

Buyer Interview Outline

NOTE: With an out-of-town buyer, try to determine as much of this information on the phone prior to their visit. If possible, speak to all decision makers.

OPENING

My goal is to help you find just the right home and to make your move as smooth as possible. To help me do that, may I ask you some questions?

Just to confirm, do we still have _____ hours together today?

PROPER QUESTION SEQUENCE

Rapport Building Questions: Ask F.O.R.D. questions

(F= Family, O= Occupation, R= Recreation, D= Dreams)

- Could you tell me a bit about yourselves?
- What are you hoping to accomplish in this move?

Foundational Questions Listen! Your next question lies in their last answer. This is not an interrogation.

- *Where are you living now?*
 - *Do you own your current home?*
 - *How long have you owned it?*
 - *Tell me a little bit the about the house you're living in now?*
- *Have you moved very many times?*
- *How do you feel about moving?*

Diagnostic Questions

EXPERIENCE

- *Are you familiar with the buying process here in ___place___?*
 - IN PA, Give the buyer the Consumer Notice and explain it to them.
- (Local buyers) *Are you familiar with the current market conditions?*
- *How long have you been looking for a new home?*
- *How soon would you like to be settled in your new home?*
- Do the Calendar Exercise. Bring a blank calendar to the listing presentation
 - *"You've told me when you would like to be settled in your new home. Let's plan our strategy to get you into your new home by the date you want. Please circle the ideal date*

to be settled in your new home on the calendar. My goal is to get you into your new home by this date. You have told me that you require a mortgage. It can take up to 60 days to get a mortgage today. So let's back up 60 days. Will you mark that date? Today is _____. (Circle today) So, let's see, how many days/weeks do we have to find your new home?"

- *How important is that time frame for you?*
- *How would your plans be affected if you moved earlier or later?*
- *What would happen if you didn't find a home by then?*

- *To give me an idea of where you are in the process, **on a scale of 1 to 10**, with 1 being you are just getting started and 10 being you would like to find a home today, where would you rate yourself?*
 - *What would have to happen for you to be a 10?*
 - *Drill down on each item they mention. Ask questions and listen.*
 - *What specifically is there about . . . ?*
 - *Why is that important to you*
 - *Tell me more about that.*

- *If appropriate based on how they answered the Scale of 1-10 question.*
 - *You said that you have seen some homes online? Attended open houses? Worked with an agent?*
 - *Have you seen any homes you liked?*
 - *Did you see any that you liked well enough to buy?*
 - *You rated yourself as a _____ on a scale of 1 to 10. So if we looked at houses now, and found the right home, what would you do?*
 - *Is there anything (else) you need to resolve before you purchase a home?*
 - *Will anyone else be part of the decision to purchase a home?*

- *If they already own a home:*
 - *Are you able to buy another home without selling your present home?*
 - *Would you like to buy first or sell first?*
 - *What would be a more comfortable extreme: owning two homes or owning none?*

NEEDS AND PRIORITIES

- *What locations are you considering?*
 - *Can you tell me how you decided on those?*
 - *Would you consider any other areas?*
- *What are the features or the rooms in your current home that you like the best? Why?*
- *How large a home do you have in mind? Why? or Can you tell me more about that?*
- *What style home do you prefer? What is there about that style that appeals to you?*

- **Two Pieces of Paper Exercise.** (Give each person a piece of paper.)
 - *If it is all right with you, I would like each of you to make a list of the things you want in a home. Make your own list, without consulting each other and we will compare them when you are done.*
 - *After you have made your list, please put stars beside the 3 things you can't live without.*

- **What and why? Features & benefits.**
People usually buy their "whys", rather than their "whats". So I'd like to ask you more about each of these features with questions like, "Why is this important?", or "How are you going to use them."

What and why? Features & benefits. Draw it. Showing is better than telling.

(What)	(Why)
<u>Features</u>	<u>Benefits</u>

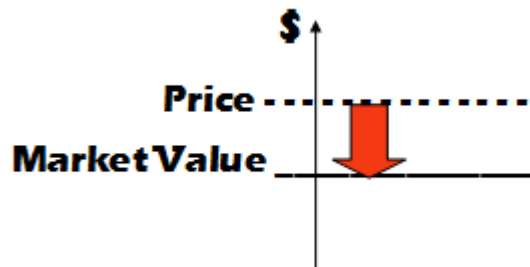
Remember: People buy their "whys" (benefits) not their "whats" (features).

MANAGE EXPECTATIONS

Helpful Comments and Questions

- *How many homes do you think you should see before you buy? Narrow down to very few that fit their needs.*
- *How would you feel if we found you a home the first time out?*
- *How do you feel about paying **market value** for your home?*
- *How do you feel about paying **full price** for your home?*

All homes sell for market value. They may not sell for asking price, but they sell for market value. When you see a house sell below list price the owners did not come down from market value they came down to market value.



- **Wants and Need** – *Wants are just as important as needs. Wants will cost you more than needs but they will make you happier and your house should make you happy.*
- **85% Home** - Explain the concept of “the 85% perfect home.”
- **F.O.R.D.**
 - **Family:** *Let’s consider everyone who will live in the home, what requirements do they have?*
 - **Occupation:** *What commute times do you need to consider? Work? School?*
 - **Recreation:** *What hobbies and leisure activities do we need to consider? Pets?*
- *Do you have any special furniture you would like to accommodate?*
- *How do you feel about doing decorating or repairs on a home?*
- *How do you feel about buying a brand new home?*

FINANCIAL QUALIFICATIONS

Cash? Loan? House to sell?

NOTE: For Corporate Relocation buyers make sure you are fully aware of restrictions around referring them to Trident Mortgage or any other lender. Follow the instructions of the Business Development counselor. References in the script, below, for a referral to Trident may not be allowed.

- *What price range do you have in mind?*
- *How did you decide on that amount?*
- *Will you be paying cash for this home or will you be getting a loan?*
- *Will anyone be offering financial assistance?*
- *Do you have a property to sell before purchasing?*
- *If getting a loan: Do you have a loan arranged? Do you have a lender?*
- *While I'm doing the computer work for your MLS search, would you like to meet with Name of Prosperity Loan Officer for a second opinion?"*
- *There is absolutely no obligation to use Prosperity. However, it will give you the comfort of a second opinion.*

Do the preliminary MLS search while they meet with the *Prosperity Loan Officer*.

When they return from the lender:

- *How did it go?" Discuss their loan options*
- *Are you familiar with the 1% = 10% Rule?*
 - *Every 1% change in interest rate affects your buying power 10%.*

1% = 10%

(1% in Rate = 10% in Mortgage)

- 4.5%, 30-year, \$1,013/month = \$200,000 mortgage
- 5.5%, 30-year, \$1,013/month = \$178,476 mortgage
- 6.5%, 30-year, \$1,013/month = \$160,326 mortgage
- 7.5%, 30-year, \$1,013/month = \$144,022 mortgage

Build Urgency: *What is your interest rate risk right now? If the Interest rate goes up 1%, that wipes out 10% of your buying power.*

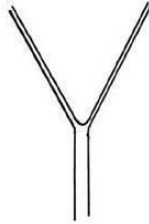
THEIR PROCESS
(if they've bought before)

- The last time you bought a house, what was the process you went through to find that house?
 - *How did you start looking?*
 - *What did you do first? What were the steps you went through?*
 - *Did anyone help you make the decisions?*
 - *From the time you started, how long did the whole process take until you found the house?*
 - *Did that process work pretty well for you? Is there something that you would do differently if you had it to do over?*

YOUR PROCESS: EXPLAIN

- *I've prepared a packet of information for you to review and to take with you. (Moxi Present Buyer Presentation) It will help you understand the buying process. It will also save you time and anxiety if you take the time to review these documents before we find your home. Will you be able to do that? (Briefly show what is in the packet.)*
- Explain how the Multiple Listing System works
- Explain Procuring Cause – Go over disclosures
- FSBO's: Explain that you can help them with properties that are not represented by a real estate company.
- Give them your services Guarantee, (Moxi Page)
- Explain agency and loyalty. (**NOTE:** If this is a Corporate Relocation buyer, be aware of their requirements about signing a buyer agency contract. Your BD Counselor will notify you of restrictions in their relocation policy)

- **Funnel Process:** Explain how you are going to select and show them homes using the funnel process. (Draw it: Showing is better than telling)



- Client List
 - o *You said that you have a list of homes you have found that you are interested in? Let's start with what you have so far.*
 - o *If it's alright with you, let's start by putting these homes into what we call the 'funnel'. Now, just to **make sure you don't miss anything**, let's also put into the funnel any other homes you might consider. Will that be OK?" (Discuss the list above)*
 - o *Once we have everything in the funnel, we'll start a **simple process of elimination** to remove those properties that don't work for you. We'll use the **easy process of eliminating properties versus the often frustrating process of selection**. This way we'll **make sure you don't miss anything**.*
 - o *We'll go from 1,000's of properties in the funnel to 100's and then to dozens as we begin to filter out those that don't work."*
 - o *Some, we will look at on-line, some we will drive by, and with some we will decide to make an appointment and go in. **You will be in control of the decisions**.*
 - o *As we go through the process, the goal will be to find your Top 3 Favorites that could work for you, and this can be a rolling top 3. So as we view each home, I'll ask, "Will this be in your top 3?"*
 - o *Once you have identified your favorites, I'll do a simple market analysis showing you sold properties to help you get a feel for value. Our goal is to help you find a home that you will be happy with, to **make sure you don't miss anything** and to **make sure you don't pay too much**."*
 - o *Does this look like a process that will work for you?*
- MLS
- New listings (as they come on the market)
- New Construction
- For Sale by Owner

Funnel Process Summary and Key Phrases:

- a. **Process of eliminating properties versus process of selection**
- b. **Make sure you don't miss anything.**
- c. **Some we will look at on line, some we will drive by, some we will go in. You will be in control of the decisions.**
- d. **Our goal: Identify your "Top 3 Favorites" and I'll do a market analysis on them.**
- e. **We want to make sure you don't pay too much.**
- f. **Draw it! Showing is better than telling.**

- ***My goal is not to sell you something. My goal is to help you buy a home that is right for you***
 - *One of the ways I can tell if you like the home is to ask you if you would like to buy it. Will that be OK with you? – Or if the home sells tonight, will you be ok with that?*
 - *If the first home we look at is the right home, how will you feel about that?*