



Certified Home Selling Advisor

Certified Home Selling Advisor®

Fast Start Guide

The toughest thing about starting anything is that you have to do things and work with people that you may not want to. The good news is that you learn quickly and have the opportunity to graduate from the Intro Level of your learning curve to the top way faster than you might think...as long as you are committed to doing what you have to do when you have to do it.

To help you snap up the low-hanging fruit and get some cash flow moving along in your business, we've put together this simple, but effective, Fast Start Guide. Follow the steps that we've outlined for you and then use the scripts we've provided to get the ball rolling quickly while internalizing the materials from your new CHSA Designation.

Remember, the low-hanging fruit is what we're looking for here. Stay away from the brown mushy stuff on the ground and don't worry about the stuff at the top of the trees; we'll get to those opportunities soon enough.

Buckle up, set your compass headed towards massive success and growth and let's go!

Step 1 :: Know Your Targets

If you do not line out what you want to accomplish, put it in writing and then make time for it in your daily calendar, then it's not going to happen. We're not asking you to be Time Management Expert Ken Blanchard, or be the master of the Franklin Planner. We are asking you to determine what you want, write it on a piece of paper and then allocate time in your schedule each day to make it happen.

Let's focus on 90 days:

- How many listings do you want to sell?
- How many leads do you need to sell that many homes?
- How many appointments do you need to take to list that many homes?
- How many prospects do you need to talk to in order to get the required number of listing appointments?

HINT: You can find out what percentage of the homes are selling on average in your marketplace just by doing a little leg work in your MLS. Pick one ZIP code and work with that. The numbers from that area should moderately represent the results you are seeking.

Also, to be conservative, assume that you'll speak to 20 to 35% of the people for whom you have numbers. Then, assume that 50% of the people you meet with will list with you. From there, you can use the percentage of listings that sell in your market to finish up the math.

Here's an example:

Let's say you want to sell 10 listings in the next 90 days. If 70% of the listings sell in your marketplace and you convert 50% of the listing appointments you go on, you'll need to go on 29 listing appointments over that time frame or roughly 10 per month.

This is what the formula looks like:

$$\begin{aligned} & \# \text{ of homes you want to sell} \div \\ & \% \text{ of homes that sell in your marketplace} \div \\ & \% \text{ homes you list when you're sitting at the kitchen table} \\ = & \\ & \# \text{ of listing appointments you must go on to reach your goal} \end{aligned}$$

Using those figures, it looks like this:

$$10 \div 70 \div 50 = 28.5 \text{ or } 29 \text{ listing appointments}$$

It's a simple formula. Write out the numbers and break your plan into bite-sized pieces. It's easier to generate and maintain momentum when you don't feel like you are climbing a mountain every day.

Step 2 :: Time Is of The Essence

Once you have those numbers and what you're looking to accomplish written out clearly, you book the time in your calendar to make the requisite number of calls. Gary Keller wrote in *Shift* that you should be spending 12 to 14 hours per week prospecting for opportunities. If you look at the universe of listing opportunities available to you in your area, you should have enough Expireds, Withdrawns and FSBOs to get you headed in the right direction.

Your daily schedule to support your prospecting activities should include the following:

- 30 minutes of script practice and role play.
- 1 hour of CHSA training either at www.CustomerHub.KinderReese.com or live on our Tuesday CHSA Coaching Calls.
- 2 hours of actual prospecting – talking to new prospects about listing their home.
- 30 minutes of personal development – read a book or listen to an audio to keep your mind, spirit and emotions strong.
- 15 minutes per day of reviewing your numbers and planning what you are going to do with respect to prospecting.

Remember, you have numbers to hit each day. In most cases they won't be huge, so you should be able to hit them. If they haven't been hit when you have done your prospecting rituals for the day...then you need to have the pig-headed discipline to get it done.

Step 3 :: Gather Your Data

One of the biggest killers of momentum is lack of organization. If you sit down to make calls and you're pushing papers around on a messy desk or searching crazily for people to call in your database...it's likely that you won't accomplish what you set out to do.

Listing and selling homes consistently requires a system and a plan that you can follow – day in and day out – without having to drive yourself crazy to make it happen.

To make things easy on yourself, tap into a system like RedX and find an inexpensive dialer like Make More Contacts.

Get Expireds and FSBOs for your area. Go to training. Learn how to get the data from RedX into Make More Contacts and you're off!

It's best to manage your prospects in RedX and the dialer. Only put your opportunities into your main database after you've scheduled an appointment.

HINT: Go back at least 6 months for Expireds and Withdrawns and about 2 months for FSBOs. There are lots of un-mined opportunities within both of these verticals that you can scoop up with consistent action.

Remember, consistent action doesn't always produce consistent results...but it does produce success.

Step 4 :: Go!

Call reluctance is a like a dirty word in a sales office. Nobody wants to have it, few people admit they do; everyone who has it needs to face it head on and make it go away, especially if they are going to reach their listing and sales goal.

It doesn't matter how great your presentation looks, how nice your new hairdo is, how shiny your car is, or how nice your business suit looks if you can't get in front of someone. Be good on the phone and you're on your way.

Here are a few quick tips on overcoming call reluctance:

- **If You Are an Over Preparer** – Agree that you will make your calls at the same time each day. Set an alarm or find an accountability partner who will come to you and remind you to get on the phone (and not leave your side until you do). This will end the seemingly endless preparation that often takes the place of prospecting and selling activities.
- **If You Suffer from Stage Fright** – Become a member of Toastmasters International and practice speaking to a group whose purpose is to help the speaker improve has helped even the most fearful become proficient enough to look forward to group presentation opportunities. Overcoming this fear has often led to breakthroughs in other areas of call reluctance.
- **If You're a Scaredy Cat** – Role playing, albeit one of the sales professionals least favorite activities, is often indicated as practice in asking the prospect or customer to buy. This practice can make it easier to repeat the behaviors when the real-world opportunities come.
- **If you are a perfectionist** – Know that good enough is good enough. Nothing is perfect and will ever be perfect. Often times, once you admit that you are a perfectionist, understanding the problem comprises more than half of the solution. The perfectionist can take simple and immediate steps to minimize or eliminate the activities associated with being perfect that take away from solid prospecting and selling opportunities.

Take ACTION.

Take massive action and make it happen.

You're fully capable and completely worth it.

Negative Reverse Listing Presentation

Intro:

Thank you for taking the time to meet and discuss your situation today.

At the end of our time together there will be one of three things that typically occurs:

1. If I determine that we are unable to help you is it ok if I'm straight with you and let you know that?
2. You don't think we can help you or don't want our help and if that's the case, will you let me know so I don't waste your time bugging you? My feelings won't be hurt, I can take it...
3. I find that we can help you, and if that is the case, we can spend the last bit of our time together talking about what that looks like, okay?

So, this is the time when most agents will do a dance for you and tell them how great they are. Instead of me talking about how great I am and what I can do for you, can I take off the sales hat and we talk about you? Is that ok?

Future:

- If you sell this home, what is next for you?
 - Where will you be moving to?
 - Will you be staying in the area or moving away?
- How far out in the future is it that you are hoping to make this move a reality?
- What makes you want to go to ____?

Present:

- Why are you wanting to move/sell?
- What is the motivating factor to make this transition happen now in your life and not later?

Challenges:

- In terms of selling your home, what keeps you up at night concerned or stressed about the whole process or the next steps?
- What are some frustrations you have currently with the selling process?
- Moving to a new home:
 - We find that when we talk with people that are moving to a new home in the same area they are usually concerned about
 - whether they should sell first or buy first,
 - how long it could take to sell their home and
 - how are you able to get the most for this home to get the most home you want to move to.
 - Do these concern you?
- Selling an Investment, Rental or Vacant home
 - We find that when we talk with people that are selling an investment or a vacant home they are usually worried about
 - how does a vacant home show versus a staged one
 - how much is the whole process going to cost as money is an important factor in a sale like this
 - how long could it take to sell their home
 - Do any of these worry you?

Tried:

- So, what have you already tried?
 - Talked with other agents?
 - Tried selling on your own?
 - Have you listed with anyone?
 - Have you ran your own ad's initially?
 - Are there any neighbours or your sphere that are interested in buying your home?
 - Have you planned or tried getting it staged?
 - Have you hired a photographer for anything?
 - Do you have floor plans that can be digitized?

Impact:

- If you don't sell your home in the next 2 years, what is it going to cost you?
 - Monetary costs?
 - Emotional or Physical costs?
 - Stress
 - Sleep
 - etc.

So what is your plan? _____ DO NOT BE THE FIRST TO SPEAK! _____

Can I take off my agent hat and give you a recommendation, human to human?

- Based on what you've told me _____ 0-10 is this close?
 - If I was in your shoes, I would only work with an Expert Advisor, and someone who truly understands the process.
 - I would look for someone who
 - has a proven system that can get your home sold for the most
 - isn't cutting their commission because that usually turns into a lesser of quality and dollars in your pocket (should talk about discount brokerage instead of cutting commission)??
 - has a pool of buyers they are able to go directly to and be able to get quality traffic in your door
 - and I would also look for someone who has a clear plan that matches with your values and direction of where you are wanting to go/do next.

Are there any other questions? Earlier, I told you that if I thought we could help you, I'd tell you. I know we can, would you like to hear a little about how and what's involved?

Expertise...

While the technology that is used in the real estate industry today is extremely current and effective in helping buyers and sellers navigate the overall real estate landscape, the same thing can't be said about the strategies traditionally employed to help you determine the best price at which to sell your home.

Law #1:: Law of Expertise

:: Overview ::

Let's start with the definition of an expert. An expert is a person who has a comprehensive and authoritative knowledge of, or skill in a particular area. Comprehensive and authoritative are terms used to describe an expert. Notice, the definition doesn't include the use of 'mediocre', 'kind of knows about', or 'has a general understanding of' at all. That's because when you're an expert, you know virtually everything there is to know about a specific topic. Moreover, as the information changes about your specific topic, you continue to grow and learn to remain an expert.

The Law of Expertise for real estate is rooted specifically in those foundational elements: *experts know the real estate market in and out, upside down, right side up and everywhere in between*. As well, they are committed to learning everything they can about what's new, important and pertinent about the real estate market to remain experts for the rest of their lives.

The Law of Expertise requires that you know how to ask 'The Hard Questions™' at the beginning of your listing presentation, you can provide solid market data and pricing information on any home without the use of a CMA, you understand what outside threats effect the price and timing for the sale of a home, how supply and demand will impact the pricing and timing of a home and be able to use documentation from external resources to verify and solidify any pricing recommendations you make along the way.

It's not just about being better – although being better is a key element of the Law of Expertise – it's about being able to differentiate yourself from your competition by being a true expert in the field of real estate sales, marketing, market knowledge,

advertising, business ownership, customer service and everything in between. By becoming an expert, you cement yourself as one of the key players in your marketplace and provide yourself and your family with a strong foundation for a legacy of success for generations to come.

:: The Hard Questions™ ::

Mike Reese says it best: *“It’s always important to have the toughest conversations first”*. This holds especially true when it comes to positioning yourself as an expert to your seller prospects. Sellers are going to be paying you top dollar to help them handle the disposition of their largest asset. At a minimum, you owe them the courtesy of being completely honest and clear about the journey upon which they are about to embark. More importantly, you need to make sure you get honest answers to the hard questions™ upfront so you can 1) do an amazing job for your clients and 2) make sure listing their home is a good use of your time, energy and resources.

Now, while this whole process is not rocket science, it does require that you be an expert at asking and eliciting the right answers to the hard questions™ about getting a home sold. It’s the natural beginning point and the launching pad for your entire sales process.

- Reason for selling
- What if home doesn’t sell
- Determine “Target” Date
- Plan B Review
- Financial Goals
- Past Experiences
- Managing Expectations

As with the seller counseling interview, you must cover all of these questions in detail. Omitting or forgetting one question could derail your efforts and keep you from doing the best job in getting your client’s home sold. Missing one question or not getting a complete answer could prove to be detrimental to the pricing and sale of the home.

:: Death of the CMA Report ::

Alas, it’s time for us to bid farewell to another dear old friend of the real estate agent. Today, we say goodbye to the Comparative Market Analysis (CMA). Don’t be sad, though, it’s in good company. Remember, it was predeceased by the MLS book, measuring tape, roadmap and reverse directory book. Think fondly of the CMA...and then move on.

Many devices, strategies and products run their course and die away. In fact, there’s a reason that things like film and film cameras, VCR and VHS tapes, dial up Internet and phone booths have become essentially obsolete: they’ve been replaced by more effective and efficient technology.

Much of the same thing can be said about the CMA in the real estate industry. It's an outdated, unsuccessful and ineffective way to price homes for sellers in today's day and age...especially with the knowledge and access to information we have about home sales in the national and local real estate markets at our finger tips.

In fact, using a CMA is so detrimental to sellers getting top dollar, the average sale-to-list price of a home across the country is only 89% – a full 11% less than the asking price and worth about \$20,889 to the average home seller in 2012.

\$20,889 is a huge amount of money being left on the table for the seller. It also translates into almost an additional \$700 in GCI lost on average per home sale. That's a loss of almost \$7,000 in commission on every 10 homes you list that don't sell. Whether you're a seasoned veteran and top producer, or a new agent making his/her way in the industry...\$7,000 is a large chunk of change.

As you know, the inherent problem with a CMA is that it only takes into consideration the sale of a small sampling of homes in the competitive range, without considering the reason why those homes may or may not have sold at a specific price, e.g., condition, loss of job, under-priced, dated interior, a divorce situation, low curb appeal, vacant home, staged property, short sale, foreclosure, etc.

This means that when using a CMA to price a home, the pricing recommendation is based on comparable homes that most likely don't represent the reality of the true market value for the subject home, or worse, the CMA may not even have an accurate bearing on what the home should be priced at...period.

That's why the sell-to-list ratio is so low and why many of the listings that agents take don't sell at all.

The only true way to ensure that you price a home properly and position it for sale at maximum value is to take into consideration the 26 outside threats and the 6 aspects of supply and demand that impact the pricing and sale of the home.

Some of the threats to consider are:

- **Economic Indicators** – What bearing does the overall local and state economy have on the housing market in your area?
- **Trends Analysis** – Are the current market trends more or less favorable for the style, location, demand, etc. for your home?
- **Absorption Rates within Local Market** – Is there regular consumption of homes in your local market and if so, how many homes a month are being purchased?
- **Inventory of Short Sale Properties** – How many homes are distressed sales, i.e., short sales in your area and what effect are they having on the overall prices of homes in your market.
- **Rent vs. Buy Trends** – Are people more inclined to buy a home or rent property in your market and if so, what is the ratio of rents to purchases in your area?

- **Job Stability in Market/Unemployment** – Is there a stable job market in your area or are major employers coming to or leaving your area at the time you want to sell your home?

Understanding these threats and knowing how to communicate them to your clients is a crucial part of the pricing strategy – no ifs, ands or buts about it.

Additionally, there are 6 aspects of supply and demand that must be taken into consideration upfront as part of the overall pricing model when determining listing price. They are, in no specific order:

1. Number of homes on market
2. Number of competing homes entering market
3. Number of homes selling per month in price range
4. Number of homes selling per month in neighborhood
5. Months worth of inventory available
6. Review percentage of homes likely to sell by target date

It's easy to see by looking at the outside threats as well as the elements of supply and demand that this information would be far more effective in determining listing price than doing what a CMA does by only listing the prices of homes in the market place whether they are sold, pending or currently available.

Now, are you going to use comparables to help zero in on the price at the end of your listing presentation, absolutely. But, you aren't going to use every possible listing – sold or unsold – to help target that price. You'll use a small sampling of the most closely related sold listings that correlate specifically with the information you provided from your national and local market review at the beginning of your listing presentation.

In the end, a CMA doesn't come close to covering the kind of ground you need to cover when determining price. Using a CMA can put you and your sellers in a regrettable position 6 months down the road when the home hasn't sold...even if you've reduced the price of the home a few times along the way.

The reason it's regrettable – besides the fact your seller's home hasn't sold – is because once a home is priced wrong, getting it priced correctly with price reductions is, as they say, like chasing a boulder downhill...you never catch it.

Using a CMA is akin to your doctor giving you medical advice and treatment solutions without properly defining the scope of your illness.

In the medical world, diagnosis prior to prognosis is malpractice; the same can be said about this pricing strategy in the real estate industry.

:: Evaluation of Outside Threats ::

Only looking at the prices of homes currently listed on the market, pending or sold when determining the listing price for your home would be the same as to driving down the road without looking in your rearview or side mirrors to navigate traffic – it's irresponsible and dangerous.

There are approximately 25 outside threats that need to be considered both locally and nationally when helping sellers finalize the price at which they will sell their home. Each specific threat provides a new piece of information that completes the puzzle.

Here's a look at the list:

1. Economic Indicators
2. Trends Analysis
3. Interest Rates
4. Loan Programs and Loan Program Qualifications
5. Real Estate Cycles and Seasonal Market Changes
6. Local Market Conditions
7. Area Market Conditions
8. Absorption Rates within Local Market
9. Absorption Rates within Price Range
10. Non-Typical Competition
11. Inventory of Corporate Owned Inventory
12. Inventory of Short Sale Properties
13. Inventory of REO/Foreclosure Property
14. Rental Housing Available and Vacancy Rates
15. Shadow Inventory of Foreclosure Property
16. Notice of Defaults Data
17. Inventory Fluctuation
18. New Construction Sales
19. Builder Confidence
20. Economic Trends
21. Rent vs. Buy Trends
22. On-Post Housing
23. Multi-family Construction
24. Decisions by Major Employers
25. Job Stability in Market/Unemployment

Each threat may not be a major threat in your market. You may have little to no rental properties in your marketplace and no new construction. You could be in an area where there are no multi-family homes and very little industry or commerce.

That said, it's important to review this list with your sellers at your listing appointment and identify those threats that do apply and give concise, coherent information as how those threats that can, and will impact the price of the listing.

The better job you do covering these details upfront, the easier it is going to be to get the sellers to agree to the price you suggest at the end of your presentation. Conversely, the less detail and information you provide, the harder it will be to get the home priced properly to sell in a reasonable timeframe.

Please heed this warning...it's probably one of the best pieces of advice you'll get when it comes to pricing a home correctly in your market.

:: Law of Supply and Demand ::

Here's a little Economics 101 for you on Supply and Demand from Investopedia:

Supply and Demand: *A theory explaining the interaction between the supply of a resource and the demand for that resource. The law of supply and demand defines the effect that the availability of a particular product and the desire (or demand) for that product has on price. Generally, if there is a low supply and a high demand, the price will be high. In contrast, the greater the supply and the lower the demand, the lower the price will be.*

It's not rocket science, but understanding supply and demand is important when positioning yourself as an expert and getting sellers to price their home properly.

Here are elements of supply and demand you'll want to consider when pricing a home:

- **Number of homes on market** – Look at any home that could be considered competition to ensure you do a thorough job.
- **Number of competing homes entering market** – It's vital that you have your finger on the pulse of how many homes are entering the market. A look back at three prior years will give you an indication of the flow of homes at specific seasons in the marketplace.
- **Number of homes selling per month in price range** – Remember, it's homes selling, not under agreement 'heard' to be selling. This has to be a true number in order to ensure accuracy in pricing.
- **Number of homes selling per month in a neighborhood** – Hopefully, the neighborhood is fairly homogenous in price range. If not, be sure to cover both the total number of homes selling and the number of homes selling in that price range to get the true flavor of competition for the subject listing.
- **Months worth of inventory available** – This one is a biggie. Your argument for

or against a specific price of a home is most likely rooted in how much inventory there is to compete against. Neglecting this threat could be the worst mistake you make when agreeing on a price with the seller.

- **Review percentage of homes likely to sell by target date** – You don't have a crystal ball, but if you understand the marketplace well, you should be able to determine this number fairly easily.

Once the home is on the market, your work isn't done. You still have to stay in touch with the seller and the market to ensure that the home is remaining competitive within the marketplace. To do this you'll need to do these two things:

- **Evaluate absorption numbers weekly as new competition comes on market** – Don't be a chicken here. You need to "tell it like it is" to the seller so that you can get a price reduction, if needed. Much like a doctor needs to "give it straight" to the patient, you need to tell your sellers what they need to know and not what they want to hear in order to keep them moving towards selling their home.
- **Systems in place to re-evaluate market conditions** – Your pricing strategy needs to include regularly scheduled pricing discussions with the seller that include a Property Market Research report with data to back up your recommendation to either reduce the price of the home or leave it alone.

Remember, being an expert means that you don't cut corners...you do what you're supposed to do when you're supposed to do it. Further, it means that you are a "student of your game", which means that you continually study and learn about the different aspects of your craft to provide the highest level of service and information possible to the people who choose to work with you.

To effectively manage the supply and demand discussion, it's vital that you continually research the market and stay on top of exactly what's happening nationally and locally in the real estate market and economy.

With the right tools and systems, it's not a hard to do and it makes a huge difference in the job you do for your sellers.

:: Expert Advisor Market Reports ::

The good news for real estate agents in today's market is that there are scores of resources that provide real-time, high-quality market information and data for use in your business. On the national level, the National Association of Expert Advisors® (NAEA) partnered with Steve Harney and Keeping Current Matters™ (KCM) to keep track of what's happening.

As a member of the NAEA, you have unfettered access to regularly updated and highly detailed reports from KCM on everything that's affecting the national mortgage and real estate markets. The information is easy to understand and making it easy to take anything from the site and implement in your communications with your sellers. For access to the most recent Expert Advisor Market Reports®, go to www.NAEA.com and login now.

Differentiation...

“Differentiation that drives consumer preference can help a home owner sell their home for up to 18.6% more”

Law #2:: Law of Differentiation

:: Overview ::

You’ve heard it before and I’ll say it again...differences sell. Now to be clear, not all differences sell:

New Coke, Gasahol, the DeLorean, the McDonald’s Arch Deluxe and the Sony BetaMax were all different - - and they all failed to make an impact.

The differences we’re talking about are rooted in creating a better life for your prospects, clients and yourself by actually being able to deliver on what you say you’re going to do.

In real estate, being different means the world to the people who are going to hire you. More specifically, it can mean more money to a seller, more savings to a buyer, faster and better customer service, peace of mind during the sales process and much, much more.

The plus side is that you get hired more, make more money and enjoy a better quality of life.

If you’ve gone to <http://www.naea.com/2013/02/11/vid-differentiation-is-key/>, then you’ve seen the video on differentiation and the exhaustive list of ways to differentiate yourself for little to no money that Jay Abraham has laid out for business owners.

In fact, there is no shortage of ways to distinguish yourself from your competition on virtually every level: marketing, advertising, customer service, financial management,

strategy, tactics and so much more.

Many of these differentiation tactics are nothing more than a paradigm and positioning shift. Yet they lead to creating a huge chasm between you and your competition; putting you way ahead of them, in not only the eyes of your prospects and clients, but the whole market.

Commit to being different and learning ways to stand out from the AFAs (Average Frustrated Agents) of the world, and you're well on your way to amazing results.

:: Expert Staging Advice ::

Putting an un-staged home on the market is like putting a filthy, cluttered automobile for sale on the showroom floor; you're virtually guaranteed to not sell it for what it's worth – if even at all.

Home staging is about more than decorating and cleaning a home. Home staging is about illusions. It's about how a magician would sell a house. It's about being a master in managing the art of creating moods. Staging makes a house look bigger, brighter, cleaner, warmer and more “homey” and what's best; it makes home buyers want to buy it.

When you stage a home, you're looking to increase the actual value AND the perceived value of the home to buyers. There's an art and a science behind it and an expert needs to manage the process.

Barb Schwarz, from IAHSPP, The International Association of Home Staging Professionals, gave some interesting statistics on the impact of staging on a home sale:

“If a \$300,000 home stays on the market for six months, and the homeowner decides to decrease the price by 5 percent, or \$15,000, they could have staged it for a fraction of that price and sold it in approximately 83 percent less time.”

As of 2012, studies show that staged homes sell on average in 29 days. An un-staged home sells on the average in 145 days. That is a significant difference.

Now, while you don't need to be an expert stager, we believe you do need to have basic knowledge and training to help guide a home seller to prepare a home to sell OR hire a trusted advisor who is an expert at staging who can consult with your sellers when it comes time to put their home on the market.

Because we believe in the power of having a “staging” knowledge with each one of your sellers to help them prepare their home properly for sale, we're in the process of creating a designation called the Certified Home Preparation Expert™ (CHPE). The CHPE will be the course to help you articulate the importance of home preparation to your home sellers while getting the most results from the sale of their home.

The designation provides a complete, detailed set of coursework to help anyone who understands and values the importance of staging to become articulate on the topic. So, if you're looking to add staging to your expert book of knowledge or are already working

with someone with staging skills, and you would like to take their skill set and expertise to the next level, the CHPE represents an amazing opportunity to make that happen.

Included in the program are: understanding the seller's goal and the agent's selling strategy, knowing the style of the home and how to prepare it for the right buyer, the ABCs of staging, accountability for sellers with the stager and so much more.

To find out more about the CHPE designation and what it entails, go to www.certifiedhomepreparationadvisor.com for more details.

:: Quality of Life Upgrade Analysis ::

As mentioned earlier, your goal as a seller is to increase the actual and perceived value of your home in the eyes of the buyer. One of the elements of the law of differentiation is to determine what upgrades and changes you would make to your home that would net you the most amount of money.

For instance, if many of the homes in a neighborhood have granite countertops while your listing has Formica, it may make sense to have the seller invest in granite to increase the actual and perceived value of the home.

At the same time, it's probably not a good idea – in most cases – to have a seller put a pool in their back yard in an attempt to maximize the value of the home. Yes, this example is facetious, but the point should be well taken...be sure the quality of life analysis yields solid recommendations for the seller to follow.

The other part of the discussion is also important. How can you help the seller make the right changes to increase the value of their home without it costing them their last dollar? Your analysis should be made in conjunction with your stager to ensure that the recommendations made definitely do need to be done and include a referral to an external provider that gives great value for his/her services.

Visit www.Zillow.com/howto/ValueOfHomeImprovements.htm to see which home improvements net sellers the most amount of money on resale and also to see how much of the cost of improvement was recouped at the time of sale.

:: Professional Pre-Inspection ::

The best way to catch an elephant is to dig a hole in front of it and wait for the elephant to fall in. Dragging it down from behind really isn't an option.

The same philosophy applies to dealing with a home inspection. You have no control over 1) the quality, education, experience and observations of the home inspector that does the job and 2) what will be found when the microscope is finally put on your seller's home. So, you need to control the only thing you can, which is what you and the seller can discover before the home goes under agreement and is subject to inspection by the buyer's home inspector.

To do this, you'll need to have the seller do his/her own inspection to see what might be lurking between the outer and inner walls of the home. Yes, it's going to cost them a few hundred bucks, but in the end, it could save them thousands of dollars and a few headaches along the way.

Statistics show that a home seller can save as much as \$7 for every \$1 of repairs needed to remedy an issue found during the home inspection. Many items that come up in the inspection are things the seller can fix himself/herself before the buyer finds it. Once the issue is found during a home inspection, the buyer is going to want a professional to take care of the issue. This is not always practical or necessary to get certain work done.

Most sellers can paint, replace a couple of rotten boards, replace a screen door and do other minor home improvements themselves. This pre-inspection gives them the opportunity to do that.

An advantage of the pre-inspection does is the fact that it takes away much of the negotiation power buyer agents and buyers use to get the seller to reduce the price of the home when issues come up.

Sellers are already at a disadvantage when the first offer comes in under full price, because now they are negotiating up from what the buyer offered and not down from their original asking price. Negating the additional negotiation power a buyer has by doing any repairs upfront and providing the initial inspection and list of repairs is a smart move on the seller's part – and yours.

:: Home Warranty ::

There is really no secret to the benefit of a home warranty. In most cases, the seller is able to have their home covered by the warranty for little to no cost while the home is listed on the market. Then, once the home transfers to the buyer, the buyer gets a full year coverage from that same warranty.

It's a small investment on the seller's part that gives the buyer tremendous peace of mind for the year that the home is covered. It also provides the buyer with additional security that should something happen while the home is in its contract period, the warranty will cover fixing that problem before the home closes. Additionally, homes that offer a warranty on them while for sale garner as much as 2.2% more on the sale of the home.

Peace of mind plus 2.2% more for the home...it's a nice marriage, isn't it?

:: Certified WISE Buy™ ::

Think of the Certified WISE Buy™ as a vacation at an all-in-one resort: you get the full service of all the benefits all wrapped up in a neat and tidy package. WISE stands for:

- Warranty
- Inspection
- Staging

- Evaluation

As an expert, your goal is to help your sellers get the most amount of money for their home in the least amount of time with the fewest headaches. The Certified WISE Buy™ was created to do just that. By getting a home warranty, having their home pre-inspected and staged prior to being put on the market and getting an appraisal for the value of their home, all while under the umbrella of a professional evaluation by you and your team of experts, sellers are able to put their best foot forward in getting their home sold.

From the seller's prospective, there will be few, if any, surprises that pop up along the way to cause stress and/or derail the sale of the home. From the buyer's perspective, the home is ready to buy and the buyer can move forward with the peace of mind that he/she doesn't need to deal with a million issues to get through the home buying process.

It requires an investment of time and money on the seller's part up front, but the end result to him/her is worth thousands in the end.

On the next page, you will see the **listing addendum** for details on securing your seller's commitment to the Certified WISE Buy™ program in your marketplace.

Addendum to Listing Agreement

I/We have consulted with _____ and have chosen a traditional listing.

I/We request a yard sign with a coming soon rider be placed on our property during the pre-list period.

I/We acknowledge that price will not be discussed with the public until I/We have reviewed the appraisal and/or third party inspection and finalized the listing price.

I/We are responsible for hiring an appraiser and/or third party inspector of our choice.

I/We authorize the release of the appraisal and any inspection reports to _____.

I/We give permission for _____ to share the appraisal and or third party inspection information with the public as needed during the marketing of our property.

Seller Signature

Seller Signature

Date

Date

Listing Agent Signature

Date

NOTE :: Please contact an appraiser and inspector of your choice to complete your pre-listing evaluation. If you will be using one of the appraisers or inspectors below, let them know you are working with [Insert name] to obtain the best price and most expeditious service.

:: APPRAISERS ::

Insert Appraiser Name
Phone XXX-XXX-XXXX
Fax XXX-XXX-XXXX
name@company name.com

Insert Appraiser Name
Phone XXX-XXX-XXXX
Fax XXX-XXX-XXXX
name@company name.com

Insert Appraiser Name
Phone XXX-XXX-XXXX
Fax XXX-XXX-XXXX
name@company name.com

Exposure...

“To attract the buyer that is willing to pay the most money, you must allocate your marketing budget across market research proven areas that expose a sellers’ homes benefits to the highest number of qualified buyers”

Law #3 :: Law of Exposure

:: Overview ::

For most agents, the methods of exposing a listing to the real estate market are usually confined to putting a sign in the front yard, placing the home on the MLS and putting the listing in the newspaper and/or on the Internet.

Unfortunately, this strategy is not only outdated, but it is also extremely inefficient – inefficient because it targets a smaller number of buyers and because it doesn’t help attract the right buyer to the property in most cases.

Bringing in the right buyer for a specific home is like putting bait on a hook when you fish. Use the right bait, you catch fish all day. Use the wrong bait and you’ve done nothing more than take a boat on the water.

Experts who are masters in getting their listings exposure understand that there is a budget required for listings to be advertised and marketed properly, and the dollar amount associated with it usually has a comma in it – each and every month.

Experts understand that you need to know where to place the information about your listings, how to position the listings to attract the largest number of the most appropriate buyers and most importantly, what the difference is between marketing and advertising...both of which need to be used when listing and selling homes.

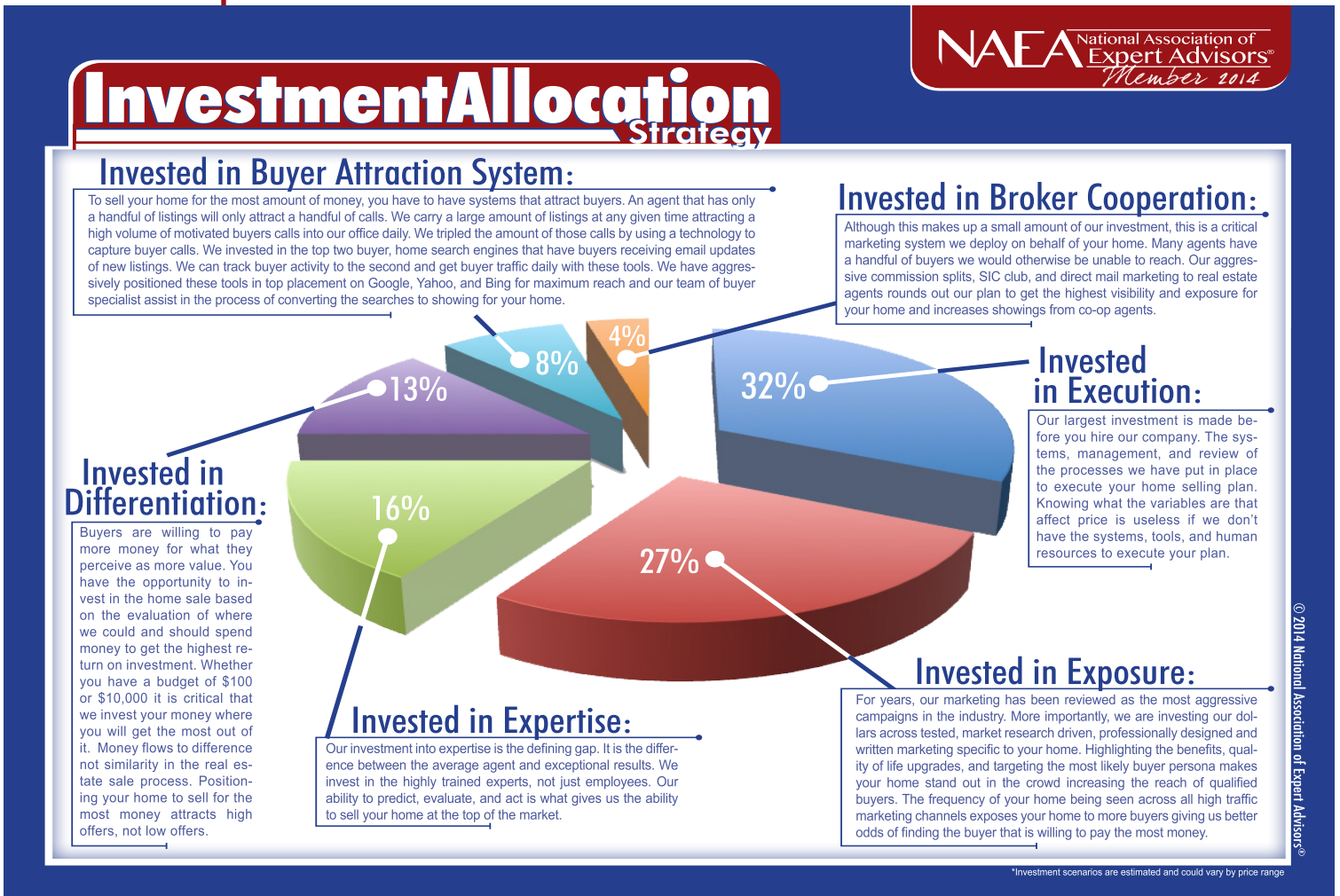
Lastly, experts understand that you need to track every single detail of your marketing and advertising to determine what your ROI is and whether or not you would even continue using a particular strategy as part of your overall exposure strategy.

While having no marketing budget is certainly the way to bring your real estate business to a screeching halt, having a marketing budget that is spent irresponsibly and netting poor to horrible results at the same time is a very close second.

:: Allocation of Marketing Budget ::

It's not just enough to say that you have a marketing budget and that you spend it on certain strategies. In today's market, you need to have that budget allocated properly so that each vertical within the budget is generating the largest number of leads for the least amount of money possible. It's not just crucial, it's mandatory if you're looking to maximize your profitability.

Here is a look at how you should allocate your marketing budget to get the absolute best results for your real estate business:



By following this chart, you should be able to determine how much of your income you should set aside and then how much of that total amount should be allocated to each effort.

Here are some things to consider before finalizing your marketing budget:

1. Look At the Competition

The object of any business is to increase profits and market share. Spend some time researching your industry: Who are your competitors? How do they advertise? Do Google, Yahoo and Bing searches on them, check out their websites and get the lay of the land regarding their marketing and advertising efforts. You're not just looking for strengths, you're looking for weaknesses. Do they have a Unique Selling Proposition? If so, how do they use it? What kind of Internet presence do they have? Are they using professional pictures and copywriting in their marketing materials? All of this information makes a difference in how and where you'll do your marketing.

2. Focus on ROI

Investing in marketing is like investing in retirement; the more you invest, the greater your return over time. Rather than paring down your marketing budget to its barebones minimum, decide how much you want to grow your business in a set amount of time, and increase your marketing budget accordingly.

3. Your Business Goals

Consider what stage in your business you currently occupy. What are your short-term and long-term goals? Certain outcomes in where you are in your business lifecycle require an increased marketing investment. Start-up and re-branding efforts especially call for expanded marketing efforts to meet your business goals.

4. Planning for the Unexpected

Say a hurricane tears through your area one summer. You'll want to establish a contingency fund equal to about 10% of your marketing budget to get out the word that things are back to normal when the damage is fixed. By doing this, you'll be prepared for unexpected but crucial expenses.

5. Don't Rely on Last Year's Marketing Budget

Many do this method out of convenience. Since the budget was approved last year, why not just increase each line item by a few percentage points to reflect inflation? While simple, this type of budget does not link marketing expenditures to marketing plan performance, so there is no direct way to determine return on investment.

Your budget is an element of your business that needs to be managed and tracked very carefully so that you don't find yourself in a situation where you need leads, but can't afford to generate them. You can't afford to be lazy or laissez-faire with the money you use to grow your business. Doing so is a veritable straight ticket out of the real estate business.

:: Internet Marketing Report ::

The secret is out: more home buyers look for homes on the Internet before they look anywhere else to find the home of their dreams. Alright, it isn't a secret, but it is useful information to know when you're marketing and advertising your listings for sale.

Approximately 90% of all home buyers look on the Internet for a home and more than 94% of first-time home buyers use the Internet to start their search. In simple language, if you don't have a presence on the Internet, a strategy to get found many ways via many online portals and a commitment to do so on a consistent basis...you are essentially missing the boat.

According to National Association of REALTORS® (NAR), home buyers are relying less and less on newspapers and open houses and more and more to online resources to get home buying information and review homes for sale.

NAR also reports that while first-time home buyers are likely to use online portals to find their information, buyers over the age of 44 are more traditional. They like talking to real estate agents, driving by homes and looking at ads in the newspaper.

For most home buyers, the most popular sites to find a home are local, multiple listing service websites, real estate company websites and national sites such as Realtor.com and Zillow.com. Your goal as a marketing expert is to ensure that 1) you get your listings exposure on all these sites and 2) your listings can be found easily by interested buyers.

Technology notwithstanding, real estate agents are still the main resource for information and assistance when it comes to buying a home. In the United States, buyer agents are involved in at least 4 out of 5 home sales and well over 80% of buyers will seek out an agent to get more information on a home that they saw online.

Buyers who use the Internet also sought out other sources of info including real estate agents, yard signs, open houses, print advertisements, property magazines and books and so on. That said, all of these resources were not ranked the same in usefulness.

Home buyers still ranked real estate agents as the most useful source of information (81%) compared to the Internet (77%), yard signs (42%), billboards (31%), television (17%) and open houses (10%). Coming in last were newspapers and print advertisements.

Knowing that the Internet is the most powerful way to reach buyers, you must master it to get in front of the largest number of prospects in the shortest period of time. There are over 918 million sites on the Internet, so you really need to do a good job getting your sites and your information to stand out in order to get in front of your best buyer prospects.

The good news is that Realtor.com, Zillow, Trulia, Homes.com and Yahoo Real Estate cast extremely wide nets so they rank as the top 5 search sites for home buyers. In the game of maximum exposure, piggy backing the efforts of these websites is mandatory.

That said, you still need to employ strategies like professional photography and

copywriting all while targeting the best buyer prospects for each specific listing so that your listings pop and get seen the most in your area.

There's a little bit of art and a lot of science to the whole process of marketing on the Internet to get maximum exposure for your listings. Failing to get this strategy under your belt could mean the death knell to your real estate career.

:: Professional Photography ::

Many agents don't understand that the first impression – and often the first showing of your listing is online. It makes sense that this is the case, though, since the largest portion of buyers in the marketplace start looking on the Internet.

Knowing this, it's vital that you either take professional pictures yourself with a top notch camera and a wide-angle lens or hire someone to take the pictures who knows what they are doing. Either way, the quality, angle and subject of the picture will all come into play when converting buyers from suspect to prospect when it comes time to pick up the phone and ask for information and interest to see the home.

Here are a couple of quick tips:

- Make sure the room is neat, clean and well lit (including having all light bulbs working in lamps that are turned on) – missing bulbs and clutter are sure picture killers.
- Get as much of the room as you can in the picture without picking up small corners of wall, furniture and wall decorations – partial pictures of these items are okay, but slivers of them can be distracting.
- Only take pictures of bathrooms if the rooms are large enough and impressive enough to show.
- If a room is not ready to go, don't take the picture at that time. Add it at a later date. 7 good pictures and 1 bad picture makes for a bad impression overall.
- If the pictures you take don't come out well, take them again.
- Use a tripod wherever possible to ensure consistency of angle and to ensure that all pictures are level.
- The money shot is the front of the home – take several pictures at several angles and pick the best one when you see it on the computer screen.
- If you can take pictures without the flash, do so. The flash can leave large, ugly shadows. As well, if you can take the pictures in a setting with a slower shutter speed, more light can be let in and offset the need for the flash itself.

Now that you know how and what to do to improve the quality of the pictures you're taking, you need to make sure you're using a good camera. Here's a review and recommendation from www.home2market.com on how to pick the best camera.

It should have a wide-angle lens (24mm equivalent or wider) which will help you:

- Show more of the living space within the home and give a better overall view of the exterior shots.
- Shoot smaller interior spaces like bedrooms and bathrooms without having to back up all the way into corners.
- Get good shots of the front of the home without having to stand so far back that you're dodging traffic.

Generally if you're unsure of which camera to get, it's best to go with a more affordable option first, then upgrade later as your skills improve. Arguably, right now the best bang for your buck is the 24mm wide-angle Panasonic Lumix LX-7. Although not exactly cheap (around \$400), it's packed with features and can be upgraded with a large variety of add-ons. The best add-on is the wide-angle lens attachment that brings the LX-7's field of view to 18mm (great for opening up tight interior shots). The LX-7 is classified as a Prosumer camera, because it bridges the gap between the really basic, cheap point-and-shoot cameras and more complex and expensive Single Lens Reflex (SLR) cameras. It's a great camera to learn on before making the big leap to the world of high-end SLR cameras and the expensive lenses that come with them.



Excellence is in the details and that holds especially true when it comes to pictures. Take the time to do it right and take pride in the quality of pictures you take. Doing so will pay great dividends in the end for you.

:: Internet Traffic Sources ::

In all industries, websites are ranked based on the amount of traffic they receive. Not surprisingly, Bing.com, Yahoo.com and Google.com are currently the highest ranked websites on the web due to the fact that they are the places people go to find everything. These coveted rankings were achieved by a combination of web statistics such as visits, page views and hits.

For the purposes of clarity:

- Visits are when you type the url into the browser or click on a link that brings up a specific page and then spend time viewing the pages on that website.
- Page views occur when you request any page within the web site – you always generate at least one page view just by visiting the site and looking at the main page.
- Hits happen when any file is served. The page itself is considered a file, but images are also files.

These three elements are just a part of the information taken into consideration when web site ratings and rankings are defined. Therefore, the more visits, views and hits you have, the better your web stats, the better your rank and the higher you appear in search results

When it comes to getting your listings exposure on the Internet, you want to post them where the largest number of visits, views and hits happen specifically for real estate. The place where that happens could be your website(s) for your local area. But, the places where that happens on a regular basis throughout the real estate industry are the 5 following websites:

- Realtor.com
- Yahoo Real Estate
- Zillow
- Trulia
- Homes.com

Here's how powerful sites like these are: The average Realtor.com visitor spends about 20 minutes on the site and views 45 pages. The majority of this time is spent on actual listing pages and not futzing with extraneous ads and chat opportunities. Knowing this, it's vital that your listings not only make their presence known on these sites, but also that they rise to the top when homes of their specific type are requested by buyers in your area.

Certainly, if your personal site is a huge source of traffic and leads, by all means do not abandon it for the big 5. Instead, augment what you are doing with exposure on these different sites. And yes, if you can get the enhanced listing option on any of these portals, do it. It's worth the money as those are the types of listings serious buyers gravitate to first.

:: Professional Copywriting ::

Admit it, you hate writing. You'd rather give up a body part, get a root canal or watch Paula Deen and her sons exercise to lose weight because they put butter on everything... including their butter.

You hated writing in school, you hate writing now, you hate writing emails, you hate spelling and you hate that every day as a real estate agent you have to write something to someone for some reason.

And, there is this one person – usually an in-law of the mother, father, brother or sister variety – who's great at it and reminds you of it every time they correct you for using a word incorrectly or spelling it the wrong way.

And then there's the time you pick up your pen or sit at the keyboard of your computer waiting for words to start coming out of your fingers...only to find yourself doodling or searching on Google for anything that will take your mind off the fact that you hate writing.

But what if you didn't hate writing?

What if you could become a copy writing ninja and words flowed from you easily and in great abundance?

What if you were able to write such amazing copy that your emails got responded to more often, buyer and seller prospects started seeking you out and your properties started getting shown more often than the competitions'?

What if you could love copywriting and shut up your in-laws at the next Thanksgiving or Christmas dinner, putting yourself in position to not only give them some writing and word-usage advice, but also tell them eloquently that the turkey gravy was lumpy?

How amazing would that be?

We think it would be incredible and that's why we've compiled this helpful section of information to help you get your head around what makes for good copy and how it's way easier than you think to put some words down on paper that make sense and can compel someone to take action.

Now, by no means are you going to be the next Clayton Makepeace or John Carlton after you read this, but you will be better and have more knowledge about what makes for good copy than the majority of the agents in your marketplace...

...and like a gazelle in the Serengeti, you don't always have to be the fastest to win that day, you just need to be faster than the next slowest gazelle being chased by the lion.

Actually, you'll be way better than that...we just wanted to use the word gazelle in a sentence.

It's all in your head

Learning to write good copy is like learning virtually any other skill...you have to believe that you can do it (and then practice your butt off) to get good results.

It doesn't matter if you did well in English or Writing class in high school (the author of this booklet that you are reading right now actually failed a quarter of English his sophomore year in high school).

What matters is that you are open-minded to the fact that good copy writing can be learned and then improved upon with the right amount of time and practice.

Really, it's no different than learning to skate, ski, shoot pool, play golf or any other skill on the face of the planet: practice and a willingness to learn will help you improve.

You see, the good news is that you don't need to be taller than 6 feet like you would need to be for success in the National Basketball Association, a huge and fast physical specimen like you would for the National Football League or unnaturally short and light to be a Kentucky Derby jockey...

...you only need to be willing to look at what's contained in these pages (and maybe an outside source of information or two, if you're really interested) to write copy well

enough to get people to take action.

Other than that, a computer and a keyboard is all you'll need to make it happen.

Remember, our minds are like parachutes, which means they are most effective when open....Let's begin.

It's the #1 Secret to Good Copywriting

You've probably heard it said before: There are really no new ideas, just re-crafting of old ideas. For the most part it's true and as a copy writer, you're okay with that.

As you embark on your copy writing journey, don't feel the need to reinvent the wheel. Study and draw inspiration from great copy that works from the masters like Clayton Makepeace, John Carlton, Gary Bencivenga and others who have plowed the field before you.

Now, we're not referring to copy that you think is good and entertaining. Many ads you see in magazines or television completely miss the mark because they are trying to get your attention (and not doing a good job of getting your business along the way).

Seek out samples of proven and successful pieces of copy – sales letters, direct mail pieces, online direct marketing materials – that have scored millions for the business owners and the copy writers.

By simply entering the term copy writing swipe file into a Google search bar, you can open the door to a world of great copy sample that give you a front row seat to some of the best ideas and copy strategies you'll ever see.

Don't be afraid to take these ideas and weave them into your own copy.

For the uninitiated, here's what a swipe file is...

A copywriting "swipe file" is a collection of winning ads. Sales letters, space ads, headline collections, plus bits and pieces of copy that have been proven to make big money in the marketplace.

A carefully collected swipe file is the essential starting point for most new copywriting campaigns.

When looking at copy to swipe, be sure not to mix apples with oranges...the context of that which you are swiping needs to be similar or your breakout piece of copy will do nothing more than break down.

And yes, even the best copy writers swipe from each other – it's the way of the west when it comes to writing good copy.

Open your ears

One of the best parts of copy writing is that you get to say corny, silly stuff and make it work.

Let's start with this: you've been given one mouth and two ears, use them in the proper proportion which means...listen twice as much as you talk.

You will find much of what you're going to need to write about simply by listening to your prospects.

Zig Ziglar says, "sales is nothing more than finding a need and filling it or finding a problem and solving it."

More specifically, you need to find the words that your prospects are using about buying or selling a home, the hopes, wishes, worries and fears they are experiencing in the process and what's important to them...that you find on places like Twitter, Facebook, Pinterest and other social media outlets.

Another place to look is for golden opportunities for topics to address is by doing a little research on the keywords and keyword phrases buyers are using to look for solutions to their real estate problems.

It's cheap, easy and very effective.

Lastly, email marketing and blogs allow your prospects to engage you in a conversation, tell you what they want and how they want it, and just as important, to demonstrate what they want from you.

So...be on the lookout for great samples of copy and keep your ears peeled to the track for clues on what to write about for your copy.

If they don't read it, you can't sell it

It's like grandma always said, you only get one chance to make a good first impression.

Your headline is the first, and perhaps only, impression you make on a prospective reader.

Without a headline or blog post title that turns a visitor into a reader, the rest of your words are as meaningless as a sixty-second rain shower in a drought.

Conversely, a great headline does more than grab attention, it can tell a powerful story or message that grabs your reader's attention and pulls them in, wanting to read the next body of copy.

In the world of sales and copy writing, it's the benefit and not the features that get people to buy.

Remember, it's the sizzle, not the steak you want to sell.

In *The Copywriter's Handbook*, copywriter Bob Bly reviews eight time-tested headline categories that compel action and drive sales:

- **Direct Headlines** go straight to the heart of the matter, without any attempt at

cleverness. Bly gives the example: *Pure Silk Blouses – 30 Percent Off* as a headline that states the selling proposition directly. A blog post for your prospects might read *FREE Resource of Hot New Foreclosures*.

- An **Indirect Headline** takes a more subtle approach. It uses curiosity to raise a question in the reader's mind, which the body copy answers. Often a double meaning is utilized, which is useful online. An article might have the headline *Fresh Bait Works Best* and yet have nothing to do with fishing, because it's actually about writing timely content that acts as link bait.
- A **News Headline** is pretty self-explanatory; as long as the news itself is...wait for it...news. A product announcement, an improved version, or even a content scoop can be the basis of a compelling news headline. Think *Introducing MLS on your Iphone* or *My Exclusive Interview With Mr. Real Estate, Alex Perillo*.
- The **How to Headline** is everywhere, online and off, for one reason only – it works like a charm. Bly says that “Many advertising writers claim if you begin with the words how to, you can't write a bad headline.” *How to save \$10,000 on your next home purchase...*, *How to sell your home for more than it's worth...* and *How to avoid the #1 deal killer in real estate* are all good starts for headlines
- A **Question Headline** must do more than simply ask a question, it must be a question that, according to Bly, the reader can empathize with or would like to see answered. He gives this example from Psychology Today: *Do You Close the Bathroom Door Even When You're the Only One Home?* Another example used way too much in real estate is *Who Else Wants to Get Rich Selling Real Estate?*
- The **Command Headline** boldly tells the prospect what he needs to do, such as Exxon's old Put a Tiger in Your Tank campaign. Bly indicates that the first word should be a strong verb demanding action, such as *Subscribe to Copyblogger Today!*
- Another effective technique is called the **Reason Why Headline**. Your body text consists of a numbered list of product features or tips, which you then incorporate into the headline, such as *Two Hundred Reasons Why Working With an Agent is Better Than Buying or Selling on Your Own*. A key here is that you don't need to use the words “reasons why”. This technique is actually the underlying strategy behind the often used *10 Ways to...* headline approach.
- Finally, we have the **Testimonial Headline**, which is highly effective because it presents outside proof that you offer great value. This entails taking what someone else has said about you, your product or service, and using their actual words in your headline. Quotation marks let the reader know that they are reading a testimonial, which will continue in the body copy. An example might be “*Why I buy all my homes from Bob Smith*” explain Jay-z and Beyonce Knowles.

Hey, what's a life without a few dreams?

Let's pull it together

Okay, you know we need to get each aspect of our copy read...starting with the first sentence of our copy and then working down to each subsequent body of copy to tell our story and get the reader to take action.

You also know that like any sales presentation, we must keep things clear, concise and simple so that we are communicating with ease.

Now that you understand the vital importance of an attention-grabbing headline. So... how do we organize our content to be persuasive?

The elements of good structure are up to the interpretation of the writer; but in the end, persuasive copy will do certain things and contain certain elements over and over again.

Whether you're writing a sales page, long blog post or promotional ebook, the flow will determine effectiveness.

Here are some strategies or guidelines to follow:

- Always focus on your reader – make a pledge to your reader at the very beginning (with your headline and opening paragraphs) that tells him/her the WIIFM – What's In It For Me. Make sure your reader is always sure of why they're reading your copy.
- Every part of your story needs to have a main point that creates some sort of emotional movement within your reader, e.g., something that gets them angry, excited, wistful so they want to keep reading. Don't ramble, rather stay on point and keep the narrative moving.
- Be hyper-specific in your assertions and always be sure to give "reasons why." Vague or general statements without back up with precise facts will often make the reader call BS on your copy and eventually stop reading.
- Display significant amounts of credibility, using statistics, expert references and testimonials whenever it makes sense. You must be convincing with authority – especially if you're not an expert on a specific topic. To that end, you had better have done your research on your topic.
- Once you are done building credibility and authority, make sure you circle back to the reason you're writing in the first place – the reader. What's the reason he/she should keep reading and eventually take action? Restate in very plain terms, the grabber and initial promise that got the reader to keep reading in the first place.
- Make 'em an offer. Whether you're selling a product or selling an idea, you've got to explicitly present it for acceptance by the reader. Be bold and firm when you present your offer and relieve the reader's risk of acceptance by standing behind what you say.
- Pull it all together for the reader by returning to your original promise and demonstrate how you've fulfilled it.

These are some of the most basic and essential elements of writing persuasive copy. You can use them as a blueprint to writing your own copy to get better results for yourself.

Time to bring it home

Here's an excerpt from Joe Vitale's "Hypnotic Marketing: A Collection of the World's Most Hypnotic Marketing Techniques" to help you get your head around the process:

Joe writes:

1. The headline, "I was nearly in tears ... ", which was the subject line on the email I sent out, is riveting. People want to know why I'm nearly in tears. Did something bad happen? Or something good? Was I crying? Or laughing so hard I cried? Your headline has to be a gun in a prospect's face. While most headlines have to be benefit-oriented, curiosity-invoking headlines are proven to grab readers, too.
2. The opening sentence, "I was just in the bathroom, reading a letter from my sister, when I got to the line..." not only compels you to read the second sentence, it is actually impossible to complete the first sentence — because it doesn't end! Those dashes are grabbing your nose and pulling you into the next sentence, which happens to be the next paragraph.
3. The letter weaves a story. Stories sell. Stories compel. Stories pull people into the drama unfolding and make them a part of the action. As this letter reveals its story, it also conveys selling messages to you hypnotically — messages that urge you to get this book now.
4. The letter reeks of sincerity. I learned that sincerity sells. Sincerity is hypnotic. Don't lie or mislead or gyp people. Tell your story in the most hypnotic way possible and the people most interested in it will respond.
5. While I'm still known for writing fiery PS's that warn you of dangers if you don't act now, my PS works in a soft-sell way. The story in the letter says "Buy my new book." The PS simply tells you where.

Here are some questions you can ask yourself when preparing for your next copy session:

1. How can you make your headline so curious that people can't help but read your letter?
2. How can you begin your next letter in such a way that it actually forces people to keep reading?
3. How can you tell a story about your product or service that compels people to want it?
4. Are you telling the whole truth in your letter?
5. How can you more softly let people know how to buy your product or service?

Certainly, there are many other strategies, ideas and approaches to writing copy that compels and then sells. Your goal should be to get good enough at copy writing that you can see a measurable increase in your business as a result of the copy you put in front of your prospects.

What you will find is that over time, your copy writing will get better, the process will become easier, your business will become more profitable and your in-laws will finally leave your grammar and spelling alone.

:: Buyer Profile Targeting ::

The saying is kind of trite, but it holds extremely true for the real estate industry: “You have to use the right bait to attract the kind of fish you want.” Putting a sign in the front lawn, entering the listing onto the MLS and placing an ad in the paper and/or online does little more than let the world know that the home is available for sale.

To truly get the home sold fast and for top dollar, you have to target the right buyers and demographics for each listing you have.

Some good questions to ask when marketing a listing are:

1. Is this a first-time or move up home?
2. Does it qualify as urban, suburban or referral?
3. What kind of financing would be most appropriate for this type of home?
4. Would this home benefit from a Guaranteed Sale offer for move-up or higher-end buyers or a Special Financing offer for first-time home buyers?
5. What's most important of these features for my listing: lifestyle, work, convenience, family, school, resale value, safety and security, neighborhood amenities, proximity to shopping, etc?
6. Does this home need more work than a first-time homeowner would want to entertain for their purchase?
7. Is the person who buys this listing going to be an in-town buyer or an out of town buyer?
8. Will the person who buys this home buy it on their own or through a real estate agent?

Ideally, you want to target your remarks, where you place the home for marketing and how you pinpoint your special offers based upon what the home offers and who is likely to buy it. To do this, you must:

- Segment your market from a pricing perspective between a first-time home buyer purchase and a move-up purchase.

- Recommend – not mandate – which type of financing would be most appropriate for the type of listing it is.
- Make offers of a Guaranteed Sale, Special Financing, Seller Concessions, Seller's Incentive Club and any other consumer programs based upon which type of offer would appeal to the most appropriate buyer for the home.
- Cater the language in your copywriting to highlight the affordability, upscale nature, quality of life, lifestyle and any other feature and benefit that would appeal to the most appropriate buyer for the home.
- Advertise and market the home in the areas where the most appropriate buyer for the home would likely be looking: i.e., first-time home buyers will almost always go to the big 5 real estate search websites and more seasoned buyers may drive around, look in real estate magazines, go to open houses and come to real estate offices in addition to looking online.

It takes a little time to figure out how to target the right buyers for each of your specific listings. You would be wise to create a buyer profile for each type of listing you have and then use a checklist to ensure that you employ all the proper strategies for getting that listing the exposure it needs in conjunction with the buyer that is most likely to buy the listing itself. What you will find when you do this is that your listings get more inquiries, more showings, sell faster and for a lot more money. What seller wouldn't want that?

:: Advertising vs. Marketing Report ::

Yep, there's a difference between advertising and marketing and most real estate agents don't know what it is.

Before we give you the answer, you match up the strategy with the right definition:

A. Advertising

1. The systematic planning, implementation and control of a mix of business activities designed to present products in such a way as to make them desirable. In other words, it is the intent to bring buyers and sellers together for the mutually advantageous exchange or transfer of products or services.

B. Marketing

2. The public promotion of something such as a product, service, business or event in order to attract or increase interest in it.

Make sure you have your answer in mind before you read on.

Is it A1 or A2? Is it B1 or B2?

The winner is: A2 and B1. Pat yourself on the back if you got it right. Don't crucify yourself if you got it wrong, because most people don't know the difference. In fact,

virtually no real estate agent is taught the difference when he/she becomes an agent. It's all advertising or all marketing when you first get taught and the whole process comes together.

The easiest way to distinguish between advertising and marketing is to think of marketing as a pie, inside that pie you have slices of advertising, market research, media planning, public relations, product pricing, distribution, customer support, sales strategy and community involvement. Advertising only equals one piece of the pie in the strategy. All of these elements must not only work independently but they also must work together towards the bigger goal.

Marketing is a process that takes time and can involve hours of research for a marketing plan to be effective. Think of marketing as everything that an organization does to facilitate an exchange between your organization and its customers.

Now that you know the difference, let's talk about how you would maneuver between the two in your business.

Advertising:

Advertising is part of marketing. In the larger game of building maximum exposure for your business and listing, advertising your listings for sale would be part of a comprehensive marketing campaign.

Examples of advertising would be: putting a sign in the front lawn of the home, putting the property on the MLS, putting an ad on the Internet and yes, putting the listing in the newspaper.

As well, any television, print or radio work that you do to promote your business is considered advertising as well.

In the end, though, advertising is more of a "Hey, look at me" approach to getting your listings sold. You advertise to the world to let it know that you have a home for sale and that should they want, come take a look at it.

Remember, advertising is public promotion done to attract interest and nothing more. It's a slice of the marketing pie. In order to start bringing sellers and buyers together, you need to have a marketing strategy in place.

Marketing:

When you look at your marketing strategy, you have to look at all the other strategies you use to bring buyers into the fold to match them up with the listings you have taken. Like a fisherman looking to catch a large number of fish, you can put a few hooks in the water and hope to catch a few fish (buyers) at a time or, you cast a net and pull in loads of fish (buyers) all at once.

Your marketing could include:

- Property Brochures

- IVRs
- Guaranteed Sale and Immediate Buyout Programs
- Open House on Steroids
- Internet
- Telemarketing and Inside Sales
- Humanitarian Efforts
- Billboards
- Wrapped Vehicles

...plus a whole variety of other strategies to target, attract and pair buyer prospects with your listings. The key here is to ensure that you allocate your marketing budget properly according to how much money you have and which strategies are yielding the best results.

It's important not to overlook this key element of marketing: you are looking to bring buyers and sellers together. You need to advertise, yes; but you also need to make offers to buyers so that they call you, get up off their couch and make a trip to either see you or the home you have listed. It's an unmistakable truth: it's not the best agent, but the best marketer that wins.

:: Frequency vs. Reach ::

The final element of the advertising vs. marketing discussion is that of frequency vs. reach.

Time for another quiz:

Is it better and more effective to reach 100 prospects one time than 25 prospects 4 times?

- A. Yes B. No

Pick your answer. Now read on.

The answer is no, it's not better to reach 100 prospects one time. In the world of marketing, reach without frequency equals wasted dollars.

In marketing, you're sending a message, building a relationship and branding an identity with consumers. Touching a large number of prospects with one or two marketing messages might help you catch lightning in a bottle and pick up a deal or two along the way, but it won't provide you with the consistent, top-of-mind ownership you need to drive business to your company day in and day out.

Seth Godin put it best in his book, *Permission Marketing*. In the book, he employs an analogy of seeds and water to exhibit the importance of sufficient frequency in your marketing campaigns. If you were given 100 seeds with enough water to water each seed once would you plant all 100 seeds and water each one once or would you be more successful if you planted 25 seeds and used all of the water on those 25 seeds?

It's rhetorical in nature, but even while we understand the importance of frequency to successful promotional and sales campaigns, in some way when it comes to actually implementing the campaign, we choose to forgo frequency for reach. Then we complain about the ineffectiveness of our marketing efforts. The biggest source of bleeding and waste of marketing dollars is marketing activities that are implemented without adequate frequency.

When deciding to mail one direct mail piece to 10,000 people or to mail 2,500 people four times remember the fate of those 100 seeds you can water only once. Unless you have unlimited water sources, select less reach and more frequency.

:: Tracking and Reporting ::

We'll defer to our friend Jay Abraham on this one: If it can be tracked and monitored, it can be improved. When it comes to exposure, for your business and listings, it is vital that you track and monitor the money you spend on marketing and advertising as well as the results and ROI you get from these expenditures.

If you don't track and monitor, you would be better served to light your money on fire to keep yourself warm when they shut the heat off in your building after your real estate company goes out of business.

Here's a list of the major tracking strategies that we recommend you implement in your business:

- **Tour Factory:** Tour Factory Marketing Engine is a comprehensive plan that helps agents acquire and sell more listings. It is comprised of parts that work together to bring everyone to the table and close the deal; including custom videos, custom audios, virtual tours, website syndication, sales reports, flyers and other marketing and advertising tools. It also has a robust back end that you can use to track the marketing you're doing for each listing.
- **Voice Pad:** A mobile-based, buyer lead generation strategy that generates leads from all three mobile technologies – mobile web, text and call capture. Voice Pad gives buyers real time access to property information and allows you to capture names and contact information for prospective buyers. You can also run reports and see which properties and ads are generating more leads.
- **Teletracker:** TeleTracker is an Internet cloud based virtual call recording and media analysis system. It provides you with national toll free and local numbers that you assign to your advertising and marketing campaigns. Incoming or outgoing calls are tracked and optionally recorded so you can 1) review and manage the cost effectiveness of your advertising and marketing campaigns in terms of calls generated and 2) listen to the calls for coaching and counseling your employees on their telephone communication skills.
- **Excel Marketing Tracking:** We have a global lead tracker that keeps track of all lead sources, how many leads we generate from each lead source and then calculates the income that is attributed to each lead that comes to us. It's 100%

Excel based and really helps with tracking ROI.

- **Quad Trac:** This is another Excel-based tracking document that tracks monthly cash flow, average commission, average sales price, volume and commission on a monthly, quarterly and annual basis. This information is juxtaposed next to your historical sales performance and your targets for the upcoming year so you can see your year-over-year performance.
- **KPI Tracker:** KPI stands for Key Performance Indicator and represents the small, bite-sized activities you engage in on a daily basis that make your big activities happen. For sales, KPIs are things like daily contacts, daily meetings, daily showings, daily contracts signed, etc. that add up to sales. This document helps you set your and your team members' daily KPI targets and then track how close they get to their daily requirements.
- **Budget:** You must have a budget for your business. Please note that a budget is not a list of what you spend on everything in your business, but a document that dictates how much you spend on everything in your business based upon how much you can afford and how much you SHOULD be spending on each aspect of your business. Not tracking your budget is one of the worst things you can do when running your business.

Cooperation...

“Up to 71% of homes are sold by co-op agents. You must target these agents to increase your homes visibility in the marketplace”

Law #4 :: Law of Cooperation

:: Overview ::

It's funny, learning how to share and cooperate are some of the first skills we learn when we go to pre-school and kindergarten; yet by the time we're adults, we tend to forget how important working and getting along with people really is.

Surprisingly, the real estate industry is probably one of the worst at cooperation despite the fact that 71% of the homes sold in any marketplace are done so between two different agents. It's extremely ironic and very unfortunate.

The Law of Cooperation requires that you not only work with other agents, but also that you attract them and encourage them to show your listings.

We'll give you a moment to pick your jaw up off the floor.

When you think about it for a second, it makes complete sense. Certainly, you would want to spend a good portion of your budget on marketing and advertising to bring fresh buyer opportunities through the door. But, why would you spend all of your resources on only attracting new buyer prospects when such a large portion of the home sales that happen occur with the assistance of a real estate agent?

The short answer: You wouldn't!

You need to have a strategy that gives buyers and other agents incentives – a reason to pick you and your listings. Some of them can cost money, others don't. Either way, the law requires that you get agents and their buyers through the door in a way that benefits both of them.

:: Type of Buyers ::

If you're going to attract buyers and you want to use the strategy that is most likely to get them to come your way, you need to know what types of buyers there are out there and what they are looking for. Here's a quick summary for you:

- **In-Town Buyers:** usually first timers or move up buyers
- **Out of Town Buyers:** can be first timers, but often are move up buyers
- **Referral Buyers:** often referrals from another real estate company or relocation company
- **Buyers with Agents:** signed to a buyer agency agreement
- **Buyers Without an Agent:** not signed to a buyer agency agreement

Now that you know what types of buyers there are, you can modify your approach and your marketing and advertising strategies according to which group(s) predominantly buy in your area.

:: Targeting Buyer Specialists ::

We agree that you want to sell your listings fast and for top dollar. We also agree that to do so, you need to increase showings from co-op agents. To increase showings, you must increase your reach and exposure so that your listings stay top of mind for the agents in your marketplace.

In short, you must target buyer specialists to make this happen.

There are lots of ways to target buyer specialists to sell your listings, but only one way that works significantly better than others: cold, hard, cash.

More specifically, you'll want to use a program like the Seller's Incentive Club™ (SIC) to get buyer specialists to show and sell your listings before any other agent's...including their own.

The SIC is a program that allows your sellers to participate in program where they invest a small amount of the proceeds of their home to provide a \$10,000 cash incentive to a buyer agent in your marketplace.

Here's how it works:

- Each seller that participates in the SIC invests \$395 from the proceeds of their home – they pay it up front at the time of listing – that goes into a separate SIC account that you set up solely for the purpose of this program.
- In exchange for their concession, sellers in this program have their listing highlighted on the MLS and in other marketing and advertising strategies you use as an SIC home; one where the agent can win the \$10,000 incentive if they sell the home.

- Once you sell 40 SIC homes, you have a drawing at a party with all 40 agents, the newspaper and any other media outlets to determine who wins the \$10,000 via a drawing.

It's pretty easy to implement and the buyer specialist community reacts very positively to the program. As we said earlier, agents in your community will look to sell an SIC listing before another agent's listing and even their own.

For more details and supporting materials of the SIC program, login to www.NAEA.com in the Expert Advisor University™.

:: Commission Leverage ::

One of the biggest mistakes home sellers make is to offer a sub-par commission to the agents who will cooperate to get their home sold. The reason this is such a big mistake is that one of the main ways many agents pick homes for their buyer prospects to review is by how much commission is being paid. When buyer specialists see a lower commission being offered, they tend to not show those properties and instead, show the one's with a higher paying commission.

Right or wrong, it happens and it also can cost the seller the opportunity to have buyer specialists bring their clients. Remember, agents control almost three quarters of the home sales in any given market place. Sellers can't afford to miss out on those opportunities.

What's more, while a newer or weaker agent might show and sell a home offering a lower commission more often than not, stronger agents who do more deals – because they work with more buyers – may not be as willing to do so because they don't have to. It can really work against the seller.

It's up to you, the expert, to lead sellers to their own conclusion about why it's best to pony up the right amount of dough to get the home on even footing with all real estate agents. The conversation might go something like this:

Seller: *I don't want to pay the extra commission.*

Agent: *I can appreciate that. Let me ask, did you agree with me earlier when I talked about price being a function of supply and demand, and that the better job I do of driving up demand on your home, the better chance you have at getting a higher price on your home?*

Seller: *I did.*

Agent: *If I recall, you also saw the value in adhering to the law of cooperation where we increase demand by targeting buyer specialists in the area to show your home over other homes – including their listings – to their buyers. Right?*

Seller: *Yes*

Agent: *In order to maximize the demand on your home to get you the best price, wouldn't it make sense, then, to offer at least a market-based fee to the cooperating agents – giving them a true incentive to consider your home over the competitions'? That way, you're making a small investment in a strategy that will likely net you the most amount of money. It makes sense, to do that, wouldn't you agree?*

:: Buyer Incentives ::

In certain cases, it makes sense to offer the buyer some incentives to buy your home as well. Granted, some of these strategies work better when there is more supply than demand...but they all work in the appropriate situations.

Here's quick peek at some of the better strategies:

- **Closing Costs** – This is a more traditional incentive strategy, but still effective. Any time you can keep money in the buyer's pocket when he/she is buying a home is a good thing.
- **Interest Rate Buy Downs** – Sellers can pay money to buy down the rate of the buyer's loan by paying points. Every contribution from the seller to the buyer lowers the buyer's monthly payment and overall pay back amount on the loan.
- **Increased Flexibility** – Any time the seller can offer buyers a break on closing date, sales price, home inspection repairs, a buy-leaseback or any other condition; they will almost always be more receptive to looking at and buying those types of sellers' homes. Not all concessions need to be monetary to be effective.

Ideally, you don't want to give away the farm if you don't have to, so there's no need to advertise any or all of these incentives until you have to. Your approach to using these strategies should be limited to the MLS and point of sale conversations if at all possible. When buyers see these types of concessions from the seller, sometimes they are like sharks smelling blood in the water. It's best to administer the incentives on an as needed basis and maybe even only when absolutely needed.

Buyer Acquisition

“Our immediate response systems track all buyer activity and allow immediate response on buyers interested in your home.”

Law #5 :: Law of Buyer Acquisition

:: Overview ::

Since the early 90's when buyer agency was first created, the number of buyers who have chosen to work with real estate agents has climbed steadily. As mentioned before, over 80% of the people who look for a home contact an agent at some point to get info, look at or buy a home.

Knowing that buyers are actively seeking out agents as part of the home buying process, it's crucial that you have a strong strategy for the purpose of acquiring buyers.

The Law of Buyer Acquisition requires more than just doing open houses and putting ads on Craigslist. It has to do with a systematic, consistent approach to locating buyer leads, converting them into home buying opportunities and then helping the serious prospects buy a home. Experts take each phase of the process seriously and spend a significant amount of time and a decent amount of money honing their processes, strategies and scripts and dialogues to make the most of each opportunity.

Included in the expert's tool bag are:

- Immediate Response Systems
- Professionally Trained Sales People
- Automated and Manual Follow-up Systems
- Buyer Loyalty Programs

...and other strategies to keep the leads flowing and the opportunities converting into sales.

:: Immediate Response Systems ::

The better technology gets, the faster people want information. These days, delivering home info in a matter of minutes, if not seconds, is a minimum standard for today's real estate experts. Anything less, and you are not likely to keep a buyer excited and vested in the ongoing process of looking for and buying homes.

Some of the premier systems on the market today to assist with immediate response to buyer inquire about properties are:

- Infusionsoft
- Commissions Inc./NAEA Volcano
- BoomTown
- Real Geeks
- Zurple
- Tigerlead
- Web Agent Solutions websites

Each program offers its own unique brand of lead generation, incubation and conversion to help you dramatically increase your overall conversion rate. With these online programs, you can target which buyers are more likely to buy sooner and invest your time and resources in moving them along the sale pipeline faster.

Then, for those prospects that are a little further away from making a move, you have a complete program to incubate and stay in contact with prospects until they buy from you, buy from someone else or drop out of the home buying game altogether.

What's even better is that you can partner with vendors like your lender and title company to get the cash infusion necessary to make these programs a reality in your business. Affiliate relationships are completely RESPA compliant when created and handled properly. Getting a program like one of these in place in your business can be a game changer.

:: Professionally Trained Sales Team ::

Expert real estate agents do not live by technology alone; they pick up the phone to make and take calls each and every day. As well, they and their team members go through ongoing, professional training to ensure their skills are on the cutting edge so they are able to deal with modern day problems and situations with modern day solutions.

By allocating approximately 40-50 buyer leads each month to each of their sales team members, expert agents are able to get a return of about 2 home sales per month over a 12-month period. By adding structure, ongoing accountability and goal management strategies, expert real estate agents are able to get their sales team members to perform at a high level on a month-in, month-out basis.

:: Lead Follow-Up Systems ::

There are two parts to lead follow-up systems; 1) the technology you employ like the NAEA Volcano with the Infusionsoft back end that provides follow up campaigns and emails to stay in touch with prospects and 2) the strategy you employ to intertwine calls, additional emails and texts with the automated lead follow-up systems to increase the incidence of contact and the opportunity to convert your leads.

For the most part, your web-based follow-up systems are turnkey and need little, if any input from you on what you would say in your emails to prospective buyers.

On the personal follow-up systems, your strategy should include a 21-day follow-up campaign that includes emails and phone calls that alternate each day for the full 21 days. After that, if you haven't converted the prospect to a buyer or determined his/her timing and motivation, you would move them to a call campaign that includes a follow-up call every 30 days until you make contact with them or they drop off the face of the planet.

:: Buyer Loyalty ::

This question isn't as old as others in the real estate industry, but it's still pretty poignant: "Why would a real estate agent ask a seller to sign a listing agreement to help him/her sell a home, but not ask the buyer to sign a buyer agreement to help him/her buy a home"? It seems almost rhetorical in nature, doesn't it?

In both instances, you're representing someone in a real estate transaction who will benefit from your guidance, commitment and assistance. Further, you are able to secure your interest in the transaction and put yourself in a much better position to get paid when the transaction closes. Knowing this, it's literally foolish to not get a buyer loyalty or agency agreement signed.

The benefit to your seller by having your buyer prospects sign a buyer loyalty agreement is that you are bringing a better quality of buyer prospect to the table that is preapproved, motivated and far more committed to the home buying process than other buyers brought to the table by other buyer specialists.

:: Coming Soon Listing™ ::

Having work to do on a home, waiting for a job transfer or school to end and dealing with other instances that could delay putting a home on the market doesn't mean that sellers should miss out on opportunities to build a ground swell of excitement about their home when it finally hits the market.

The solution for these situations is the Coming Soon Listing™ program where sellers can put a sign in their front lawn, have the Coming Soon rider on the sales sign and have you, as an expert, field calls and start incubating buyer leads to have some of them ready to see the home as soon as it's available for sale.

The benefits to the seller are:

- It costs nothing to put it in place.

- Buyers will find out about the home sooner and could be willing to wait until it's ready to be shown.
- It gets the seller's home on the Internet and into the public awareness sooner so that there is less ramp up time prior to the home getting shown when it's the right time.

This tool is also an excellent way for you to get in the door prior to other agents, in order to secure the listing with little to no competition. You have the opportunity to meet with the seller, let them finish what they have to finish or wait what they have to wait for and still get the listing for your business...even when many other agents can't get in the door.

For an example of the Coming Soon Listing™ VIP Seller Pre-Marketing Agreement, flip to the end of this section.

:: Open House on Steroids ::

There are many classes of buyer leads you can bring to the table for your listings: internet, print, sign call, open house, referral, etc. Among all of them, though, the best and hottest of the leads are those that come from what we call "feet on the street" – buyers who are out, driving around, looking at houses, taking down numbers, grabbing property brochures and following open house signs to homes.

Yes, the Internet has changed the way people look for homes, but those buyer prospects looking at homes online, sitting at home in their bathrobes are likely not as strong a prospect as buyers who are taking action.

One of the best lead generation sources we've run across over the last 6 years is the Open House on Steroids (OHS). The OHS is a non-traditional open house program that leverages peoples' thirst for distressed properties and desire to see these types of properties as soon as they possibly can. Done properly, the OHS can yield anywhere from 20 to 50 buyer prospects per open house with as many as 100 coming over the period of a weekend.

Implementing the program includes a little planning and some strategy, but the extra time pays off in huge dividends when employed properly. We've attached a checklist for implementing the program for you and you'll find the highlights listed below.

Implementing the program properly:

- Find a vacant, REO property that is moderately close to a main thoroughfare. You want it vacant so you can create urgency about the home needing to be sold and you want it close to a main thoroughfare so you can drive massive amounts of traffic to the property.
- Use the signs as designed in the attachment that is included with this program. Orange and yellow work best. Please don't change the wording on the signs as this will impact the overall effectiveness of the program.

- Put no less than 40 signs starting at least one mile from the subject home and be sure to start the signs at the major thoroughfare like an off-amp or the exit off a main highway. If you can put them out the night before without them getting picked up, that's even better.
- While at the open house, bring someone with you as it is likely you'll need two people to field the volume of individuals coming through the door. If possible, have your lender there to help so he/she can pick up some leads and also to see why he/she would want to partner with you in paying some of your ongoing marketing costs.
- Collect visitors' information and offer them the opportunity to sign up for free access to your house hunter's service that provides a back stage pass to the MLS so they can see all the great deals in the area. Also have them sign up to receive a packet of distressed sales that meet their criteria, which will be emailed to them within 24 hours of them visiting the home.
- Once the open house is over, collect the signs, fulfill your obligation of delivering the services you offered and follow up with phone calls to see who is serious.

Again, implemented as prescribed, the OHS is an amazing buyer lead generation tool for you. Be sure to let your sellers know that this type of open house generates as many as 5 to 10 times the number of leads as a traditional open house...many of which could be good buyer prospects for their home.

At the end of this section, you will find the OHS checklist and below are the details for the signs (pricing and design) to implement the program.



100 Coroplast Sign 18"x24" 1color/1side \$1.5 ea = \$150 (50 left/50 right)

100 Coroplast Sign 18"x24" 1color/1side \$1.5 ea = \$150 (straight)

200 10"x30" double H Wire-stake \$0.85 ea = \$170

Color-coroplast = \$60

second screen set up = \$65

Packing/shipping = \$120

Grand Total = \$715

VIP Seller Pre-Marketing Agreement

The purpose of this agreement is to create more demand for your home by pre-marketing your home to potential buyers and real estate agents prior to the execution of an Exclusive Right to Sell Listing Agreement.

By signing the VIP Seller Pre-Marketing Agreement in advance of the date of when you wish to enter into Exclusive Right to Sell Listing Agreement with The Jay Kinder Real Estate Experts, you shall receive:

- A Coming Soon Sign/Rider for you home
- Pre-Marketing Flyer sent to all Realtors in MLS
- Guaranteed spot in our “Coming Soon” Section of our Published Materials
- Pre-Marketing to over 600 Qualified Buyers in our VIP Buyer Program
- Price and Prepare Your Home to Sell Package
- 100 Business Cards Promoting Your Home
- An In Home Market Analysis to Evaluate Most Competitive Pricing Strategy at time of listing.

Seller is not obligated to sell at any time prior to the execution of the Exclusive Right to Sell Listing Agreement.

The Listed Price shall be agreed upon by Seller and the Jay Kinder Real Estate Experts at the actual time of listing the property for sale.

All parties to this agreement understand that it is the Sellers intent to list the subject property with The Jay Kinder Real Estate Experts.

Seller has the right to sell their home on their own without the assistance of another Realtor. We will handle the sale from contract to close for 3% of the final sales price.

Commission will be determined at the time of execution of the Exclusive Right to Sell Listing Agreement.

The target date for executing the Exclusive Right to Sell Listing Agreement between Seller and The Jay Kinder Real Estate Experts shall be _____.

Seller

Date

Seller

Date

Jay Kinder Real Estate Experts

Date

Open House on Steroids...Checklist!

Selecting a Listing...

Pull an MLS search for bank owned properties 200-325K in the city you are targeting. Make sure you are aware and comfortable with the consequences of violating sign ordinances in the city of your choice. Find a listing that is close to major traffic areas and not too deep into the community. Call the listing agent and explain that you are a buyer's agent who specializes in helping home owners purchase bank owned properties, and one of the ways your find clients is by doing open houses in REO homes. Ask them how they would feel about you doing an open house in their listing. They will be enthusiastically positive or it will be a no. If they say they need to call you back they won't. Just give the your information and keep looking. Do not bother calling HUD listing agents. It is against HUD guidelines to do an open house. Once you found a house do a full evaluation. People are going to want to know if the home is a good deal.

Preparation...

Before you leave the house, separate the three different signs into stacks and put them in your vehicle in a way that you can easily pick up the sign you need without looking at it. When you leave for the open house wear your dress shirt, jeans, dress socks, dress belt, and shoes you can get dirty. Roll the cuffs of your dress shirt enough that they will not touch the stands for the signs when you are handling them. Go through the check off list at the bottom of this page to make sure you are not forgetting anything.

Set Up at the Home...

Drive to house and put a sign on the door that says you will be back in one hour (i.e. Be Back 10:30). It takes about 1 hour to put out signs. Set up your table and chair with all your property information, pens, vendor brochures, and lead forms in case people follow you back to the house when you are putting up your signs. Leave your suit in the bathroom you will be changing in with your dress shoes on the floor under your table. Put 3 signs in the yard pointing toward the house (right, left, and straight ahead unless you are at the end of a cul-de-sac).

Sign Placement...

Put directional signs needed to lead people to the house in the community. Ask permission if putting signs in private yards, and if the residents are not home, leave a note on the door with a business card telling the home owner you will remove the sign if they wish. Go to the main road and turn right. Continue to turn right, make U-Turns, and put out signs until you are back to the entrance of the subdivision. Make sure that signs are approximately 3/10 of a mile apart. When you are close to the end of your route, stop and buy lunch and use the bathroom one last time (make sure you do not mind it cold, since the house may not have a working microwave). Pay close attention to high traffic areas such as grocery or hardware stores. Make sure there are directional signs at all the exits of these parking lots that will get them on the path to your home.

(Open House on Steroids...Checklist! cont.)

After the Signs are Out...

The aluminum stands the signs go on will stain your clothes and hands black. Once you are done staking your signs use your bottle of water to scrub your hands and use the hand towel to dry them off and scrub off any of the black left from the signs. Remove all brochures from the brochure box outside and bring them in to your table. If you do not people will grab a brochure and leave. Leave the “Be Back...” sign on the door of the home while you change into your dress clothes. Replace the “Be Back...” sign with a “House Is Open Come On In” sign. For some reason people will not come in if this sign is not up. Set up your computer and call leads while you wait for guests.

Greeting Guests...

When a guest comes in say, “*Come on in...feel free to look around*”. Some guests will approach you for the free list of homes while some will try to sneak out. If someone tries to sneak out just ask, “*Did you want to get the free list of area homes?*”. If they say no, don’t argue. You will get plenty of leads without “closing people”. People will be surprised that you are not handing them a hardcopy list of area homes. Simply explain that there are over 1000 (or what is true for your area) home within 10 miles of this home that are for sale and there is no way you could print that list out for everyone. You send them a “custom” list that matches their criteria. Also explain that the good homes still sell fast and any homes on the list today that are “good” will likely be gone in 7-10 days. Your system will notify them immediately when a new home comes on the market that matches their criteria. Make them give you a phone number. Explain that you let them decide how often you will follow up with them, but that you do a lot of work finding homes for people and you only want to do it for people who trust you enough to give you their contact information. If they do not want to give you a phone number that is fine. **DO NOT GIVE OUT YOUR BUSINESS CARDS.** If you do, you won’t get any leads. Keep some hidden away for special situations, but don’t give them out unless you deem it absolutely necessary.

Script for Guests Who Fill Out the Form...

“I am going to set you up with two systems. The first will give you access to search all available homes just like a Realtor. The second is a custom list that matches your criteria. If you do not want to use the first system you don’t have to because you will still get the custom list of homes. I will call you one time to confirm you are getting the list and make sure you do not want me to change any of the search criteria. At that time you will tell me how often you want to hear from me. You should get the first email from me... talk to you soon.”

Special Considerations...

The home will likely not have working water, so you will not be able to go to the bathroom. That is what the non clear cup with lid is for, or you could just make a new sign and tape it on the door. It may be impossible to leave to go to the bathroom or get food because of the flow of traffic. You will also get dirty spots on your clothes

(Open House on Steroids...Checklist! cont.)

from the signs which is what the Tide To Go pen is for. Since you may be going to the bathroom in a cup and you will be shaking a lot of hands you will need hand sanitizer.

Lead Follow Up...

Set your leads up in Tiger. Use a generic info email with your contact information explaining to them what you are doing. Also log a phone call with all the data from their lead form with the subject "Open House Lead" so you will know why you are calling them when your follow up comes up. This also keeps it from showing up on the Tiger report that you are not calling your leads back. Build a custom search for them in Prospect Gateway. Try to get it down to around 10 homes that look good and represent good value. Then add them to PG and set them up with the custom list you built. Only add Name and Email to PG since you will be following up through Tiger. Make sure to copy yourself on all their PG notification and change the subject line to include their name, that way when they call you with a question about a property you emailed them you can search your email for their name to find it quickly.

Material Check List:

- Blank Paper
- Black Marker
- Tape
- Table
- Chair
- Computer
- Air Card
- Charger
- Vendor Brochures
- MLS Print-Out
- Tax Print-Out
- CMA
- 50 Lead Forms
- 3 Pens
- Lunch
- Non-Clear Cup with Lid
- 17 Right, 17 Left, 18 Straight Ahead Signs
- 50 H-Frame Wire Stands
- Bottled Water
- Hand Towel
- Sanitizer
- Tide To-Go Pen

Best Practices for An Open House

Have a clearly defined goal – To obtain a new client!

Selecting: A higher than market average price point so to attract higher and better quality buyers. Identify desirable neighborhoods, showing condition 7+, and active utilities: heat, A/C, lights, and accessibility.

Promotion:

List as “Open” in MLS

Email prospects

SOI

Craigslist

Direct mail neighbors a week in advance

Door-to-Door day before invitation, door hanger

Directional Signs morning of...

Helium Balloons

Social Media

Lender / Affiliate Promotion

Reference: Open House on Steroids (previous page...)

Preparation for Open House

- Lights on, candles, music, cookies & beverages.
- Toys for kids.
- Leave door open, “Welcome, Please Come In”
- Next to sign in sheet - Financing Options – down payment, monthly payment
- What is your strategy to turn prospect into client?

Never, ever say: “If you don’t mind, I’d like you to sign in.”

[Let them come in]

[A] Would you like to receive property alerts of any other homes in the area??

[A] “If you give us your criteria, what area, style, sheet: name, address, phone # email & criteria (individual sign in sheet)”

Other idea to obtain name and contact info:

[A] “We have a contest and are giving away a gift card”

Tour through the house pointing unique features or upgrades that they might not be aware of...

Ask; how did you hear about the open house? **“Any feedback I can offer the owners?”**

[Positive]

[A] That's great that you like the home, are there any changes that you would make if you were the owners? What's your ideal time frame? Do you own a home?

[A] Is this property at \$389,000 in your price range? (Seller offer if they own a home)

If yes,

[A] Would you like to see comparables in the area that have recently sold you if you were to make an offer, so you'd be well prepared?

Would you like me to break down the down payment, closing costs and monthly payments on this home for you?

[Negative]

[A] You gave me your basic criteria, but there are actually 172 fields to select the ideal property, and at our office. Would that be useful?

And if we knew precisely what you're looking for, you can receive only those that match including Bank Foreclosures, Corporate owned, recent price reductions, approved short sales, vacant and homes not yet listed that are soon to be coming on the market... When is a good time to get together with you so we can you set up to receive these updates?

[A] They include real time updates...so, within minutes of a new listing hitting the market first name, you will be immediately notified of that property... You'll know about before other buyers do and often times before real estate agents do..."

[When they say yes....]**Offer:**

[A] This open house ends at 4:00, can you do 4:30 today? What's a good time?

Negotiation

“The art of negotiation is a powerful tool that most real estate agents don’t possess. Most agents need to sell your home worse than the home owner does making their advice biased and shaving points off the seller’s net proceeds check.”

Law #6 :: Law of Negotiation

:: Overview ::

Herb Cohen, a master negotiator with over 30 years of negotiation experience including being actively involved in the negotiations that settled the NFL players’ strike, the release of the hostages in Iran, the General Motors Chevymobile litigation and participating in the START Arms Control Negotiations with the Soviet Union, defines negotiation in this way:

“Life is a constant series of actions where we attempt to influence others. We seem forever absorbed in trying to get people to agree with us. Whatever the case or cause, whenever you communicate with an objective in mind, engaging in social exchange to affect someone’s attitude or behavior, you are playing the negotiating game. Like it or not, your attitude and actions have the potential to determine the nature of a relationship, the distribution of available resources and the satisfaction of those involved.

Above all, negotiation is a pervasive process in which people ultimately attempt to reach joint decision on matters of common concern in situations in which there is initial disagreement. Thus, a negotiation always requires both shared interests and issues of conflict. Obviously, without commonality there is no reason to achieve resolution. So without discord there is nothing to negotiate about.

[Negotiation and negotiation strategies comprise]...a seamless web that is always ‘in becoming’. When we are first aware of conflict[,] the fabric is already on the loom. By the same token, where relationships are continuing, the tapestry is never fully completed.

In short, this process is universal - woven into the fabric of our business and personal lives.”

If you are going to be a true real estate expert, your negotiation tactics and your ability to execute them must be sharp. Anything short of that, and you are doing your clients and yourself a disservice.

Your negotiation skills and experience are a key element of your listing presentation and what you bring to the table for your sellers. It's extremely important that you be able to articulate the value of your negotiation skills to your sellers as part of the complete package when they hire you.

:: Preemptive Negotiation ::

If you've ever flown on a plane and read SkyMall™ magazine, then you've probably seen Chester Karrass' professional negotiation programs for sale to the public. Karrass has an interesting, but solid attitude towards negotiation in the business world: "In business, you don't get what you deserve, you get what you negotiate."

If you want to be in the driver's seat when getting the price of your sellers' homes accepted while at the negotiating table, then you'll enjoy preemptive negotiation. Preemptive negotiation is exactly what it says it is – you preempt, or intervene ahead of time, to prevent something from happening.

The Certified WISE Buy™ program is a form of preemptive negotiation. You have your seller take care of all the details regarding the inspection, provide a home warranty for extra protection and peace of mind, have the home appraised to be certain of the sales price and stage the home so that it shines when it's shown.

By doing this as part of your listing strategy, you are essentially removing all or most of the issues that normally arise during the home selling process and preventing the buyer from coming up with ways to negotiate the price down and create headaches along the way.

Determine what challenges you will face ahead of time and remove the obstacles that cause them. It's preemptive negotiation at its best.

Remember, sellers are immediately at a disadvantage when negotiating if the offer they receive is lower than asking price. You need to arm them so that they can keep the sales price as close to what you told them it would be at the initial listing appointment.

:: Highly Trained Negotiation Experts ::

The term highly trained negotiation expert means that a person has gone through rigorous coursework, a tremendous amount of practice and failed many times along the way until he/she figured out how to successfully negotiate in virtually any situation.

As an expert, you need to have received significant additional training on negotiation and maybe have gone as far as becoming a Certified Negotiation Expert with the Real Estate Negotiation Institute. Any certifications you can get for your business increase your credibility and value with your listing clients and prospects. It would be helpful if you were able to demonstrate the highest level of negotiation expertise to your clients in

securing their commitment to help them sell their home.

Highly trained negotiation experts are unattached to the outcome, unemotional during the negotiation process and are willing to walk away from the negotiation table in order to get their sellers the best deals.

:: Positioning ::

As a negotiation expert, you are able to position every situation that arises in such a way that you can negotiate the best possible result for your sellers. Your sellers need to know that you can handle any scenario that is thrown at you like a professional and get them as close to what they want for price, terms and conditions at the end of the day.

By being a negotiation expert, you can make positioning statements that help:

- The seller feel more comfortable in hiring you in a dire situation.
- The seller understand exactly what's coming down the pike for them on their home sale.
- Get the buyer and/or buyer agent to “spill their guts” to you about what they're willing to pay and do to get your seller's home.
- Manage seller expectations about what kind of buyers are likely to come to the home and how the negotiation strategy is likely to pan out.
- Put your sellers in a prime position to get the price their looking for without having to compromise on what they want.

Positioning is a key element of being a good negotiator and a strategy that you'll need to master as an expert.

:: Straight Line Negotiation Method ::

This method speaks for itself, too. In a straight-line negotiation, you focus on the bottom line and work towards getting that result; and nothing more. With the straight line negotiation method, you work from a position of abundance, but have your “opponent” focus on scarcity so as to get them to see how beneficial it is to do business with you.

In order to properly implement the straight line method, you need to be able to walk away from the negotiation table. And, while it's not an all or none negotiation strategy, the straight line method doesn't leave a lot of wiggle room in many cases.

:: Peace Treaty Mindset ::

Having a peace treaty mindset probably requires the best negotiation skills out of all the methods we mention here. With the peace treaty mindset, you negotiate for what you want for your client, but make your “opponent” feel like he/she is also getting what they want. Properly implementing the peace treaty mindset means that you plant seeds of

success for your opponent ahead of time so that they grow into leverage points later on down the road in the negotiation.

Here's an example:

Your seller wants a higher price on the sale of the home, but the buyer doesn't want to budge on the home inspection issues. Before you even got an offer, you told your seller what the inspection might do to their negotiation strategy, how the buyer might approach the issues and got them to commit to a few minimal and insignificant inspection issues to give the buyer and buyer's agent some victories down the road.

While negotiating with the buyer and buyer's agent, you then tell them that if the buyer will come up on the price, the seller will fix X, Y and Z in the home. Thinking that they got a victory and won a concession (that you were already planning on giving up) will make the buyers more conciliatory and willing to work with you on price.

The peace treaty mindset is rooted in a win-win approach that has both parties leaving the table with a smile on their faces.

:: Home Inspection "Deal Killers" ::

You put the deal together from a pricing perspective, the concessions work for your seller and the buyer and the closing date and contingency dates look good. You want to give yourself a pat on the back, but that sinking feeling keeps bringing you back to reality. What happens if the home inspection comes back and it's awful? Is this deal going to fall apart?

With some listings, you know once you step into the home that the inspection is going to be an issue. You can see how the sellers have (or have not) taken care of things and there are clues that the inspection won't go well. It's part of the job and we, as agents, accept it as such.

With other listings, it's kind of a wolf in sheep's clothing. The home looks nice, it's well cared for and everything seems like it's going to work out well, until "IT" happens. "IT" is the furnace needing to be replaced, the septic system failing and needing to be replaced, a giant pest infestation that nobody has seen for 5 years and any other number of "deal killers" that can spring up unannounced.

The good news is that you can head these "deal killers" off at the pass by having the home pre-inspected. This strategy is part of a larger negotiation approach called preemptive negotiation and it provides your sellers with the opportunity to fix items that come up during an inspection before the buyer finds out about them.

The benefits of the pre-inspection are many:

1. A seller will save approximately \$7 for every \$1 dollar of repairs that the buyer would normally find. This savings happens because the seller, in many cases, can fix an issue himself/herself and not have to pay a professional to do it.

2. The seller will have the peace of mind that although another home inspector might find an issue or two, nothing big will likely come up to derail the sale.
3. The negotiations on price are limited to the actual selling price and any known defects that haven't been repaired. The buyer will see the pre-inspection at the time of his/her first showing and will see what came up and what has been repaired, preventing a second-level assault on the price after the buyer does the inspection.
4. It can save the buyer time and money, too. If the buyer chooses to use the seller's home inspection, the inspection contingency can be removed and the buyer won't have to pay for a home inspection.

Unfortunately, if your sellers won't do a pre-inspection, you're left at the mercy of the buyer's home inspector and the results that he/she provides. As such, it's best to arm your seller with what could come up during the inspection and get their agreement on what they may or may not be willing to do if the issue arises.

Also, if you see a major issue that you know is going to make the negotiation surrounding the home inspection ugly, you are best served to take the time to soften the blow for your sellers and help them get their head around what the buyer might be looking for.

As with everything in life, there are no guarantees. You could have the seller do a pre-inspection and the buyer's home inspector could still find an issue that kills the deal because the buyer is scared to death. That said, it's a lot less likely to happen if you handle those issues ahead of time and get your sellers to do a pre-inspection.

:: Reverse Offer Strategy™ ::

This strategy is for the home that everyone wants to see, but nobody wants to make an offer on. Instead of waiting for the "right" buyer to make an offer on one of your listings, you have the seller make an offer to a buyer who has seen the home a couple of times or seemed very interested the one and only time he/she has seen it.

It's fairly simple to implement:

- Agree on an offer price with your seller – a price that they are willing to start with and possibly negotiate down from if necessary.
- Put the offer together with some standard contingencies, plus any concessions the seller is willing to make on repairs, closing costs, etc.
- Provide a pre-inspection report, appraisal, staging review and any other documentation that you can to provide back up and research on how you arrived at your offer price.
- Present the offer and negotiate your butt off.

Like everything, it doesn't work all the time. That said, it shows your sellers that you are

committed to getting their home sold and it brings buyers back into the fold who may have wanted to make an offer but did not because a) they didn't have a good agent who could lead them to their own conclusion that it was a good home on which to make an offer or b) they were holding out for what they thought might be a better home, but never ended up finding one.

It's a great strategy and one that could net you a few more sales each year when employed properly.

:: Price Reductions ::

Introducing the new Home Pricing Crystal Ball, for use at all listing appointments to help you price homes with the accuracy of a trained assassin. Now available at WalMart, Target and in any dream you're having on any given night.

It would be great to see into the future so that we knew at exactly what price all of our listings would sell the moment we listed them, but alas, the crystal ball is not going to be available at any retailer any time soon.

Knowing this, we need to rely on good old negotiation strategies, smarts and a solid understanding of what it takes to lead sellers of overpriced homes to their own conclusion when it comes to reducing the price of their home to get it sold.

Here are some scripts and dialogues you can use when you need to get a price reduction on overpriced homes:

1. What's the best way to catch an elephant?

Dig a hole in front of the elephant and let it fall into the hole.

In real estate terms, the best way to get price reductions is to plan for them and manage seller expectations while you are at the kitchen table...long before you'll ever need to actually reduce the price.

"Mr. and Mrs. Seller, as you know, the market sets the price at which your home will sell and tonight, I'm confident that you've settled on a price at which the home should sell to meet your time frame. In the event that the price is off a little bit, we're going to review it every 3 weeks to be sure we are keeping your home priced well versus the competition in your price range. If we need to reduce the price of your home at that time, we will look at the market trends report and see what the best course of action is at that time."

2. The power of IF.

In order to be elegant in your approach to handling price reductions, it's important to soften the blow when asking the seller. Be tough on the problem and soft on the person.

“Mr. Seller, when we first listed your home, I was confident that we had it priced properly. Unfortunately, as time has passed, it’s clear that we’ve missed the mark. (Pull out statistical data to support your price reduction request.) As you can see by the number of homes that have sold in your price range in the time since we listed your home, the price appears to be a little on the high side.

“Let me ask, if we received an offer of \$XXX,XXX (use the price at which you’d like to see the home priced), would you be open to working with that offer? Yes. Great

“May I make a suggestion? Great.

“Let’s lower the price of your home to that price and let’s hold firm and not take a penny less.

“Does that make sense? Great.”

3. Let’s share the pain.

It’s important when dealing with sellers that you put things in terms so that you can empathize with their situation. This script is really for use with the toughest of sellers that have been resistant to reducing their price. Again, be hard on the problem and soft on the person.

“Mrs. Seller, unfortunately, your home hasn’t sold and it appears that the market is being tougher on home prices than even I could have imagined. (Pull out statistical data to support your price reduction request.) As you can see by the number of homes that have sold in your price range in the time since we listed your home, the price appears to be a little on the high side.

“Unfortunately, the longer your home sits on the market, the more likely it is not to sell. When buyers see a home on the market for a long time, they come to believe that there is something wrong with the home – even if there isn’t actually anything wrong with it at all. And that’s the painful part of selling a home and I’m sorry that you have to deal with it in this case.

“When we first met, I told you that when you win, I win and when you lose, I lose. In order to get your home sold, we’re going to need to reduce the price of your home to at least \$XXX,XXX. If you’re willing to take the reduction in price, I’m willing to accept that I’ll get a lower fee in the transaction and I’m willing to keep investing my money to get it sold.

“Let’s agree today to reduce the price of your home to \$XXX,XXX and hold firm at that price when an offer comes in. Yes you’ll be accepting less for the home, but in the end, you’ll get it sold and have the chance to move on to your next home. I’m willing to spend the time and money on getting it marketing, so you have my commitment to do my part.

“Does that work for you? Great.”

For many of us, there is a veritable gold mine of sales in our current book of listings. Don't let fear overtake you. Spend some time each week calling your sellers to get price reductions, as necessary.

Execution

“The real estate industry is the only industry that has failed to employ proven systems that provide a repeatable consumer experience and Certified Home Selling AdvisorsSM are the only real estate agents trained to execute it.”

Law #7 :: Law of Execution

:: Overview ::

Our biggest strengths are often times our biggest weaknesses. One such case where this is true is when it comes to being independent.

The strength: we're independent and can do everything ourselves without anyone's help. Give us the job and we'll make it happen, no matter what. Nobody can do it better than we can because we're the best at it.

The weakness: we're so independent that we work ourselves ragged trying to do everything ourselves without stopping to get help. We drop balls, let things slip through the cracks and end up providing sub-par service to our clients. Because we are control freaks, we don't turn anything over to anyone else and work even more than we should, making less money.

The Law of Execution requires that we give up our independence and be willing to allocate our resources to create a better quality of real estate transaction for our clients and a better quality of life for ourselves. It means that whether you are single agent or a mega producer, you continually look for ways to leverage yourself to be more productive, grow your business and create the life that you truly want.

No matter where you are in your real estate career, you can follow the tenets of the Law of Execution and show your seller prospects why and how you execute a complete real estate transaction and process better than anyone else in your marketplace.

There are four main parts to the Law of Execution:

1. Market Research Team

2. Pre-Listing Team
3. Marketing Team
4. Closing Team

:: Market Research Team ::

The Market Research Team consists of:

- Inside Sales Consultant
- Real Estate Expert/Account Executive
- Certified Pricing Expert (CPE)
- Client Experience Manager

Your market research team provides the conduit for locating seller prospects, securing their business, pricing their home properly and ensuring that sellers get fully-personalized, world-class treatment for the entire time they are your client. Each department communicates with the other to ensure sellers' needs are met at the highest level.

If you are a stand-alone agent, having any one of these positions filled on your team might be cost prohibitive. That said, you can leverage a low-cost, overseas provider to help with client service by giving seller feedback and handling calls while you are in appointments.

:: Pre-Listing Team ::

The Pre-Listing Team consists of:

- Professional ASP Staging Service
- Pre-Inspection Professional
- Home Improvement Team
- Home Cleaning Team
- Storage Facilities
- Moving Truck

The pre-listing team is your turnkey solution to making sure sellers' homes are in the absolute best condition they can be so you can properly position them in the market. Each member of the team has a job that supports the others so that together, they provide your sellers with amazing service and the consultation and advice they need to make the right decisions prior to listing their home for sale.

The good news here is that all of the members of this team can, and will usually be external providers who have negotiated special rates for your sellers to get them the best deal on each of their individual services.

:: Marketing Team ::

The Marketing Team consists of:

- Listing Coordinator
- Marketing Director
- Photographer
- Sign/Courier
- Lead Coordinator
- Sales Trainer/Manager

The marketing team ensures that your sellers' homes get a comprehensive marketing and advertising strategy that's implemented quickly and seamlessly. Each person on this team does his/her job and passes the next phase of the marketing process until the entire procedure is complete. The sales trainer/manager and lead coordinator work to ensure all leads that come in for each listing are handled quickly and professionally.

Some of these services like sign, courier and photographer are offered by one-stop-shops in many areas around the country. Usually, the services are cheaper because they are bundled and as a result, are more affordable for those on a limited budget. Again, you can use an offshore virtual assistant who can do much of the posting and marketing for your listings at a fraction of what it would cost you in the United States.

:: Closing Team ::

The Closing Team consists of:

- Closing Coordinator
- Certified Negotiation Expert (CNE)
- Mortgage Expert (CME)
- Title and Closing Expert
- Legal Expert

The closing team is there to make sure that all the I's are dotted and the T's are crossed before the next step in the process – the closing – happens. Each member of the team has two goals: 1) provide excellent customer service and 2) give that service at the best possible price and terms for the client's particular situation. The members of the closing team work closely with each other to ensure that nothing falls through the cracks, so the seller's transaction can close on time, without a hitch.

Your mortgage, title and closing attorney are likely external providers and should be a source of income, instead of expense, for you. In most places around the United States – and even overseas – you can find a virtual assistant who can provide closing services for a very realistic price.

Although it's not listed as a particular part of the execution team, your vendor partners

:: NOTES ::

Lined area for notes.



Law 1: The Expert Advice

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 1 – The Expert Advice

:: Overview ::

Buyer agency has been around only 20 years or so, yet it remains the absolute best way for buyers to take ownership of a home and enjoy the process, because they got the best price, terms and conditions possible along the way.

Additionally, about 85% of buyer prospects only meet with one agent before they buy a home, which means that they absolutely need to make sure they have an expert on their side if they want to end up with the very best home for their specific situation.

And that's where you come in.

As a Certified Home Buying Advisor® (CHBA), you have a plan to manage the more than 80 different variables that make up the entire home purchase process. And, while your CHBA qualifies you to do more for your buyers than any other agent in your marketplace; with respect to the amenities and services you can offer them, it also requires you to remain a student of your craft and market to continue honing your expertise as the market and client require change.

Under Law 1, Expert Advice, it's your responsibility to articulate what your level of expertise is, and why it matters to your buyer clients at the end of the day. More importantly, you need to be able to demonstrate what a Smart Home Buying Strategy™ is, and how by combining it with the expertise you provide; you deliver an unparalleled home buying experience and process to your buyers.

Here's what you need to know to master the first law:

:: Smart Home Buyer Strategy ::

As an agent, you must know at a minimum that buyers want three things when they buy a home: selection, price and convenience. If you can operate under those three basic assumptions, then you're already miles ahead of your competition.

The Smart Home Buying Strategy™ takes those three wants a step further and helps you develop a specific plan to help buyers with determining, at the outset, exactly what needs to happen in order for them to get the home of their dreams at the best possible price.

Within the Smart Home Buying Strategy™, you must be able to get the answers to, and details surrounding, these essential elements of the strategy:

- **Determine Timing and Motivation:** Why are they buying, and when do they want to be situated into a home? The more specific you are on these two issues, the better results you'll get.
- **Evaluate Needs and Wants:** Use the buyer counseling interview to dig deep and find out exactly what your buyer's needs and wants are to do the absolute best job for them.
- **Out of Pocket Expenses:** Most buyer agents mention that there will be costs for home inspections, water and sewer inspections and appraisals...but they don't cover the costs. Combined; out of pocket expenses can easily cost more than \$1,000 and potentially hamper a buyer's ability to purchase a home.
- **Financing Needs and Pre-Approval:** Your lending partner needs to be on his/her game and must get your buyers the best financing program for their needs. Not just any lender will do when it comes to your clients.
- **Perfect Lifestyle Neighborhood Profile:** What are the 'wants' and 'must-haves' of the buyer when it comes to the location of schools, shopping, restaurants, etc. The proximity of these desires in relationship to the home makes a difference to almost all buyers.
- **Quality of Life Home Profile:** How many, what types and the variety of restaurants, hospitals, schools and shopping centers are also important. Being close is one thing, having options and selections is entirely different.
- **Set Expectations:** Most buyer agents will let their buyers drive the process, which leads to phone calls and emails at all hours of the day. Pre-frame the process and let your buyers know what to expect as part of working with you and buying a home, to avoid unnecessary communication and unmanaged expectations.
- **Customize Plan:** Make your programs and systems fit the needs of your clients and the home buying process will be efficient.

Once you have this blueprint mapped out, it's important to help your buyers understand that buying a home is more than just finding a place to live...it's an investment.

:: Real Estate as an Investment ::

I bet if you took an informal poll of the buyers in your marketplace, you'd find that many of them don't think of the purchase of their primary residence as an investment. This is unfortunate because with the right direction, information and strategy, any home buyer could purchase the home in which they are going to live, and still put themselves in the position to profit from the purchase...even in as little as a year.

To be an Equity Buyer, you need to remove the emotional aspect of buying the home as much as you can to look at the home objectively. The better job you do, as an agent,

to get your buyer to look at the home through the eyes of an investor, the more likely it is that he/she will do the right thing when it comes to making an offer.

It's also important to get your buyer to future pace their purchase to see what the possibilities are for the home down the road. With most home owners still changing homes every seven years or so, it's crucial that you get your buyers to consider:

- **15-Year Mortgage vs. 30-Year Mortgage** – Get the shorter term loan with the higher rate if you're not going to be there for 30 years, so you can build equity faster.
- **Long Term Hold vs. Short Term Hold** – Living in the home for less than 3 years may mean that they don't buy a home at all.
- **Buy First vs. Sell First** – Help your buyer make a good decision when doing both to ensure that he/she maximizes the equity on the home that sells, and scores an equity stake on the day that he/she takes title.
- **Rental Property** – Is this a home that could be rented out down the road? If so, the price, terms and conditions need to be favorable enough for the buyer to make a monthly profit on rent in the future.

:: Market Intelligence ::

Only looking at the prices of homes currently listed on the market, pending or sold when determining the purchase price for your buyer's home would be akin to driving down the road without looking in your rearview or side mirrors to navigate traffic – it's irresponsible and dangerous.

There are approximately 24 outside threats that need to be considered both locally and nationally when helping buyers formalize and offer price on the home they want to purchase. Each specific threat provides a new piece of information that completes the puzzle.

Here's a look at the list:

1. Economic Indicators
2. Trends Analysis
3. Interest Rates
4. Loan Programs and Loan Program Qualifications
5. Seasonal Advantages
6. Local Market Conditions
7. Micro Market Conditions
8. National Market Conditions
9. Absorption Analysis
10. Inventory of Corporate Owned Homes

11. Inventory of Short Sales
12. Inventory of Foreclosures
13. Rental Housing Vacancy Rates
14. Builder Confidence
15. Shadow Inventory
16. Inventory Fluctuation
17. Rent vs. Buy Trends
18. Market Stability
19. Knowledge of Co-op Agents' Negotiation Strategy
20. Knowledge of Mortgage Options
21. Knowledge of Appreciation Rates
22. Knowledge of Inventory

Now, each threat may not be a major threat in your market. You may have little to no rental properties in your marketplace and no new construction. You could be in an area where there is no shadow inventory or high vacancy rates.

That said, it's important review this list with your buyers during the appointment and identify those threats that do apply and give concise, coherent information as to how the threats that do apply can, and will impact the price that they offer on the home.

The better job you do covering these details upfront, the easier it is going to be to get them to agree to the price you suggest at the end of your presentation. Conversely, the less detail and information you provide, the harder it will be to get the home priced properly to sell in a reasonable time.

Please heed this warning...it's probably one of the best pieces of advice you'll get when it comes to pricing a home correctly in your market.

:: Future Homeowner Responsibilities and Cost ::

You must know the difference between a 15-year mortgage and a 30-year mortgage. A 15-year mortgage will have a slightly higher rate, but you'll build equity faster. The 30-year mortgage will have a lower rate and payment, but it takes longer to build equity.

Here's what a buyer needs to know: In the end, your financial situation will determine the right mortgage term. If you can make the higher payment, have a substantial emergency fund, and can meet retirement and other savings goals, a 15-year mortgage is a good way to own a home in half the time and pay substantially less interest.

If just one of those conditions isn't met, or if you are somewhat comfortable with debt and risk and wish to get a higher rate of return with other investments; the money saved each month with the 30-year mortgage payment may be better used elsewhere. You can always send in extra payments if you have the discipline.

Law 2: Future Homeowner Responsibility

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 2 – Future Homeowner Responsibility

As agents, many of us tell our buyers that buying a home is a huge responsibility, but few of us detail what those responsibilities are in such a way that our prospective buyers understand them prior to buying a home.

Under the Law of Future Homeowner Responsibility, it's your job to relay to your buyers the various costs and expenses associated with owning a home now, and well into the future. As well, you also need to show them how to offset these expenses and protect themselves from surprises and larger expenses down the road.

Within your arsenal of tools to help your buyers under this Law are pre-emptive negotiation strategies like home warranties and specific negotiation tactics that you can employ as part of the home purchase process.

Helping buyers get a good deal on a home goes way beyond the initial offer and price negotiations. As a CHBA, you have the ability to implement strategies now that will serve and protect your clients for the many years they live in their homes after the initial purchase.

:: Future Home Maintenance Costs ::

The initial discussion that a lender has with a buyer usually includes the mention of a Good Faith Estimate (GFE). While the GFE is helpful in showing buyers what they can expect with respect to principal, interest, taxes and insurance (PITI); it doesn't do much to illustrate what sort of expenses the buyer will incur weekly, monthly and annually – over and above PITI – while they own the home.

Your job as a CHBA is to delineate these various expenses with your buyer to help them prepare financially (and mentally) for the full expense associated with owning a home. Your conversation about these items is especially important with buyers who now rent and are buying a home for the first time, or buyers who are moving from a smaller home to a larger home. Both types of buyers will almost assuredly experience a significant increase in these ancillary costs once they move into their new home.

While there are many costs that can, and will arise during the home ownership process, here is a list that we think is most important to cover:

- **Heating and Cooling Costs** – Will vary based upon size of home, age of HVAC equipment, climate and personal heating and cooling preferences.
- **Age of Appliances** – All appliances have a shelf life, but none are guaranteed a day past their warranty. Older appliances could need replacing sooner rather than later.

- **Utility Cost Analysis** – Is the cost of the utilities prohibitive for your buyer?
- **Homeowners Association Dues** – Not usually very expensive, but an annual cost that needs to be tended to.
- **Lawn and Landscape Maintenance** – The Homeowners Association has minimum standards for how the yard is supposed to be maintained, making it mandatory that the yard be taken care of regularly.
- **Hazardous Weather Costs** – Wind blows down fences, hail damages roofs and floods ruin floors. Your buyer may not be on the hook for the whole replacement cost, but he/she will have to pay the insurance premium for sure.
- **Security Systems** – An ounce of prevention is worth a pound of cure (and about \$99 a month for a security system).
- **Property Taxes** – The amount will fluctuate annually based upon valuations. Buyers need to be prepared for a shift in either direction.

These are all normal costs, but your buyers need to know what they are and how much they can cost when they make an offer on a home. Failing to disclose this information to your buyers could put them in a huge bind after they close.

:: Home Warranty ::

The home warranty is a low-cost, pre-emptive strategy that protects both the seller and the buyer.

If the seller is willing to help the buyer by purchasing the home warranty, the chance that the buyer comes after the seller after the sale for a problem that is covered by the home warranty decreases exponentially.

As well, the buyer is usually more comfortable with the home purchase and tends not to be as nitpicky on the home inspection knowing that there is coverage.

In the end, you'll negotiate to have the seller pay for the home warranty, or pick up the tab in the event that the seller isn't willing to do so. Please notify the buyer that you'll gladly pay for the home warranty, as long as you are able to negotiate a full fee for yourself.

Absent that, based upon the circumstances, you can offer the buyer a reduction in fee or the home warranty, but not both.

Remind the buyer that the home warranty could save them as much as \$1,059 during the first year of owning the home. That figure represents the average first-time repair that a homeowner needs to make after purchasing a home.

:: Home Inspection ::

The home inspection is THE number one deal killer when it comes to buying and selling a home. Having a home inspection minimizes surprises down the road, and also gives the buyer the chance to head back to the negotiation table in the event that unknown defects are discovered.

Here's one of the main key ways to successfully negotiating a home inspection: make one presentation of requests to the seller only after you've gathered all the inspection data from the various inspections you are performing.

In a good negotiation, you want to keep the other party involved and calm at all times. Submitting various requests for things to get fixed or paid for tends to have a sandwich effect that can annoy the seller and make him/her not want to deal with the ongoing parade of issues that are being discovered.

Now, we are in no way suggesting that you don't ask for the things you want to have resolved. Rather, we are suggesting that you submit one page of issues to the seller and highlight the 'must-haves,' so the seller can focus on the biggest issues at hand in an effort to get them all resolved. To execute this successfully, you truly need to present the issues all at once, and negotiate from there.

Remember, the only way to truly negotiate and get the results you want is to have walk away leverage. If you aren't willing to walk away if you don't get what you want... you may never get what you want.

:: Lifestyle and Quality of Life Choices ::

Finding the right home for a buyer is more difficult than you might think, especially when you take lifestyle and quality of life choices into account.

The question you need to ask your buyers, in addition to where they want to live, is how concerned are you with the location of: hospitals, restaurants, shopping malls, gyms, schools, etc?

Some buyers won't care, while others will care a lot. In either case, it's incumbent upon you to do your due diligence and secure this information prior to showing homes to a buyer. It's hard (and expensive) to find out that the home you just purchased is in a nice neighborhood, but not in a location where you would enjoy the other aspects of your life as much as you want.

Taking a few minutes at the outset of the buyer counseling interview will go a long way to ensure that your buyers love the location of their home...and everything around it.

Law 3: Home Equity Swing

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 3 – Home Equity Swing

:: The Home Equity Swing ::

The home you live in can easily be considered an investment if you buy it the right way.

At the end of the day, you want to find your buyers the best home on their terms. Having a strategy that approaches the process as an investment helps them control and manage The Home Equity Swing and produce the best results for their specific situation.

The Home Equity Swing is most easily defined by the total amount of equity a buyer has between the sale of their existing home and the purchase of their next home.

If they sell their home for a great price and then buy a home for a great price while getting an excellent mortgage with a great rate and terms, then the swing is a large one because they maximized their current and future equity positions well.

If, on the other hand, they don't leverage their equity on the sale of their home, buy their next home at the best price and get an average to bad mortgage, the swing is smaller.

Your goal as a CHBA is to get them as big a swing as possible when selling and buying. A CHBA knows how to maximize buyers' equity at all phases of the process and make the swing go heavily in their favor.

The equity generated on a home purchase is what makes buying real estate a great investment over time. A lack of equity is what, most often, prevents homeowners from selling property when they would want to and when the timing is right.

Your buyers' equity in their next home will be elastic to many variables that you, as the expert, must consider and control. Many of these factors come into play before they have even picked out the home they want to buy.

The term home equity is the market value of a home owner's unencumbered interest in their real property. That is, the difference between the fair market value and the outstanding balance of all liens on the property.

A property's equity increases as the debtor make payments against the mortgage balance and/or as the property value appreciates.

Homeowners acquire equity in their home from two sources: 1) they purchase equity with

their down payment and the principal portion of any payments they make against their mortgage, and 2) they secure a gain in equity when the value of the property increases.

Investors typically look to purchase properties that will grow in value. This causes the equity in the property to increase providing a return on their investment when the property is sold.

Remember this when advising your buyers which home they should buy and how much they should pay for it: overpaying for a home is not only a preventable mistake; it is one of the most common mistakes made. Unfortunately, it is never realized until it's too late or, even worse, never realized at all.

Negotiation, also, plays a very important part of the Home Equity Swing, especially when it comes to not overpaying for a home. As a CHBA, you are required to look out for your clients' best interests and ensure they don't overpay for their next home. The pain of this mistake can be magnified when dealing with new construction because the builder's sales rep's compensation, bonuses, and promotions are all driven by the profit from their sales efforts.

It's a fact that the new home builder's sales rep's ability to be nice, polite, and listen to your needs is a function of their training. The more you pay for new construction, the more the sales representative makes – they know this going into the negotiations with you.

Don't be fooled - home buyers looking into new construction benefit when dealing with a local Expert Advisor.

The Home Equity Swing is impacted by overpaying for a loan.

Have you ever wondered what causes home buyers to overpay for their home loan? More importantly, do you know how to prevent this from happening? Well, there are many things that cause this to happen and your job as a CHBA is to make sure it doesn't.

The most overlooked opportunity to prevent this from happening is getting a lender to give the buyer a Good Faith Estimate (GFE) before divulging their social security number and paying for a credit report.

A GFE is a form that lists the terms and all the costs of the home loan. Getting the fees associated with the loan disclosed and stated upfront, even if the lender comes highly recommended from a friend or family member, is always the best practice. Being a comparison shopper will also discourage most lenders from tacking on inflated and junk fees.

As a CHBA, you need to help your buyers make heads or tails of all the fees associated with buying and owning a home. Since most home buyers obtain financing, having

someone knowledgeable about costs and the little things that could 1) potentially lower their interest rate, or 2) make the most beneficial loan programs available, can have a very real impact on the Home Equity Swing.

You can also help your buyers accelerate and maximize The Home Equity Swing by buying a home under market value. Having a home search process that allows your buyers to identify and segment certain listing types is the best place to start. A few types of home sellers that might be willing to sell their property below market are:

- Bank Owned
- Short Sales
- Distressed Sellers
- Divorce
- Days On Market
- Vacant Homes

There are also a few other variables associated with the home loan that accelerates your equity over time including:

- Buying down interest rates
- Local and National home buying incentives; like grants and loan programs
- Mortgage Acceleration Programs
- Increasing your down payment

There are many more. With situations like these, as the old saying goes, “An ounce of prevention is worth a pound of cure.”

Preventing these mistakes is just one part of the process. If you really want to help buyers maximize this opportunity, you can't stop once you have found the perfect home and have the perfect loan.

You must go through every facet of what makes The Home Equity Swing as big as possible to get your clients the best results.

Law 4: Finding the Ideal Home

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 4 – Finding the Ideal Home at the Right Price

What you don't know before buying a home can hurt you...a lot. Missing something during a title search, home inspection, property tax research session or even a walk-through could cost your buyers thousands and make the cost of your Errors and Omissions insurance swell up. And, if you miss something really big, it could cost you your real estate career.

In Law 4, you'll get the details regarding the land mines that you'll need to navigate to help your buyers get the home they want without a huge headache, because you caught all the mistakes before they sign their name on the dotted line.

You'll also see the ancillary, but often overlooked, aspects of helping buyers make the right home choice, like quality of life and lifestyle choices. These facets not only take into consideration the location of the home within a specific neighborhood, but also within the proximity of important places such as shopping malls, hospitals, schools, etc.

After that, you'll understand the "unfair advantage" that you bring to the table when working with buyers who want access to distressed sales, foreclosures, vacant homes and other hot opportunities in your marketplace.

:: Hidden Landmines ::

"An ounce of prevention is worth a pound of cure." - Ben Franklin

As a real estate agent, you have a big job: help someone who knows virtually nothing about a buying a home, and take them through the entire process without blowing up what is likely their biggest investment. Often times, we minimize what we do as agents, but one mistake could prove to be very costly to both the buyer and you.

Here's a list of hidden land mines that you must ensure that your buyers avoid at all costs so they can enjoy their home, worry free, for a long, long time.

- **Hazardous Waste Sites/Landfills** – This one speaks for itself. That said, you don't want to just know about current proximity, you also want to know if one is being put in nearby in the future.
- **Property Liens** – Don't leave it up to the Title Company; do a little research at the tax office before you get too far into your negotiations. The sooner you do the research, the better position you can be in during your negotiation process. Very little hurts more than a lien that was discovered at the 11th hour just prior to closing.

- **Flood Plan** – Mother Nature has a mind of her own and it's best that you confirm with your own eyes whether or not your client's new home is in a flood zone. Yes, the insurance is more expensive, but not as expensive as your buyers having to replace the entire first floor of their home with their own capital.
- **Encroachments** – Even the smallest encroachment can affect the long-term value of a property and affect your buyers' ability to enjoy their home. Discover any and all encroachments as soon as you can.
- **Easements** – Some easements, like public utility or city easements are unavoidable, but most people don't mind having them on their property. Easements where a neighbor or another land owner has access may not be as attractive and could prevent someone from wanting to own the property.
- **Clue Report** – A C.L.U.E. (Comprehensive Loss Underwriting Exchange) Report provides dates of claims, insurance company(ies) involved, the type of policy, whether loss was related to a named catastrophe (hurricane, etc.), location of the loss (on or off property), the amount paid and cause of the loss. Information on a C.L.U.E. Report would be mighty handy to a buyer prior to making an offer to purchase a home – or at least before he/she signs his name on the dotted line.

:: Lifestyle and Neighborhood Profile ::

Certainly, being in the right neighborhood is a main concern for home buyers. Being near the right neighbors in a neighborhood that meets their family's needs is a big consideration for buyers, especially if they're going to stay in that neighborhood for awhile. What's also important, but often overlooked, is whether or not the neighborhood and the surrounding amenities meet the lifestyles of home buyers.

If your buyers need to be able to get around quickly because of their busy lifestyle, it's probably not best to get them a rural home with a 30-minute trip to the grocery store. Same thing goes for someone who wants privacy, but can hear the noise and see the lights from the neighborhood park from their back porch.

Here are some things to take into consideration when it comes to lifestyle and neighborhood profile:

- Best public schools
- Property appreciation rates
- Crime rates
- Families with children
- Luxury communities

- Proximity to
 - Healthcare
 - Restaurants
 - Shopping
 - Public Transportation
 - Major Roads
 - Hobbies/Entertainment
- Parks
- Playgrounds
- Places of Worship

Plus a whole lot more. The more information you can gather about the wants and desires of your buyers in relation to these types of amenities, the better job you can do in getting your buyers the home of their dreams.

:: Quality of Life Home Profile ::

The tongue-in-cheek – “location, location, location” – joke has a lot of truth to it: the one thing you can’t change about a property is its location, so make sure your buyers like the area. Once you get past this barrier with your buyers, it’s important to peel back the layers of the onion and look at how your buyers’ quality of life will be supported and enhanced by the home in which they choose to live.

Much of the information you need to create and then implement a quality of life home profile will be gathered at your initial meeting with your buyers. At start, you’ll want to ask them about the ‘must-haves’ and ‘can live withouts.’ For some people, the ‘must-haves’ are mandatory:

- An elderly couple needs a one floor home because they can’t climb stairs
- A family with children needs a home with a yard, and not a condo, so their kids can play
- A single woman who isn’t handy needs a newer home so she’s not fixing things all the time
- A family of 6 needs a larger home with more square footage

Requirements like these are usually mandatory, so people can function in their homes and enjoy life to at least a minimum level of acceptance.

Other amenities and “requirements” are more wants than must haves and you need to be sure to couch what – can and can’t happen and what will and won’t happen – with respect to your clients’ wishes.

For instance, your clients may not want to look at any split entry homes in their price range...not knowing that virtually everything in their price range is a split entry. Your job is to get them to consider a split entry home without them feeling like you’re cramming it down their throat.

To that end, you could say something like: “If you don’t like split entry homes, then your wish is my command. May I make a suggestion, though? Let me send you everything that’s available in your price range and you can throw away any listings that don’t meet your criteria. That way, you’re in charge of what you see and don’t see and you don’t miss a thing. Will that work?”

They will invariably say yes, and in a decent number of cases...buy a split entry home. You just need them to be open to the possibility.

The same thing applies to all of the items listed under the quality of life section on your display. Some of these items are going to be absolute “musts” for your buyer to have or not to have. In the rest of the cases, you need to ask good questions and determine what’s real and what’s not. The better job you do of whittling down the list and getting clear on the core requirements, the better the outcome will be for you and your buyers.

:: The “Unfair Advantage” ::

Virtually everyone on the face of the planet likes to get information to which other people don’t get access. It’s a way to get a leg up on someone to put yourself in a better position. In the corporate world, it’s called “insider trading,” but in the world of real estate, it’s called the “inside scoop.”

Demonstrating to your clients that you have the inside track on some great deals – deals that other agents and buyers won’t find out about – is a great point of differentiation that you can bring to the table to get a buyer to choose to work for you. In the “Unfair Advantage” section of the display, there are a few gems that you can use to your advantage to help your buyers score a huge deal for themselves:

1) The Truth About Foreclosures – Are the foreclosures in your market hidden gems or dumps? Are they selling well or are they lingering on the market because the banks are being tough? Is the foreclosure well drying up or are they still available in abundance? Is there a specific part of town where the foreclosures are doing better than others? Know the lay of the land regarding foreclosures in your area including the pricing, styles and the agents who sell the most of them. Knowing this information can get your buyers a better deal on a foreclosure than any other agent in the area.

2) The Truth About Short Sales – Are the short sales good deals or are banks making it tough in your area? Which banks represent most of the homeowners in your area that are in a distressed situation? Which agents do the most short sale business? Who’s easy to work with and who isn’t? What percent of the volume in your area are short sales vs. foreclosures? How long is a short sale taking in your area? A long trip on the way to purchasing a short sale can do

in even the most motivated buyer. You must be able to prepare your buyers for the process and manage their expectations accordingly if you want them to stay with you for the long haul.

3) You Control the Search, Not the Agent – You will not be living in your buyers' home, they will be. To that end, you must give them all the tools to pick the homes they want to see and then lead them to their own conclusion about which home(s) fit their needs based upon the information you've gathered from working with them.

4) Vacant Homes – You need to keep a running log of homes that are vacant in your area. Give your family members, friends, letter carriers, delivery people and anyone else you know a “bird dog” for locating and giving you the addresses of these homes. This list is your secret weapon for working with buyers. Get the owners' info on these houses and start contacting them to see who would be willing to sell their home to a preapproved, ready, willing and able buyer. This list is one that virtually nobody in your market will have and gives you a decided advantage over other agents as to what you bring to the table for buyers with respect to selection and commitment to finding them the best deal.

5) Distressed Sellers – Ditto! All kidding aside, you need to keep your finger on the pulse of the distressed sales in your market, so you can make available the best deals for your buyers as soon as they hit the market.

Law 5: The Negotiation and Offer Strategy

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 5 – The Negotiation and Offer Strategy

As a CHBA, it's vital that you be a highly trained negotiation Advisor™. The term highly trained negotiation Advisor™ means that a person has gone through rigorous course work, a tremendous amount of practice and failed many times along the way until he/she figured out how to successfully negotiate in virtually any situation.

As an Expert, you need to have received significant additional training on negotiation and maybe have gone as far as becoming a Certified Negotiation Expert with the Real Estate Negotiation Institute. Any certifications you can get for your business increase your credibility and value with your listing clients and prospects. It would be helpful if you were able to demonstrate the highest level of negotiation expertise to your clients in securing their commitment to help them sell their home.

Highly trained negotiation Advisors™ are unattached to the outcome, unemotional during the negotiation process, and are willing to walk away from the negotiation table in order to get their sellers the best deals.

:: Seller Concessions ::

Any money you can help your buyers keep in their pockets for when they move into their new home is found money. In addition to that, any money you can get the seller to commit to in order to protect your clients long after the sale has closed, puts your buyers in an even better position down the road after they move in.

Here's a look at some of the more beneficial Seller Concessions that you can use to your buyers' advantage when helping them with purchasing a home.

- **Home Warranty** – Protects 16 different items in the home (on average), protects the seller while the home is listed and under contract, can save the buyer about \$1,059 – the average first time claim on a Home Warranty – and helps the seller feel more secure that the buyer won't come back to ask for more concessions from the inspection.
- **Inspection Repair Costs** – Request any inspection repair costs – including home, septic, water and sewer – all at once rather than a little bit at a time so as to not give the seller a feeling that the buyer is “piling on” during the inspection phase of the home sale process.
- **Seller Paid Closing Costs** – If necessary, secure seller paid closing costs to help your buyers keep as much money in their pockets as possible.

- **Discount and Buy Down Points** – Put your clients equity-earning potential on high octane by having the seller buy down the rate or pay points on your buyer's loan. The lower rate and fewer points paid puts your buyer in the driver's seat to save money and start making money on their investment faster.
- **Deficiency in Buyer Broker Fee** – Include any shortage between what the listing agent negotiated with the seller and what you negotiated with your buyer by having the seller pay it in the form of a closing cost. At closing, have the title company allocate the portion of the closing costs due you on the HUD-1.
- **Title Policy** – Your buyer's mortgage company is going to want an insurance policy on the title for the property. You can include the payment for this policy under closing costs and have the title company allocate it to the buyer at closing.

:: Position of Strength ::

If you've ever flown on a plane and read SkyMall™ magazine, then you've probably seen Chester Karrass' professional negotiation programs for sale to the public. Karrass has an interesting, but solid attitude towards negotiation in the business world: In business, you don't get what you deserve, you get what you negotiate.

If you want to be in the driver's seat when getting your buyer's offers accepted while at the negotiating table, then you'll enjoy preemptive negotiation. Preemptive negotiation is exactly what it says it is – you preempt, or intervene ahead of time to prevent something from happening.

Here are some pre-emptive positioning strategies to help you get your buyer a leg up in the negotiation process:

- **Pre-Approval in Hand** – Like having a pocket full of cash when you make your offer.
- **Walk Away Leverage** – If your buyers want a home at a specific price, they need to be able to walk away from the negotiation table (maybe even to call the seller's bluff). The inability to walk away will kill virtually every negotiation.
- **Out-Smarting the Listing Agent** – Ask questions of sellers who are in the home during a showing with your buyers, interview the listing agent with your buyers on speaker prior to making an offer to see how much of the seller's hand the agent is likely to tip, lead the listing agent to believe that he/she is controlling the negotiations – when in reality, you are the one in charge.
- **Comparable Sales to Support Offer** – No need to do a CMA, but at least do your homework and help justify the price of the offer that you are making on behalf of your buyers.

- **Seller Estimated Mortgage Balance** – Based upon the date of the seller’s original home purchase, an average of 5 to 10% down, and an average rate that was popular at the time the seller purchased the home, you can do a little math figure out how much the seller has left on his/her mortgage. This information gives you the upper hand in negotiations.
- **Property Tax Assessment Review** – See what the home is assessed at for property tax purposes. In this review, you may be able uncover some information that justifies offering and negotiating a lower price on the home.

By doing this as part of the Smart Home Buying Strategy™, you are essentially removing all or most of the issues that normally arise during the home selling process and preventing the seller from coming up with ways to negotiate the price up and create headaches along the way.

:: Multiple Offer Strategy ::

In a multiple offer strategy, all bets are off...especially if the listing agent is an unskilled sales person. He/she may just want to collect a check and not do much else. You need to put your buyers in the best position possible to get their offer accepted.

Here are a few strategies that you may need to employ to get your buyer the best price – and the home.

- **Dear Seller Letter** – At the end of the day, a home sale is a very emotional process for both parties. And, although a Dear Seller Letter is not a shoe-in to get your buyers the property versus another buyer, it has proven to be an effective tie breaker when many offers are on the table.

Here’s what you could say:

Dear Mr. and Mrs. Seller,

Thank you so much for letting us view your beautiful home the other day. We really loved (good example 1, good example 2 and good example 3). You’ve done an amazing job taking care of the home and we can see the pride of ownership shining through the entire home.

Our family has been looking for a home that has been cared for and loved just like yours is for the last (X days, weeks, months) and this is one of the few homes that we have really come to enjoy on many levels since we started our search.

It meets our needs in so many different ways and it would be a joy and an honor to spend the next several years of our life in

your home.

We realize that there are other offers on the home and we're hoping that you'll consider our very seriously and we look forward to the opportunity to work with you in getting your home sold so you can move on to the next phase of your life.

Again, thanks for the opportunity to see your home. Please let us know if there's anything we can do to improve our offer if necessary.

Warmest regards,

Mr. and Mrs. Buyer

- **Zero Repair Allowance** – If your buyers don't need repair money – or don't even need an inspection – then leave it out of the contract. Tell the seller in the contract that your buyers aren't going to ask for any repairs of the home, but just want to do the inspection to ensure that there aren't any huge latent defects.
- **Increased Earnest Money** – The more money your buyers put down at the time of initial offer, the less likely they are to walk away from the negotiation table and the more serious they look at buyers. More money down can almost always trump a higher offer unless the higher offer is extremely high.

Law 6: Closing the Sale

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 6 – Closing the Sale

Whether you are an Independent Agent or you have a full-fledged team, you need to be able to demonstrate to your clients that you have the ability to take a transaction from inception to close with a tremendous amount of skill – in an error-free environment.

Absent that, you're no different than the bulk of the agents in your market place and are likely not to get an abundance of new and repeat business from the home buyers in your marketplace.

Here's a closer look at the "hit" list you must be able to master if you're going to be a solid Certified Home Buying Advisor®:

- **60 Days No Payments** – Set the closing date after the 5th of the month and your buyers don't make a payment for the next two months. It will affect how much they bring to the closing to a certain extent, but they live mortgage free for 60 days after they close.
- **Contract Acceptance** – Have a strategy to get the contract accepted, signed and delivered ASAP so you can get closing process started.
- **Timeline** – Be sure to map out the average closing timeline for your buyers so they know what to expect.
- **Negotiate Repairs** – Refer to the Law of Negotiation for more details on handling this properly.
- **Property Inspection Timeline** – Make sure you stay within the agreed upon dates so you don't put your buyer's sale (and deposit) in jeopardy.
- **All Documents to Lender In a Timely Manner** – Same thing here. Be sure to have a system to collect all your lender-related documents and get them delivered ASAP to ensure your clients' sale isn't in jeopardy.
- **Appraisal** – Get to know the appraisers in your area and what their tendencies are. The more you know about them the better armed you are to handle any low appraisals that come down the pike. You may need to put your negotiation skills to the test during the appraisal phase of the process.
- **Lender Repairs** – The required repairs that the appraiser notes in his appraisal such as windows fogged over need to be replaced, carpet loose needs to be stretched, etc. Anything that is considered a hazard or anything that can be

detrimental to the structure are lender required repairs. These repairs come before the home inspection repairs that your inspector would note as needing to be done. You can't get a loan without the appraisal repairs being done.

- **Closing and Settlement Review** – Know what to look for on the settlement paperwork. One missed item could cost you – and your clients – thousands of dollars.
- **Potential Deal Killers** – Much of the information you'll need in this category will usually come from the painful experience of having gone through some deals that have died. That said, rely on more seasoned agents when necessary to see what potential deal killers could be coming down the pike on your deals.
- **Transfer of Utilities** – Something so simple to handle is often overlooked and can cause a tremendous amount of stress and headaches for your client. Be sure to remind them and give them a one-page document that assists with the process.
- **Moving Into the New Home and Welcome to New Home** – Be sure to have a streamlined process for helping people get settled into their home with movers' information, local utility numbers, cleaning service information and other important contact information for new homeowners.

Law 7: Vendor Relationships

Here is a detailed breakdown of the materials you need to understand, internalize and successfully navigate Law 7 – Lifetime Vendor Relationships

If you've sold more than 2 homes in your career, you know that there's a lot more that goes into helping someone buy a home than showing them the house and writing up the contract. It may not seem that way for some agents, but the fact of the matter is that the home sale process should be fun and save the home buyer as many headaches (and yes, even some serious money) along the way.

Now, conventional wisdom would dictate that if you do everything yourself, nothing will fall through the cracks, everything will be done right and only the best outcome is possible. The truth is, you will inevitably fail yourself and your clients by not having the absolute best team of vendors and affiliates on your side to help spread the work to experts who are amazing at their job – so you can be amazing at yours.

Creating lifetime vendor relationships passes significant savings onto your clients because providers who do regular business with you don't have to charge the absolute most for their services due to repeat business opportunities. Plus, if you do it right, you can assemble a group of vendors who will make your job easy and increase the chances that more of your transactions go to closing on an ongoing basis.

Here are the key vendor relationships you should have locked up to provide your clients with an amazing home buying experience.

:: Lender ::

Having an inexperienced, inefficient, incompetent lender on your side is a sure way to keep your deals from closing. The financial part of the home purchase is the biggest part, and it's second to the home inspection as a deal killer when it's not handled properly. Your lender doesn't need to be the cheapest, but he/she should be able to get a competitive rate for your clients, handle the paperwork professionally, protect your interests against untrustworthy agents and most importantly, be willing to work with your other vendors throughout the process to make the whole transaction come together smoothly at the end. In the end, your lender should not put his/her needs before your or your clients' needs when handling the loan. Doing so could be the kiss of death to your deals.

Your clients need to know that by using your lender, they are getting not just an amazing rate and terms on their loan, but they are also getting to work with a true professional who cares about them and will work like a horse to make sure things happen on time with few, if any, surprises.

:: Title Company/Closing Attorney ::

Since the folks at your Title Company/Closing Attorney's office are like the goalies in a hockey game, they need to be sure handed and able to work well independent of your input (unless it's absolutely needed). In addition, they need to have a streamlined process for taking a transaction all the way to closing with ease and be able to handle any problems that come up along the way in a timely and professional manner. Most importantly, and we can't stress this enough, you definitely want an organization that knows how to close on time. Late closings get you a bad reputation and can cost you thousands of dollars – and even deals.

Your clients won't know much about a Title Company/Closing Attorney or how it works, but you need to assure them that you've picked the best one in the area for them, which means fewer headaches and no surprises in the closing process.

:: Professional Services ::

Who else benefits when you help someone buy or sell a home? Any company or person who makes this list needs to be a preferred vendor on your team. Moving company, carpet cleaner, landscaper, handyman, pool services, painting, etc. – anyone you want on the list should be there. The more vendors you have in your stable to help your clients with their needs, the more your clients will seek you out for help... and maybe even their next purchase.

Let your clients know that you've arranged top-flight services for a discounted price through your list of preferred vendors. Your job is to make your clients' lives better and this service is just one of the many ways you'll do that for them.

No matter who it is that joins your team, you should set up a Marketing Services Agreement to remain RESPA compliant and be sure to do things the right way. Cutting corners is a good way to get yourself in hot water.

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