any of my neighbors, it's quiet and peaceful.* *[What you've uncovered by digging deeper is that Mrs. Buyer is actually looking for privacy. She just thought she needed a big yard to have privacy. But those are two different things. It pays to dig deep and listen.]*

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Using “The Tens” to Identify a Buyer’s Primary Needs: Script #1 (continued)

AGENT: If we could add just one more thing to make it a ten-plus, what would that be? *[Ask each one the same question, listen to the response.]* If we could add one more thing to make this house a ten-plus-plus, what would it be? *[Again, ask each one the same question, listen to the response.]*

[Once you have finished with The Tens, transition to Getting the Agreement Signed.]

Asking Buyers About Their Entertaining Habits: Script #1

[Questions about entertaining will tell you a lot about how people live in a house.]

AGENT: Do you entertain? If so, do you host small or large groups? Do you do the cooking for dinner parties or do you use a caterer? Do you cook out in the back yard? Do you host families with children or single friends? How do you entertain?

Asking About Past Favorite House: Script #1

[Listening carefully to the responses to these questions and watching for smiles and fond recollections can tell you about what a buyer truly wants in their next home.]

AGENT: Tell me about the last house that you lived in. Tell me about your favorite home from the past.

Asking About Recreational Choices: Script #1

AGENT: Are you indoor people or outdoor people? What do you like to do in your spare time? Do you like to go running in the park? Do you like to attend chess tournaments? Do you like to hike in the mountains?

Differentiating Between New Homes and Old Homes: Script #1

AGENT: Tell me about your comfort level. Can you buy a preowned home that has mature landscaping? One that has carpet with undisclosed stains? Because the seller will absolutely not know if there are stains or not. But what they do know is they have dogs, they have cats, they have children, they have company that may spill wine or coffee. If that doesn't work for you we need to look at new construction. Now once carpet is laid down, it's no longer new, but at least you will be the first owner. Your dog will be the first; your toddler will be the first to spill milk across the carpet. But you also won't have the mature landscaping. You'll have to save money to either buy mature landscaping, or you'll have to plant trees and wait until they grow up. Will that be okay for you?

Differentiating Between New Homes and Old Homes: Script #2

AGENT: I'm going to point out to you what I call "defects" or potential problem areas when we look at these properties. I'll point them out as we go or I'll make notes and we can discuss them later. It's your choice when you would like me to convey my thoughts to you. If the agent's there, I probably won't be as verbal. I'll make notes instead and we'll talk about it after we get back in the car. I want you to know up-front all of the defects that I notice as we go through the homes. Keep in mind that these problem areas could eliminate it from the list the first time through. But if it happens to be a home that you really like, we'll come back and go through it more thoroughly later.

Differentiating Between New Homes and Old Homes: Script #3

AGENT: You're going to see houses that look like they've never been cleaned and ones that look brand-new, even though they are older. Most buyers like the homes that are cleaner, nicer, and well-kept. Keep in mind, some of the homes that are not well-kept can sometimes be a better buy. Any improvements that you make on this type of home will directly increase its value. And so, if you don't want to look at those types of properties, let me know up front, because I'll eliminate them from our search.

Differentiating Between New Homes and Old Homes: Script #4

AGENT: One advantage of buying a new home is that you get builder warranties. You are buying a home that's as close to perfect as possible. Other advantages include choosing your own flooring, having a say in the design of the house, selecting a floor plan and countertops, etc. Now, the downside to buying a brand-new home is that once you've closed escrow, most of the time you have to invest another \$_____ (\$8,000 to \$10,000) in the home to get your landscaping in, your window coverings up, and your ceiling fans installed. There's a lot of added expense once you close on a brand-new home. A resale home is probably going to have most of those things completed already.

Qualifying a Buyer's Level of Seriousness: Script #1

AGENT: As we start to look at houses, you will tell me what criteria you're looking for and I will show you houses that I feel meet your criteria. Let's say you tell me up front, "I want two bathrooms upstairs and a full finished basement." So I show you a group of houses that have two bathrooms upstairs and a full finished basement. And after that group of houses, you don't like any of them and I say, "What is it? Is it the neighborhood, the price; is it the age of the house?" Then all of a sudden you say, "Well, I really want a half-acre lot." I am going to wonder why you didn't tell me that up front. Then let's say I start showing you houses with half-acre lots, and you still don't find quite what you're looking for. If the requirements keep changing, then I'll decide that perhaps there is no perfect house and maybe you'll never be a buyer.

BUYER: *What's to stop you from jumping to conclusions? I'm taking this as a learning process.*

AGENT: Thank you for mentioning that. That's part of my job, to anticipate that your preferences are going to be refined as you start seeing houses and start rejecting some houses. Your negative preferences are valuable to me as well. The more information you give me about your likes and your dislikes, the better the process will be.

BUYER: *And you won't hold back on telling me I'm being inconsistent?*

AGENT: I will let you know by all means.

Explaining Market Conditions

Distinguishing Buyer's Market from Seller's Market: Script #1

- AGENT:** Have you looked into what's going on in the market and with interest rates? What have you discovered? *[Listen to the response.]* Well, what's happening with interest rates right now is ...
- At the moment, we happen to be in what's called a _____ (buyers' or sellers') market. Do you know what this means? *[Listen to the response.]*
- Please keep in mind that a strong buyer's market does not necessarily mean that it is a bad time to sell a home. Likewise, a strong sellers' market does not necessarily mean it is a bad time to buy a home.
- This is what's on the minds of most sellers today ... *[Fill in with relevant information from your market.]*
- This is what's on the minds of most buyers today ... *[Fill in with relevant information from your market.]*
- Right now, on average, homes in your desired price range are selling in _____ days. This means ...
- In the market today, on average, homes in your desired price range are selling at _____ percent _____ (below or above) list price. Also, at the moment, prices for homes are _____ (falling or rising) in your price range because ...
- Do you have any questions about interest rates or market conditions? *[Listen to the response.]*
- In a nutshell, now is a _____ (great, good, challenging, exciting) time to buy a home because ...
- Mr. and Mrs. Buyer, let me ask you a question. You told me your price range is up to \$_____. If we went out today and found a home that was listed at this price, what would you feel that you should pay for that house, based on what I have just told you about market conditions? *[Listen, this will help gauge their understanding about market conditions.]*

Distinguishing Buyer's Market from Seller's Market: Script #2

[Use this script after you have set the expectations of the relationship and explained buyer's agency and the home-buying process.]

Explaining a Seller's Market:

AGENT: I want to share with you what's happening in the market. Currently, we are in a kind of seller's market. When I say "kinda sorta seller's market," I mean that about a year ago we were very firmly in a sellers' market. That meant that there was less inventory available than there were buyers. It's the familiar supply and demand. We were finding homes that were selling ____ to ____ percent from asking price. Sometimes full price. And in some areas, more than full price if a bidding war ensued. That's why I want you to understand what the marketplace is doing. *[It's a good idea to share what the marketplace was like four or five years ago, especially if they are from another state/province or if they have been educated by their family.]* We were in a buyer's market for about twenty years before we became a seller's market. Pretty amazing, isn't it?

BUYER: *But, my family all bought houses ten years ago, and they all had umpteen houses to look at. That's when houses were sitting on the market for six to nine months or longer, and you could get 10 percent, 15 percent below asking price.*

AGENT: Yes, but you also had to hold onto the house for ten years to break even. Is it okay if I ask another question? *[Always ask for permission.]*

BUYER: *Sure.*

AGENT: You had mentioned to me that you were looking for a house up to \$250,000.

BUYER: *Yes.*

AGENT: Well, based on that information, and based on what we find out today, if we go out today and we find that perfect house—and let's say that it's priced at \$245,000—what would you expect to pay for that house? *[Allow them to respond—you want to see if they heard what you were saying about the market.]*

BUYER: *Well, I don't know. \$220,000? \$225,000?*

Tip!

You want to educate the buyer in the office before they see any properties, not in the heat of emotion.

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Distinguishing Buyer's Market from Seller's Market: Script #2 (continued)

- AGENT:** Really? Why is that?
- BUYER:** *Well, you never pay full price because everyone knows there is always room to negotiate.*
- AGENT:** I can appreciate that. However, as I've just shared with you, our marketplace is a little bit different. I want to be sure that you understand what the market's doing. I want to set you up for success, and if we're not prepared to do that, then your success might be an expectation that I can't meet. Because there's no possibility that I can get you a house that's priced right, twenty, thirty thousand below asking price. So maybe we should part ways now.
- BUYER:** *No, no, if that's the way it is, I guess we have to be prepared.*

Tip!

Remember, you are setting them up for success. You have nothing to lose at this point, and have not invested more than 15–20 minutes, so there really is no pressure on either side.

Distinguishing Buyer's Market from Seller's Market: Script #3

- AGENT:** Do you know the difference between a buyer's market and a seller's market?
- BUYER:** *No, I don't know the difference.*
- AGENT:** This is important for you to know. In a seller's market, the seller's are getting everything they want and then some. In a buyer's market—which we happen to be in now—we get to beat up the seller a little bit on price. But I want you to know that in our multiple listings statistics, it shows that sellers are still getting about 97 percent of what they're asking. We do need to keep that in mind, okay?
- BUYER:** *Okay.*
- AGENT:** Because I'd rather turn you down now than disappoint you later, if I think that you can pay a lower price on this home, I'm going to tell you.
- BUYER:** *Please do.*
- AGENT:** But if I don't think you can get a property for the amount you want to offer, will it be okay if I tell you that?
- BUYER:** *By all means, yes—tell me!*
- AGENT:** Terrific.

Distinguishing Buyer's Market from Seller's Market: Script #4

BUYER: *How will the market affect what I find?*

AGENT: At this point it is a buyer's market. It is a bit confusing for buyers since there are quite a few homes to choose from. Because of this, you will need to concentrate on deciding what's most important to you—location, floor plan, condition of home, style of home, etc. If you can't decide what's most important, you may stay in a state of confusion, having so many homes to look at. You have to decide what you really want from your home.

Distinguishing Buyer's Market from Seller's Market: Script #5

AGENT: How would you go about determining the market value of a property you see for sale?

PROSPECT: *I don't know. I'd make an educated guess.*

AGENT: You've probably seen four or five other properties, and in your mind you picked out the one you think is the best deal, right? Right now we're in a "buyer's market," and we have been for a couple of years. Prices have stabilized at best, and in some cases prices have gone down, which means the time is right for you. I can pull up everything that's been sold in the past four or five months and compare not only price but also square footage, basement quality and finish, air conditioning, location, open space—all the kinds of things that affect a home's quality. Does that sound like something that would benefit you?

PROSPECT: *Yes—definitely. But isn't that information on the Internet somewhere?*

AGENT: Most definitely not. Not unless you know how much to add to a home for open space, or for air conditioning. Can you do a monetary evaluation of a finished basement with a certain square footage? Can you distinguish the value between an older home and newer home? Consider factors like location, traffic, and schools? Sure, you can get on the Internet and receive a free appraisal. But it's computer-generated, and will not take into account the intangibles that cannot be put onto paper. A computer-generated appraisal cannot determine the value of a view, nor can it qualify a home's condition. It can only evaluate off a few checkboxes—square footage, number of bedrooms, etc.—and the appraisal often includes errors due to user input.

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Distinguishing Buyer's Market from Seller's Market: Script #5 (continued)

PROSPECT: *I suppose you're right.*

AGENT: I hope to be able to show you the value of our work. If we're not providing a service of value, then it wouldn't do you any good to stay with us anyway. We're confident enough in our abilities that, if we sign a contract with you and you're not happy with us, we will be glad to match you with another agent who could better serve your needs. Or, if you felt like it, at that point you could certainly work on your own.

PROSPECT: *I'm confident in your abilities. But would I be free to work with other agents, too?*

AGENT: No, I would ask you not. If you want to work with other agents, you would have to disclose that and we'd need to talk about it. I think that if you work with us and give us a chance, and we both stay on the same page with each other and remain honest, we will be very happy to be here for you. We have a full team; there are ____ (four) of us who can service your needs. The biggest objection from buyer's about working with an agent is that they are never available at the times they are needed. If they want to go out on Tuesday evening, they can never find their agent. We've set it up so that we can be there for you. Our team has a policy, when possible, to take Sundays off to attend church, to be with family, and to rest, but otherwise to be available six days-a-week. If my child needs me to be somewhere, another member of our team, totally qualified and committed, will be right there to meet your needs for that day in my place.

PROSPECT: *Does that mean I'm going to be shuffled around from team member to team member?*

AGENT: No. Except to your benefit, such as when you need the expertise of our closing specialist or my property appraisal and negotiation skills. You'll almost always work with one individual, except in the case where you both cannot match your schedules. Furthermore, we don't prioritize our clients based on the size of their deal. If your home is priced lower than another's, you still take the exact same priority as any of our other clients. Once someone on our team starts something, they follow through and finish it. Even after the close, you can call us for as many years as you need to and ask questions, because as questions come up we generally know someone who can address the issues you might be having. Does that sound like it might be beneficial to you?

PROSPECT: *Yes.*

Explaining Offers and Negotiations

Explaining Contingencies and Instilling Trust: Script #1

[Use this script after you have explained market conditions and established how much they are willing to pay.]

AGENT: Well, now that we've found the house that we like, let's talk about how to make an offer. What's going to happen in that process? What am I going to do to help you make a good offer so that you can win on this property? Mr. and Mrs. Buyer, I will prepare a competitive market analysis for you so we can see what is sold and what's on the market, so we can make a good value judgment. You are going to be very well-educated when you go in to make this offer; you are going to know very well what this house is worth. You'll feel very confident, whatever you end up paying.

BUYER: *That sounds good.*

AGENT: There are many contingencies that we can put in the contract to protect you; we put some into our contracts as a standard procedure. *[Give them a copy of whatever clauses and addenda you attach to your contracts.]* I would like to give you a copy of what a contract looks like and what addenda we automatically attach to it, so that you can review it. That way, when we're ready to write an offer, you'll be very comfortable with this paperwork. I want you to come up with any questions you have about it, so that we can talk about them before we're at the point of contract.

BUYER: *I appreciate that!*

Tip!

The reaction of the buyer depends on the behavioral pattern of the person. You can expect that high "C" and high "S" personalities (factual oriented) will benefit the most from being able to review the contract on their own time. By relieving their stress of the unknown, you effectively reduce the time of writing that contract by several hours.

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Explaining Contingencies and Instilling Trust: Script #1 (continued)

AGENT: Let me explain the contingencies we automatically put in. One of them is the home inspection contingency. This allows you the right to approve the home inspection or cancel the contract. The seller's disclosure allows you to review the home or cancel the contract. And we have, of course, our standard financing clauses. *[Show them the important points of the contract, but let them read through it on their own.]* You should understand that my job is to negotiate on your behalf in this transaction. The good part is that it's all about you. It's your house, and I want you to have your house. The better part is that I have no emotion invested in the transaction, because while you are emotionally attached to the home, I am professionally attached to the home. These are two different things. So what you and I discuss does not come through emotionally. It comes through professionally. The sellers will never hear that you're willing to pay more. They will never hear that anxiousness. They will hear your terms factually and professionally. My job is to help you get the home that best fits your needs financially and emotionally. That's what I do.

BUYER: *Thank you.*

Explaining Contract to Close

Outlining Agent's Responsibilities During Contract to Close: Script #1

[Use this script after explaining market conditions, and after you have briefed the buyers on the contract, and after going over Discussing Offers: Setting Expectations.]

AGENT: Well, now we've got the home, negotiated it out, got the contract together, and everybody's happy. I want you to understand that my job really starts now.

BUYER: *What do you mean ...?*

AGENT: My job starts now, because getting from contract to closing is the most important phase of this transaction. Finding the house is fun. It's work, but it's fun. Now I've got to make sure that everything happens correctly and flows smoothly so that we can get to the closing table. Did you know that only 75 percent of average agent transactions actually get to the closing table?

BUYER: *Really!*

AGENT: Yes, and that means one in four falls through. Our average is ____ percent. That's because we have a process and a system to make sure that you're going to get to the closing table. This is very important. We stay in touch with the lenders and the title company. We are constantly—every week—finding out where we are and what we need. We negotiate all your repair issues. We handle all the behind-the-scenes things so that you don't have to worry. We make sure the mortgage is correct. We make sure the closing company is doing things right. We get the closing papers and review all of those. We handle any issues that arise between home inspections, termite inspections, and so forth, so that you can relax and know that you're going to the closing table. I truly believe that the reason the average agent's rate is only 75 percent is that they don't have a system, nor do they take the time to do proper follow-up.

The consumer generally believes that once the contract is written, the deal is done for the agent. Make sure they understand that the most critical work period is contract to closing, when things can fall apart.

-Nikki Ubaldini

Comparing Closing to Cooking Thanksgiving Dinner; Script #1

AGENT: Bringing the transaction to a close is like cooking Thanksgiving dinner—it's hard to get everything to the table at the same time and still serve it hot. It takes a lot of help and planning. Furthermore, there are roughly twenty-five people involved in your transaction who will help get it closed—bumps will inevitably surface. Please know that I am watching your transaction closely, and we can usually take care of the minor things. Just like at Thanksgiving, sometimes dinner is a little late—but don't worry, because we will get to the table.

Getting the Agreement Signed

Comparing the Buyer's Agency Agreement to a Committed Relationship: Script #1

AGENT: The buyer's agency agreement will not mean that "we're married." It means that we will be "going steady," with the understanding that I am going to do all these things for you. In return, you are not going to cheat on me. If our relationship isn't working, then we simply break up—we don't have to go through a messy divorce. I've found that all relationships, both personal and professional, have a greater chance of success if everyone is clear about the expectations in the beginning.

Explaining the Win-Win Objective of the Buyer Agency Agreement: Script #1

AGENT: If I put 100 percent effort into finding your next ideal home, will you let me be your consultant? Based on everything that we have discussed, do you think we can work together and have a win-win relationship?

BUYER: Yes.

AGENT: I do, too! I would be honored to be your consultant and I am all set to work for you! I want to have win-win relationships with all of my clients, including you. We have a common goal, and that's getting you into your next ideal home. Is that correct?

BUYER: Definitely.

AGENT: Great! I'm going to commit 100 percent of my efforts toward finding your ideal home. All I ask is that when we find that home, you are prepared to buy it; otherwise, our goal will not be accomplished and we will not have a win-win relationship. Does this sound fair? *[Listen to the response.]* I always give 100 percent attention, loyalty, and commitment to my clients. In return, I ask that you give me your full loyalty, attention, and commitment. Does that sound fair? *[Listen to the response.]* Here is my agreement of loyalty *[Show the Buyer Agency Agreement].* This authorizes me to represent you in the purchase of your next home. It tells you what your job is and what my job is. Let's walk through it so that we can get started. *[Explain the Buyer Agency Agreement and get it signed.]*

Establishing Expectations and Acceptances: Script #1

[This dialogue begins after your needs analysis.]

Expectations Dialogue

AGENT: Now that we've gotten clear on what you're trying to achieve and how I can help you get it, would you mind if I asked you a really tough question?

BUYER: *What do you mean?*

AGENT: Well, how does somebody win with you? What I mean by that is, how does somebody have to behave in order for you to be comfortable in a relationship with them?

[They'll start telling you "honesty, integrity, do what you say you're going to do, be available"—those kinds of things. You just keep asking, "Really? What else? Anything else?" Until they finally say, "That's it".]

Okay, now I know how somebody wins with you; how does somebody lose with you?

[Inevitably, they want to say that it is the opposite of how someone wins with them. So you will need to probe by asking, "What does that mean to you? What else?" Until they finally say, "That's it".]

Okay, here are my last two questions: What do you feel you have the right to expect from us as your agents? *[At this point, stop talking and just listen. They will usually say things like "commitment, loyalty, and honesty." Keep asking, "What else?" until they say, "That's it".]* Okay, here's the last question: What do you feel we have the right to expect from you as our client? *[At this point, stop talking and just listen. They will usually say things such as commitment, loyalty, and honesty. Keep asking, "What else?" until they say, "That's it".]* Okay. Now that we've been through that, what do you think? How do you feel about that?

BUYER: *Wow. That was pretty intense.*

Tip!

You want to make them think about what they are saying. This is a very revealing process that many people have never done before.

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Establishing Expectations and Acceptances: Script #1 (continued)

Buyer Representation Agreement

[Now that you have already talked some about commitment and loyalty, pull out your Buyer Representation Agreement and say:]

AGENT: Okay, I feel pretty good about this process. How do you feel?

BUYER: *I feel pretty good.*

AGENT: I feel we can work together. Do you feel good about that?

BUYER: *Yeah.*

AGENT: Okay, then let's get started.

[Start filling out the paperwork, and when you get to the timeframe portion of the Buyer Representation Agreement, even if you know the date they want to be in their new home, ask the following question:]

When was it again that you wanted to be in your new home by?

BUYER: *Well, within ninety days.*

AGENT: Great. I'll just write it from today, and I always try to write it for a month after that: _____ (date). *[Continue completing in the form, asking questions as needed to keep them engaged. Then turn the agreement so it faces them, and review it section by section. Don't read it line by line. You need to know what it says and interpret it in layman's terms. Go back through each section, explaining what each section means to them. When you get to the section on the commission, say:]*

If you purchase a home through us, or find a home while we're together, we're going to be paid a fee. Typically, that fee is paid by the seller, and that's what our job is, to get the seller to pay that fee. However, if you view homes that are for sale by owners or listed with new home builders without us and eventually purchase the home, you may be responsible to pay our fee. You hired us to represent you. You may make a poor decision and then we're going to have to clean up that decision. You need to understand that. You hired us to represent your best interest, so let us represent your best interest. It's going to be kind of like we're engaged. I don't like you to date around—there's no dating around.

[Once you've gone through the whole Buyer Representation Agreement, say:] Go ahead and read through it; make sure you understand it.

I just need your signature right here.

Comparing Need for Agent to Need for Attorney: Script #1

AGENT: Would you go into a courtroom without an attorney? Then why would you make the largest investment of your life without a professional real estate agent representing your interests?

Asking for Buyer's Loyalty: Script #1

AGENT: In order for me to provide you with the best fiduciary service, it is important that I get your permission to represent you. May I get permission to represent you?

BUYER: *I don't really want to sign anything today.*

AGENT: We're going to go out for three hours. If, by the end of the day, we feel that we don't have a connection, that we don't have trust yet, or if you don't think I can do this job for you, then we can rip up this agreement. In the meantime, let's approve this so I can get this part of the paperwork out of the way.

BUYER: *Does this agreement mean that I can't work with other agents?*

AGENT: Yes. This is a loyalty agreement. Not only does it mean that I'm loyal to you, but also that you're loyal to me. By the way, I intend to invest hours of my time with you and for you. Do you want someone who will devote their time and energy to you?

BUYER: *Yes.*

AGENT: Then I like-wise want to work with people who are loyal to me. If you look at things logically, who will work harder for you—an agent you are loyal to or an agent who knows that you may get rid of him at the drop of a hat? So, are you okay with that arrangement?

One Hundred Percent Commitment: Script #1

AGENT: When we work with buyers, we use a Buyer's Representation Agreement. It states that we will give you 100 percent of the time necessary to find the house that you want. It spells out how we are going to find a property for you in _____ (city), at _____ (price range), and that we are going to do the very best we can to find that property in as timely a fashion as possible. It also spells out who will pay our agent fee. It states very clearly that we will first seek to get our compensation from the seller. I will tell you that most of the time; the fee is paid by the seller. However, occasionally we will have circumstances where the seller will not be paying our fee. They might be a for sale by owner who does not want to pay the real estate fee. When that occurs, we simply adjust our offer on the property to include compensation for us so that you can pay our fee without overpaying for the property. Does that make sense?

BUYER: Yes, it does.

AGENT: Occasionally, we will have a custom home whose builder does not include our fee in their budget. Depending on your needs as a buyer, we will either raise the sales price so that you can pay our fee—again, without overpaying for the property. That would be the option to choose if you would rather pay more in mortgage—if rates were low, for instance—over thirty years. Or, you can pay us directly. Any other questions?

BUYER: Does signing the agreement mean that I can't work with other agents?

AGENT: Yes, it does. It means that you will be working with us exclusively. It means that you have engaged the services of one real estate agent.

BUYER: Is it a matter of trust?

AGENT: With us, it's a matter of pragmatics. We've discovered that when we enter a legal contractual relationship with a buyer, then the loyalties on both sides are a lot stronger, and we reach our goals much more quickly. A further pragmatic point: the agreement spells out very clearly that we are representing you and not the seller. If, indeed, we are also selling the property you wish to buy (if that property is listed with Keller Williams), the arrangement and terms are written out clearly so that the responsibilities and timelines are clearly marked.

One Hundred Percent Commitment: Script #2

- AGENT:** When you choose to be represented by a buyer's agent, you're required to sign a Buyer's Representation Agreement. The agreement states what role I play and that you and I will be doing business together.
- BUYER:* *Am I able to work with other agents?*
- AGENT:** No. You are making a commitment to work with me and that you and I will be doing business together.
- BUYER:* *And you're committed to me?*
- AGENT:** I'm committed to you. If, at any time while we're working together, you have a problem, you don't feel like you're being properly represented, or you believe that I don't have enough time to devote to you, then we can talk about canceling this agreement. Until that happens, you should not contact other agents.

Reassuring Buyer of Their Decision to Purchase: Script #1

- AGENT:** *Mr. and Mrs. Buyer,* I know you probably think this is going much too fast, don't you? Sure, as a matter of fact, I wouldn't invest \$58,000 after just two hours. That would be a quick decision and you know what happens when we make quick decisions, don't you? Let me ask you this, how long have you been considering a housing change? Six months? Four months? One year? (Usually about six months.) Now to me, six months of preparing is a very well thought out and planned decision. Wouldn't you agree? Please ... just (sign) right above where I wrote Thank You [Point to the signature line on the buyer representation agreement.]

Explaining the Benefits of Signing an Agreement: Script #1

AGENT: I like to have an initial meeting with you on the front end to explain how I work and, if you wish to proceed, to discuss a Buyer's Representation Agreement with you. If you decide to hire me, then we are off and running. At that point, I start focusing on exactly what type of house you're looking for, your budget, your location preferences, and so forth. This initial meeting is for our mutual benefit—to get to know each other, for me to explain how we will work together, see if you want to work with me, and if I want to work with you. If the answer to both of those questions is yes, then we'll begin the process of finding your new home.

BUYER: *I've decided to do some looking on my own, driving around.*

AGENT: That's fine. Part of what I can do is to supply you with a plethora of information about houses in our market. If you would like to do some preliminary research on your own, that's perfectly understandable. Just give me an area and a price range and I will give you more information than you can possibly imagine. If we do choose to work together in a serious fashion, I'm going to ask that we have a Buyer's Representation Agreement in place. Let me talk a little about the Buyer's Representation Agreement. It's kind of a trade. The trade is that I agree to work for you on a contingency basis. That is, I don't get paid unless you find some place you like and you buy it. You, in turn, agree to work with me on an exclusive basis. I'm going to be investing a lot of time with you. I want to be sure you're not working with other agents. The agreement has a finite duration. I normally set it at ninety days. Usually within thirty days, or perhaps less, I'll be able to determine whether you're a serious buyer.

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Explaining the Benefits of Signing an Agreement: Script #1 (continued)

BUYER: *But if I can't talk to other agents, won't that limit me? I am the one buying the house.*

AGENT: That's a good point. However, under the Buyer's Representation Agreement, I give you the same level of representation that a listing agent affords to the seller. That is, I advise you, I counsel you, I negotiate on your behalf and I keep your information confidential. Remember that if you talk to a listing agent, anything you say can and will be used against you. They will report anything that you say to them, or any information you reveal to them, right back to the seller. Their primary objective is to sell the seller's house. That's what they were hired to do. I don't particularly care which house you buy. I'll help you buy the house you want to buy and I'll help you buy it as economically, safely and efficiently as possible. It's very difficult for you to protect your own interests if you're not doing this every day like I am. You don't know what to look for. I'm not talking about whether the house has four bedrooms upstairs and two baths. I'm talking about the protections that I afford you as a buyer's agent to make sure that the proper inspections are done, the appraisal is completed properly, a final walk-through is conducted, that the seller has disclosed all information they are required to by law. I make sure that there's nothing that could come back and bite you later. I make sure that you are a fully informed, protected and counseled buyer. You can ask me questions. I'll help you compare houses, one house against another. Once you find the house you want, then I'll do my best to help you buy it as efficiently and as safely as possible. Working on your own, you probably aren't going to achieve as good a result as you will in working with me. In most cases I'm paid by the seller. The point is that you're not paying me out of your pocket. You're not paying me anything extra to use my services, because my compensation is already set with most houses listed with other agents. I'm generally willing to work with what other agents offer. We can discuss that.

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Explaining the Benefits of Signing an Agreement: Script #1 (continued)

BUYER: *But you'll get the commission when I buy the house. How do I know you'll take care of all the details?*

AGENT: A big part of my job is ensuring that, after you have selected your home of choice, all of the details fall into place and we have a smooth transaction all the way to settlement and beyond. Please understand that a big part of my income comes as a result of referrals. I support myself not only with the money I will make by helping you to buy a home, but also from the introductions with your friends and family that I receive through you once you're a wildly enthusiastic and ecstatic customer. You'll refer me like crazy. But in order to bring about that happy occurrence, we've got to get you into the right house, and the process has got to be as painless and as pleasant as possible. And that's my job.

BUYER: *I guess if we have a relationship, I'll learn to trust you.*

AGENT: I understand. The thing with our Buyer's Representation Agreement is that I structure it in a way that if you want to get out of it—if you feel like we cannot work together—I will put in a 24-hour clause that says you have the right to cancel this agreement on 24-hour notice, assuming that you are not under contract for a particular house. That gives you an extra measure of protection. It's a learning relationship for us both. We're going to have to get comfortable with each other. I hope that we can get that done quickly. If we do get that done quickly, and you start to have confidence in me, and I start to get good information from you, then we should be able to move fairly quickly to getting you what you want—to put you in a new home.

BUYER: *What's in the Buyer's Representation Agreement for me? How does that help me trust you?*

AGENT: It doesn't. It's not designed to do that. Like I said, it's a trade. The trade is that I'm willing to spend a lot of time on the front end and you don't have to pay me for this time. It's not like going to a lawyer, doctor, or accountant. You'd have to pay on an hourly basis and, in some cases, you have to pay on the spot. In my case, I get paid if and when you find a home. I'm willing to invest this time into you on a contingency basis. In return, I ask that you make a commitment to work with me—and only me—during the period of the agreement. I will know within thirty days or less whether you're a serious buyer.

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Explaining the Benefits of Signing an Agreement: Script #1 (continued)

- BUYER:** *If I can get out and we'll take it step by step, I don't see a problem with moving ahead.*
- AGENT:** Great!
- BUYER:** *That's not very skeptical, is it?*
- AGENT:** I understand your skepticism. Part of it is my working with you closely, and you asking me questions, gauging my responses, and seeing how responsive I am to your phone calls and emails. Trust is something built up over time. I work very hard to develop a good relationship with my clients. The sale is just the beginning of what could be a long and fruitful relationship for both of us, especially for me. I want referral business. The only way I can get referral business from you is if I deliver for you. Everything I do is geared toward long-term satisfaction.
- BUYER:** *Not just this purchase?*
- AGENT:** Not always. I'm like a restaurant. I can't make a living if I have to sell one meal to everybody in the world. I prefer to find one person that wants to dine at my restaurant once a month. That's what works for me.
- BUYER:** *When I buy the house, are you out of the picture?*
- AGENT:** Not at all. You'll be on my mailing list. I will always be there for you. I'm not going anywhere. I've been in this business for _____ years. I love it. If you ever have a question, comment, or concern, I'm just a phone call or email away. I will even drop by and see you in your new place. I'm not going anywhere.
- BUYER:** *What if it takes a long time? Will you drop me?*
- AGENT:** I'm going to know within thirty days if you're a serious buyer. Our buyer agency agreement has a nominal ninety-day lifetime. What that means is, at the end of the ninety days, we may decide to renew the agreement, or we may mutually decide not to renew it. Plus, you have a 24-hour escape clause. If you feel I'm not working well for you, then by all means we can terminate the relationship and part as friends. If you're a serious buyer, though, I think you'll find what you're looking for in thirty to sixty days, maximum. If it goes much beyond that, what that will likely indicate is that you're looking for something very specialized, and I'll know it just as well as you, by that point. We might have to wait six to twelve months to find the exact right house. I'll say, "Are you willing to wait that long?" If you say "yes", as soon as it comes on the market, I'll call you. If you say "no", then I will help you find alternatives that meet your needs.

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Explaining the Benefits of Signing an Agreement: Script #1 (continued)

BUYER: *Sounds reasonable. If I saw a FSBO I would be obligated to let you know about it?*

AGENT: Yes, by all means. Most for sale by owners (FSBO) will pay my compensation. They're already anticipating that they'll have to pay a percentage to a buyer's agent, so 90 to 95 percent of FSBOs will work with buyer's agents.

BUYER: *So I can really purchase a FSBO and not have to pay you anything?*

AGENT: Yes, that is usually correct. Here's the compensation I work for: _____ percent. In most cases, I'm paid by the seller as part of the transaction, even though I'm legally working for you. If we should happen to find a home listed by a real estate company that does not pay my compensation, I will tell you about it in advance and say, "*Mr. Buyer*, do you want to make up the difference or do you prefer not to see the house?" If you want to see a FSBO, that's fine too. If you just get me the address or telephone number, I can contact the owner, and in most cases they'll be glad to pay my fee. In either case, if my fee is not going to be paid by the seller, I will let you know in advance and you can make the decision about whether you want to see the house.

If you want to move forward, please read this agreement and sign it. Then we'll set up an appointment to start looking at a few houses. If you prefer to drive the neighborhoods first and let me know which houses you want to see, we'll do it that way.

BUYER: *I don't have any other objections. Let's move forward.*

Reviewing the Contract Form

Presenting Buyer a Sample Contract for Review: Script #1

AGENT: No matter where you buy or sell property in the state/province of _____, you will most likely use this contract. I wanted to go ahead and give you a copy for your review. Please feel free to contact me and ask me any questions you may have regarding its use. I will go ahead and void this so you do not have to worry if you accidentally lose this copy (draw a diagonal line across page one).

Wrapping Up Meeting One

Establishing Contact Information: Script #1

[Some of these questions/statements may be covered during the consultation. If they have not been covered, use them to wrap up your first meeting.]

AGENT: Who should we designate as my primary contact? This is the person I will be contacting to set up meetings and schedule showings. How would you like to be contacted?

When is the best time for us to look at homes?

Let's set up a time when you can meet with a lender. Would that be fair?

I would like to add your criteria into the Multiple Listing Service (MLS) and see what we can find—that way, we look only at homes that match your wants and needs. What do you think?

Let's set up a time when we can get back together, review the MLS results, and begin looking at homes! What's a good time for you?

I'm going to give you some homework. Please read this packet and jot down any questions that you have in the margins so that the next time we meet, I can answer any questions you have. Will you do that for me? Great!

Also, a very informative website that you might want to check out is www.realtor.com. There, you will find all kinds of useful information, including a section called Real Estate 101. If you have time, please check it out. Will you do that for me?

Mr. and Mrs. Buyer, I really look forward to working with you. I'm going to work hard to meet and exceed your expectations. I do have one last question for you. On a scale of one to ten, with "ten" being brutally honest, how honest do you want me to be with you? For instance, let's say you make an offer that I think is way out of line. How honest do you want me to be with you? *[Listen to the response.]* Can you tell me more about that? *[Listen to the response.]* Great. Well, I expect the same level of honesty. If at any time you need to level with me about my performance, something I said, or something I did or didn't do, please do not hesitate for one moment to be brutally honest with me. Will you do that for me? Great.

Thank you for your time today and if you think of any questions that didn't come up today, please call me. Will you do that? Great. I look forward to working with you to find your next ideal home.

Objections to Hiring an Agent

I Can Find Homes on My Own: Script #1

- BUYER:** *I appreciate everything you have shown me that you can offer, but I really think I can find a home on my own using the Internet.*
- AGENT:** I can understand why you say that, but we have found that many times the homes on the Internet may not be updated quickly and may not be available anymore. Also, we can save you many hours of driving around by doing research in the Multiple Listing Service for the available homes that meet your needs and desires.

I Can Find Homes on My Own: Script #2

- BUYER:** *I thought I could find homes on my own.*
- AGENT:** A lot of times you can. When we work together; you'll be looking and I'll be looking. The most important thing is that as an agent, I have the inside track: I can actually use the computer to search for houses that came onto the market that this very day or the night before. I can call you right away if a match comes up for you. When you have been looking for awhile and you know exactly what you want, and if you're working with an agent in a buyer agency, that agent gets you out there, gets you in the property right away, because those properties go fast.
- BUYER:** *Okay, that explains it. But wouldn't I be saving money by calling from a sign instead of working with an agent?*
- AGENT:** No—that isn't true. I never charge a buyer for buyer agency. The seller pays the commission. It will cost you nothing to have me work for you. The only thing I ask is that, because I work on commission, we set a couple of ground rules that will protect you and me. One of those rules is when you see a property you like, you call me first—you don't call the seller's agent. Because if you call that agent, you run the risk of them demanding that you work with them.

We're Just Looking: Script #1

BUYER: *We're just looking!*

AGENT: I really appreciate that and the market is such today that if we found your perfect home and you were not prepared to buy, chances are it would not be around when you are ready! So that we don't waste your time or have you fall in love with a home that may not be around when you're ready, I recommend that we wait until you are fully committed to buying a home! Is that fair?

BUYER: *No.*

AGENT: Do you remember at the beginning of our conversation when I told you that if we came across an expectation that you have that I felt I could not satisfy, I would be unable to represent you? I think we may have just reached that point. I want you to understand that I'm interested in creating an interdependent relationship—a win-win relationship! I'm assuming we have a common goal and that is getting you into your perfect home! Is that correct? Great! I'm going to commit 100 percent of my efforts towards finding your perfect home. All I ask is that when we find that home, you be prepared to buy it! Otherwise, the overall goal of getting you into your perfect home has not been accomplished! Does that make sense? Super, then shouldn't we make this a win-win relationship from the start?

We're Just Looking: Script #2

BUYER: *We're in a lease for another couple of months.*

AGENT: What we need to do is get started today. Your loan prequalification is going to take about seven to ten days. It'll take us at least a couple of weeks to find a home. Once we go through the contract process, you're going to be looking at about thirty days to close. You're going to be right on target. Let's get started today.

We're Just Looking: Script #3

- BUYER:** *I'm really not sure that I want to buy.*
- AGENT:** Why are you not sure?
- BUYER:** *I just have this uneasiness.*
- AGENT:** About owning a piece of property?
- BUYER:** *Not just that, but the size of the transaction and the thought of a mortgage.*
- AGENT:** How do you feel about continuing to rent and putting your money into an apartment and receiving no advantage? You're already paying utilities. True, you are taking on responsibilities in terms of maintenance, but the benefit to you is the same reason you came to us in the first place and that hasn't changed. You will still get the tax deductions, you'll have ownership, appreciation, none of which you'll be able to get out of a landlord. You can either pay your mortgage down or you can pay your landlord's down.

I Am in a Two-Month Lease: Script #1

- BUYER:** *I'm in a lease for two months. Should I wait until I get closer to the end of the lease?*
- AGENT:** No. What is your goal at the end of that lease? To move, or do you have the option to extend that lease without penalty on a month-to-month basis?
- BUYER:** *I need to move.*
- AGENT:** Now is the time to get prepared. You will have to get preapproved and start your housing search and then find the house. Typically a preapproved buyer can close on their home in thirty days. If you are sixty days out, that will allow you thirty days to look for the property. And then you'll be able to close within the next thirty days. So the timing is perfect.

IAm in a Three-Month Lease: Script #1

- BUYER:** *I've got another three months left on my apartment lease. Should I wait until there is less time before looking for a house or signing an agreement?*
- AGENT:** Since you can expect a thirty- to forty-day closing period, we will make an offer approximately one month before your lease expires. In the meantime, we can make sure that you're absolutely preapproved. We will also spend about fifteen to thirty days educating you about the market.

IAm in a Four-Month Lease: Script #1

- BUYER:** *I'm in a lease for another couple months. Shouldn't I wait to begin looking?*
- AGENT:** That's an excellent point. Since interest rates are low, if I could find you a home where the seller would buy you out of your lease, would you be interested in home ownership right now?
- BUYER:** *Sure; the lease is the only thing in my way.*
- AGENT:** We find that it takes about thirty days to close after we find the right home. Did you want to take your time moving in? Or did you want to move within a few days?
- BUYER:** *I've got some time, so there's no big rush.*
- AGENT:** It would be thirty days before your first payment is due, as well. So if you found the perfect home, you wouldn't want to miss out, right?
- BUYER:** *Right.*
- AGENT:** I think we can still work with that, because we have thirty days before we close plus thirty days before a payment is due. So we're talking about only two months.

We Don't Have the Money to Buy Right Now: Script #1

- AGENT:** You might be surprised how little it costs to buy a home these days. Would you be interested in a no-obligation meeting with me to learn more? Do you happen to know of anyone else who might be buying or selling?

You've Only Been in the Business for a Few Months: Script #1

BUYER: *You've only been in the business for ____ months. Why should I work with you?*

AGENT: Sure I've been in this business ____ months, but I am smart, hard-working, and I've received more training than the average agent working for the competition.

I Don't Want to Meet You in Your Office: Script #1

AGENT: Well, I appreciate that and I understand your concern, but I must tell you—I operate differently! You see, I consider myself a real estate consultant and not a real estate agent. I'm not in the business of showing houses. I'm in the business of satisfying needs. Before I can satisfy what you need in your next home, I first must identify those needs, and that process is done in my office. Otherwise, we're just wasting your time looking at homes that may not meet your needs. It makes more sense to me to spend an hour in my office uncovering your needs than to spend three or four days hoping we stumble upon your perfect home. Would you agree? Great! When would be a good time for us to meet?

I Don't Want to Meet You in Your Office: Script #2

AGENT: Well I appreciate that and I understand your concern, but I must tell you—I operate a little differently! You see I'm not like most agents who will just throw you into the car and show you fifty homes hoping we stumble upon the perfect one. If you choose to work with me we are going to take a proactive approach which will virtually assure you of getting what you want and wanting what you get. That process is started in my office. Does that make sense? Great! When would be a good time for us to meet?

Objections to Signing an Agreement

I Don't Want to Sign Anything Today: Script #1

BUYER: *I really don't want to get locked into an agreement.*

AGENT: I understand completely. I encourage you to take this agreement and read it at home. Part of our working together towards a successful outcome is mutual communication and trust. That's very important, regardless of which agent you choose to work with. I perceive from your comments that you are not comfortable working with me, or with any agent on an exclusive basis, at this time. Before you make any decisions, try to interview two or three other agents who will serve you in the same capacity that I'm proposing. After you've interviewed two or three, then make up your mind which one is the best fit for you. It may not be me. I've tried to tell you how I work and what I expect from you and what I can deliver, and if this is not quite what you're looking for, that's okay. There may be another agent out there that is better suited to addressing and handling your needs.

BUYER: *I'll do that.*

[At this point, try to give body language indicating that the meeting is over.]

I Want to Be Free to Work With Other Agents: Script #1

BUYER: *I don't want to sign an agreement. I want to be free to work with other agents.*

AGENT: I understand that completely, and in fact, if that's the way you feel, I encourage you to do just that. If we do decide to work together, I will give you the best information and representation in the industry. I want you to feel comfortable working with me. However, I do not work with people who work with multiple agents. I have other clients who need and deserve my services—people who are willing to work with me on an exclusive basis—so I devote my time to them.

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I Want to Be Free to Work With Other Agents: Script #1 (continued)

- BUYER:** *What are you suggesting about agents who will let me see other agents?*
- AGENT:** They may not be as busy as I am. They're willing to take the chance that they show you the house that you fall in love with. There are some people who do not like to make commitments, and I just can't afford to work with those people. I'm not saying you're one of them.
- BUYER:** *It sounds like you know what you're talking about. What evidence do I have you'll do what you say?*
- AGENT:** Well, I think my guarantee is kind of unusual in that you sign a 90-day Buyer's Representation Agreement, but you can get out of it when you wish, if you have given me the right to correct any situation that you're not satisfied with within 24 hours. I do not ask for any money up front. You don't pay me anything if the search does not succeed. It's kind of a no-lose situation for you.
- BUYER:** *Are there people I can talk to about you that can attest to what you're saying?*
- AGENT:** Let me give you the phone numbers of the last four or five people I did business with. These are all people who have closed transactions with me in the last sixty to ninety days. Ask them anything you want.
- BUYER:** *I'd like to call them before we sign anything.*
- AGENT:** Great. I'm going to give you a copy of the Buyer's Representation Agreement. You take a look at it. If you have questions about it, let me know. I will fax or e-mail you a list of reference phone numbers. If you wish to move forward, that's fine. If you don't want to move forward, I appreciate the time we spent together and I wish you the best of luck on your home search.
- BUYER:** *Thanks.*
- AGENT:** If you're willing to move forward, then we'll focus strictly on houses in our next meeting. We'll find out exactly what it is you're looking for in terms of budget, location, number of bedrooms, whether you want a garage, acreage, what style of house you want—all those questions. We'll spend 100 percent of our time doing just that. Okay?
- BUYER:** *Sure.*
- AGENT:** Great. I appreciate your coming in and I look forward to hearing from you shortly. I'll have the list for you later this afternoon.

Why Can't I Work With Other Agents?: Script #1

AGENT: When you sign the Buyer's Representation Agreement with me, you will find that I will work for you 100 percent of my loyalty. Because I give you 100 percent of my loyalty, you should give me 100 percent of yours. A lot of people think that by having five or six agents work with them that they'll view more homes. Actually, it's the opposite; may I explain?

BUYER: Please do.

AGENT: Since I know you're going to buy through me, I make certain that when I hear about a great property or when I find one in the Multiple Listing Service, I'll call you immediately. If you're working with five or six agents and a great property comes in and I have a buyer who will give me 100 percent of their loyalty, but you're not giving me your loyalty, who do you think I'm going to call?

BUYER: Your loyal buyer client.

AGENT: We call them "A" Buyers and "B" Buyers. You are in the "B" pile of every agent out there if you are not loyal to one agent. As a result, you don't hear about any of the great deals. You have to make it to the "A" pile, and the way to do that is to sign an agency agreement with me today. I can get you one step closer to where you want to be.

BUYER: Let's sign. I want to be a buyer.

Why Do I Need to Sign an Agreement: Script #1

BUYER: Why do I need to sign an agreement?

AGENT: This allows me to represent you as your buyer agent.

BUYER: Why is it important that you do that?

AGENT: Generally, the houses that are most in demand are going to sell before they enter the market. If I'm working for you and I know exactly what you want, I can get you in to see a property before it even hits the market.

BUYER: I couldn't do that on my own?

AGENT: No, because you're not going to hear about the property.

BUYER: But I have Internet access.

(continued on next page)

Why Do I Need to Sign an Agreement: Script #1 (continued)

- AGENT:** It takes three to ten days after the agent enters the data for it to show up on the Internet. So, depending on how long it takes the agent to enter the data, the listing could be ten to fourteen days old. Since I network with other agents, I will know about a property before it's even marketed to the general public.
- BUYER:* *Does this mean I can't work with other agents?*
- AGENT:** Yes—unless you're unhappy with our services. If at any time you're unhappy, we guarantee that you'll be released from this contract unless you have a house under contract.
- BUYER:* *When are we going to look for houses?*
- AGENT:** First, tell me about your dream house. What does it look like? I need to know what you want in a home, so I can narrow our choices before we start looking. Once we know exactly what you're looking for, then we'll go out and look at houses.

I Have Realtor.com: Script #1

- BUYER:* *I have Realtor.com.*
- AGENT:** Do you realize that Realtor.com is about two to three weeks behind what I use? Would you like the most up-to-the-minute listings? You'll know that if I send listings to you, 99 percent of the time they are actually still for sale. Many of the listings from the Internet and Realtor.com are already sold. Have you noticed that?
- BUYER:* *Yes! I don't know how many times I've called and the house has already sold.*
- AGENT:** You can avoid that by letting me get you the houses you want, if that's okay. All I want is your email address and a few minutes of your time. May I have that?
- BUYER:* *Yes.*

On-Going Servicing

Working with First-Time Homebuyers

Setting Expectations about First Home: Script #1

AGENT: Your first home is not going to be your dream home. Most people will live in their home only three to five years before they move up. This home is the foundation and investment to get to your next home, which still may not be your dream home. My job is to help you make a good real estate investment to get you where you want to be. You may buy and sell three, four, or five times in your life. I will help you every step of the way. Now, let's go find your first home—the first step to your future.

Setting Expectations about First Home: Script #2

AGENT: Don't be surprised if the first home we see is the one you want to buy. If you're good at telling me what you want, and if I'm good at listening to what you're telling me, I should be able to take you to your new home in the first four showings. You don't want to see all of the houses in _____ (city, state/province), do you?

BUYER: No.

AGENT: You want to see the homes that best fit your needs, right?

BUYER: *That makes sense to me.*

AGENT: Some agents will show you several really bad homes, and then they'll show you one really great home. They expect you to say, "Those other houses were really horrible, and this one is great. I'll buy it!" I don't work that way. I want to show you only the best homes. Is that all right?

BUYER: *Yes, that would be great.*

AGENT: I'll know if you like any of the homes we look at today because I'll ask you if you want to buy it. Is that okay with you?

BUYER: Yes.

AGENT: By the way, if I forget to ask you, will you remind me?

BUYER: Sure.

Explaining Market Values and Taxes: Script #1

- AGENT:** Taxes are a part of home ownership; they will need to be included when you calculate your payment. Now that we've talked to the lender and we know you're qualified to buy the house, what is your ideal payment?
- BUYER:** *I wouldn't want to spend more than _____.*
- AGENT:** Does that figure include taxes?
- BUYER:** *What do you mean?*
- AGENT:** When we look at a property, we have to take the taxes that are current on the property and divide that figure by twelve, and then verify that we can add that amount to the payment and still purchase the home.
- BUYER:** *I didn't realize taxes were so high around here.*
- AGENT:** Unfortunately they are.

Explaining Market Values and Taxes: Script #2

- BUYER:** *The taxes are so high in this area.*
- AGENT:** Property taxes are a fact of life and that is how this school district is funded. I can show you property taxes for other areas, but in most cases you'll find it depends on the value of the home and where it sits as opposed to the tax rate.

Working with Home Buyers

Setting Up the Buyer to Find a Home: Script #1

AGENT: As we go out to look at homes today and find the home you are going to buy, there are four things I'd like you to do. The first thing I want you to do is to bring the measurements of your largest piece of furniture. When we find the home that you're going to buy today, I want to make sure that your furniture's going to fit. The second thing I want you to do is bring the measurements of your master bedroom. That way, when we find the home that you're going to buy today, you'll be sure your new bedroom is going to be the size you are looking for. The third thing I want you to bring is a pillow or a color swatch from your favorite piece of furniture. That way, when we find the home that you're going to buy today, you're going to be able to make sure that the colors match or decide if you're going to have to do some painting. There is a fourth thing I want you to do. When we go out there and look at homes, I'd like you to bring along a checkbook, so when we find the home that you want to buy today, you'll be able to put down some earnest money when we make an offer.

Prequalification/Preapproval Process

Positioning Allied Resource as Your Customer's Trusted Adviser: Script #1

AGENT: Part of our Keller Williams service is to have *Mr. Mortgage* Partner call you. He is the trusted adviser of customers we've helped over the past seventeen years. He's going to educate you on mortgages in this area. There are more than two hundred different loans. His profession is to secure the money that allows you to accomplish your goal. His name is _____ and he will be calling you. He will ask you what you're trying to achieve. You'll find he's different than most lenders—instead of quoting rates he'll ask you what you're trying to achieve. He'll listen and then present two or three options that will accomplish the goal you're seeking.

Voicemail to the Mortgage Partner:

AGENT: *Mr. Mortgage Partner, Mr. and Mrs. Relo Buyers* are coming in. He's with _____ (company), they're out of _____ (city, state/province). They're selling a home for \$_____. They have _____ little kids, really interested in _____ (cheerleading and football). They have a _____ (dog, Muffy, I think it's a King Charles Cavalier). Talk to you soon.

Call Back from the Mortgage Partner:

**MORTGAGE
PARTNER:** Great people. I really told them how valuable your team has been to our customers. And thanks for telling them that I'm the trusted adviser. They can go to 400 tops; their comfort level is 375. They're bulletproof. Bye. Now, you're ready to show!

Differentiating Between Prequalification and Preapproval: Script #1

BUYER: *What's the difference between prequalification and preapproval?*

AGENT: Prequalification is normally something that can be done by a lender in a very short period of time. They'll ask a few questions about your employment—whether you're self-employed or on a payroll—and they'll do a quick credit check. Based on that brief conversation, they'll issue a prequalification.

Many agents rely on prequalification alone. However, we prefer to have a preapproval letter. Preapproval means that the lender has verified your employment, your income, and so forth. This way, when we write an offer on a property, we know that our client will have absolutely no problem being approved for the loan. That's critical.

Differentiating Between Prequalification and Preapproval: Script #2

AGENT: It's important that we get you prequalified. Looking beyond that, it's more important that we get you preapproved. There's an important difference between qualification and approval.

BUYER: *What's the difference?*

AGENT: Qualification is nothing more than a few pieces of paper that says a lender has talked to you on the phone. They may or may not have pulled your credit. Based on the information that you provided to them verbally, the lender thinks that you'll be able to get a loan.

The seller's agent may not allow that qualification to carry a lot of weight. If you are approved, it means that your application has been submitted to the lender, your credit has been pulled, you have had your file reviewed by an underwriter, and the lender has agreed to issue you a mortgage—based on terms that are acceptable to you. That makes you a "cash buyer."

BUYER: *So, it's important that I get preapproved?*

AGENT: Yes, it's important. Regardless of the amount of down payment you want to make, you need to be preapproved. Being preapproved means that you are the equivalent of a cash buyer—meaning you've got your cash coming to the table, and the bank has their loan coming to the table. That will make our offer as competitive as possible when we present it to a prospective seller. The higher your level of approval, the more weight that our offer will carry, and the better negotiating position we'll be in.

Explaining Importance of Being Prequalified/Preapproved: Script #1

- AGENT:** We don't want to guess what your price range is going to be. There's nothing worse than going out, looking at houses, and finding the perfect house, only to discover that it costs \$10,000 more than what you can afford. Does that make sense?
- BUYER:* Yes.
- AGENT:** I absolutely love to get people into home ownership. The very first thing I have first-time home buyers do is call one of the lenders with whom I work. Are you looking for a home in _____ (area) or more in _____ (area)?
- BUYER:* _____ (area).
- AGENT:** I usually work with _____ (lender name) in that region. I'll give you that number: it is _____. It will only take them about fifteen minutes to ask you a few questions, and then they will run your credit report. Do you know how your credit is?
- BUYER:* *Not really.*
- AGENT:** Everything is credit-driven. So in order to know what interest rate you'll get on a loan, or to know what program we're going to put you into, we really need to know your credit rating. Have you held your job for more than two years?
- BUYER:* Yes.
- AGENT:** That's another important factor for getting a home loan. The lender will check your qualifications and then call me. You and I will then sit down and actually look at the areas that you're interested in. We'll go into the computer and find houses in those areas. I can show you any house, regardless of what company has their sign in the front lawn—did you know that?
- BUYER:* *No, I didn't.*
- AGENT:** We have a cooperative called the Multiple Listing Service, and all of the agents enter and share listings. That makes it easy for you as a buyer, because you don't have to jump from agent to agent.
- BUYER:* *So the first step is to become preapproved?*
- AGENT:** Yes, and often people are qualified for more money than what they want their house payment to be. For example, just because you're qualified for \$200,000 may not mean you want to have a payment based on that amount.
- BUYER:* *That's true.*
- AGENT:** We'll talk about all of those issues when we sit down. I think of myself as a real estate consultant, not as a real estate agent, because it's about getting you into the right house with the right loan program so you can continue having a quality lifestyle.

Explaining Importance of Being Prequalified/Preapproved: Script #2

BUYER: *We haven't been prequalified and we're not sure what to do.*

AGENT: In order for you to get the most benefit out of looking at homes, it's important that you get prequalified. When you decide you want to buy one of the homes, it will give you a lot more negotiating power if you are prequalified. If you were in the seller's shoes and you have two offers on your property—the first offer from a prequalified buyer and the second offer from a buyer who hasn't yet been to a lender yet—which contract would you choose?

BUYER: *I'd probably choose the one that's been prequalified.*

AGENT: So you see my point. Do you have a lender in mind?

BUYER: *Well, no, not really.*

AGENT: We have lenders we work with that we try to refer buyers to. We have chosen them because they're willing to help us help you. These lenders actually advertise on a moving truck that we own and, since they're helping sponsor the truck with advertising, you can borrow the truck at no expense. All you pay for is gas. Does that sound like a benefit you would like?

BUYER: *Well, sure.*

AGENT: If there's another lender that you prefer to work with, you're certainly free to go to them. Many of our buyers have had great success with these lenders.

Explaining Importance of Being Prequalified/Preapproved: Script #3

[People who have paid cash for most of their major purchases may not understand that we need a prequalification letter from a lender and that it will help them in the process.]

BUYER: *Why do I have to give them all of this information?*

AGENT: They require this information to grant prequalification. It's something you've got to supply unless you're willing to invest your own money.

BUYER: *I've never had to supply this information to get a loan in the past.*

AGENT: Things have changed and it's not as easy to obtain credit. There are more guidelines because of the bank failures during the 1980s. And so we have to provide whatever they require if we want to get a loan.

Explaining Importance of Being Prequalified/Preapproved: Script #4

- AGENT:** The current interest rates are the lowest on record. Have you been to a lender?
- BUYER:** *I have not been to a lender.*
- AGENT:** I'm going to set that up for you. Are you interested in saving money on your home purchase?
- BUYER:** *Absolutely.*
- AGENT:** Let's say you're selling your home, and you have two offers on it. One is a cash offer for the full asking price. The other offer is for a thousand dollars over asking price, and this buyer hasn't been to a lender yet. They haven't had their credit checked, and their agent doesn't even know if they qualify. Imagine that you need to move to _____ (Florida) in four weeks, and you have to make a decision now. Which offer would you take?
- BUYER:** *The first offer.*
- AGENT:** Would you risk your plans for the extra thousand dollars?
- BUYER:** *No, not on a sketchy offer.*
- AGENT:** Preapproval from a lender makes you a sure deal. I can help you become a sure deal as a buyer. With preapproval, you become a cash buyer.
- BUYER:** *That makes sense.*

Explaining Importance of Being Prequalified/Preapproved: Script #5

- BUYER:** *What is the first step I need to take to buy a house?*
- AGENT:** I suggest that you get prequalified before we begin to look, so you know what range of housing is appropriate to look in. Otherwise, you'll be looking in a range that is below or above what you are comfortable purchasing. I don't want you to fall in love with a home that costs more than you can afford. So let's talk to a lender and then begin our work.

Explaining Importance of Being Prequalified/Preapproved: Script #6

AGENT: We're going to submit the preapproval letter with our offer because that makes our offer look very strong. I've already talked to the seller's agent. I know when the sellers would like to close and the title company that they prefer to use. I've got all the information that will make our offer "clean." The cleaner the offer, the more we can give the seller exactly what they are looking for and the better the chance we have of getting this home for you.

Explaining Importance of Being Prequalified/Preapproved: Script #7

AGENT: Have you talked to a lender, and have you been preapproved?

BUYER: *No, I haven't.*

AGENT: I believe that it's vital for you to be preapproved, and let me explain why. I don't want to show you a home that you fall in love with only to find out that this would be the home that you would qualify to buy a few years from now. It may not be the actual home that you're going to buy right now. So in order for me to establish what your buying qualifications are, I need a lender to prequalify you. They're going to run your credit report and discuss your loan expectations for the house. Does that make sense?

BUYER: *Yes.*

AGENT: I've got a lender that you can call. Do you have someone that you've worked with in the past, or do you have an alliance to any particular lender?

BUYER: *No.*

AGENT: May I have my lender give you a call when we're done with our consultation? The prequalification process will only take about half an hour. They'll come here and meet you in the conference room. I will leave the room since a lot of the information you're going to be giving them is private financial information. I don't need to participate in that part of the process. I will have a letter in my office the following day stating that you're preapproved for x amount of dollars.

This is going to help you in two different ways. First, we know we'll be looking in the price range that you can afford and that you will qualify for a loan. Second, it's going to make you a much stronger buyer to sellers. It also makes negotiating a better deal much easier if I have a preapproval letter in my hand. Make sense?

BUYER: *Yes.*

Showing Homes

Setting a Viewing Appointment with Buyer: Script #1

AGENT: Hi, this is _____ with the _____ team at Keller Williams Realty. How are you? I have some properties that I would like to show you. They all have _____ *[Tell them the characteristics/features that match their needs.]* When can you view them? *[Listen to the response.]* Wonderful! I will make the appointments and call you back.

Explaining the Importance of Communication: Script #1

AGENT: I want to do all I can to help you, but you can help me, too. As we are looking at these properties, please communicate to me the things you really like or really don't like. The more information you give me, the better I will know exactly what you desire in a home and the quicker we can find it for you.

Explaining the Importance of Communication: Script #2

AGENT: On a scale from one to ten, ten being that you absolutely want to buy a home within the next two weeks, where would you place yourself?

BUYER: *Eight or nine.*

AGENT: *[In a seller's market.]* Homes are going very quickly. How would you like to be the very first person to know about a home that comes on the market?

BUYER: *I'd love that.*

AGENT: Because you're motivated to buy a home right away, I'm going to give you a pager, so that when that "perfect" home comes on the market I can contact you immediately. We can make arrangements to see it right away. Wouldn't that be great?

BUYER: *Yes.*

Explaining the Importance of Communication: Script #3

AGENT: I'll be completely honest with you—when you find a home that you love, that's when we make an offer. When we walk into a home that has everything that you've decided is important to you and that you want in a home, we need to make the offer on it as soon as possible. Once you know this is the home for you, we will go back to the office and look at what other homes have sold for in that neighborhood. We'll make some comparisons, but keep in mind that it's not a scientific decision you're going to make. But you can educate yourself on the values and we can decide what would be a good, fair offer on the home. Then we'll put a written contract together, you'll sign it and write your checks for earnest money and option fee, and we'll present the offer.

Describing the Process of Elimination: Script #1

[Too much information muddies the water for buyers. So when you're out with the buyer and you're looking at properties, you want to keep them focused on the top three. If you were thorough with "The Tens," you and the buyer should have a clear picture of what you're looking for.]

Keeping the Buyer Focused:

AGENT: *[After touring the first home.]* Remember, I've explained that the marketplace is moving houses so fast that the average home is on the market for one to thirty days. This means that we don't know how long a home is on the market, and since somebody else might have already seen it and they might be writing an offer, we don't have time to sit on this. I want to make sure you understand that. Constant focus is the key. *Mr. and Mrs. Buyer,* tell me what you think about this house?

BUYER: Well, it's got this, got that, you know.

AGENT: Would it work for you?

BUYER: Well, it could, but ... *[non-committal at this point]*

AGENT: *[After touring the second home.]* What do you think of house number two?

BUYER: Well, it could, but ... *[still non-committal]*

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Describing the Process of Elimination: Script #1 (continued)

- AGENT:** *[Pull out the sheet, which has house number one and house number two.] Between these two houses, which one did you like better?*
- BUYER:** *Number two.*
- AGENT:** *[Now, take number one, crunch it up, and throw it in the backseat. Be dramatic.] We've now eliminated that. Don't even think about that one anymore. [After touring the third house.] Okay, now we have house number two and house number three. Which house do you like better?*
- BUYER:** *Oh, number two was better.*
- AGENT:** Okay, so house number three goes in the back seat. Now we get to house number four. *[Continue to eliminate, so you always keep it down to two houses. Whenever they say "That house is better," there's no reason to go back to the other houses. This will help them to stay focused. When they know you're going to crumple one up, they have to really think about it. It's done.]*
- BUYER:** *But, I'm not sure—I liked that one, too ...*
- AGENT:** Really, why? Let's forget everything about number three, and remember everything you like about house number two. It had blue carpet, it had beautiful window shades, it had plantation shutters.
- [You should be able to find the perfect home for the buyers after one or two times in the marketplace. If not, it's time to come back in and re-do "The Tens" dialogue. Review with them what they said was important to them. Ask if it is the same, more, or less now. You need to find out because sometimes they'll change their priorities, or they may have lost their focus.]*

Tip!

Typically, there's a psychological separation when you take a piece of paper and crumple it up. You can't remember anything about it anymore. Otherwise, the buyers will confuse the kitchen from one with the bathroom of another, etc.

Describing the Process of Elimination: Script #2

- BUYER:** *I don't think I've seen enough houses to make a confident decision.*
- AGENT:** Then we'll keep looking.
- BUYER:** *I really want the perfect house.*
- AGENT:** We all do. If we look at the first five homes and we're not on track, then we need to talk again and start moving in the right direction. A lot of times it means asking questions. You've shared with me that there are homes that you kind of liked, but didn't love. What is the one ingredient that didn't get you to love the home?
- BUYER:** *Access to the road that I take to work. The home is farther out than I want.*
- AGENT:** So what I hear you saying is that you want to be closer to the highway. So we shouldn't be looking where we're looking, is that correct?
- BUYER:** *That's the only thing nagging at me. And property taxes were high in that neighborhood.*
- AGENT:** Then we need to bring that search back in closer to your work and in a neighborhood with lower taxes. Would you agree with that?
- BUYER:** *That's the only thing that's stopping me on those houses.*
- AGENT:** Then we need to go back to the Multiple Listing Service computer and refine our search in order to get more in tune with the things you've objected to.
- BUYER:** *Do we have to start over?*
- AGENT:** Absolutely not. We're going to go back and eliminate this area that you're looking in right now since you feel it's too far away from the highway.

Describing the Process of Elimination: Script #3

- BUYER:** *I want to see every home that's available.*
- AGENT:** It's my job as an agent to know the market. I don't make the market. I interpret the market for you. There are _____ homes on the market, and maybe you want to look at all of them. What I find is that most of my buyers look at four homes before deciding. That's because I listen very well to what your needs are, and I choose only the homes I know fit those needs. If, at any time, we look at more than four homes, that indicates that I'm not listening. At that point we would need to reevaluate where we are and what we're going for. Does that sound acceptable?

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Describing the Process of Elimination: Script #3 (continued)

BUYER: Yes.

AGENT: Once we look at those four homes, we'll eliminate them one at a time. I don't own the properties, so it won't hurt my feelings if you don't like them. Let me know after each and every home what you like and don't like about it. I won't know your feelings unless you tell me. Is it okay if I just ask you if you want to buy it after I show you the property?

BUYER: Sure. *[Proceed to show a house.]*

AGENT: Is this the one you want to buy?

BUYER: No.

AGENT: *[Take the paper with the property information, wad it up and throw it in the back seat.]* Now we have three to choose from.

Describing the Process of Elimination: Script #4

AGENT: I have never had anybody look at more than seven properties with me. I'm sure we'll be able to find the home you love. In fact, most of the buyers I work with look at four homes before deciding. So we're going to start out by looking at four homes today.

[Everyone is either external or internal. Internal people make decisions by themselves and they don't care what anybody thinks. The external person doesn't dare make a decision without asking someone else. With an internal person, you know that a decision will be made. With an external person, you have to say things like, "Well, this is how most people do it." Or, "All of my people usually look at four homes, and never more than seven." External people would prefer not to be viewed as abnormal. An external person wants to be like everybody else. I actually have people apologize if they don't find a home the first day. I approach an internal person with, "You know what you want, so let's just do this: when we walk into a house, you tell me whether or not it's going to work, the reasons for that, and we'll go to the next one. If I'm not listening correctly, we'll stop after the second house, go back to the office and regroup, then go back out with a new set of four homes that work for you." To determine the type of person the buyer is, ask: "How do you generally make decisions? When you're out looking for _____ (clothes, cars, fun, etc.), do you know what you want or do you also like to consult your friends or your spouse about what they think works for you?"]

Describing the Process of Elimination: Script #5

AGENT: With your help, we've picked five properties to see today. We're going to try to make this decision easy for you. As we look at the homes, you're going to write down the address of each house along with what you like about the house. We're not going to talk about the things you don't like about the house. After we get through the second house, I'm going to ask you, "If we bought a house today, which one would you buy—the first address or the second address?" You'll have to decide based on each house as we see it. We'll use this method to make decisions along the way. When we finish today, you're going to know the house that you want to write a contract on. At the very least, you're going to have the house that we want to use as a baseline for comparison with the next set of houses that we view. When you have only one house in mind, you don't have to remember all the houses you've seen—you've eliminated the others from your memory. Does that make sense to you?

BUYER: *Yes. That will help me to narrow down the choices. What should I pay attention to as we go through a house?*

AGENT: I'll point out the floor plan, room features, resale potential, and other positives and negatives. You will tell me specific reasons why you may or may not like certain things so that we can change our parameters to meet your needs. We'll get more specific about your living style by helping you define your parameters. You can help me the most by being completely honest with your feelings about the property.

Describing the Process of Elimination: Script #6

[When you get to a property, open the front door and let the buyer walk in first. Sometimes this may be a little bit awkward, especially in the South where a gentleman may have difficulty with that. But by letting them enter the house first, they get a much better feeling about whether or not this house works for them. It's very effective. Tell them they can explore the home in any order that they want, then hold back until they begin—and follow them. The easiest showings are when the couple explores the home together. The most difficult are when they go in different directions.]

AGENT: Since we've met, I have previewed _____ (number of homes, usually anywhere from thirty to fifty) homes and have selected the top five. I will be showing you those top five.

BUYER: *Which one is your favorite?*

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Describing the Process of Elimination: Script #6 (continued)

AGENT: It really doesn't matter which one is my favorite. I have to find it for you, but you have to live in it. So it's up to you. All of the properties that I've selected would be a good investment in addition to being a good home. I want you to get the best value for your home not only on the purchase, but on the sale, as well. I am thinking about your future and your investment. I am your family real estate agent, just like your family doctor, CPA, attorney, or clergy.

Describing the Process of Elimination: Script #7

BUYER: How will you help me narrow down my choices?

AGENT: If you find a particular home you like, we can analyze the values in the neighborhood and see how the value of this home compares. Then you can decide whether or not to enter into negotiations on that home. You are going to be the one to make the determination to narrow it down. We can talk about the neighborhood, the condition of the home, and the possible future increase in the value, but I'm going to leave it to you to decide which home you really love.

Describing the Process of Elimination: Script #8

BUYER: Will you help me narrow down my choices?

AGENT: Absolutely. I am representing you through every step of this process. Let me explain how I built my business. I built my business on referrals. I want to do a ten-plus job for you. I want to exceed your expectations. As we're going through this transaction, and once we're done, I'm going to expect that if you hear of someone that has a real estate need, you will call me with their name and number. Hopefully, I can follow up with them and offer them the same service that I'm giving you. Does that make sense?

BUYER: Yes, I'd be glad to do that.

Highlighting Important Items During a Showing: Script #1

AGENT: You will be very knowledgeable about the anatomy of a house after just the first or second house we tour. You will know what to look for. For example, you will know how to assess the foundation, the electricity system, and the age of the mechanical systems—the furnace or water heater. We want to look at the big-ticket items so that we aren't surprised six months down the road by something major. There will always be little things you'll have to fix—those are just part of home ownership.

Highlighting Important Items During a Showing: Script #2

AGENT: When we go through these homes, you're going to see just the surface appearance. When I go through, I'm going to look at the age and condition of things like the dishwasher, the countertops, the carpet, the linoleum, the tile, the paint on the walls, and any wallpaper. I'm also looking for cracks in the corners, any stress cracks in the brick outside, any movement in the structure in some way and doors that don't fit right because of movement. Also, I want to see how well they've taken care of the house. If there are holes in the doors or walls, that usually indicates that the house has not been maintained well. We'll look at the heater, roof, hot water tank, appliances, and air conditioner to see how old they are—those are big maintenance items.

Aside from the foundation, the roof is the biggest obstacle we have in closing a house today. This is because lenders and insurance companies have become very strict on the guidelines that they require to pass inspection. You will need to notify an insurance agent of your intent to purchase as soon as we confirm your contract terms. They usually need several weeks to arrange their inspections and paperwork. We will do this for you if you would like.

Explaining to Buyer How to Work With For Sale By Owners: Script #1

AGENT: I want to tell you about for sale by owner (FSBO) homes. Maybe you've seen some of those homes already.

BUYER: Yes. I've seen several. May I give any of them a call?

AGENT: No. You see, the FSBO seller either pays an attorney or they pay a broker to write the contract. Attorneys are paid by the hour and I've experienced some who deliberately create disputes for their clients so that they can charge more. On the other hand, I get paid only if you get the home. I want to see you close. Can you see the benefits of using me over an attorney?

BUYER: Definitely.

AGENT: When you see a FSBO home, write down the phone number and address and give those to me. I'll make the call, I'll do the introduction, I'll take you through the home, I'll write the contract, and I'll make certain that it gets to closing. Furthermore, you don't want twelve salespeople calling you all the time, isn't that true?

BUYER: Too true.

Explaining to Buyer How to Work With For Sale By Owners: Script #2

BUYER: *I've seen several for sale by owner signs while driving around. What should I do in that situation? Should I give them a call?*

AGENT: No. If you see a for sale by owner home that, judging by the exterior, looks attractive to you, write down the phone number and the address and my team will contact them to get specific information. We will check the parameters and discover if it's in your price range. We may be familiar with the house and know some things about it. If it meets your parameters, we'll ask them if we can bring them a buyer whom we represent. Very seldom will the owner disagree to pay us. When someone tries to market their own home, they're trying to save the marketing side of the commission not necessarily the buyer's side. They love the fact that we're representing the buyer, because we'll make sure the transaction is taken care of correctly.

BUYER: *What if I see a sign from another agent company? May I call them?*

AGENT: That's a great question. If you see a sign on a property and you wonder why it's not on your list or you haven't seen it before, call me and tell me about it. Most likely it's not meeting your parameters. If you really love the outside of it, the best thing to do is to call us so we can answer your questions immediately. Feel free to call us about any house, no matter who is marketing it. If we're doing our program right and the home is actually listed properly, then you will have information on that house if it meets your parameters.

BUYER: *Okay, I'll call you when that happens.*

Explaining to Buyer How to Work With For Sale By Owners: Script #3

BUYER: *May I call the seller directly on a for sale by owner home?*

AGENT: Absolutely not. If you see a for sale by owner, call me with the address and phone number and I'll be more than happy to arrange a showing. As I look at the multiple listings, I look at the for sale by owners to see if any meet your needs. If one meets your criteria, I'm going to show it to you. But if you're out driving the streets and see one that interests you, call me.

Explaining Finding a House on the Internet: Script #1

- BUYER:** *We have been looking at houses on the Internet.*
- AGENT:** That's a great idea. The problem with that is that you don't get quite as much information as you need about a house. It's like finding an ad in the newspaper for a new suit. It might sound like it's a really good suit, but until you get to touch it, feel the quality of the fabric, and see if it really fits you well, you probably won't want to buy it.
- BUYER:** *That's true.*
- AGENT:** Homes that you find on the Internet may look great because it's the job of the agent selling the property to market that property in its best light. But until you go out and walk around in it, you won't know if it really is great. You're not going to buy a house directly off the Internet. On the other hand, if we are working with a tech-savvy buyer—and you might be—it makes our job much easier, because they are educating themselves on their own over the Internet in addition to the education we provide.
- BUYER:** *So if I find a house on the Internet, are you going to be able to show it to me?*
- AGENT:** Absolutely. In fact, we may have already seen the house. We know the market and whether or not that house will work for you. It's not unusual to have a client ask us why we haven't shown them a particular house that they found on the Internet. In those instances, we explain the specifics of that property and why it does not meet their needs and wants, even though it looks fine on the Internet. Buyers appreciate that we can explain our reasons for rejecting it. Occasionally a buyer will find a house that an agent put on the Internet that is not even listed yet, and so the buyer is actually educating us. We call the agent immediately, gather information, preview the property, and determine whether it matches any of our clients' criteria. If it's an appropriate property, we try to arrange a showing as quickly as possible.
- BUYER:** *Then I'll be sure to let you know if I see an appealing property on the Internet.*

Objections to Making a Decision

I Want to See Every Home in My Price Range; Script #1

BUYER: *I can't possibly make a decision until I've seen every home in my price range.*

AGENT: My role as your Buyer's Specialist is to sort through the homes that meet your parameters and show you the best available—the cream of the crop—not to exhaust you! The purpose of our initial consultation is to avoid wasting your time by showing you only the best, currently available homes that meet your wants and needs. The best homes on the market go fast, usually one, maybe two days. Are you willing to lose the perfect home for you ... your WOW home ... the one you will absolutely love ... just so you can see everything out there?

I Haven't Seen Enough Homes Yet to Make a Confident Decision; Script #1

BUYER: *I just don't feel comfortable making a decision yet. We still have a lot of homes to see.*

AGENT: Let me ask you this. Have you seen a home that meets or exceeds your needs and expectations?

BUYER: *Yes.*

AGENT: Why do you feel it is necessary to view your second and third options, which might confuse you, and possibly cause you to miss out on your dream home?

I Haven't Seen Enough Homes Yet to Make a Confident Decision: Script #2

BUYER:

There are lots of homes out there that I haven't seen yet.

AGENT:

I'm showing you the best of the best that meet your criteria. And there are not a lot out there. In fact, we'd be lucky if two or three come on the market each month. *[Using laptop with wireless connection.]* Let me pull up the Multiple Listing Service so you can see what else is out there. *[Enter search criteria.]* I just entered exactly what you're looking for in a home—the price range, number of bedrooms, number of bathrooms and square footage. Two houses were found that have exactly what you want. One is the house that we're in right now, and the other one we looked at yesterday. Now, if we move the price up by \$5000 or change from a three-car to a two-car garage, then fifteen houses might come up when we do our search. Since you've given me some very specific things that you wanted to have in a house, I know exactly what your needs and wants are and I'm showing you the best of the best.

We're Looking for the Perfect Home: Script #1

BUYER:

We really want this home to be our perfect ideal home.

AGENT:

There are only three types of homes: your first home, your next home, and your last home. Unless it's your last home, let's make sure we buy right so that when the time comes to buy your last home, you'll have the most amount of money to buy it with.

Tip!

This script is especially useful with new homebuyers.

We're Looking for the Perfect Home: Script #2

- AGENT:** I have to be up front and honest with you: I have never discovered a perfect home. You'll find a home that has a perfect back yard, only to realize that the kitchen's too small. Or that, while the kitchen is perfect, the family room isn't exactly what you're looking for. What you need to find is the home that has the least number of concessions to buy. Fair enough?
- BUYER:** *Well, I guess. I'd like to find my ideal home. Are you saying that I probably won't?*
- AGENT:** We'll find a home that's as close as possible to the home you described for me, but the perfect home just doesn't exist.
- BUYER:** *You're probably right.*

We're Going to Shop Around: Script #1

- BUYER:** *I told you that we aren't ready to buy yet. We want to shop around some more first.*
- AGENT:** *Mr. and Mrs. Buyer,* you did say you weren't going to make a decision today. I did hear you. Give me a few moments to review the information you gave me during our first visit up front. *[Take out the information from your needs analysis; go over it line by line. After you have shown them why this house is exactly what they want, say:]* I know you didn't walk in here with the intention of buying, as a matter of fact, no one does. However, once they find their perfect home, most everyone goes forward with the investment.

Something's Not Quite Right with this Home: Script #1

[This is a method of asking about an objection in a manner that has the best chance of compelling the buyer to be honest about their concerns. Ask the buyer.]

- AGENT:** *Mr. and Mrs. Buyer,* what it is about the home that you are still concerned about? Is it the size of the home? Is it something about the décor? Are you satisfied with the kitchen, etc ...
- [It will occur to them, as you are asking these questions, that it will be easier to tell you what is bothering them than to listen to an endless list of questions. Don't pause as you are asking the questions.]*

Offers/Negotiations

Making an Offer

Preparing the Buyer to Make an Offer: Script #1

AGENT: We have our foundation set now. We have the prequalification letter, we have the preapproval letter, and we don't have a house to sell, so we're doing great. If we can set our closing date to within thirty days, it's going to get that seller motivated to sell, because they know they're going to have only one month of holding costs—taxes, heating costs, etc.—left on their property.

Preparing the Buyer to Make an Offer: Script #2

BUYER: *How will I know when I've found a house to make an offer on?*

AGENT: There are a couple of ways to know. One of them is internal—you're going to feel a little nervous. The look in your eyes and your body language will tell me that there's something about the home we're in that makes it stand apart from the others we've seen. I'll be observing your reaction to the home, and I want you also to tell me what's happening internally. That's one part of it.

BUYER: *Okay, and what else?*

AGENT: As we go through the properties, I'll be asking you not only what you did or didn't like about a home, but if you would even consider it as a possible home. If not—we throw away the sheet. If so, we keep it in the mix. I'm also going to continuously ask you to prioritize your top three properties.

BUYER: *Only three?*

AGENT: That's correct. We find that when you're trying to keep too many properties in your head, you begin to mesh benefits and features from one home to the next. You'll take the big, open front porch from one house and put it on the house that had the fireplace. You'll take the house that had the beautiful recreation room in the basement and you'll put it inside the house that has the huge backyard. In your mind, you'll end up creating that ideal property that doesn't exist.

BUYER: *That makes sense.*

Preparing the Buyer to Make an Offer: Script #3

AGENT: Let's compare the other homes that have sold in the area to the property we're talking about. We know what they have sold for. Let's talk about the condition of this home. How would you rate the overall condition of the property? Take into account the age of the roof, the carpet, the paint, all the appliances, the heater, air conditioner and the water heater—all the amenities that come with that property. Based on what we've seen so far, would you consider the condition to be below average, average, or above average?

BUYER: *I'd say average.*

AGENT: Working with you as a single-party broker, I want to make sure you're buying the property at the right price. Let's take a look at the CMA and try to decide on a reasonable offer price and other terms.

Discouraging Your Buyer from Bidding Too Low: Script #1

AGENT: I will write up any offer you want, *Mr. and Mrs. Buyer*, but when you're thinking about that magic number, I want you to consider something. If I call you tomorrow morning and tell you that you did not get this home, how will you feel?

Discouraging Your Buyer from Bidding Too Low: Script #2

AGENT: Let me explain what happens when an agent receives an offer on a listing. They will contact everyone they have worked with that has shown an interest in the property. They will have the other agents in their office check with their clients, and they will check with any agent that has shown the property. Therefore, when we make an offer, we should make our best offer first. We should automatically assume we might be competing with another offer so let's make an offer that will win. With that in mind, how much would you like to offer?

Discouraging Your Buyer from Bidding Too Low: Script #3

AGENT: Okay. Here are the options. I will do whatever you want me to do, but I also want to make sure you're not leaving any money on the table. Your offer is a lot more aggressive than I think it should be. We'll write it up anyway you want. Here are the comparables. You want to come in 10 percent below the last price. The seller's options are going to be, they can accept it, they can counter it, or they cannot respond at all. At this price, they may not respond at all. I would love it if ultimately you could say, "I told you so," because the sellers accepted your offer. And we always want to hope for a negotiation. But I feel in this case, we might not get a response at all.

BUYER: *That's okay. Let's see what they say.*

AGENT: Okay.

Discouraging Your Buyer from Bidding Too Low: Script #4

AGENT: Let's look at this. Let me do an analysis and see what other homes have sold for. If you were the seller, and you knew that every home in the area sold for _____ amount of dollars, and a buyer brought you an offer for this amount, how would you feel? I'm okay with bringing this offer to the seller, but I need you to know that most people are very emotional about their homes, and they take it as a personal insult when somebody wants to pay them less than what other homes are selling for.

Tip! Role-play—put the buyer in the seller's shoes.

Discouraging Your Buyer from Bidding Too Low: Script #5

AGENT: I know there are other offers on the property. You could write this offer today and get the house. Or you could write this offer today and tomorrow we'll be out looking at properties again. I know that if you write this low of an offer we won't even have a chance to compete. But it's up to you to decide what you want to do.

BUYER: *Well, I don't want to lose that house.*

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Discouraging Your Buyer from Bidding Too Low: Script #5 (continued)

- AGENT:** If you don't want to lose the house, then we've got to go in knowing that we're going to get it. Are you sure you don't want to lose it?
- BUYER:* *Pretty sure, yes. But can it hurt to throw this figure out at them?*
- AGENT:** This house has been available only since yesterday at noon. You saw that there were already six or seven cards at the house. It had a lot of activity just after one day. It would be different if there were a lot of comparable properties on the market, but there are not. May I tell you how a listing agent acts when they get an offer on a property?
- BUYER:* *Please do.*
- AGENT:** The listing agent contacts everybody who has called about the property—all the buyers and all the agents who have called about the home and who have seen it. The listing agent is going to try to get other people to write an offer on the property. We want to get this position solidly without having to compete with anyone else. Because what happens when you have a competing market?
- BUYER:* *Prices go up.*
- AGENT:** Right. Do you want to pay more than what the property is listed? No, right? So let's make sure we get the property: let's write a full-price offer for the home. How does that sound?
- BUYER:* *Sounds like a good decision.*

Discouraging Your Buyer from Bidding Too Low: Script #6

- AGENT:** Let's go to the computer and search for houses that are a lot like this one, and let's take a close look at how the market is treating them. The seller sets the price of the home. The buyer sets what they're willing to pay for the home. But the market sets the range. After the appraiser looks at the house, they will tell the bank if the house is worthy of the money they're lending. His method will be to look at all of the sold houses in the area. So we're going to do the same thing right now. This will probably help you make a better decision, that is, if you're willing to reexamine your offer. When a seller gets an offer that is low, they do one of three things: they accept it, they reject it, or they counter it. I can guarantee you that if we write an offer \$20,000 lower than their listing price, they will reject us.

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Discouraging Your Buyer from Bidding Too Low: Script #6 (continued)

- BUYER:** *I don't want that. I just wanted to put out an offer that would create a reasonable counter.*
- AGENT:** First we should look at the computer and formulate the right offer. Nobody wants to over-pay for a property. My job is to make sure that you don't over-pay. Just so I know, on a scale from one to ten, where is this house in your mind?
- BUYER:** *Probably a twelve.*
- AGENT:** Then we need to write an offer that reflects that.

Discouraging Your Buyer from Bidding Too Low: Script #7

- BUYER:** *I want to offer \$160,000.*
- AGENT:** I've run the comparables for the neighborhood and the lowest priced home that has sold in the last six months—a very similar house—sold for \$185,000. What makes you think this seller will take \$160,000?
- BUYER:** *It can't hurt to try.*
- AGENT:** We can throw it out there and see what happens. I'll see where they are with their price on their bottom line. I'm not going to say to them, "Hey, we're not going to pay your price."
- BUYER:** *You'll just nudge them. I know they're going to counter offer.*
- AGENT:** We're going to write the deal, but let me tell you what normally happens. I've seen it because I work a lot with sellers. We're going to insult these people with our low offer, they may counter at full price, or they'll just reject the offer.
- BUYER:** *I don't want our offer rejected. I really love the home. Let's not do it.*
- AGENT:** What do you think we should offer?
- BUYER:** *\$175,000?*
- AGENT:** We're going to offer \$175,000, that's fine. Just understand that the last house in the neighborhood sold for \$185,000. Put the seller's hat on—you feel you have your home priced right; would you take the \$175,000 offer?
- BUYER:** *Probably not.*
- AGENT:** Here's the thing. We don't know their personal situation. So let's submit the offer and see what happens. But just so you know, you're probably going to get a counter offer.
- BUYER:** *Okay.*

Discouraging Your Buyer from Bidding Too Low: Script #8

AGENT: You told me that your goal is to purchase this property. You run the risk of insulting the seller to the point that the seller won't even respond to your offer. I know you want to get a good buy on this house, and that's admirable, but you also want to buy the property. Let's sit down and figure out something that is more palatable. Does that make sense?

Discouraging Your Buyer from Bidding Too Low: Script #9

AGENT: I understand wanting to make a low offer. I want you to know if we go in with this offer, there's a very good chance that the seller won't even counter it. They will reject it completely and laugh at us. In today's market, properties are selling at list price or above. We need to look at the comparables and see what they've sold for. That's more important than the list price or what you'd like to offer.

BUYER: *He just listed it and I'm coming in quickly. What's the worst that can happen?*

AGENT: They won't counter-offer. Another offer will come in and someone will buy the home at list price. The market is moving quickly right now. We're seeing properties stay on the market for only one to seven days, and good properties are selling quickly—and this is a good property. It's in a good area, it's in good condition, and it's turnkey and ready to go. The comparables show us it's worth what they have it listed at. So if you're serious about this home and you don't want to lose it, we should probably go in with a list price offer.

BUYER: *We still want to offer something less.*

AGENT: We can do that if you want, but don't be upset if we write this offer and it's not accepted. I want you to be fine with the fact that you lost this house.

BUYER: *Well, I do want this house.*

AGENT: If you really want it, we need to offer at least list price, if not above. If we make a low offer, we'll probably lose it.

Discouraging Your Buyer from Bidding Too Low: Script #10

AGENT: We've looked at about ____ houses now. Looking at this market analysis, we see that the house you're looking at sells at \$_____ based on the comparables and the condition of the house. That's what the house is worth. I can tell you that the seller knows this. They know their house is worth \$_____. I will write any offer that you want. You're telling me that you want to offer \$_____ on a house that's priced at \$_____.

BUYER: Right. Start low. What's the worst that could happen?

AGENT: The worst that could happen is they reject your offer, and then you have to rewrite one. They may not even counter your offer. That happens when you put a really low offer out there. It's an insult to them. It can make the negotiating process a negative experience rather than a positive one. The seller wants to sell and you want to buy. The best thing for you to do is work out a win-win deal without giving away the farm to make the transaction happen. The house has been on the market for about thirty days. They don't have a contract on it yet. You're a non-contingent buyer—you're prequalified and you can close in thirty days. You've got value here. If your offer is too low, they're going to counter-offer you at the full-price, reject you, or counter close to full. They're not going to take our offer. If you were selling the house would you take an offer that low?

BUYER: Probably not, but if I wanted to sell I'd counter lower than full price.

AGENT: You might. But by the same token, how would you feel if you received an extremely low offer?

BUYER: I'd be insulted.

AGENT: That's the same feeling he's going to have. I suggest a higher offer price. Again, I want you to understand, I'm your agent. I'll do whatever you want me to do. It's my fiduciary responsibility. It's also my responsibility to tell you how this will work. I have experience doing this and I can tell you that if you make an offer that low, I think we'll be opening a can of worms. Is there any way we can talk about coming up from that price a little bit?

BUYER: Sure.

Discouraging Your Buyer from Bidding Too Low: Script #11

AGENT: Today the Multiple Listing Service is telling us that if the house is listed appropriately, you are going to be purchasing within a 4 percent margin of the listed price. That's what the seller is expecting to receive. To be honest, this is a fantastic price on a fantastic home; here are the comparables [*show comparables*]. I urge you to consider making an offer with a difference of no more than 4 percent. How do you feel about that?

BUYER: *I guess that's okay, but shouldn't we just go ahead and give them a low offer and see if they counter with a higher offer?*

AGENT: That's a great question. But you may insult the sellers to the point that they won't work with you at all. Are you willing to lose this house?

BUYER: *Not over a low offer.*

AGENT: Then it's much more realistic to make an offer closer to market value. I want you to believe and trust in me, and to know that I want you to get as much house as possible—and I certainly don't want you to pay too much. My goal is to provide such outstanding service to you now that, when you're ready to sell the house, the _____ (team name) team will be the team to sell it. Please know that we're on your side all the way. We're going to be listing this home for you, whether it's in one month, one year, or ten years—we'll be here for you.

Discouraging Your Buyer from Bidding Too Low: Script #12

AGENT: We've looked at homes and narrowed it down to this one—your favorite. What you offer is completely your decision. However, I must caution you that, even in this market, the best homes are the ones that are going to sell for the best value. Therefore, if we write a low offer, you must be willing to lose this home. If you're ready for that, I will follow your decision. Remember how many homes we've previewed, and that you've ultimately chosen this one. If you consider the value of the home and consider the interest rates today, it's not going to make a huge difference whether you buy the home for \$_____ (asking price) or \$_____ (price buyer wants to offer).

BUYER: *True, but I thought we could try a low offer.*

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Discouraging Your Buyer from Bidding Too Low: Script #12 (continued)

AGENT: Trying a low offer is perfectly fine; however, if we come in with a low offer and someone else comes in while we're in the negotiations stage, the owner can consider and accept that offer. You should also know that if we make this offer, we should forget about the numbers and think about the emotions. If you end up hurting the feelings of the homeowner by making a low offer, it makes it very difficult to negotiate repairs, closing date, and all the other details and aspects of the offer. Let's go in with the best offer you are comfortable making on this house. Let's make that offer to the owner, and I will explain to the seller why you made the offer you have. Does that sound like it would work?

BUYER: *Yes, it does. Thank you for explaining that.*

Discouraging Your Buyer from Bidding Too Low: Script #13

BUYER: *I want to make a low offer.*

AGENT: You can offer any price, but you are taking the risk that somebody else is making a better offer. You have to be comfortable knowing that you may have outsmarted yourself from buying the property. If the home really works for you and falls within your budget, ask yourself if you want to risk losing it. It doesn't mean we can't try. But you also run the risk of insulting the seller, who, in turn, may not counter as low as they might have had your offer been stronger. Sometimes you accomplish a lot more by being closer to your mark.

Discouraging Your Buyer from Bidding Too Low: Script #14

BUYER: *I want to bid low because I can't afford the asking price.*

AGENT: The property is priced at _____ (\$339,000). You want to make an offer that's below _____ (\$300,000). This is a very low offer. It's more than 10 percent off the list price. Since we just sold your property, let me ask you this: how would you have felt to get a low offer like this on your home?

BUYER: *I probably wouldn't have wanted to work with that buyer.*

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Discouraging Your Buyer from Bidding Too Low: Script #14 (continued)

- AGENT:** There are some sellers who are offended by an offer that they consider to be unrealistic. Most of the time they counter back at full price or very close. We obviously don't want that to happen. Are you willing to pay more than what you're offering up front?
- BUYER:* *Maybe, but not the full listing price.*
- AGENT:** If it's between your original price and the listing price, would you be happy with that?
- BUYER:* *Yes.*
- AGENT:** My suggestion is to offer at least above 90 percent, which gets us above _____ (\$300,000). It's a mental block for a seller if you go below a major price point. If you go below _____ (\$300,000), you may offend them.
- BUYER:* *You're probably right. Why don't we offer _____ (\$311,000)?*

Discouraging Your Buyer from Bidding Too Low: Script #15

- AGENT:** I will present any offer you would like to make. But I have to let you know that you may lose credibility if you go in with an offer that's too low. The seller will begin to wonder if you're really a serious buyer or if you're just playing games. If you really want the home and are willing to pay a fair price for it, even one that is higher than your initial low offer, you may lose the opportunity to get to negotiate on that price if your offer is too low to begin with.
- BUYER:* *But it can't hurt, because the sellers can just counter it, right?*
- AGENT:** They can, but if it's a very low offer, most of the time they'll just reject it. And then the sellers' feelings are hurt, and they may not want to talk to you. It's a possibility. It doesn't always happen—but it could.

Discouraging Your Buyer from Bidding Too Low: Script #16

AGENT: Do you want to write an offer, or do you want to buy this house?

Can you explain that to me?

AGENT: The price of the home that we're looking at is \$_____ (\$200,000). You want to offer \$_____ (\$180,000). Do you want to write an offer, or do you want to buy this house? Because writing them an offer for \$_____ (\$180,000) is not going to buy you this house.

It can't hurt to offer too low, can it?

AGENT: It can since the seller has no obligation to counter your offer. If you like the house, you don't want to insult them. So while we don't want to pay too much, we do want to offer a fair price. Now, let's decide what might be a fair price for this house. What if you found out tomorrow morning that somebody else bought this house? How would you feel? If you would be incredibly disappointed, then we need to structure our offer to make sure that you get this house. If you wouldn't care, then we can try to bargain. Just remember, there's never a guarantee that you get more than one chance on a house. If you want to take the chance that you won't get the house, then we'll go ahead and bid low. But if you want this house, I'll show you how to get it.

Discouraging Your Buyer from Bidding Too High: Script #1

AGENT: I won't write this offer for you today. I want you to think about it all day. I want you to think about it tonight. I'll call the agent and make sure the property is not going to disappear. But if you decide to purchase this property at this price, then you've got to realize that we're not going to turn around and sell it for a profit. If you try to sell it later, you may not be able to get out of it what you put into it.

Handling Your Buyer's Desire for Inclusion of Seller's Personal Items: Script #1

- AGENT:** We can ask for anything in the contract, but at the same time, people's personal belongings usually aren't negotiable.
- BUYER:** *Well, we'd really like to have it in the contract.*
- AGENT:** Let's run it by their agent before we write it in the contract to find out if it's doable. The sellers may be fine with leaving the pool table because they don't want to move it. But, if this antique stove is their great-grandmother's, they're not going to want to part with it. So rather than insult them, why don't I talk to the other agent first to find out if there is a huge emotional attachment or not. You're not going to pull out from buying the house because you can't get that piece, are you?
- BUYER:** *No, it just looks really nice there.*
- AGENT:** Well, let me see what we can do. If we can't work it out, then who's to say you might find something even better to put there eventually. But to me, you've got to put it in perspective: I understand you really like the piece, but you don't want to kill the deal over it, right?
- BUYER:** *No.*

Handling Your Buyer's Desire for Inclusion of Seller's Personal Items: Script #2

- BUYER:** *Can we include the antique stove and the claw-footed tub? Can you get them to do that?*
- AGENT:** I'd be more than happy to write that into the contract for you. I feel when you start involving people's personal property it becomes more emotional. When you're asking for their antiques and their furniture, it's different than asking for their refrigerator or their washer and dryer. I don't like to get involved in personal property. If those are items that you want, let me call the other agent and see if the sellers are even willing to part with the items before we actually put it in the contract. If you've really got your heart set on those things, let me call the other agent and see if they're negotiable. If the other agent says, "They might consider including the items for the right price," then we can throw it in there. How do you feel about that?
- BUYER:** *Okay. If it doesn't make waves.*

Handling Your Buyer's Desire for Inclusion of Seller's Personal Items: Script #3

AGENT: It is personal property and I don't know if they'd be willing to include it with the home or not, but we can always include it in the offer. I just don't want you to get attached to it, because it may not be an item that the seller's willing to let go.

Speaking with the Seller's Agent

Asking Seller's Agent About the House's Market History: Script #1

[Make a real educated offer, don't just throw something low out there and see if they take it. You should pull tax records, look at the chain of ownership, and determine how many times that property has been on the market in recent years. Find out how many times it has been on the market this time, if it has been taken off the market, reduced in price, raised in price, or if it has been under contract but didn't close. When you do a personal interview with the agent, you can ask the listing agent all of the specifics.]

AGENT: You know, I was looking at the history here, and I noticed that the property looks like it's been under contract twice. Can you share with me a little about what happened?

Tip!

Ask the question, then stop talking so the seller's agent will respond. They may not be used to people being that direct with them, and will hopefully volunteer some information.

Handling Seller Agent When Offer Is Lower than Asking: Script #1

[Send in the offer without saying anything before hand.]

SELLER'S AGENT: I can't believe you—this is way too low!

AGENT: You and I are the messengers. Let's not kill the messengers. Bring me a counter-offer, and we'll proceed from there. *[The less you say the better—let the other agent vent and give you information.]*

Objections During Offers and Negotiations

But the Seller Paid a Lot for the House: Script #1

AGENT: What the seller paid for the house has nothing to do with the current fair market value. Let me ask you a question. If the house was a gift to them from their parents or a wealthy family member, does that mean they should give the house to you?

Tip! Use this script when a buyer gets bogged down on their offering price because of what the seller paid for the house.

I Want to Sleep on It Before Making an Offer: Script #1

AGENT: I understand you want to think about it. But we have the chance to tie up the property tonight by writing an offer and getting it executed by the sellers. What's more, we have until the inspection deadline to really think about it and make sure it's the right home for you.

I Want to Sleep on It Before Making an Offer: Script #2

AGENT: Great, I definitely think that is what you should do! Let me ask you one question. If this home sells tonight, are you going to be okay with that? I mean, someone may have looked at the home last night, thought about it, slept on it, prayed about it, and are in their agent's office right now writing an offer! I'll be okay if it sells, but I want to make sure you will be, too!

BUYER: *Yes, we'll be okay if it sells!*

AGENT: Great, what's our "plan B" just in case it sells? What's our back-up house?

BUYER: *We don't have one!*

AGENT: Let's do this—since we're all here together, let's scratch out this contract and I'll send it home with you. If, when you wake up tomorrow, you want to make the offer, call me and I will pick it up immediately. This way we don't lose any more time! How does that sound?

I Want to Sleep on It Before Making an Offer: Script #3

BUYER: *It's a great house, but we really need time to think it over.*

AGENT: If this were the right house, wouldn't it be better to decide today vs. waking up tomorrow to find that your home is already under another contract?

I Want to Sleep on It Before Making an Offer: Script #4

BUYER: *It's a great house. But I need to sleep on it before I decide.*

AGENT: I just want you to know—that house may not be there tomorrow. That may sound like a sales pitch to get you to write an offer, but as I told you when we started this process, I'm a sales consultant. Part of the job that you hired me to do is to teach you the process. The fact is, that house may not be there tomorrow.

BUYER: *That's okay, we'll find another one if that happens.*

AGENT: I want you to make that decision, not me.

I Want to Sleep on It Before Making an Offer: Script #5

BUYER: *I am a little hesitant. I think it's best if I sleep on it.*

AGENT: I'm not sure if you're hesitant because you think it's the right house or whether you're just concerned since this is your first offer. I suggest we write up an offer and get it on the table. I am concerned about the buyer who walked out of that same house last night saying, "I want to sleep on it". They could be writing up their offer today.

BUYER: *I never thought about that.*

AGENT: The next person who sees the house later today may not have the same hesitation—they may just submit the offer. While I can let the listing agent know that we have continued interest, that agent may not call to let us know that an offer has been submitted.

BUYER: *If we write an offer, does that mean I'm locked into buying the house?*

(continued on next page)

I Want to Sleep on It Before Making an Offer: Script #5 (continued)

AGENT: Technically, no. First of all, we submit an offer. If the seller accepts and signs the offer, they must return a physical copy of it to us in order to have a valid contract. If you have a change of heart and decide not to proceed, then you can withdraw your offer. Even if they do sign and return a physical copy tomorrow before you've had a chance to call me, don't forget that our standard contracts have the attorney-approval and the home inspection clauses. A good real estate attorney is able to get a buyer out of a contract if the buyer decides the property is not right for them. Let's proceed and see where the seller is willing to go.

I Want to Sleep on It Before Making an Offer: Script #6

AGENT: It seems to me that everything you're looking for is in this house. Am I reading you correctly?

BUYER: *You're correct, but I want to sleep on it before I make any decisions.*

AGENT: Are you willing to lose this house while you're sleeping on it?

BUYER: *That would be bad.*

AGENT: Would you be upset if somebody else wrote a contract on it tonight?

BUYER: *Very upset.*

AGENT: Are you willing to put \$100 on the line so you don't lose it tonight?

BUYER: *Yes.*

AGENT: There is an option period that lasts from seven to fourteen days during which you can inspect the home. The most you could lose is the \$100, so I highly recommend that we write a contract. The \$100 is an option fee, but it allows you to be first in the seller's queue so that we can negotiate the contract to your benefit if another contract comes in. At least we'll be the first ones in the door.

BUYER: *And I won't be completely locked into purchasing the home?*

AGENT: That's right.

I Want to Sleep on It Before Making an Offer: Script #7

- BUYER:** *I want to sleep on it before making an offer. Can I do it tomorrow?*
- AGENT:** You can do it at any point you want, but somebody else may do it before you. Do you want to wake up tomorrow, not have that home, and start over with your search? If you think this is the house you want, put the offer in. The worst thing that can happen is that they accept the offer that you started with. Would you be happy if you get it at the price you start with? If you would be, then is it worth waiting until tomorrow? If they decide to counter, then at least the process is started, and you can think about the amount of the counter-offer.
- BUYER:** *Okay, let's make an offer.*

I Want to Wait for the Price to Drop Before Making an Offer: Script #1

- AGENT:** Statistics show that the average time for a home to be on the market is around fifty days. This particular property has been on the market for more than fifty days. After visiting with the other agent, we know that there are other buyers interested in this home, but they all have houses to sell before they can buy this one. We are fortunate that your house has sold in the last couple of days, so we don't have to worry about that. You told me you didn't want to have to move twice, isn't that right? Here's your chance to make this move happen without moving twice.
- BUYER:** *That makes sense.*
- AGENT:** Are there any reasons for wanting to wait to make an offer other than price? I don't want to push you to make an offer on a property if it isn't what you're looking for. If the house is not what you want, we have a couple of other properties here that meet your criteria that we could look at.
- BUYER:** *I think that we should look at the other properties.*
- AGENT:** We'll take a look at the other homes and then see if these are better or if you want to try to negotiate for the first home.

I Want to Wait for the Price to Drop Before Making an Offer: Script #2

- AGENT:** A home is not just about the financial side of it—it's not just about the bottom line. It's where you live and where you spend a huge part of your time. While we're going to analyze the comparable values and the condition of the home, ultimately, it's going to come down to the question "Do you love this home?" And if you love this home, you need to buy it.
- BUYER:** *I love it. But maybe if we wait, the price may drop.*
- AGENT:** I never recommend waiting if you find a home you really like that fits all your needs. You can make a lower offer on it today. But the longer you wait, the more chances there are that another buyer will come in and like it. The next thing you know, you're in competition with another buyer. That always lessens your negotiating ability. So time is not on your side if you have found the home you really like. You need to go ahead and make an offer on it when you find it.

There Is a New Agent in Town Who Will Give Me 1 Percent Back: Script #1

- BUYER:** *There is a new real estate company out there that will give me 1 percent back at closing if I buy their listings without having an agent representing me.*
- AGENT:** Well, we can do better than that! How would you like 2 or 3 percent of your future homes sales price paid for you in closing costs? We can write your offer that way. So I'll get you more and I am looking out for your best interests. That company is looking out for the seller. Do you want them writing the contract?

The Builder Will Give Me 1 percent if I Work Directly Through Them: Script #1

AGENT: There is nothing a builder likes better than an unprotected buyer. My value to you is not only at the initial stages like selecting a builder and contract negotiation. One of the most valuable times to have representation is at walk through! You will be very excited about your new home and before the builder lets you do your walk through he will spend close to an hour reviewing the home warranty with you. By the time you are through with that you can't wait to be finished with the walk through. What I do is start my walk through when the builder representative begins his warranty spiel. They just hate that! They will tell me, "Oh, no! We will get to that in a little while!" I just tell them that I don't need to know all that warranty stuff (you will have it all in writing), I'll just get started now. By the time you are ready for your walk through, I have absolutely scoured that house for anything that is not as it should be. You can review the list after you have walked through and check off all the items you want taken care of whether you caught them or not! One time I found 105 items to be corrected! The quality builders have special accounts to pay agents because they want us to bring clients to them and they are not afraid of you having representation. If you come across a builder who doesn't want you to have representation ... RUN!

Contract to Close

Setting Expectations

Demanding Timely Response to Lender's Requests: Script #1

AGENT: It's very important that you get all paperwork to your lender. When they ask for a document, you need to get that to them as quickly as possible. If we don't complete something, the closing may not happen. Remember when I told you that time is of the essence, and if we don't close, you could lose the house? Please keep that in mind. You've got my cell phone and voice mail, and you can call me 24/7 with any questions.

BUYER: *What shall I do in the meantime?*

AGENT: The hard work is done. We have a waiting period between now and when we close. Just sit tight for now.

Home Inspection Issues

Educating Buyer on Purpose of Inspection: Script #1

BUYER: *Can we lower the offer we had in mind if the inspection turns up some items?*

AGENT: One thing I'd like for you to keep in mind is that the purpose of a home inspection is not to renegotiate the contract. When we take a look through a home, we're supposed to be looking at it very carefully. If it's got a leaking roof, we should be submitting our offer knowing the roof is leaking, and not go back later and say, "You've got a leaking roof; we want a credit for the repair of the roof." The purpose of the home inspection is for the home inspector to see or uncover any hidden defects that you or I as lay-people did not see—defects that are serious or material in nature. If it's a \$10 or \$20 repair, that's really more of a maintenance item. But if it's going to cost \$500 or more, or a series of twenty or so \$20 items, then we're beginning to approach the thousands-of-dollars range. The purpose of an inspection is to uncover the significant, major items that we may not know about.

Educating Buyer on Purpose of Inspection: Script #2

AGENT: After we find the "perfect" home, so to speak—the one that's going to fit most of your needs—we're going to have an inspection done. That inspection is for major items only, such as your roof, your heating appliances, your plumbing, and the house structure. I'm telling you this because I've seen so many buyers just like you lose a "perfect" home over silly little things, like linoleum coming up in one corner, or the tile being loose in the shower. The buyer's wanted to go through and explore all these areas and then decide if they wanted to buy the home. Instead, let's go ahead and look at the houses, find the one that's best for you, and then wait for that inspection. Does that sound okay?

BUYER: *Sure. And you'll help me to decide whether things are important or not?*

AGENT: Exactly.

Educating Buyer on Purpose of Inspection: Script #3

BUYER: *The house looks fine. Why do an inspection?*

AGENT: The house looks fine—you are correct. Let me explain the importance of an inspection. First of all, the inspector inspects what you and I can't see. The inspector is an expert in his field. He will check the air-conditioning, the heating, the plumbing—all of the things that may appear to be working properly but are prone to malfunction and wear. It's also important for us to have pest-control inspections. Most problems that come up during an inspection can be solved. I want to be sure I'm here to negotiate getting those problems solved before you move in, as opposed to after. It's a lot easier to do on the front side of the signing table.

Educating Buyer on Purpose of Inspection: Script #4

AGENT: Well, *Mr. Buyer*, I recommend to everyone that they have a home inspection done. It's kind of like buying blind if you don't—you don't really know what you're getting. If you're a contractor or someone knowledgeable about inspection issues, then you could do your own inspection. However, the seller is not obligated to fix anything that you find on your own, unless you are a licensed contractor. Are you a licensed contractor?

BUYER: *No, I'm not. But I've owned several homes and I have an eye for electrical and structural issues. I thought I'd inspect it myself.*

AGENT: As I said, the issue is that, according to the contract, the seller is not obligated to make any repairs you find on your own if you're not a licensed professional. If you find something, you're not going to be able to ask that it be fixed. You could request it, but they wouldn't have to do it, contractually. I've done _____ number of transactions this year, and I've only had one in all those transactions in which there weren't at least some repairs that really needed to be done. I would hate to see you leave money on the table, and when you move in you'd need to fix things yourself by taking money out of your own pocket. What do you think about that?

BUYER: *I think you're right. Can you help me set up a home inspection?*

AGENT: Sure, I've got a list of home inspectors; how about I give that to you? You could make a couple of calls and see how much they charge and with whom you feel most comfortable. Then let me know what time works best for you and the home inspector, and I'll be happy to coordinate that with the listing agent.

Educating Buyer on Purpose of Inspection: Script #5

BUYER: *Should I get a home inspection?*

AGENT: Absolutely.

BUYER: *Why?*

AGENT: It's one of the biggest investments you'll make in your life. A home inspection will help you to understand the house. The home inspection is not meant to get out of the contract after the fact. It's meant to expose things about the home that you need to understand. Have you ever owned a home before, *Mr. Buyer*?

BUYER: *No, I'm a first-time buyer.*

AGENT: Part of the home inspection process is educating you about where water valves are and other important things like that. It helps you to go into it understanding a little bit about your home. It's absolutely something we want you to do.

Educating Buyer on Purpose of Inspection: Script #6

AGENT: You're going to be putting a lot of money into this house at the very beginning. Sometimes that's difficult. We have some inspectors whom I would be happy to refer to you. The great thing is that most of them will wait until closing for payment. You can just roll their fee into the rest of your closing costs. That way, you don't have to worry about fronting that money right now. If you change your mind and you don't buy this house, you will still be responsible for paying for the inspection.

BUYER: *Okay. But my brother-in-law said he'd come by and look at it.*

AGENT: We have inspectors who are certified through _____ (state/province agency), and they are qualified to complete the inspection. This is what they do for a living. They are not specialists in all areas, but they are experienced inspectors who know what to look for.

BUYER: *My brother-in-law is a carpenter and also knows what to look for. He's got a good eye for foundation issues and other flaws.*

AGENT: I understand that. If that's what you choose to do, that's great. We do have an inspection disclosure here in our office that I need you to sign stating that you have chosen not to have an inspection. The disclosure protects you and us if anything were to happen. It states that you understand that you have made the choice not to have a home inspection and that you therefore don't expect anyone to be liable if any issues come up later.

Educating Buyer on Purpose of Inspection: Script #7

AGENT: I want you to look at the offer you construct like you're looking through the eyes of the seller. Pick only the inspections that are important to you.

BUYER: *Aren't all of the inspections important, though?*

AGENT: Not necessarily—it depends what their objective is. Most people think that just because it's written on the paper, they have to do each and every one of those inspections. You don't—only those that are important to you. And I'll help you with that decision.

Clarifying the Inspection Report to the Buyer: Script #1

BUYER: *This house is a money pit. Look at how long the inspection report is!*

AGENT: I recommend that we negotiate for a dollar amount so we can be in control of who addresses these issues. We need to focus on the big items, the unknown issues—heating, air conditioning, and the roof—discover what amount of money we'll need to accomplish these repairs, and counter that amount back to the seller. If there are big items, it may be that we do need to walk away, but you shouldn't be alarmed just because the list is long. The seller is required by the Real Estate Commission to point out all items. But we'll have to determine whether the items will affect the house long-term for you.

BUYER: *Okay.*

Clarifying the Inspection Report to the Buyer: Script #2

AGENT: *Mr. Buyer*, I understand you were at your home inspection and you were a little concerned.

BUYER: Yeah, they kept listing things and listing things on their report. Is this some kind of a money pit?

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Clarifying the Inspection Report to the Buyer: Script #2 (continued)

AGENT: Remember that the home inspectors are paid to find everything that's wrong. Maybe we should go through the list item-by-item; we do have a \$3000 repair limit, so that gives us quite a bit of money to work with. Why don't we go back through the list and see what the seller is contractually obligated to repair, and what's important to you. Now, we can ask for things that are not contractually required by the seller, but they have the option of saying, "No." If we go through item-by-item, we may find it's not as bad as we thought, and that there is plenty of money in the repair limit to cover those repairs. If they fixed everything, you'd be happy to have this house, right? So let's go through, put a list together—the worst they can say is, "No." How does that sound?

Clarifying the Inspection Report to the Buyer: Script #3

AGENT: I once worked with a wonderful couple who were so excited about a house before the home inspection was done. We did not realize that the home was caving in. The agent did a beautiful job of presenting the house. But the foundation had a crawl space on one side, and when the inspector went into it he discovered that the house was caving in. So we had to start all over. But the inspection report saved the couple from experiencing financial trauma in a few years.

Clarifying the Inspection Report to the Buyer: Script #4

AGENT: After looking at this report and reviewing it, what would cause you not to purchase this home?

BUYER: *It mentions a lot of items and the home doesn't seem reliable.*

AGENT: If we ask the home seller to stabilize that wall or have a structural engineer look at it and assess it, would that make you more comfortable? Then you can make your decision after that. If the structural engineer comes back and says, "a wall is failed," it may be a house we don't want to buy. Let's explore the issue—this home inspector is a generalist. Let's get the expert in here—the engineer—and have them tell us. Then we can form a plan from there. Would that make you more comfortable?

BUYER: Yes.

AGENT: Great. Let's do that.

Clarifying the Inspection Report to the Buyer: Script #5

BUYER: *I can't believe how long this inspection report is! It's three pages long. This is going to break me.*

AGENT: Keep in mind that the inspectors have to look thoroughly at a home, and you pay that inspector to point out everything that is not 100 percent correct. That does not mean you can't live in the home, or that it has to be repaired immediately. The inspection report is not for us to discover cosmetic issues. If there are any major plumbing issues, any major air-conditioning issues, or structural and roof problems, those are the big ticket items that we really need to look at and decide if we're going to ask the seller to repair. When we toured the home, you loved the home the way it was. The cosmetic things were not a big deal when you looked at the home and made an offer. We want to pay close attention to the big items on the inspection report that may cost you a great deal of money if you buy the home as-is.

BUYER: *Well, I guess I don't see anything too major.*

AGENT: Then we'll sit down and go through it—I did see a few items that we could ask the seller to take care of between now and the time we actually close. The little things you can take care of after closing.

Clarifying the Inspection Report to the Buyer: Script #6

AGENT: When I list a property, I tell my sellers that they must have their house in selling condition. For example, any broken windows should be repaired or any problems with the heating and cooling should be addressed. We're going to make sure that the major items are taken care of, but we're not going to worry about minor things. What items on this list are you most concerned about?

BUYER: *I haven't gone through it closely, but the list looks long.*

AGENT: Let's go through it. Sometimes minor issues make up the bulk of the list. See if there are any major concerns that you want the seller to address. I can advise you on what we can ask them to do.

Clarifying the Inspection Report to the Buyer: Script #7

AGENT: The inspector is very thorough—extremely thorough. The inspector finds many things that seem to be wrong with the home that are normal for a home this age. The inspector has to point out everything that's a safety issue according to the state/province of _____, which may alarm you, but these are normal issues for any pre-owned home.

Clarifying the Inspection Report to the Buyer: Script #8

AGENT: In reviewing the inspection report, we're going to be looking at a lot of issues. Many times, the inspector will write up more maintenance items than we noticed during our walk-through. Just be aware that when you're buying an older home, there is ongoing maintenance that needs to be done. The things that we're going to be looking for in an inspection report are things that are big money items, such as a new roof or air conditioner—big items that could potentially be a money pit for you. As far as ongoing maintenance, that's pretty normal with any home, and especially older ones. We have to keep in mind the fact that you're not buying a brand-new house. If you want a house that's going to have zero issues on the inspection report, then we probably need to consider buying a new construction home, where the builder really does need to deliver as near a perfect home as possible.

Handling Buyer's Reaction to a Negative Inspection Report: Script #1

BUYER: *Maybe I just shouldn't get the house.*

AGENT: How many houses did we look at before we picked this one?

BUYER: *Between twelve and fifteen.*

AGENT: And none of them met your needs like this home, correct? So if they're willing to reduce the sales price, you'll actually be getting the house you want for less than you were willing to pay. Wouldn't that be a great deal for you? Let's see if they'll reduce the price and we'll go from there.

Handling Buyer's Reaction to a Negative Inspection Report: Script #2

- BUYER:** *I'm having second thoughts.*
- AGENT:** You have entered into a contract with the sellers. The sellers are fully prepared to go through with their closing. They're prepared to follow the guidelines of the contract. They are prepared to close.
- BUYER:** *Is there any way out of it?*
- AGENT:** Not really. You are beyond your option period. If you decide to terminate this contract, remember that you already have full loan approval at the appraised value, you have spent quite a bit of money already on the house; you've had an inspection that you need to pay for and you've got the appraisal that you need to pay for. You really need to sit down and look at this, because if you terminate the contract at this point, several different things could happen. Number one, you're going to lose your earnest money—that's between \$500 and \$1,000—that you've put into this house. Not only that, the seller can take legal action. I'm not an attorney, so I can't tell you exactly what might happen, but I suggest that, as soon as we're off the phone, you call a real estate attorney and have them explain to you exactly what legalities come into play if you decide to terminate this contract.
- BUYER:** *I'm just not sure about this anymore, that's all.*
- AGENT:** I understand. It's a big decision—probably one of the biggest decisions you've ever made. It's going to be nerve-racking. Many people get really nervous as we get closer to closing. If you remember, when we first started all this, I told you that you would get really nervous and the stress would build and that it was going to get really tense. Try to remember that this is the home you wanted. When you walked into this house, you loved it and wanted it. I hope that is still the case. You're just nervous, and that is completely understandable. Let's not allow your nerves to come into play right now, though. Let's get your home closed, let's get you moved in, and you and your family can start your new life in your new home.
- BUYER:** *That's true—I'd forgotten some of that.*

Preparing a Buyer of an Older Home for a Lengthy Inspection Report: Script #1

AGENT: This house is one hundred years old. Most of the outlets won't be grounded. The home inspector will explain that to you and will tell you what you need to do to keep your appliances safe. An older home will have many little things the inspector will note as defects. The house is still standing here after one hundred years and has not burned down. It's probably a very good home.

Preparing a Buyer of an Older Home for a Lengthy Inspection Report: Script #2

AGENT: A building inspection is not meant to re-open negotiations. It is meant for you to decide if this house is suitable for you to buy—if you want to continue with the sale. If you decide that you won't buy this house unless certain things are fixed, then we'll ask the seller to fix those items, bearing in mind the seller does not have to do a thing. There's no such thing as a perfect house. There's no such thing as a perfect inspection. And there's no such thing as a perfect inspector. Inspectors will always miss something. The purpose of the home inspection is to decide if you think it's a good buy for you based on the structure of the house.

BUYER: *But what if the inspection report has a lot of items on it?*

AGENT: We like to look at the inspection report as a maintenance schedule for you to follow over the next several years. Every house comes with a maintenance schedule and depending on the age of the home, some of the schedules can be more aggressive than others. But you're never going to buy a house that is maintenance-free. Even a brand-new house requires maintenance. You can usually expect some deferred maintenance items with an older house. Is there anything on this list that makes you not want to buy this house?

Presenting Options When the Inspection Report Returns Pest Infestation: Script #1

AGENT: Hello *Mr. Buyer*, just got your termite inspection report. They found evidence of termite infestation in your home. In your contract it says that if the seller gives you a transferable warranty at the time of closing, the seller will only need to take care of the damage to the wood. So, I'll confirm that they have a transferable warranty; sound okay with you?

Appraisal Issues

Explaining the House Appraisal to a Buyer: Script #1

- AGENT:** I don't want you to over-pay for a property. In fact, it's impossible for you to over-pay. May I explain?
- BUYER:* Yes.
- AGENT:** If you're in a situation where the seller wants to raise the price, and you really want the home but you don't know if it's really worth it, we'll have an appraisal done on the property. The appraiser will declare whether the home is worth the price you're willing to pay for it. If the appraisal doesn't come back at the price offered, you do not have to buy that home. I'm going to watch out for you every step of the way. Does that make sense?
- BUYER:* Yes. But what happens if I get into a bidding contest and the price goes up and I really love the house?
- AGENT:** That's called a seller's market. It's especially important in that situation that we have appraisal information. Let's suppose you do get into a bidding process and we find a way to submit the highest bid. At the same time, we'll have the appraisal done to make sure you didn't overbid. So again, you can see that I'm representing you every step of the way.
- BUYER:* Yes, you're definitely representing me.

Explaining Options When the Home Appraises Below Asking Price: Script #1

- AGENT:** *Mr. Buyer*, I got the appraisal back, and we have a little problem here. The contract price is \$150,000, and the appraisal came back at \$149,000, which is a difference of a thousand dollars. What this means to you is that the lender is only going to provide 80 percent of \$149,000, the appraised value. Now, we have a couple of options. We can go to the seller and ask them if they would reduce the price to \$149,000 because that is the appraised value, and the contract is contingent on the home appraising at or above the sales price. Would that be okay if we could get that worked out?
- BUYER:* If you could approach the seller with that it would be excellent.

(continued on next page)

Explaining Options When the Home Appraises Below Asking Price: Script #1 (continued)

AGENT: Okay. If they refuse, we still have some options. The first is that we might offer to split the difference. If you still want the house, that option would be up to you. And if all else fails, and you really want the house, you could pay the difference; it would just mean you'd have to bring a little more to closing. How about if we start by asking the seller to reduce the sales price and see from there?

BUYER: Sounds like a great place to start.

Explaining Options When the Home Appraises Below Asking Price: Script #2

AGENT: The appraisal has come back and it's not high enough. The issue we have to face now is the difference in the appraised value and the base price on the home. We were going to roll in \$_____ (\$4,000) worth of closing costs. The way the appraisal sits now, it only appraised for \$_____ (\$2,000) more than the base price we had offered. Therefore, we've got \$_____ (\$2,000) difference here. There are several ways we can handle this. Number one, we can see if the seller will come down to the appraised value and still pay \$_____ (\$4,000) of your closing costs. That would mean the seller would lose \$_____ (\$2,000) more than they had anticipated. That's going to be a hard sell. The seller may not be able to do that. The next thing we can do is try to get another appraisal. If it's FHA or VA we can't. We can only get a second appraisal if it's a conventional loan. We could try to reduce the price of the house by \$_____ (\$2,000), but we would also have to reduce by \$_____ (\$2,000) the amount the seller would pay on your behalf towards the house to meet the appraised price. Do you think you can come up with \$_____ (\$2,000) at closing, if necessary?

BUYER: I might be able to, but it's a surprise so I'd need to think about it.

AGENT: I understand and suggest that you meet with your mortgage representative to see if they have a different program they can process your loan through. The only thing that's going to be difficult—and I want to prepare you for this—the seller is not going to take too kindly to losing \$_____ (\$2,000) if we approach them to lower the price and maintain the closing costs. So we should first see if you can come up with the difference.

BUYER: I'll try to scrape up the \$2,000.

AGENT: That would be great. If we can help out in any way, let me know.

Buyer's Remorse

I Don't Think I Can Afford It: Script #1

BUYER: *I'm afraid my payment's going to be too much to handle.*

AGENT: When you sat down with your mortgage company, and they did a good faith estimate, they told you at that point approximately what your payment was going to be, right?

BUYER: *Yes, they told me.*

AGENT: And at that point you thought you could handle it. Has anything changed since then to make you think you can't make the payment?

BUYER: *Nothing's changed. I'm just worried about making ends meet.*

AGENT: I understand that, and that's definitely something that you have to consider. But if you sit down and look at everything again, I really don't think you would have just jumped into this from the beginning if you didn't think you could handle it. I know we all get excited about purchasing a new home. I feel you really did some research before you looked at this home and made this decision.

BUYER: *We were very thorough.*

AGENT: What I would suggest now is that you sit down and review your finances, look through your good faith estimate, talk to your mortgage representative again, maybe there's a different program they can put you on where you won't have to put as much money down. Maybe you could roll some closing costs in. There are many different programs out there now. Your mortgage representative is the best person to talk to because they can help you with any financial issues. Perhaps they overestimated some things the first time and now they have a more exact figure. Sometimes they overestimate the survey or the insurance. Perhaps they have an exact figure on what your binder's going to be. They could potentially lower those, which would, in turn, lower your monthly payment. The same thing goes for your taxes—if they've overestimated your taxes that will lower your payments some.

BUYER: *Okay, I'll call my mortgage company.*

My Lender Informed Me That I Can't Get a Loan: Script #1

[This script is dealing with a buyer after a lender (who happens to be a relative) informs her that she in fact doesn't make enough money for the loan, even though they issued her a prequalification letter.]

AGENT: We should investigate other lenders. I have several referrals I'd be more than happy to give you. But, of course, your closing is not going to happen tomorrow like we were hoping it would. I will need to inform the seller's agent of the situation. In the meantime, may I suggest that you call another lender? Here are some phone numbers.

BUYER: *I'd really rather stick with my lender, because my sister is my loan officer. She's doing me a favor.*

AGENT: Is she doing you a favor by losing this house for you? She may be saving you some expenses, but she is doing that at the cost of your home. You will not be able to purchase this home through this lender.

BUYER: *I didn't expect that.*

AGENT: Another concern is if we don't purchase the home on time, the seller has recourse. I'll be honest with you; we have a small out, because you now cannot qualify for this loan. It's unfortunate that it took us until the last minute to find that out. The sellers are not going to be happy. If you truly want this house, I suggest that you call another lender to get you qualified and into the home of your dreams.

We Didn't Look at Enough Houses: Script #1

AGENT: I need to tell you before you leave today that there's going to be a time that you start thinking, "This happened too fast, we didn't look at enough houses." You may not have personally seen enough but we've seen thousands so we've only shown you what best suits your needs and haven't wasted your time looking at things that aren't as good. You're going to experience some kind of buyer's remorse—it may be tonight, it might be in a week, it might be in two weeks. This is normal and everybody experiences it. I went through it with the last house that I bought and I sell houses everyday! It's totally normal and will only last a few days. Once you're living in this house, you'll love it and you'll look back and think, "I can't believe we ever thought of backing out".

Home Warranty Issues

Explaining the Home Warranty: Script #1

BUYER: *What about a home warranty? Is that something I want to address?*

AGENT: Well, is the home warranty in the contract? Yes? The seller has agreed to pay for a home warranty on your behalf and that's already been ordered through _____. They will give you a warranty brochure at closing. If you'd like, I can get you one ahead of time so that you can see exactly what's going to be covered under your home warranty. It does cover all of your appliances; it covers all of the electrical, the air-conditioning and the heating. Really, they are a pretty good deal for one year, and after that if you'd like to renew, you can do that as well.

Explaining the Home Warranty: Script #2

AGENT: Home warranties are usually paid for by the seller. Therefore, it is no additional cost to you. I suggest you go ahead and ask for one. If the seller does not pay for one, we can discuss the subject again at that point. Many times the seller will include the home warranty with the sale of the home; it's a benefit to you. If anything happens during the first year that you own the home, there is a chance that the home warranty company will pay for it. There is a deductible for a service call fee of about \$50. They'll come out, look at what repairs are needed, and most of the time take care of it with no more expense to you. There are times when they will not take care of the issue, and at that point we'll need to go back and see if there were any errors in the inspection. Perhaps the inspector didn't note something that we had a problem with, and then we can go back to the inspector. Otherwise, it will be a repair that you will need to pay for if you want it done.

Explaining the Home Warranty: Script #3

BUYER:

What about a home warranty?

AGENT:

We're going to try and ask the seller to provide that for you. If they choose not to—the home is only five years old and they don't feel that things will go wrong—it's going to be optional for you to choose it. You may buy it on your own, if you choose. It depends on who I'm talking to. If you were a single lady, I'd say: "You might want to consider this." The advantage of this for you is that each year you can renew through the company yourself. So you may want to consider this. For \$350 a year, if you have a major component break, you're only going to have a \$50 deductible. We're going to ask the seller first to try to provide it. And 99 percent of all sellers provide it. So, we're going to ask for it on your behalf.

Explaining the Home Warranty: Script #4

BUYER:

How does a home warranty benefit me?

AGENT:

A home warranty is a good thing because you may have an air conditioner or water heater that is not brand new. It would be a major expense for you if one of these needed to be replaced. When the home warranty is in place, you just have a \$45 deductible fee to have repairs made. And after one year, you can renew the warranty.

Home Insurance Issues

Explaining Home Insurance: Script #1

BUYER: *How about insurance?*

AGENT: Here in Florida, especially during the summer, you want to get that taken care of early because of the hurricane season. After a major storm enters a pre-determined region, the weather center declares it's hurricane season and nobody will write insurance policies any more. So you could be delayed in your closing if you don't have your insurance early on. We do have several people whom we use. I'd be happy to get you a quote if you'd like, and then you can take it and shop around with other insurance companies and try to get the best deal. Be sure you look at the deductible, because that makes a difference in your policy. If you can afford a little bit more out of your pocket if something happens, you might want to go with a higher deductible.

Explaining Home Insurance: Script #2

BUYER: *What are the benefits of home insurance?*

AGENT: Homeowner's insurance is actually a requirement of your mortgage company, so you will be required to have it. The insurance benefits you if you have some type of property loss, for instance, fire, water damage, or theft. It is expensive, and you do have to pay for it on your mortgage payment. It is protection for you in case any of these hazards do occur.

Postclosing

Staying in Touch

Placing 7- and 30-Day Follow-Up Calls to Buyer: Script #1

AGENT: Hi, this is _____. How's the family? How's the job? The reason for my call is to check up on you and make sure everything is okay with the home! Is there anything you need? What fun things are planned for this weekend? If you need anything, give me a call!

Placing Anniversary Call to Buyer: Script #1

AGENT: Hi, this is _____ with the _____ team. I'm calling to wish you a happy anniversary. I hope everything's going well with you. If we can be of any assistance, please don't hesitate to call. You can reach us at _____.

Setting Expectation for Referrals: Script #1

AGENT: All of my fees are paid by the seller. What would you expect to pay for all of these services and added values that I'm providing for you if they weren't covered by the seller?

BUYER: *Thousands!*

AGENT: By merely choosing me today, you get all of this for free. I do want to emphasize, however, that all of our clients give us referrals. In the future, you're going to hear friends and family state their real estate needs. In return for these added values that I give to you, would you give me referrals when you hear of someone who needs me? Would you get their name and phone number and get those to me?

BUYER: *I'd be glad to.*

AGENT: Perfect. Will it be okay if I call you from time to time to ask you if you know anyone in need of help with buying or selling a home?

BUYER: *Yes, feel free to.*

AGENT: Great, that's how my business keeps going.

Notes

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