



SELLER REPRESENTATIVE SPECIALIST COURSE

rebi
Real Estate Business Institute



Seller Representative Specialist Designation Course

STUDENT WORKBOOK



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EXPECTATIONS

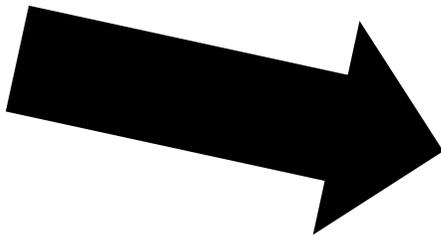
- Arrive on time from all breaks.
- Turn off or silence cell phones.
- Feel free to ask questions.
- Keep side talk to a minimum.
- Agree to disagree.

Video and audio recording is not permitted.

It's in There!

Your Student Workbook contains everything (and more!) that appears on this slide deck. Things may appear differently for visual representation, but all content is in your Workbook unless otherwise noted. Follow along.

Each slide has the student workbook page number clearly listed. If you lose your place, look on the slide – bottom right corner (“SW” refers to the page number in your Workbook):



7 / SW 5

THE SRS DESIGNATION

SRS (Seller Representative Specialist) is recognized by the National Association of Realtors® and the premier credential in seller representation.

The SRS designation elevates professional standards, enhances individual performance, and recognizes real estate professionals who demonstrate the knowledge and skills essential for seller representation.



How to Earn Your SRS Designation -- Core Requirements

1. Complete the SRS Designation Course (classroom, virtual, or online)
2. Complete one (1) elective course (may be taken prior to completing the SRS Course). A list of approved elective course options is listed on REBINstitute.com. (Ex: If you already have your ABR, e-PRO, GRI, MRP, PSA, RENE, etc. – these are some that qualify.)
3. Documentation of three (3) completed transactions representing the seller.
 - No time limit – transactions can be from before or after you took the SRS Designation Course.
 - One (1) may be a lease.
 - Any or all may be as part of your role on a team as long as you were an active participant in the transaction representing the seller (will be verified by your broker on the Transaction Form).
4. Submit the completed SRS Designation Application with Approved Elective Course and Transaction Verification Forms. (**See the last pages of this Student Manual for the “SRS Designation Application Packet”.**)
5. Maintain your NAR Membership and SRS Designation.
 - **SRS:** Upon designation, your first year of membership is on us! Renewal for every year thereafter is \$99. (The SRS membership package delivers measurable value, with more than \$1,500 worth of tangible benefits.)
 - **NAR:** Must maintain membership with the National Association of REALTORS® (NAR).

Questions? Call us at 800-621-8738 or email at info@rebinstitute.com. You can also visit rebinstitute.com for more information.

The SRS Designation is conferred by the Real Estate Business Institute (REBI) – an affiliate of the National Association of REALTORS.



QUESTIONS?

- How to earn the SRS designation
- Information on CRB, C-RETS, RENE, The Right Start, Real Estate Professional Assistant, Digital Lead Generation Professional
- Course descriptions
- Course schedules
- Other information

Contact the REBI Member Services Staff		
Phone: 800-621-8738	Email: info@REBIInstitute.com	Website: REBIInstitute.com

LEARNING OBJECTIVES

The Seller Representative Specialist course provides a comprehensive foundation of skill development, training, and resources to help real estate professionals generate business and represent the interests of sellers in today's marketplace.

This course has the following eight (8) Modules:

- Module 1: Your Value Proposition
- Module 2: Crafting Your Message
- Module 3: Generating Business
- Module 4: Preparing for the Appointment
- Module 5: Meeting With the Seller
- Module 6: Marketing the Listing
- Module 7: Setting the Stage
- Module 8: Offer to Closing

Antitrust

- We will not discuss any actual commission rates of any company.
- Please do not discuss or ask questions using your company's commission rates or structure.
- This is important as we discuss business models, competitors, and compensation.

MODULE 1

Your Value Proposition



MODULE 1: YOUR VALUE PROPOSITION

Temperature Check – Markets and Times Change

- How is your business different from three (3) years ago?

- Where does the majority of business in your market come from?

- Does the majority of your business come from sphere or stranger?

- Why do sellers need you in today's market?

Establishing Your Value Proposition and Points of Differentiation is Essential

- What are you doing to convince people they should work with you?

Before you actively look for business you must be able to articulate your **unique value**, and **why you should be chosen** instead of your competition.

MODULE 1: YOUR VALUE PROPOSITION

What is a Value Proposition?

A value proposition is a **promise of value to be delivered**. It's the **main reason a prospect should buy from you** (and not your competitors).

- A value proposition isn't just the product or service you agree to deliver to the customer -- **it's the ingredient of your business that solves a problem competitors can't**.
- Your value proposition is your **unique identifier**. Without it, people don't have a reason to work with you over somebody else.



The Value Proposition Explains:

- How you solve problems and improve situations.
- What specific benefits customers can expect.
- Why customers should work with you over the competition.



The Value Proposition is NOT:

- A Slogan. (*"Think Different" – Apple*)
- A Positioning Statement. (*The #1 Real Estate Company.*)

The Value Proposition and Points of Difference

- What makes you or your team different?
- What value will be gained by working with you or your team?
- What do you or your team have or do that can benefit the seller?

MODULE 1: YOUR VALUE PROPOSITION

Points of Difference

“The factors of goods or services that establish differentiation. Differentiation is the way in which the goods or services of a company differ from its competitors. Indicators of the point of difference’s success would be increased customer benefits and brand loyalty.” (Wikipedia)



Exercise - Homework

Points of Difference

List some ways you are different compared to others in your market area. These should all be powerful attractors that pull potential sellers in.

What are your unique points of difference?

What unique factors, practices or services do you or your team provide?

Crafting Your Message



MODULE 2: CRAFTING YOUR MESSAGE

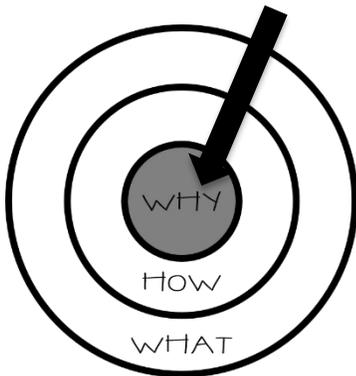
Now that you know your value, it's time to craft your message. First, let's make sure you understand how Article 12 of the Code of Ethics applies to your communications.



Code of Ethics: Article 12, Duties to the Public

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional. (Amended 1/08)

Begin With Your Why



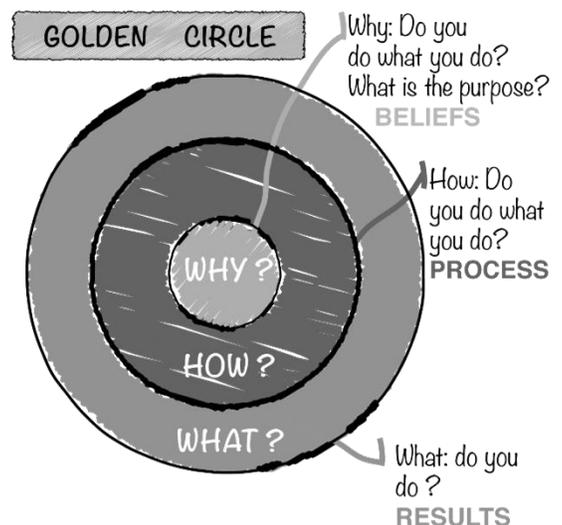
Understanding how to craft the optimal message involves:

- Looking at various aspects of your personal practice, and
- identifying where you wish to be.

Simon Sinek is an accomplished author and speaker who has spoken about this topic for many years. Establishing your “**Why**” can be a very powerful foundation for establishing an equally powerful message and understanding your value.

Additional Resources:

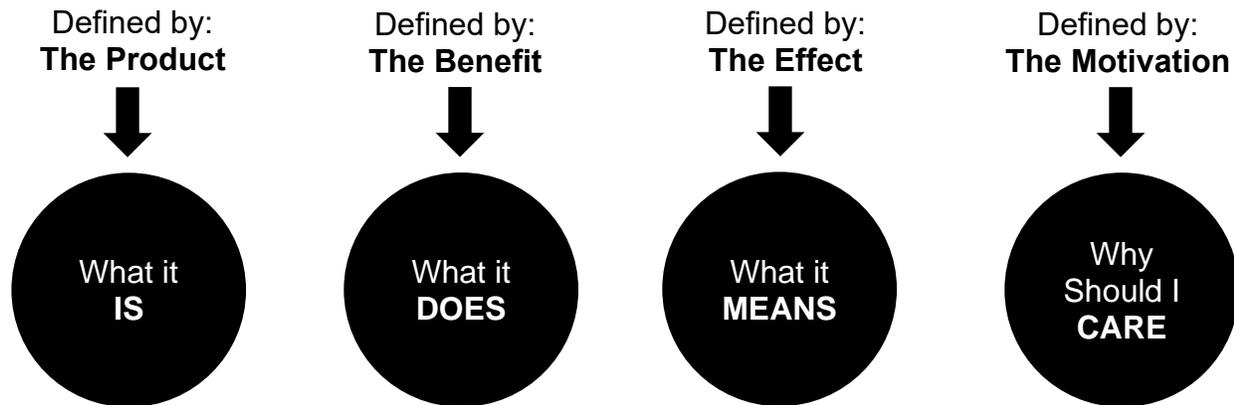
- Watch the TedTalk: <https://goo.gl/MFidk>
- Visit the website: StartWithWhy.com
- Buy the Book: “Start With Why”



MODULE 2: CRAFTING YOUR MESSAGE

Your Message

Your message and marketing must focus on **who the consumer is and what problems** you can solve for them.



Your Marketing Message: 8 Tips

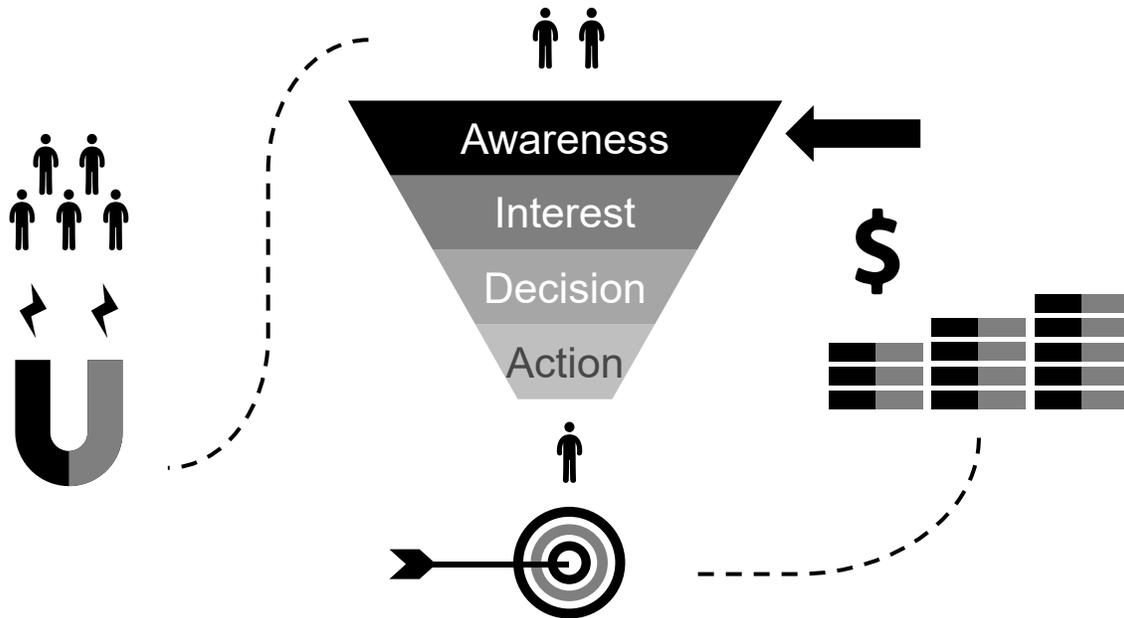
1. Use a template for a uniform and consistent look.
2. Use color, larger type, and easy to read fonts.
3. Consider the venue. Is it online or offline?
4. Start with a strong, **bold** 'grabber' headline. Bullet point the rest of the message.
5. Highlight your designations and certifications. **Spell them out!**
6. Consider outsourcing your marketing.
7. Link everything to your website or social media pages.
8. Include your photo and contact information.

Quality in marketing as well as performance, matters.

- It's a reflection of who you are.
- When consumers see your marketing, they decide who you are before you've even talked with them.

MODULE 2: CRAFTING YOUR MESSAGE

It is critical that your messaging offer something of value to the consumer. This is called your “**Lead Magnet**”.



Lead Magnet Ideas

There are tons of options based on your business niche. You can use reports created in RPR or create your own resources and videos.

These five (5) can be generated in RPR:

1. Marketing Activity Report
2. Neighborhood Report
3. School Report
4. Seller's Report with CMA
5. Property Report (RPR - RVM®)

Other lead magnet ideas:

1. Neighborhood Market Analysis
2. New Listings by Email
3. Guide to Buying or Selling
4. Flipping a House
5. Investment Opportunities
6. Landscaping Tips
7. How to Increase Curb Appeal
8. How to Buy a Foreclosure

MODULE 2: CRAFTING YOUR MESSAGE

Don't Forget to Include a Call to Action

A "Call to Action" is an instruction or solicitation for a consumer to engage in your business.

- It typically follows some offering or brand awareness marketing effort.
- It can be an instruction to "subscribe" to your social media network,
- "call" the agent or team for more information, or
- "act now" to benefit from some new offer.
- Agents and teams should be constantly working to build their consumer following.
- Having consumers visit your website, follow your blog, signup for your email, and other resources helps build your following and keeps the agent at the top of mind.
- A solid call to action could trigger a ready seller or buyer to engage the agent at the moment that they need representation.

Outsourcing

You can't do it all and grow your business ... **and you shouldn't.** Consider outsourcing key components of your business to other professionals to free up your time to focus on managing and growing your business.

- Database Management
- Email campaigns
- Marketing Campaigns
- Scheduling contractors for photos, cleaning, repairs
- Coordinate closing times and send updates
- Coordinate property showings
- Organize your leads, current clients, and contacts
- Create packets
- Schedule or even write blog posts
- Website updates
- Social Media Marketing Strategy
- Track marketing analytics
- Plus, so much more ...

Here are some possible resources to consider for outsourcing:

- EquivityVA.com
- SummitVASolutions.com
- Transactly.com
- MyVirtudesk.com
- Zirtual.com

MODULE 2: CRAFTING YOUR MESSAGE

Give Your Assistants a Career Boost



The **Real Estate Professional Assistant** certificate course is an advanced training program designed to sharpen the skills of current professional assistants or jumpstart the career of an aspiring one.

The course curriculum will cover a variety of skills, techniques, and topics that will make a professional assistant invaluable to an agent.

Developed in partnership by the Real Estate Business Institute (REBI) and the National Association of REALTORS® (NAR).

Learn more at www.REBINstitute.com/REassistant to learn more.

Looking for a Life Saver?



If you don't have one already, considering creating a Canva account. There are paid and free options available at www.CANVA.com.

You will find everything you need to design like a professional and save time and money.

Here is a sample of some of the time-saving, money-making, life-changing tools you will find at CANVA:

- **Custom Templates** (over 420,000 premium templates – all professionally designed and customizable)
- **Magic Resize** (instantly transform your designs into any custom size you need)
- **Background Remover** (effortlessly remove photo backgrounds with one click)
- **Animator Pro** (animate any design and save it as a GIF or MOV file)
- **Premium Fonts** (over 3,000 fonts to use or upload your own)
- **Folders** (organize your workspace with unlimited folders and 100GM storage)

MODULE 2: CRAFTING YOUR MESSAGE

Additional CANVA Resources & Tools

- Colors: <https://www.canva.com/colors/>
- Color Palette Generator: <https://www.canva.com/colors/color-palette-generator/>
- Color Wheel: <https://www.canva.com/colors/color-wheel/>
- Color Meanings: <https://www.canva.com/colors/color-meanings/>
- Apps: <https://www.canva.com/apps>
- Font Combinations: <https://www.canva.com/font-combinations/>
- Photo Editor: <https://www.canva.com/photo-editor/>
- Logo Creator: <https://www.canva.com/create/logos/>
- Sizes: <https://www.canva.com/sizes/>

MODULE 3

Generating Business



MODULE 3: GENERATING BUSINESS

After assessing your value, determining points of differentiation, and crafting your message, effective marketing requires you to build your business by targeting your audience!



Building a Sustainable Business Requires:

- Cultivating existing relationships in your sphere.
- Prospecting for new contacts to build on that foundation.

Focus on your sphere first. This is **not** your church group, people seeing you on social media, etc.

Sphere Marketing is Your First Step

- Marketing consistently to your sphere is a requirement, not a suggestion to build your business and your brand
- Requires a reliable database program
- Must be done regularly
- Builds your credibility
- Must be tracked
- Can be outsourced

MODULE 3: GENERATING BUSINESS

Sphere of Sphere Marketing

- Each member of your sphere also has a sphere of their own.
- When you connect to your sphere, your marketing influence connects with your sphere's sphere as well!
- The result is the power of leverage which expands the effectiveness of your reach to attract new business.



Networking Builds Your Sphere

- Essential component to building your business.
- Relies on personal relationships with your family, friends, colleagues, hobby, church, and social media connections.



Do You Have Cultural Contacts and Relationships?

Leverage your business by engaging in Multicultural Marketing.

- Attend networking functions
- 'Home Seller' Seminars
- Bi-lingual approved paperwork
- Bi-lingual peripheral partner teams
- Live translators from area colleges
- Census.gov; NAR.realtor; FNMA.com



The CIPS Designation (Certified International Property Specialist)

- Cross-market your CIPS designation.
- Valuable designation for doing business and working with international clients.
- NAR owned and conferred designation.

MODULE 3: GENERATING BUSINESS



KEY RESOURCES

Utilize some of the many free resources from NAR REALTOR® Magazine.

Visit: www.NAR.realtor and search:

- Global resources
- International real estate

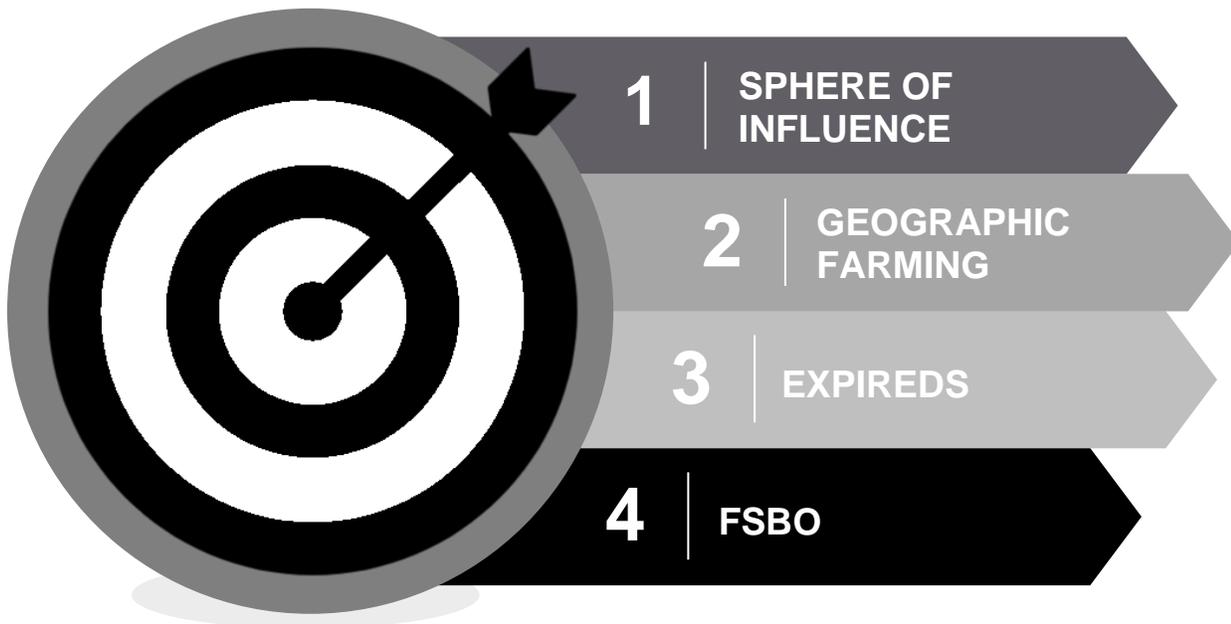
Visit www.magazine.realtor and search:

- Multicultural client tool kit

Prospecting for New Business

The Listing Hunt – Where to Find Them

We will focus on four key areas. We just covered “Sphere of Influence”.



MODULE 3: GENERATING BUSINESS

Other Target Audience

In addition to the four areas we will cover in this course, there are additional target audiences you can consider:

- Other agents and Referrals
- Cold Calling and Floor Calls
- Social Media
- Business Specialties
 - ✓ Global
 - ✓ 55 +
 - ✓ Rent-to-Own
 - ✓ Investments
 - ✓ Condos
 - ✓ GREEN
 - ✓ Military
 - ✓ Starter, Trade-Ups, Down-Sizing
 - ✓ Resort, Vacation, Second Home
 - ✓ Commercial
 - ✓ Luxury & Distinctive

Prospecting

Prospecting refers to the agent's efforts to find new clients. A variety of tools and resources are used to engage prospective consumers.

Prospecting isn't one tool or resource. It is the act of **proactively marketing for consumer leads and converting those leads into future business.**

Leads require consistent effort and nurturing before they turn into sales.



MODULE 3: GENERATING BUSINESS

Lead to Sale Ratio

Incubating **COLD** leads versus **WARM** leads requires much more effort with a lower ROI (return on investment).

- Converting a warm lead into a sale is highly probable, which is why sphere contacts are an essential foundation to your business.
- Converting only cold leads from lead generation or website services occupies more of your time and statistically the conversion possibility is nominal in comparison.
- 100 cold leads may yield 1-5 sales.
- 100 warm leads from a sphere can statistically yield 20 sales or more.

Geographic Farming

This is different from **demographic farming**, but you do need to know the demographics to choose your farm.

- **Identify Your Farm and Seller Profile**
 - Be thoughtful when choosing your geographic farm.
 - Time, effort, and money will be invested.
 - The benefits may not be immediate but should materialize over time.
- **What are the Demographics of Your New Farm:**
 - Homeowner Age
 - Family Demographics
 - Turnover
 - Own vs. Rent
 - Can you relate to the culture?
 - Is it profitable?
 - Types of Homes
 - Competing Agents? (do you care?)

MODULE 3: GENERATING BUSINESS



KEY RESOURCES

RPR has several excellent tools for geographic farming you can use. Visit: www.blog.narrpr.com and search **geographic farming**.

- “RPR’s Ultimate Guide to Geographic Farming”
- “Find Sellers Now! Farming for Prospects with RPR”
- “Finding Sellers for Today & Tomorrow –Farming is Your Key to Success”
- “Find Your Next Listing with these Geographic Farming Tactics”
- Secret Weapons for Geographical Farm Marketing”
- “3 Tips to Find Listings in the Current Marketing”
- “How to Farm and Prospect for New Clients: an Exclusive RPR e-Book”

Resources for Demographic Information

- RPR (narRPR.com)
- Niche (niche.com)
- Remine (remine.com)
- Homesnap (homesnap.com)
- MLS alerts
- Google.com/alerts

Do the Math

- MLS Data
- Remine.com
- RPR
- Marketing Budget

MODULE 3: GENERATING BUSINESS

Here is an example of what the potential income might look like. The data used is for illustrative purposes only and does not represent an individual or brokerage commission.

Income Potential Example

	Neighborhood
Total Homes	200
Average Annual Homes Sold	10 (5% turnover)
Average Sales Price	\$300,000
Commission (usually 2.5%)	\$7,500
Brokerage Split per Home Sold	\$5,250 (based on 70%)
Average Marketing Cost per Listing	\$1,500
Net per Listing	\$3,750
Net (assuming 50% listing capture rate)	\$18,750 (5 closings)

Marketing Budget

Your marketing budget isn't just broken down by the number of annual listings, but also by the long-term impact. Money isn't the only investment. Effective labor-investment will grow your farm much faster.

Long-Term and Short-Term Farming

Remember, just because it's been 90 days and it's not working doesn't mean it's a bad product. It could mean that you are not putting in the time and effort and working it. You need to figure out why if it's working for everybody else.

MODULE 3: GENERATING BUSINESS

Cold Calling for Prospecting

Cold calling can still be an effective means of finding business. There are a few important things to remember:

- Federal laws apply: Do Not Call Legislation
- The person on the other end has no existing relationship with you or your firm.
- Most people prefer to remain anonymous.
- People are often skeptical based on the perception that you are in “sales”.
- Rapport building must be done quickly.
- Drip systems can develop rapport over time in a non-threatening way.
- If you are soliciting a listing from a FSBO, you must check the “Do Not Call” list first even if a sign with a phone number is on the lawn.



KEY RESOURCES

Understanding the “Do Not Call” law is essential. Here are some resources that you should review on your own.

1. To check a number: www.telemarketing.donotcall.gov
2. To register a number on the Do Not Call List: www.DoNotCall.gov
3. Federal Trade Commission Information: www.ftc.gov/news-events/media-resources/do-not-call-registry
4. Federal Communications Commission Information: www.fcc.gov/consumers/ghides/stop-unwanted-robocalls-and-texts



MODULE 3: GENERATING BUSINESS

FSBOs (For Sale By Owners)

FSBOs have a problem and you can be the solution. First, let's review the Code of Ethics Standard of Practice 16-11 to understand how it applies to a FSBO.

**FOR SALE
BY OWNER**

HELP!



Code of Ethics: Standard of Practice 16-11, Duties to REALTORS®

On unlisted property, REALTORS® acting as buyer/tenant representatives or brokers shall disclose that relationship to the seller/landlord at first contact for that buyer/tenant and shall provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. *(Amended 1/04)*

REALTORS® shall make any request for anticipated compensation from the seller/ landlord at first contact. *(Amended 1/98)*

Your communication must counter these basic objections to hiring you:

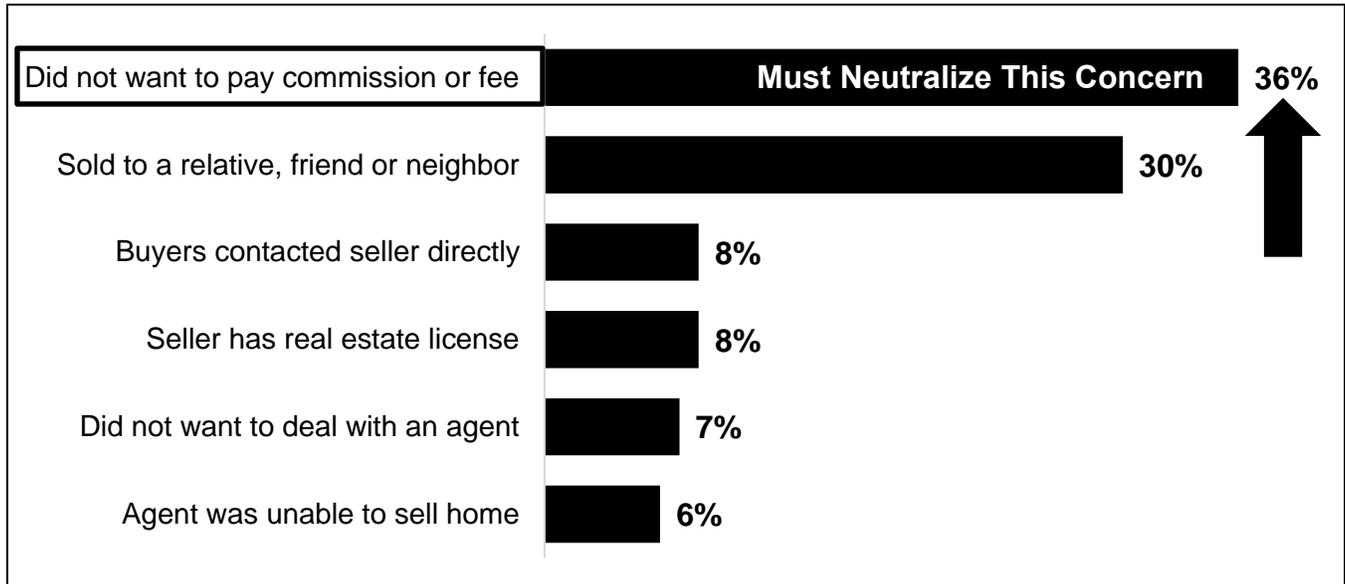


- Don't want to know you.
- Don't think they need you.
- Don't know your value package.
- Are certain they can save money.
- Believe they can do it themselves.

MODULE 3: GENERATING BUSINESS

Most Important Reason for Selling Home as FSBO

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 8, page 151)



Why FSBOs Need You

- Market Knowledge
- Full-Time Commitment
- Higher Average Sales Price
- Guide Through Contract
- Professional Negotiator
- Qualified Buyers
- Security
- Objectivity

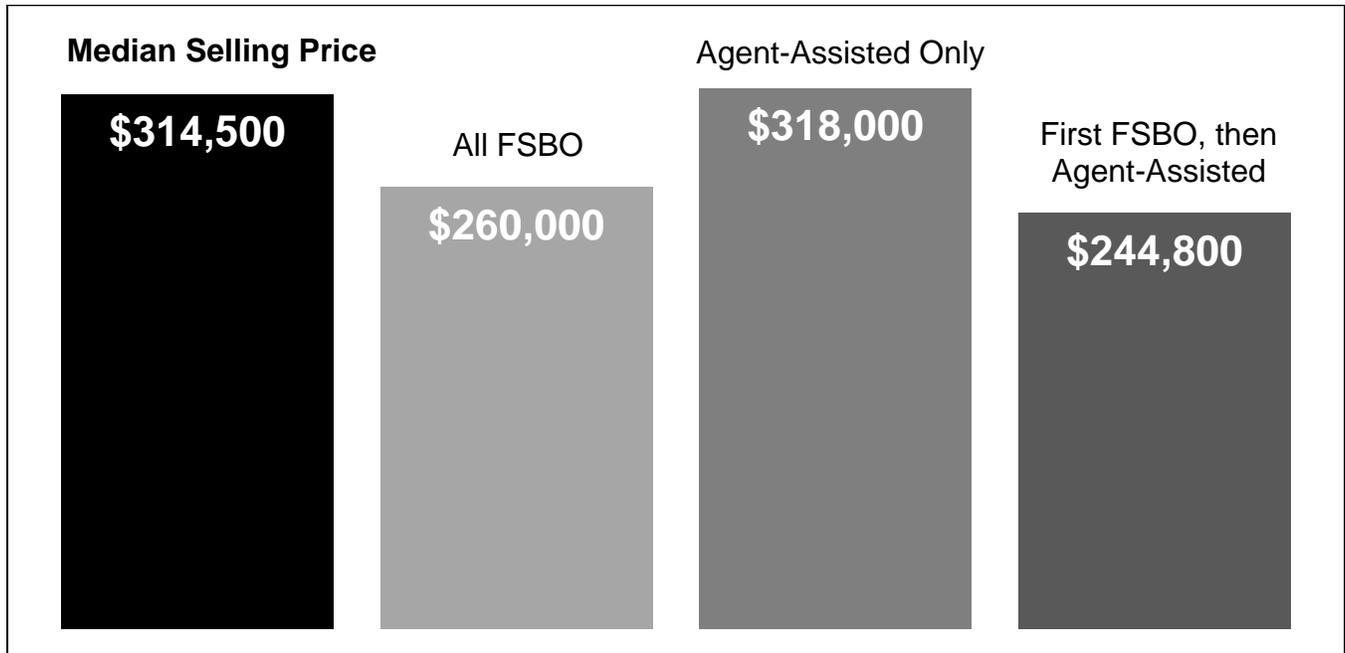
FSBO Stats

- 8% of sales were FSBO
- Median age for FSBO was 57 years
- 64% of FSBO sellers were married couples
- 81% of all homes sold were detached single-family
- Median income for all FSBO sellers was \$96,700
- 52% of FSBO sales were located in suburban areas and 22% in rural areas

MODULE 3: GENERATING BUSINESS

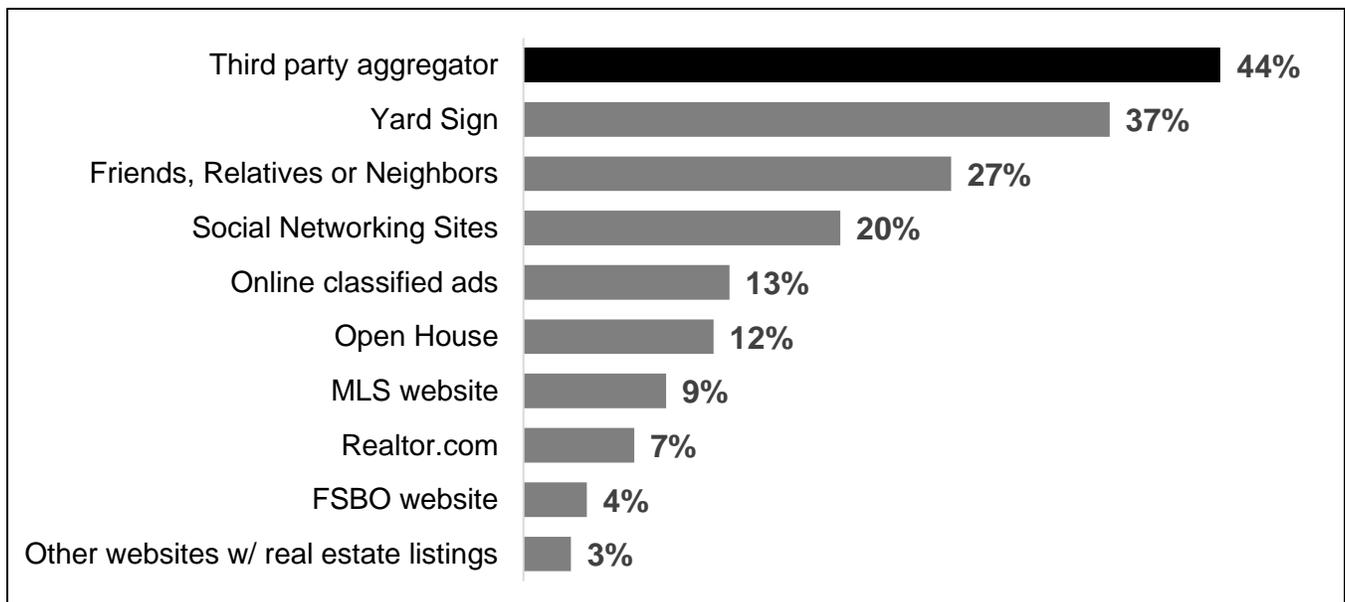
You are not an expense. You are a profit center.

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 8, page 148)



Method Used by FSBO Sellers to Market Home (top 10)

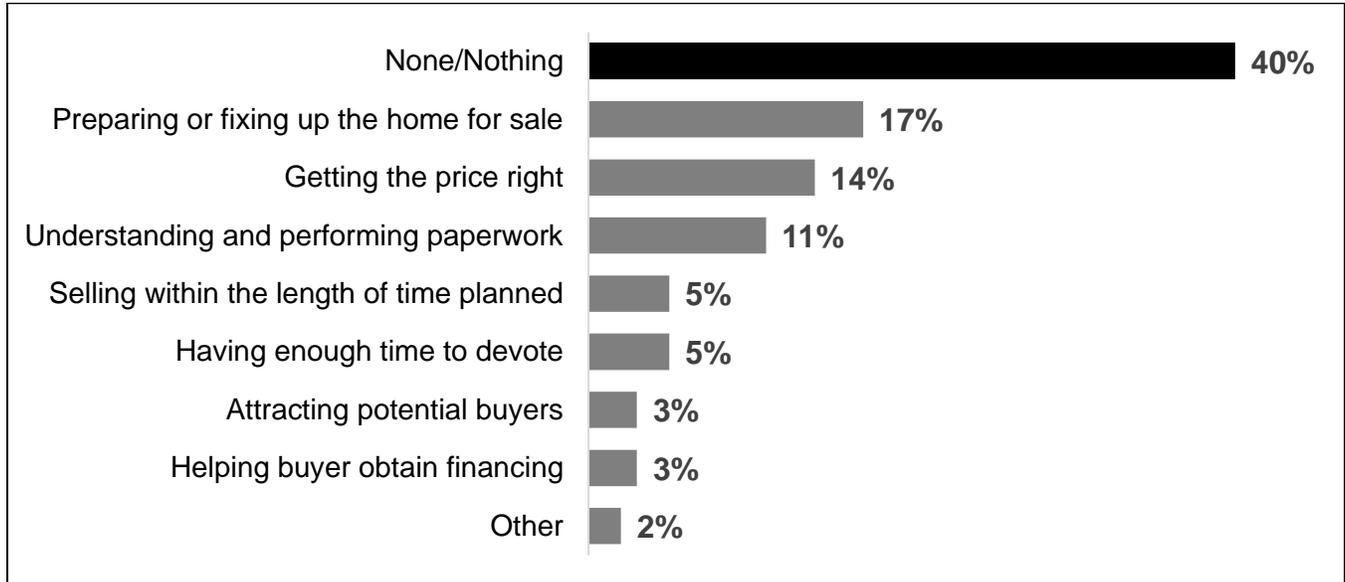
Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 8, page 153)



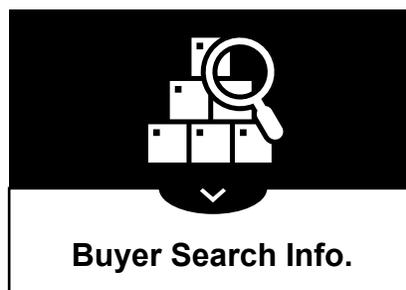
MODULE 3: GENERATING BUSINESS

Most Difficult Task for FSBO Sellers

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 8, page 154)



The FSBO Engagement Packet



MODULE 3: GENERATING BUSINESS



KEY RESOURCE

We have provided samples of effective counters to the most common FSBO objection responses.

1. **FSBO Objection Responses** (Workbook Appendix, Page 137)

Securing FSBO Business

You don't need to list the property get the sale. There are four other ways to secure business:

1. Bring a contractual buyer and insert compensation language.
2. Ask to interview as their buyer or referral agent for when they sell the property.
3. Offer to help with Open Houses and qualify / represent buyers that attend.
4. Offer to list the property if you want to and if the buyer client has no issue.

Don't forget – when the buyer is a contractual client, there is:

- No need to list the FSBO.
- No need to ask for compensation from FSBO since your buyer can wrap your fee into their offer.

MODULE 3: GENERATING BUSINESS

Expired Listings: Assess, Convert, and/or Re-List

Characteristics of Expired Listings

Communications and marketing should address these common objections:

1. Believe their listing agent did something wrong.
2. Have tried listing before.
3. Typically, over-priced or unmotivated.
4. May have debt that exceeds value.
5. Blame the agent for lack of marketing.

There are certain things you need to know, and several steps involved in listing the property if you want it. First, understanding how the Code of Ethics applies is important.



Code of Ethics: Standard of Practice 16-4, Duties to REALTORS®

REALTORS® shall not solicit a listing which is currently listed exclusively with another broker. However, if the listing broker, when asked by the REALTOR®, refuses to disclose the expiration date and nature of such listing; i.e., an exclusive right to sell, an exclusive agency, open listing, or other form of contractual agreement between the listing broker and the client, the REALTOR® may contact the owner to secure such information and may discuss the terms upon which the REALTOR® might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing. (*Amended 1/94*)

10 Steps to Listing the Expired

1. Identify property that has expired but not been relisted.
2. Contact the owner ASAP to secure an appointment.
3. Listen to why they believe it didn't sell.
4. Discuss the financial viability of the property.
5. Be empathetic but convey what is reality.
6. Assess the value of the property prior to your meeting with the seller.
7. Provide the seller counseling session.
8. Discuss your marketing plan.
9. Explain how you will communicate.
10. Determine if you want the listing.

MODULE 3: GENERATING BUSINESS

10 Sample Questions to Ask the Seller

1. Why do you think your home didn't sell?
2. If you got feedback, what was it?
3. What is the debt against the property?
4. How was your home marketed?
5. Did you receive or refuse any offers?
6. Was the price adjusted? If no, why not?
7. Did you receive regular progress reports?
8. Were any showings refused?
9. Were there any public and/or broker opens?
10. Are you still committed to selling the property?



Finding Expired Listings

- Set up auto emails in your MLS.
 - Set yourself up as a contact.
 - Run search and save.
 - Set up auto email and choose daily.
- Set up searches in your MLS.
 - Search for "Expired" properties.
- Depending on your MLS, this might include:
 - County / City
 - Price Point
 - Subdivision
 - Status
 - Off-Market Data
- Be sure to include getting an email when these things are triggered.



MODULE 3: GENERATING BUSINESS

The Initial Call

- Call early.
- Don't assume the seller knows that they have expired.
- Focus on how you can help, not how prior agent failed.
- Address their concerns.
- Don't try to list on first call.
- Get appointment quickly.

The Front Porch Drop-Off

- Leave handwritten note.
- Leave marketing plan.
- Leave personal brochure.
- Leave a gift
 - Starbucks gift card
 - Movie Tickets, etc.



The Appointment

- Meet ASAP
- Expect a frustrated seller
- Set yourself apart (the seller counseling session)
- Listen before speaking
- Come prepared
- Accept only a saleable listing



KEY RESOURCE

We have included an entire section in your Appendix on Prospecting Tactics & Tools.

1. **Prospecting Tactics & Tools** (Workbook Appendix, Page 143-148)

MODULE 4

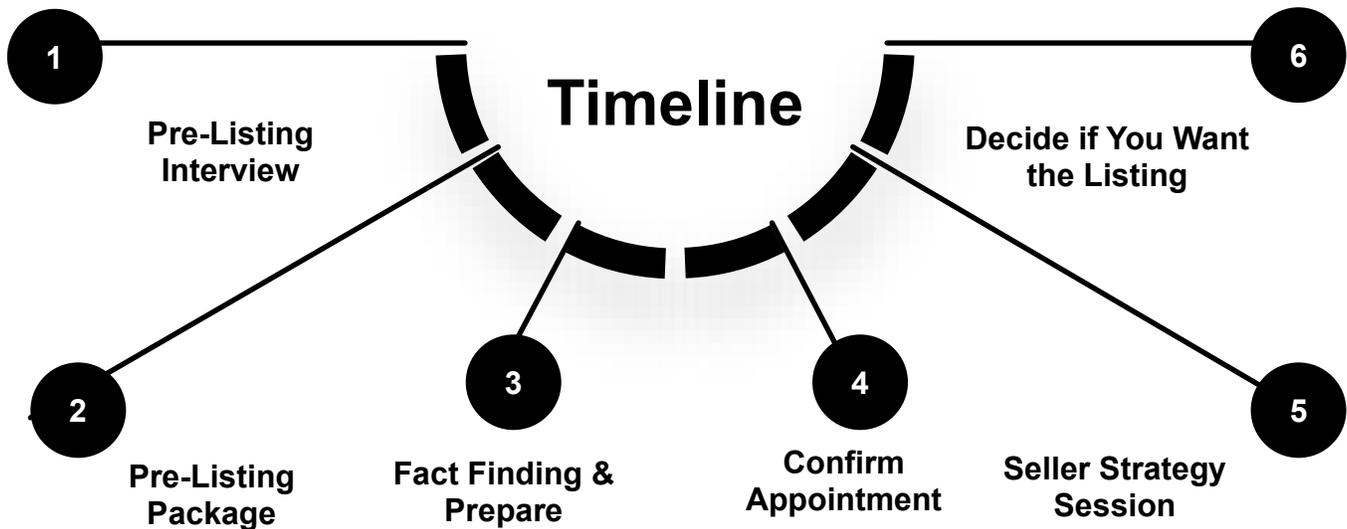
Preparing for the Appointment



MODULE 4: PREPARING FOR THE APPOINTMENT

Timeline

Here is a helpful timeline to follow for preparing for the appointment.



Getting Prepared for the Listing Presentation

There four important steps to follow to successfully prepare.

1. Understand law and policy.
2. Understand the market.
3. Understand the seller.
4. Understand the property.

We will look at each in more detail.

MODULE 4: PREPARING FOR THE APPOINTMENT

Understand Law and Policy

Your unique brokerage policy will dictate several areas:

- **Divisions & Departments of the Brokerage**
 - Departments of the company.
 - Each can have different policies and procedures.
 - Each can have different fee parameters and forms.
- **Types of Agreements, Forms, and Addenda Used**
 - Exclusive Right; Exclusive Agency; Fee for Service; Open Listings; Limited Service
 - Board forms; state forms; proprietary forms.
 - Sets termination parameters.
 - Can set a minimum term.
 - Minimum or maximum fees per side.
- **Services You Will and Won't Provide**
 - Business Model
 - Agency Relationships
 - Client Procedures
 - Compliance Protocols
 - Variety of Fee Options

Fees Individually Set by Each Brokerage

- Different divisional pricing parameters
 - All agents in division must abide by minimums set
 - Service fees; Transaction fees; Marketing fees
 - Retainer fees – refundable or non-refundable
- Minimum 'Listing' portion of total commission
 - Percentage; Flat Fee; Hourly Rate; Combination
- Types of co-op agents that are compensated
 - Suggested amounts of co-op fee for each type
- Referral, retainer, and transaction fees

MODULE 4: PREPARING FOR THE APPOINTMENT

Understand the Market

Market Conditions	Seller's Market	Buyer's Market
<ul style="list-style-type: none"> ▪ Price point, location, uniqueness. ▪ There can be buyer markets and seller markets at the same time in the same city, town, time frame. 	<ul style="list-style-type: none"> ▪ A situation in which demand within a specific price range exceeds supply and sellers have an advantage over buyers in price negotiation. 	<ul style="list-style-type: none"> ▪ A situation in which supply within a specific price range exceeds demand, giving buyers an advantage over sellers in price negotiation.

There are different tools for different markets and price ranges. There is a Seller's Market Toolbox and a Buyer's Market Toolbox. Listing agents don't use the same strategy tools for every market.

- What strategies, tactics or tools will you use:
 - For a Seller's Market?
 - For a Buyer's Market?

<p>Buyer's Market Strategies</p>	<ul style="list-style-type: none"> ▪ Closing costs paid for by seller or other concessions. ▪ Paid home inspection and / or home warranty. ▪ Cosmetic credit offered by seller. ▪ Personal property included in sale. ▪ Post-closing services. ▪ Automatic price adjustments in Listing Agreement. ▪ Seller authorization not to disclose existence of multiple offers to competing agents.
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We do not recommend offering a 'bonus' as a strategy. This plays into the allegations in both the class-action suit and the U.S. Department of Justice (DOJ) issues.

MODULE 4: PREPARING FOR THE APPOINTMENT

Understand the Market – *cont.*

Seller's Market Strategies	<ul style="list-style-type: none">▪ Ensure FULL market exposure by entering into MLS immediately.▪ Use an MLS authorized “Coming Soon” category if available to prepare market for availability and showings.▪ Alert neighbors, your sphere, and all area top producers regarding new listing.▪ Combine 1st day of showings & public Open House.▪ Dual or Variable rate listing incentives must be in play.▪ Provide due diligence packet and disclosures upfront.▪ Can include contingency to allow seller time to find/close on a suitable replacement property.▪ Neutralize perception with your sellers that if property sells quickly, you didn't earn your service fee - it's because of low inventory, correct pricing, and excess in demand.▪ Obtain seller authorization to disclose existence of multiple offers to competing agents.▪ Discuss with your seller the benefits and obstacles of shopping offers.
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Dual / Variable Rate Commission Structures

- A listing strategy primarily in a seller's market when inventory is low.
- Provides the seller a separate type of fee structure that yields higher net to them if listing agent brings the buyer.
- Must be disclosed to co-op broker under:
 - Code of Ethics Standard of Practice 3-4
 - NAR Model MLS Rules & Regulations
- Once noted in MLS, it is the buyer agent's affirmative responsibility to ask for differential.
- The listing agent must then disclose the discount amount of the “sweetheart” deal.

MODULE 4: PREPARING FOR THE APPOINTMENT



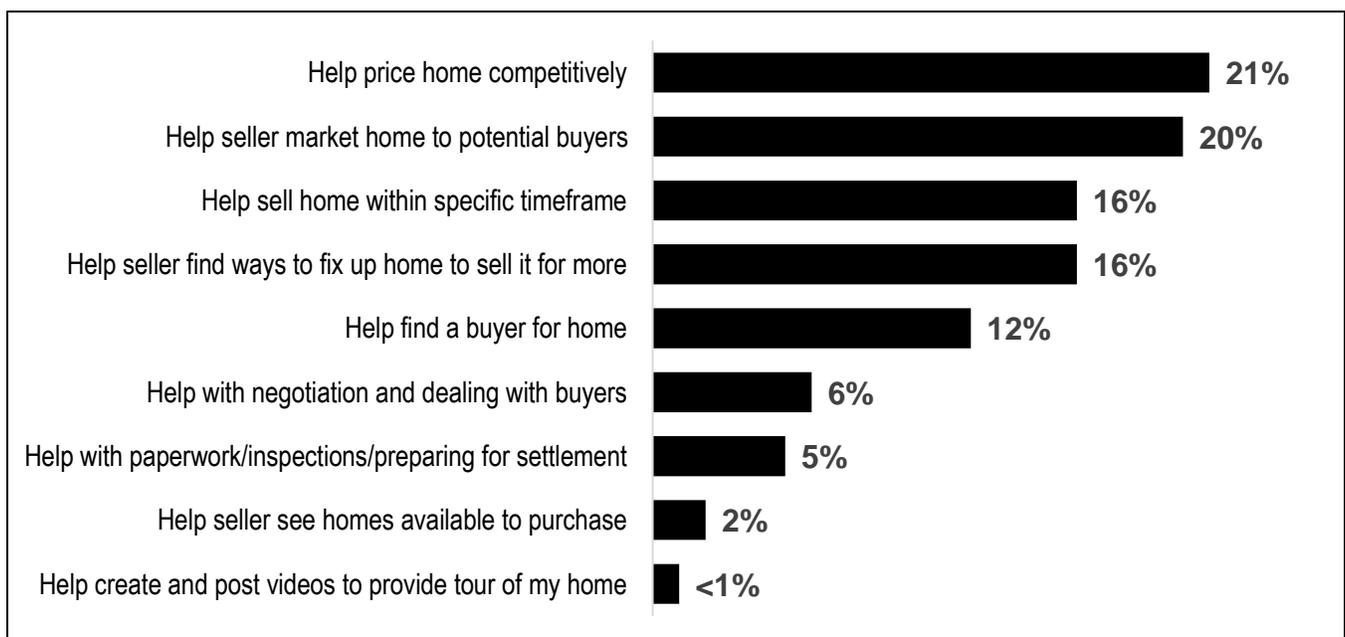
Code of Ethics: Standard of Practice 3-4, Duties to Clients and Customers

- REALTORS®, acting as listing brokers, have an affirmative obligation to disclose the existence of dual or variable rate commission arrangements (i.e., listings where one amount of commission is payable if the listing broker's firm is the procuring cause of sale/lease and a different amount of commission is payable if the sale/lease results through the efforts of the seller/ landlord or a cooperating broker).
- The listing broker shall, as soon as practical, disclose the existence of such arrangements to potential cooperating brokers and shall, in response to inquiries from cooperating brokers, disclose the differential that would result in a cooperative transaction or in a sale/lease that results through the efforts of the seller/landlord.
- If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

(Amended 1/02)

What Sellers Most Want from Real Estate Agents

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 7, page 138)



MODULE 4: PREPARING FOR THE APPOINTMENT

Most Important Factor in Choosing a Real Estate Agent to Sell Home, by Level of Services Provided by the Agent

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 7, page 139)

	All Sellers	A broad range of services & management of most aspects of the home sale	A limited set of services as requested by the seller	The agent listed the home on the MLS and performed few if any additional services
Reputation of agent	32%	33%	28%	21%
Agent is honest & trustworthy	19%	20%	10%	18%
Agent's knowledge of the neighborhood	11%	11%	13%	13%
Agent has caring personality / good listener	5%	5%	3%	3%
Agent's association with a particular firm	4%	4%	3%	3%
Agent seems 100% accessible because of use of technology like tablet or smartphone	3%	3%	3%	7%

The Initial Call

When you first talk with a prospective seller, the objective is to secure an appointment.

One-Step or Two-Step? Here is a sample script:

"Mrs. Seller, thank you so much for calling. I'm very interested in speaking with you about listing your home. My process is to meet with one of you for about a half hour where I'll get some pertinent information, measure the house and we can then make an appointment for us all to meet – by all I mean all the decision makers involved. What time is best for you, I can make it for later this afternoon or tomorrow around 4?"

Yes, I know that Snazzy Sally just comes in and gives you a price, but I feel that your home is too important for me to just 'shoot from the hip' and give you a price that may or may not reflect fair market value. I think it's more important to be accurate than quick. I have found that this is to your benefit by pricing your property correctly right from the start."

MODULE 4: PREPARING FOR THE APPOINTMENT

Knowing What They Need From a Professional

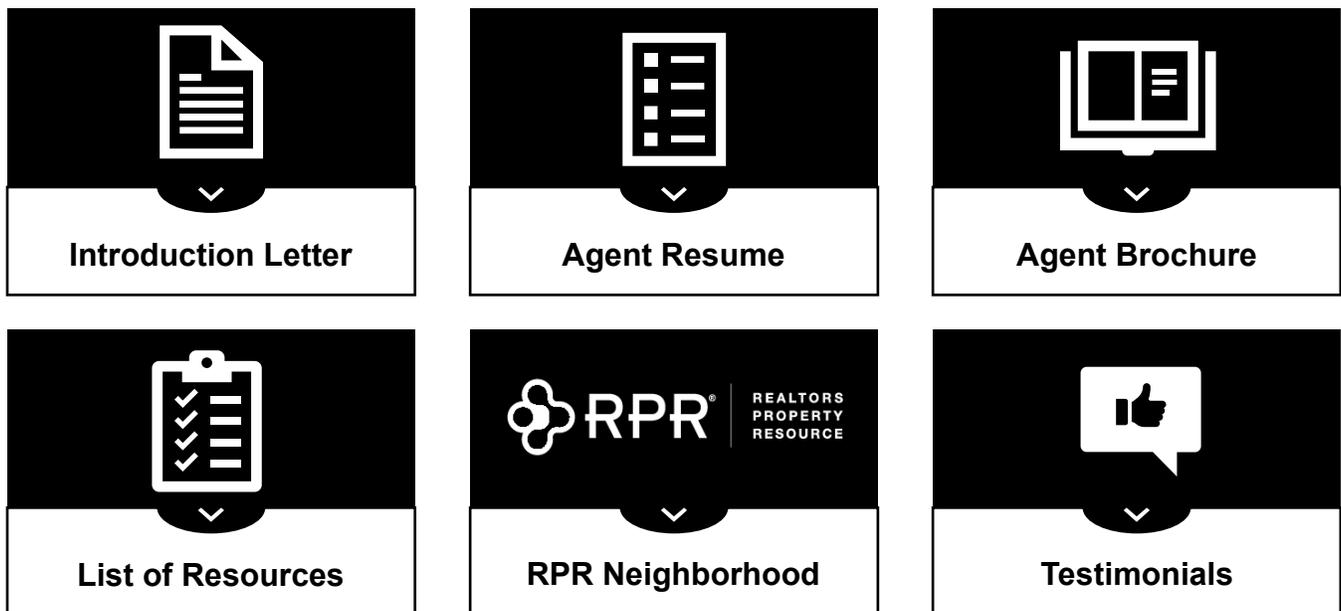
In addition to assessing the property value, demonstrate how you will partner with them:

- Listen to their concerns
- Provide them with a plan to achieve their goals
- Provide options to resolve their issues
- Coordinate the necessary resources to limit transactional issues

This can be showcased in your pre-listing packet.

Provide a Pre-Listing Packet in advance. This can be print or digital.

The Pre-Listing Packet



Use the Consulting Approach – Ask Questions

Too many real estate agents think a listing presentation is mostly about the seller asking questions and the agent "showing their wares."

Think about your last visit to a doctor, attorney, or accountant. They probably did most of the questioning. They probably didn't roll out a show of all their services. Think of the seller as your client with a problem.

MODULE 4: PREPARING FOR THE APPOINTMENT

What other things do you want to know before you see them at the property?

Top 12 Questions Sellers Ask

1. Can you tell me about your career in real estate?
2. Are you a full-time agent?
3. How many other clients do you currently represent?
4. What is your strategy for marketing my property?
5. How many homes have you sold in my area this year?
6. How familiar are you with my price range?
7. What was your average list to sale price ratio in the past year? How does that compare with MLS averages?
8. What is the average number of days it took your listings to sell? How does that compare with MLS averages?
9. How will you determine the listing price?
10. How long can I expect my house to be on the market?
11. How will we communicate?
12. Can you provide me with references?

Understand the Property

- Each property is unique and requires a tailored approach and different paths to achieve results.
- Listing models and market conditions must be considered in your strategy.
- Different listing models must be analyzed to achieve optimum results.
- Market conditions provide different opportunities, strategies, and challenges.

Pre-Meeting Research

Spending time on collecting data for the meeting will:

- Prepare you for the best approach at your appointment.
- Position you for either a one-step or two-step CMA.
- May reveal risks or conflicts with the upcoming appointment.
- Will help you ask the right questions.
- Determine if it's financially viable or prudent to list the property.

MODULE 4: PREPARING FOR THE APPOINTMENT

What Do You Do to Research the Property and the Seller?

Some Items to Research:

- Liens, easements, encumbrances, right of ways, shared right.
- Sewers, wells, leaching fields, utility pipes.
- Zoning regulations pertaining to additions, pools, garages, fencing, etc.
- Surveys, topographical maps, water rights, flood plains, etc.
- Assessor's and tax records.
- Value of the property.
- Google the property address and the seller.
- Review Zillow information (aggregate site).
- Run and review the RPR report.
- Look up tax records.
- Search for prior listings in the MLS.

Valuable Tools to Help You Assess Value



RPR[®]

Free NAR Member Benefit

www.narrpr.com

Others might include:

- Cloud CMA
- dashCMA
- House Canary
- MoxiWorks Present
- ToolkitCMA
- FlashCMA

MODULE 4: PREPARING FOR THE APPOINTMENT

Valuation Process – Comparative Market Analysis (CMA)

You need to assess the property value prior to meeting with the seller. Whether it is a one-step or multi-step CMA:

- Evaluate “like-kind” property that sold in the recent past.
- The historical range is then balanced to active competition and market absorption rate for that area, price range, and property type.
- It is a **range** of value – not a specific number which is an appraisal.
- Adjust for condition on site.
- Be prepared to offer a second price opinion based on renovations being done.
- Justify or neutralize value on consumer valuation sites (Zillow, Trulia, etc.) that sellers may be researching for themselves which may not be accurate.

Remember, your job is different than the appraiser’s job.

- The appraiser does not assess market value.
- All sales are not necessarily comps.
- Appraisers might request info on pending transactions when supply/demand change.
- They may or may not be familiar with the area.
- They may not consider certain areas of the property like an agent does.
- Recent regulations/policies mandate they are not influenced by others in any way.

Absorption Rates

You also need to understand the impact of supply and demand on the marketplace and how the absorption rate factors in.

Whether or not your MLS automatically configures the Absorption Rate, it is imperative that you understand how this impacts the market pricing and appraisal of property. Remember, it’s all about supply and demand.

Telling sellers the price they want to hear may get you the listing, but it won’t sell the home. Only pricing the listing right will do that.

MODULE 4: PREPARING FOR THE APPOINTMENT

What is an Absorption Rate?

- An indicator that demonstrates the supply and demand of the marketplace.
- Helps clients understand that pricing is critical to results and that overpricing will hurt their overall objective.
- The rate at which homes that are available in a market are sold over a given timeframe.
- It is assessed by geographic area, price range, timeframe, and property type.

Formula for Absorption Rate

The diagram illustrates the formula for Absorption Rate. It consists of four main components arranged horizontally: a black box containing the text 'Absorption Rate', followed by a white equals sign (=), a grey box containing the text 'Average # of sales per month', followed by a white division sign (÷), and finally a dark grey box containing the text 'Total # of available properties'.

Let's look at a few examples:

Let's assume that in a housing market, there are 300 homes available for sale. Since we're in a **seller's market**, 80 of those homes quickly sold in just a month's time.

- The absorption rate in this market is 26%, which is the rate you get when you divide 80 by 300.

Let's say there is a housing market with 150 homes available for sale within a single price range and only 22 of the homes sold over the last 30 days.

- In this case, the absorption rate would be 15%, the rate you get when you divide 22 by 150.

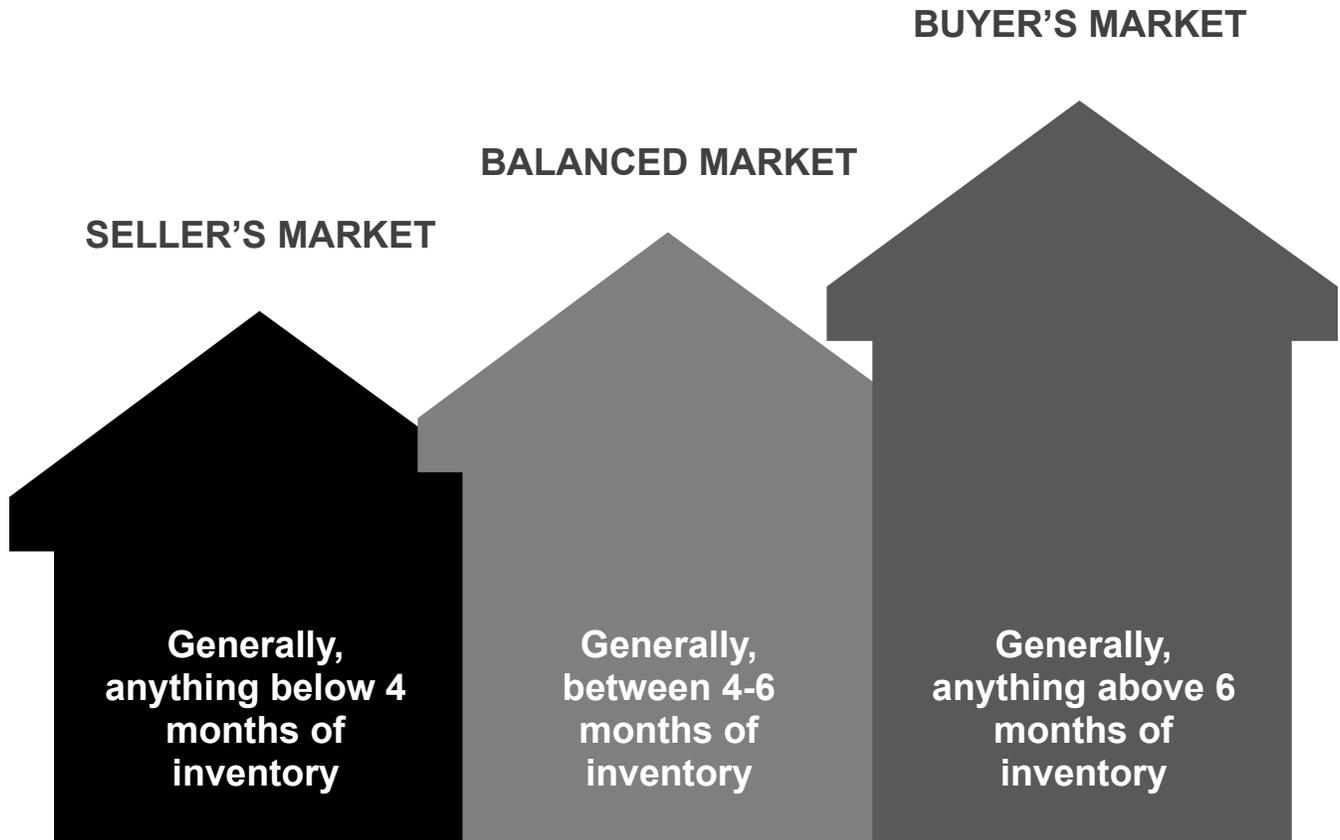
How long for a given market to run out of inventory:

Flipping the previous equation gives you an idea of how long it would take for a given market to run out of housing inventory. To calculate this, **you would divide the total number of available properties by the number of properties sold over the given time frame.**

- Using our first previous example, you would divide 300 (available properties) by 80 (properties sold in a month).
- $300 \div 80 = 3.75$ months for that market to run out of inventory.

MODULE 4: PREPARING FOR THE APPOINTMENT

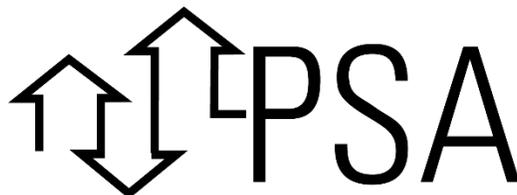
The Markets



KEY RESOURCE

For more in-depth information on pricing properties, we recommend you take the NAR course: "Pricing Strategies: Mastering the CMA".

Visit [NAR.realtor](https://www.nar.realtor) (Education Tab) for more information.



PRICING STRATEGY ADVISOR

MODULE 5

Meeting With the Seller



MODULE 5: MEETING WITH THE SELLER

You Got the Appointment – Now What?

License Law Note

- Notice of “No-Agency” or unrepresented party disclosure must be done on the first appointment if that is your company policy.
- If you approach the appointment as an agent of the seller – you legally have established a presumption of agency representation.
- All conversation with that prospective seller becomes confidential – even if you don’t end up listing the property.



Code of Ethics: Article 11, Duties to the Public

- The services which Realtors® provide shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage;
- Realtors® shall not provide specialized professional services concerning a type of property/service that is outside their field of competence unless they engage the assistance of one who is competent, or unless the facts are fully disclosed to the client.
- Any persons engaged to provide such assistance shall be so identified to the client and their contribution to the assignment should be set forth.

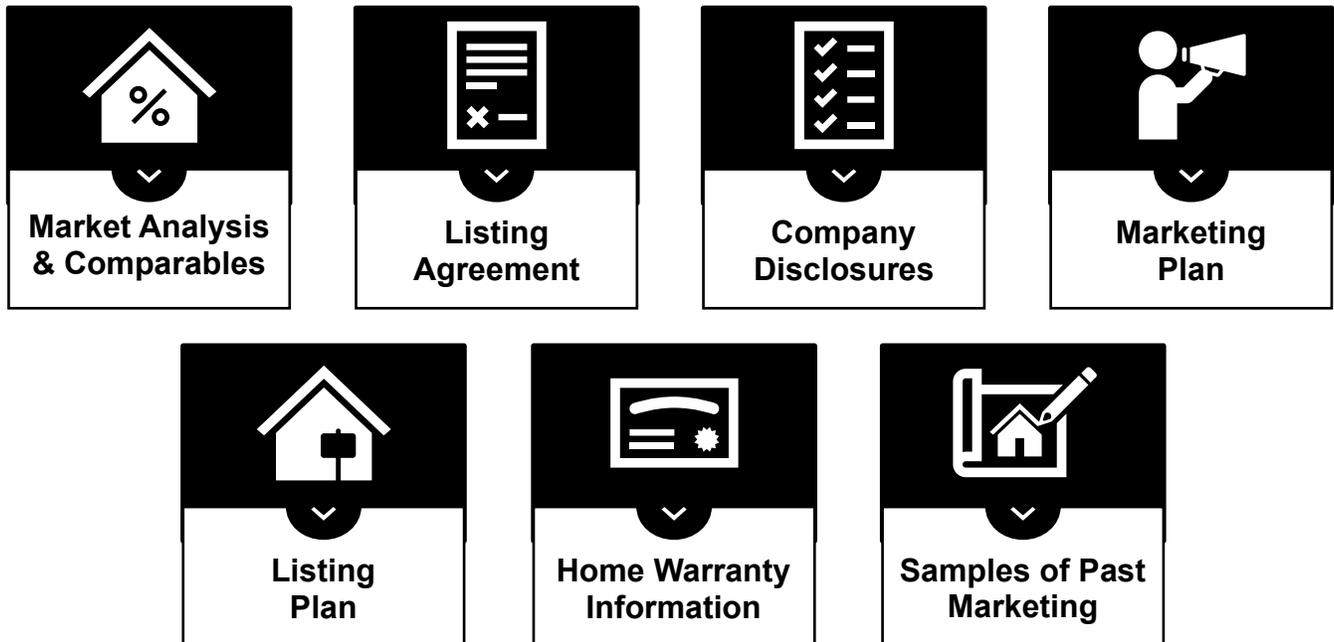
(Amended 1/10)

MODULE 5: MEETING WITH THE SELLER

Articulate Your Value

Articulating your value is essential to securing the listing. Here are some examples of how you can do that during the appointment with the seller.

The Listing Packet



Walk Through the Property – Take Notes and Ask Questions

- How long have you lived here?
- Tell me a little about your plans for moving.
- If you got an offer right away – any plans to move early?
- Tell me about the improvements you've made.
- How recently have those been done?
- Are they all calculated in your tax bill?
- Is there anything you do not want to include in the sale?
- Have the listing input sheet with you – or know what info you need to finalize your CMA.
- If they are ready to list, adjust your numbers based on current condition.
- Schedule appointment to return with CMA if you can do a two step

MODULE 5: MEETING WITH THE SELLER

Key Questions if You Sent a Pre-Listing Packet

If you sent a pre-listing packet prior to the meeting, follow-up at the meeting with these key questions:

- Did you review the information I sent to you?
- What questions do you have about me, my services, and the market?
- What is your expectation of the agent you want to list your property?
- Are you ready to begin the counseling session process?

The Seller Strategy Session

The purpose isn't to guess the number they want to hear. The Seller Strategy Session is a structured conversation that demonstrates your value.

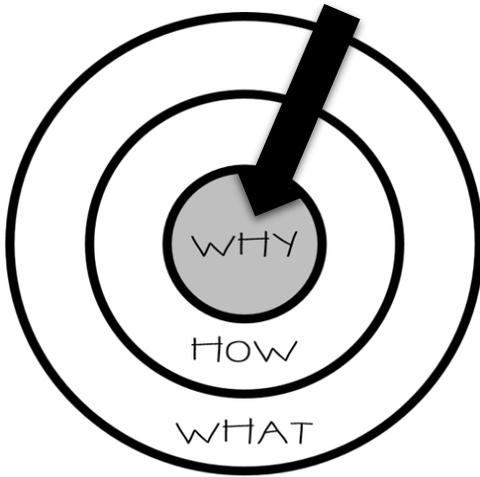
- Your job is to be flexible and use a presentation format that complements the seller's generational communication style.
- You can deliver on your laptop, tablet, post on your website, and/or print it out for a risk-reducing method.
- Can be done in person, by conference call, or virtually (e.g., Zoom).

The Purpose of the Appointment

- This is **NOT** a *presentation*. It is a **CONVERSATION** that the seller participates in with you.
- It is a risk reduction tool when you establish a routine to cover the same topics every time with every seller.
- Describes what you will and won't do by law; can and can't do by Office Policy; must do by the Code of Ethics; and want to do based on how you do business.
- Provides an overview of the process and demonstrate the value you bring for the seller's benefit.
- Important components are discussed at length. These include fees charged and the optimum price of the property.
- It is an opportunity for you to assess the seller and property for motivation, urgency, and financial viability.
- It allows you to set a mutually agreeable expectation level for a **saleable** listing.
- You can determine if you want the listing.

MODULE 5: MEETING WITH THE SELLER

Begin With Your “WHY”



We discussed the importance of knowing your “Why” in Module 2 and how it applies to crafting your message. Your “Why” is different when meeting with a seller or potential client.

If you want to replay the Simon Sinek video on “Start with WHY to Inspire Action”, you can access it on YouTube via this link:

<https://www.youtube.com/watch?v=HjriwYrGL28>

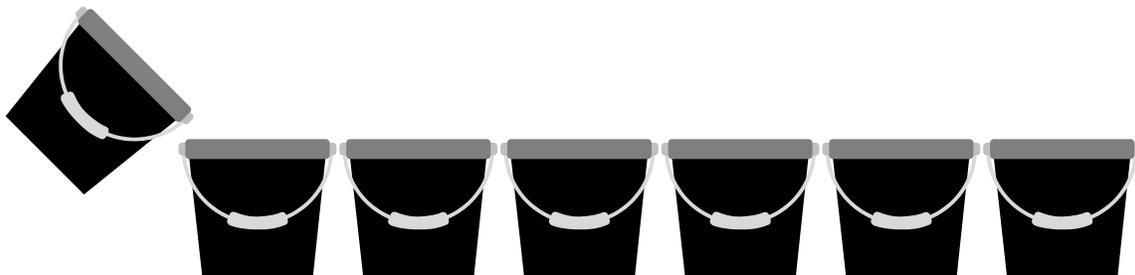
You can also watch the full-length TedTalk he gave on this topic via this link:

https://www.ted.com/talks/simon_sinek_how_great_leaders_inspire_action?language=en

A full transcript of the talk is also available in 48 languages.

What Sellers Want Most from Real Estate Agent – The Big Buckets

We discussed this topic earlier when we reviewed the NAR Home Buyers & Sellers Report. This list becomes even more important during your Seller Strategy Session.



- Help sell the home within a specific timeframe.
- Help price the home competitively.
- Help the seller market the home to potential buyers.
- Help the seller find ways to fix up the home to sell it for more.
- Help find a buyer for the home.
- Help with negotiation and dealing with buyers.
- Help with paperwork, inspections, and preparing for settlement.

MODULE 5: MEETING WITH THE SELLER

The Seller Strategy Session is your point of differentiation, but first things first.

- Start with an explanation of your fiduciary or statutory duties regarding seller representation.
- Explain how you will manage / convert buyers that contact you on the listing.
- Discuss how you behave when:
 - Someone from another brokerage has a buyer.
 - An agent from your brokerage has a buyer.
 - Someone on your team has a buyer.
 - You have a buyer.
- Discuss:
 - What you can and can't do by law.
 - What you will and won't do by office policy.
 - What you must do according to the Code of Ethics.
 - What you choose to do based on how you do your business and manage your time.

The Real Estate Business Institute (REBI) has developed customizable Buyer & Seller Counseling Session Presentations in PowerPoint®.



The advertisement features the REBI logo at the top, followed by the title 'BUYER & SELLER COUNSELING PRESENTATIONS'. Below the title is a banner with the text 'LISTING PRESENTATIONS SELL PRICE. COUNSELING PRESENTATIONS SELL VALUE.' and a photograph of three people in a meeting. A descriptive paragraph follows, explaining the value of the presentations. At the bottom, two columns list the contents of the 'BUYER TEMPLATE' and 'SELLER TEMPLATE'.

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Real Estate Business Institute

BUYER & SELLER COUNSELING PRESENTATIONS

LISTING PRESENTATIONS SELL PRICE. COUNSELING PRESENTATIONS SELL VALUE.

Effectively guide your clients through the entire buying or selling process with counseling presentations tailored to meet their needs and yours. These customizable PowerPoint templates serve as a practical approach to securing client loyalty and written commitment through effective dialogue.

BUYER TEMPLATE

- Allowances and restrictions
- Closing and post-closing
- Compensation and fees
- Confidentiality
- Contingencies
- Inspection process
- Legal duties
- Maintenance requests
- Market analysis
- Offer and negotiation process
- Representation
- Selection process
- Showing, scheduling, and open houses
- Written authorizations/agreements

SELLER TEMPLATE

- Allowances and restrictions
- Buyer inquiries
- Closing and post-closing
- Compensation, fees, and pricing
- Contingencies
- Cooperating agents
- Inspection process
- Legal duties
- Marketing plan
- Offer and negotiation process
- Pre-authorizations
- Professional services
- Representation
- Showings, scheduling, and open houses

Visit www.REBInstitute.com/shop to learn more and save with Promo Code: **SRS** at checkout.

MODULE 5: MEETING WITH THE SELLER

Game Plan for Working with Sellers

Your value proposition is an essential component of the conversation. The following example is an excellent way to neutralize those common objections we just reviewed.

What We Do	How We Do It	Benefit to Client (The Value – the WHY?)
Assist in proper pricing.	<ul style="list-style-type: none"> I will do a thorough CMA. I am aware of what has sold, what the competition is, and how your home fits in with all of them. 	You don't want to leave money on the table by pricing too low, nor do you want to price your home so high that it becomes the one that helps sell other well-priced homes.
Constantly analyze the market.	<ul style="list-style-type: none"> I am trained on how to utilize the MLS and analyze the data. I will keep you updated if the market changes while your home is for sale. 	I will do a consistent analysis of your competition and properties that sell to determine if the marketing plan needs adjusting.
Market your property.	<ul style="list-style-type: none"> I may not be the one who sells your home – but I am the reason your home sells. I am trained in helping my sellers get the most money, the quickest sale, with the least amount of inconvenience. I will market your home in the following ways: (discuss your marketing plan). 	<ul style="list-style-type: none"> I will expose your property in every way possible to the right buyers to ensure showings. Your goals cannot be met if we do not have showings.
Negotiate on your behalf.	<p>My job is to help you analyze offers when they come in to determine what is – or is not – in your best interests and whether or not you should accept, reject, or counter.</p>	<ul style="list-style-type: none"> I don't want to leave anything on the table. Working with a credentialed negotiating professional assures you will get your needs met. (Showcase your RENE and SRS credentials.)
Follow-through to closing	<ul style="list-style-type: none"> Attend appraisal. Assist in home inspection issues and negotiation. Coordinate activities with attorneys & all parties. 	<ul style="list-style-type: none"> Accepting an offer is only the beginning. Getting to closing with all the players moving in the right direction is much like a well-run football team. It's the quarterback's job to get the ball in the endzone, and I will be your quarterback.

MODULE 5: MEETING WITH THE SELLER

Key Resource

The National Association of REALTORS® created a website to ensure pro-consumer, pro-competitive marketplaces. For more information and resources on how to talk to clients, the public, and regulators about the value of REALTORS® and the MLS, visit NAR's new website: www.competition.nar.

Fees Paid and Earned - Solidify Your Value in the Transaction

Discussing how you are paid and earn your fee is a critical component of the conversation during the Seller Strategy Session.

Anti-Trust Reminder

As we discuss business models, competitors, and compensation:

- Competitors may not collaborate to price fix.
- Any conversations about compensation in this course are only for instruction purposes and not intended to convey standard fees.
- All fees are established independently within the brokerage.
- Make independent decisions about co-op fees.
- Make independent decisions about cooperation with other brokerages.
- Walk away from discussions with agents in other brokerages about fees, rates, listing policies, cooperation with other firms, different business models.



Code of Ethics: Standard of Practice 16-1, Tolerance for Alternate Business Models

Article 16 is not intended to prohibit aggressive or innovative business practices which are otherwise ethical and does not prohibit disagreements with other Realtors® involving commission, fees, compensation or other forms of payment or expenses.

(Adopted 1/93, Amended 1/95)

MODULE 5: MEETING WITH THE SELLER

Fees

- Help sellers understand there is no longer one total fee.
- There is one for the list side and one for the co-op side.
- Each side has a different set of responsibilities that correlate to the amount charged / received.



Remember, Article 1 SOP 12 requires full disclosure to the seller regarding the amount we are retaining and the amount that is offered to a cooperating agent.



Code of Ethics: Standard of Practice 1-12, Duties to Clients and Customers

When entering into listing contracts, REALTORS® must advise sellers/landlords of:

1. **The REALTOR®'s company policies regarding cooperation and the amount(s) of any compensation that will be offered to** subagents, buyer/tenant agents, and/or brokers acting in legally recognized non-agency capacities;
2. the fact that buyer/tenant agents or brokers, even if compensated by listing brokers, or by sellers/landlords may represent the interests of buyers/tenants; and
3. any potential for listing brokers to act as disclosed dual agents, e.g. buyer/tenant agents.

(Adopted 1/93, Renumbered 1/98, Amended 1/03)



Focus on the Listing Side Fee

"For all of the services I provide to you in the real estate transaction, I charge \$X ... my only other question of you, as the seller of the property, is what would you like to add on for the cooperating brokerage?"

MODULE 5: MEETING WITH THE SELLER

Focus on the Listing Side Fee - *continued*

Securing fair compensation for services is easy.

- Listing Side is a **portion** of the total fee that is easier to justify than the total amount.
- Can be a minimal amount for entry only or limited services, or a larger amount for extensive services.
- Office Policy can dictate a minimum fee to represent the seller side of transaction

Alternate Business Models that Unbundle Services

- Some business models charge according to a menu of service options recognizing that not every seller wants to pay for everything.
- If full services are not needed, limited services for an adjusted fee could be:
 - Entry only fee to insert into the MLS only.
 - Ala carte services desired by seller - Flat fee, hourly, and/or percentage.
- Some states have statutory/regulatory minimum standards, but others have only what is required by license law.
- To avoid any perception of discriminatory behavior, you must uniformly offer **ALL** sellers the same selection of services your brokerage offers.
- Whatever is negotiated, the fee correlates to the work done on the listing side of the transaction only.

The Co-Op Side

With the listing side compensation addressed, you can now discuss the pros/cons of what fee, if any, should be offered to cooperating brokerages.

- Disclosed and discussed with seller per Article 1 SOP 12.
- Discuss types of co-op brokerages that may show the property – buyer agents, sub agents, transaction brokers, etc.
- Discuss the amount(s) offered to each and the ramifications of those decisions.
- Show the seller what other sellers at their price point offer co-op brokerages. It may help with the decision process
- Seller makes final decision prior to signing the listing agreement.
- If an amount is offered to a cooperating brokerage, help the seller realize it could be merely a suggestion.
- No contractual buyer agent has to accept that amount, and it can be rejected
- If rejected, it does not revert to the listing firm, it just goes away since it was specifically allocated for the buy side.

MODULE 5: MEETING WITH THE SELLER

The Co-Op Side - *continued*

- Additionally, Some MLSs and private companies may display the amount offered to cooperating brokerages in their public portals and property information websites.
 - That means that buyers as well as cooperating brokerages will see the fee allocated for that side of business.
- Listing agents must educate sellers and prospective buyers on the impact of this emerging trend.



Code of Ethics: Standard of Practice 3-1, Cooperation – Not Necessarily Compensation

- Realtors®, acting as exclusive agents or brokers of sellers/ landlords, establish the terms and conditions of offers to cooperate.
- Unless expressly indicated in offers to cooperate, cooperating brokers may not assume that the offer of cooperation includes an offer of compensation.
- Terms of compensation, if any, shall be ascertained by cooperating brokers before beginning efforts to accept the offer of cooperation.

(Amended 1/99)



Code of Ethics: Standard of Practice 16-16, Modifying the Offer of Compensation

Realtors®, acting as subagents or buyer/tenant representatives or brokers,

- shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers
- nor make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.

(Amended 1/04)

MODULE 5: MEETING WITH THE SELLER

Modifying the Offer of Compensation

Listing agents can't interfere with a buyer's agent contracted fee with their buyer client, nor the inclusion of fee clauses in the offer.

- If the compensation offered in the MLS isn't enough to satisfy the buyer's 'employment' agreement with the agent:
 - Buyer may elect to include additional amount in their offer to purchase, or,
 - May instruct agent to reject the offer of compensation and include an amount that will neutralize their contractual responsibility.
 - When worded properly there is NO violation of law since the agreement is between the parties.
 - The company Lawyer should provide approved clauses.

Seller Compensation Language

Viable for use in all transactions including cash poor.

The language may look something like this:

ABC Realty rejects any offer of compensation made by the listing firm. Seller and/or any third party to the settlement and transfer of this property agrees to pay the buyer X% of the sale price to settle their contractual agreement with their buyer agent at closing.

This is not legal advice, and you need to check with your broker or attorney to determine how you should do this.

- This rejection allows all parties including the 3rd party to the transaction to understand that what is being rejected is the disclosed co-op portion of the fee only.
- This ensures that the fee in the buyer agreement, worded as a seller concession in the conditions of sale, will be fulfilled so that the buyer client will not have any unforeseen risk for paying the buyer agent.
- This does not violate law since the agreement is between the parties to the contract.
- This does not violate any Code of Ethics since it is not attempting to modify in any way the amount that was offered in the MLS since it is rejecting that amount.

MODULE 5: MEETING WITH THE SELLER

Continue to communicate your value, services, and points of differentiation.

Once the seller understands who is paid – why and how – continue with an overview of the transactional process:

How Showings Occur	Feedback Issues	Processing of Offers
Confidentiality of Offers	Process for Multiple Offers	Service Partners
How Appointments are Made	Inspection Process	Marketing Plan and Online Strategy

All of these will be reviewed in detail throughout the Course.

Discussing the Optimum List Price

Frame the conversation and set the expectation. Here is a sample script that **starts with the price:**

“Mr. and Mrs. Seller, we need to first discuss the market analysis I prepared on your property and decide on the best price at which to market your home to get you the best price, with the best terms, in the least amount of time. Once we have done that, we can discuss my marketing plan and how we will accomplish that. Does that make sense to you? Great. Let’s get started.”

Here is a sample script that **ends with the price:**

“Mr. and Mrs. Seller, the decision of who to list your home with should be based on the person and firm who will do the best job to get you the most money, the quickest sale with the least amount of inconvenience – so let’s start with that and then we can discuss the market analysis and reach a list price that will accomplish that.”

MODULE 5: MEETING WITH THE SELLER

Convey the Facts and Realities of the Market

1. All decision makers do need to be present.
2. You are not there to guess a number they want to hear.
3. Make it clear that the facts of the market are not arbitrary.
4. Pricing is both a science as well as an art form.
5. The online automated valuation models cannot be relied on.

Anticipate the Pricing Information Sellers Have Already Researched

- Using available automated valuation models online, consumers continue to research their property value in advance of selling.
- You need to know what they are looking at.
- If you don't acknowledge those numbers and either validate or neutralize them, the seller will doubt your information.
- These online consumer valuation tools will continue to be developed and improved.
- Professionals need to be aware of those sites and their value assessments whether they are accurate or not.

Primary Objective – A Saleable Listing

- Review your data and research with the seller.
- Conduct a thorough analysis with the seller to help them filter inaccurate or unreliable sources of information that compromise pricing accuracy.
- Review similar properties within the recent past that have gone through settlement.
- Show them their current competition on a feature-by-feature basis.
- Help them understand absorption rate and days on market.
- Neutralize the value of some "improvements", identifying those that do and don't have value.

MODULE 5: MEETING WITH THE SELLER

Real or Personal Property?

You also need to understand what is considered real or personal property, so the Sellers understand what stays with the property when it is sold.

R or P	Curtain Rod Treatments	R or P	Nest Thermostat
R or P	Kitchen Appliances	R or P	Water Softener
R or P	Portable Dishwasher	R or P	Track Lighting
R or P	Under Counter Appliances	R or P	Bookshelves
R or P	Alarm & Security Systems	R or P	Playhouse / Tree House
R or P	Mailbox, Post, Door Knockers	R or P	Swing Sets, Basketball Hoop
R or P	Above Ground Pools & Hot-Tubs	R or P	Central Vacuum Equipment
R or P	Smart Door Lock	R or P	Stained Glass
R or P	Fireplace Equipment	R or P	Bathroom & Other Mirrors
R or P	Humidifier & De-Humidifier	R or P	Propane Gas Tanks, BBQ
R or P	Ring Doorbell	R or P	Trees, Shrubs, Plantings

Everyone thinks their property is worth more than their neighbor's!

- Help sellers understand how today's buyers view certain "improvements" or property issues as they relate to pricing of property.
- Learn to say, "Research shows us that ..."
- Depending on your area, swimming pools and hot tubs may not necessarily add value to a property.
- Just because you lived with that needed repair for 30 years, doesn't mean a buyer will be willing to fix it.
- Updated bathrooms and kitchens are worth investing in to get top dollar.
- Fresh paint is worth the effort.

MODULE 5: MEETING WITH THE SELLER

Determine if You Can Sell the Property

LIKELY



- Sellers are motivated.
- Price is within range.
- Location is 'desirable'.
- Condition is acceptable.
- Seller willing to repair.
- Great curb appeal.
- Easy to show.
- Financially possible.

UNLIKELY



- Sellers are not motivated.
- Seriously over-priced.
- Difficult location.
- Needs lots of work.
- Seller not willing to repair.
- No curb appeal.
- Difficult to show.
- Financially unlikely.

If you want the listing – don't forget to **ask for it!**

Seller's Net Sheet

- Whether you are providing a hard copy or using today's tech tools, Net Sheets for sellers are essential.
- They provide some assurance as to where the numbers fall.
- They provide sellers a planning tool that they can reasonably rely on.
- They are a risk management tool for the agent.

When Should You Do a Net Sheet?

- The listing appointment is an opportune time to impress the seller with an immediate estimate of their closing costs and net proceeds.
- It is also helpful for assisting with the decision to accept or counter an offer from a potential buyer.

What You Need from the Seller

Ask the seller(s) to have the following information available for your appointment:

- Last mortgage statement(s).
- Statements or coupons for any HOA dues.
- Last billing statements for water, sewer, etc.
- Ask the seller if they are or have ever been in forbearance.

Ask the seller(s) to consider the following before your appointment:

- Are you willing to consider any concessions to the buyer?
- Will you offer and pay for a Home Warranty for the buyer?

MODULE 5: MEETING WITH THE SELLER



KEY RESOURCE

Nearly every title company and mortgage company offer an online automated Net Sheet for buyers and seller.

- Visit the website of any of these companies (Google 'Net Sheet').
- Ask your broker or manager if your office has a template and / or automated tool (most do!)
- Look in the transaction management software you use – there is likely a tool there you can use.

MODULE 6

Marketing the Listing



MODULE 6: MARKETING THE LISTING

We have a limited amount of time in the Seller Representative Specialist course to adequately cover all of the strategies and techniques to market the listing.

The Real Estate Business Institute (REBI) has developed a new course focused on this area of seller representation.

The Listing Agent takes on many responsibilities when the seller entrusts the REALTOR® with selling their home. One of those responsibilities is to be a knowledgeable and highly competent marketer and create an engaging story about the property to the greatest number of qualified buyers possible.

The “Marketing the Listing” certificate course delivers advanced and contemporary marketing techniques and practices to ensure that marketers will rise to the challenge of breaking through today’s noise and presenting a compelling marketing campaign that will connect the seller’s home with the future owner.



Learning Outcomes

- Real estate agents will be able to understand and identify the predominate marketing concepts that govern successful contemporary marketing programs.
- Use quantifiable statistics and best practices to identify the probable buyer for a property and best means by which to communicate value to that consumer persona.
- Discover new ways to utilize time-honored marketing tactics, with new and emerging technologies, to create an innovative marketing plan that is unique to their market and listing type.
- Understand and design an online and offline series of marketing assets that will target qualified buyers and create a high level of consumer engagement.
- Explore marketing practices that create a positive result in the marketing efforts of the agent with focuses on success driven activities.

Learn more at REBINstitute.com

MODULE 6: MARKETING THE LISTING

Every Listing is an Interview

Aggressively exposing property to the market offers you a variety of benefits:

- Demonstrates to existing clients that you have positioned their goals to sell the property over your desire to secure both sides of the transaction.
- Differentiates you from your competitors who just do the bare minimum.
- Shows potential sellers why they should list with you.
- Attracts buyers or positions them for conversion to other properties.

Type of Market

Your marketing plan will be contingent upon the type of market and price point the property is in –

- Buyer's Market
- Seller's Market
- Neutral Market

Each market may require a different approach but starts with who the probable audiences are for that property.

It's easy to sell property when there's no inventory, but what are you going to do when it's not a Seller's Market?



Most Effective Ways to Get Buyers' Attention

OFF-LINE MARKETING	ON-LINE MARKETING
<ul style="list-style-type: none"> ▪ Public / Broker / Office / Company Opens ▪ Networking Groups ▪ Coming Soon Marketing ▪ Just Listed & Just Sold ▪ Yard Signs ▪ Purchase Incentives ▪ Post-Closing Services ▪ Others? 	<ul style="list-style-type: none"> ▪ Single Listing Websites ▪ Video Marketing ▪ Photography (3D, aerial) ▪ Listing Aggregators ▪ Email Campaigns ▪ Mobile Advertising ▪ MLS – IDX ▪ Others?

MODULE 6: MARKETING THE LISTING

Pocket Listings vs. Coming Soon

Seller Markets pose an additional set of issues and marketing challenges.

Pocket Listings are *not* listed in the MLS. Instead, agents only expose them to an audience of their choice.

- No inherent offer of cooperation or compensation.
- Property can be manually entered into some syndication sites.
- Fair housing concerns.
- Violation of the Clear Cooperation Policy if marketing outside of your brokerage.
- Violation of fiduciary, Statutory, and Code occurs when the agent attempts to 'pocket the listing' to sell only to their buyers, or to only allow showings within the firm before exposing the property to all agents in all firms.
- Additional fiduciary, statutory and regulatory issues are surfacing in the private Networking Groups that share upcoming listings and try to get them sold off MLS.
- More and more Provinces and States are addressing these issues since agent greed is positioned over the interests of the client.



Coming Soon Listings are listed in the MLS. They are designed to build agent-to-agent buzz while the property is prepared for syndication (photos, painting, tenant, etc.).

- Listing agent and seller determine when showings start for all.
- Cooperation is required, and compensation, if any, may be offered.
- Listings are not syndicated.
- Available to MLS subscribers via searches and hot sheets.



MODULE 6: MARKETING THE LISTING



Code of Ethics: Standard of Practice 3-1, Dual & Variable Rate Commission Disclosures

- Realtors®, acting as exclusive agents or brokers of sellers/landlords, establish the terms and conditions of offers to cooperate.
- Unless expressly indicated in offers to cooperate, cooperating brokers may not assume that the offer of cooperation includes an offer of compensation.
- Terms of compensation, if any, shall be ascertained by cooperating brokers before beginning efforts to accept the offer of cooperation.

(Amended 1/99)



Code of Ethics: Standard of Practice 3-8, Duties to Clients and Customers

Realtors® shall not misrepresent the availability of access to show or inspect a listed property.

(Amended 11/87)

Clear Cooperation

The following section is a review of NAR's Clear Cooperation Policy and will vary between Association and Private MLSs.

You need to research your local MLS rules and their application of the policy. Consult with your broker.

MODULE 6: MARKETING THE LISTING



Model Rules & Regulations for an MLS*: Section 1.01, Clear Cooperation

*Model Bylaws & Model Rules and Regulations for an MLS Separately Incorporated but Wholly owned by an Association of REALTORS®

Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

(Adopted 11/19, Effective no later than May 1, 2020)

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules if it is being publicly marketed, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants.



Model Rules & Regulations for an MLS*: Section 1.3, Exempt Listings

*Model Bylaws & Model Rules and Regulations for an MLS Separately Incorporated but Wholly owned by an Association of REALTORS®

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

Note 1: Section 1.3 is not required if the service does not require all (indicate type[s] of listing[s] accepted by the service) listings to be submitted by a participant to the service.

Note 2: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1.01, Clear Cooperation.

MODULE 6: MARKETING THE LISTING

Benefits of Off-Market Listings

BENEFITS	<ul style="list-style-type: none">▪ Creates a “buzz” among buyers.▪ May stop buyers from making offers on other homes before listing is available.▪ Increase privacy for sellers.▪ Less foot traffic.▪ Limits time needed to keep home showing-ready.▪ Dual Agency may decrease commissions for sellers.
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Pitfalls of Off-Market Listings

PITFALLS	<ul style="list-style-type: none">▪ Limits buyers to agent’s personal marketing sphere.▪ Limits potential for multiple offers and better terms.▪ Can result in seller not getting the best price, terms, or offers.▪ Can result in negative psychological impact on sellers if they believe a “better offer is out there.”▪ Appraiser may not consider valid contract if questionable sales price and only one offer.
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Marketing Opportunities Using Open House Venues

It is reported that 54% of all home buyers have visited an Open House as part of their home buying process. This provides a great opportunity to sell the property and to interview for future business.

Open House Considerations



- Hold Harmless and / or Plaque Disclosures



- Probability of Attendance



- Scheduling



- Marketing

MODULE 6: MARKETING THE LISTING

Public Open House

“Why would I hold the seller’s property ‘hostage’ for a few hours to let a bunch of strangers in for a peak?”



- Be mindful of personal safety and take appropriate precautions.
- Permits broad-based viewing.
- Determine what areas of the property will be open.
- Neighbors might attend to silently observe you for future listing agent consideration.
- Some will be viable buyer prospects.
- Many buyers will already have representation.
- State Agency Disclosure may be required.
- Generally, plaques disclosing client relationship and buyer status are acceptable.

Plaque Options for Disclosure at Public Open House

If no written confirmation of agency disclosure is required.

Which one is your office policy?	1. Our firm represents the seller in the sale of this property – we may offer you representation as well, please ask!
	2. Our brokerage represents the seller in the sale of this property. We may offer you assistance only.

We have provided a sample Open House Hold Harmless on the next page.

MODULE 6: MARKETING THE LISTING

Open House Hold Harmless – Sample Used With Permission

This is only meant to be a sample. You need to check with your broker to determine what your brokerage uses.

If required, (brokerage name) will be hosting an open house as part of our marketing campaign for your home. During the open house, individuals may be visiting your home who are not working with a real estate agent and have not been qualified on as a legitimate buyer.

Your home will be made available to the public. We will do our best to accompany each visitor as they tour the home, but if we have a number of individuals visit simultaneously, they may be able to access parts of your home without an escort.

Please ensure that all medications, firearms, or other valuables are placed in your safe or in an otherwise secure place prior to the open house. All computers should be turned off and password protected. No personal mail, invoices or financial documents should be left accessible to a visitor during the course of the open house.

I / We hereby authorize (brokerage name) to hold the open house as part of our marketing efforts and acknowledgement that you will hold (name of brokerage) and its Associates harmless for any loss or damage related to the open house.

I / We consent to the holding of an Open House and understand the information contained in this document.

(signature(s) of seller(s) (date)

address of property where the open house will be held)

Open House & Showing Checklist

INTERIOR	EXTERIOR
<input type="checkbox"/> Secure Valuables	<input type="checkbox"/> Mow Lawn
<input type="checkbox"/> Turn Off Digital Devices	<input type="checkbox"/> Update Mulch
<input type="checkbox"/> Clean and Declutter	<input type="checkbox"/> Trim Hedges and Bushes
<input type="checkbox"/> Remove Personal Items	<input type="checkbox"/> Update Paint on Shutters and Doors
<input type="checkbox"/> Set Thermostat to 69 degrees	<input type="checkbox"/> Weed Garden
<input type="checkbox"/> Clean Kitchen & Bathrooms	<input type="checkbox"/> Power Wash Deck & Walkways
<input type="checkbox"/> Turn on Jazz or Soft Music	<input type="checkbox"/> Clean Exterior Windows
<input type="checkbox"/> Make Sure Lights are On	<input type="checkbox"/> Clean Pathways
<input type="checkbox"/> Put Out Bottled Water and Snacks	<input type="checkbox"/> Clean/Touch-Up Mailbox Paint
<input type="checkbox"/> Secure Pets and Clean Litter Boxes	<input type="checkbox"/> Sweep Driveway

MODULE 6: MARKETING THE LISTING

Marketing the Open House

ONLINE MARKETING	<ul style="list-style-type: none">▪ MLS▪ Zillow / Realtor.com▪ Social Media Ads
AT THE HOME	<ul style="list-style-type: none">▪ Extra Home Books▪ Open House App▪ Welcome Posters▪ Directional Signs
OFFLINE MARKETING	<ul style="list-style-type: none">▪ Neighborhood Canvas▪ SOI Invites▪ HOA Newsletter
CONSIDERATIONS	<ul style="list-style-type: none">▪ Know the local inventory▪ Have feedback forms▪ Review checklist with sellers

Resource

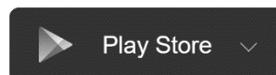
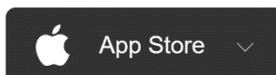
Consider utilizing an app to collect and organize leads from your open houses. Here is one example:

Open Home Pro (www.openhomepro.com)

Collect and Convert More Leads



↻ DOWNLOAD FOR FREE TODAY



MODULE 6: MARKETING THE LISTING

Office Open Houses

- Exposes inventory to floor agents and agents in firm.
- Satisfies seller's need to have agents view.
- Feedback on property generally candid.
- Agent feedback on price motivation, urgency, and condition could present issues if firm practices Designated Agency.

Broker Open

- Broad-based viewing.
- Generates interest for private 2nd showings and offers.
- Feedback on viability of price and condition that may or may not be relied upon.
- Could offer listing agent info to use against any agent providing feedback if they end up submitting an offer.
- Could be construed as Price Fixing unless market is still practicing sub-agency.

Safety First!

Your safety must be a priority, particularly when conducting open houses and other showings. The National Association of REALTORS® offers a myriad of free tools and resources as part of their REALTOR® Safety Program.

Visit [NAR.realtor/safety](https://www.nar.realtor/safety) for more information.



MODULE 6: MARKETING THE LISTING

Marketing Tools

*Listing Marketing Checklist	<ul style="list-style-type: none">▪ Once a listing has been secured from a seller, a marketing campaign usually begins soon after the listing paperwork has been completed.▪ A checklist is an essential tool in ensuring that nothing is missed and that the promises made by the agent to the seller to promote their property to buyers is met.
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*We have provided a sample in the Appendix on pages 144-145.

Listing Photos, Virtual Tours, and Videos	<ul style="list-style-type: none">▪ The visual elements of a listing marketing campaign are what grabs the attention and interest of the home buyer.▪ Home buyers are looking through listings online and make the decision to exclude certain listings based on how they appear online.▪ Photos, videos, and virtual tours are critical assets in a marketing campaign. It's important to have high-quality, professional photography for every listing.
--------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Things to Consider with Marketing Assets	<ol style="list-style-type: none">1. Expectations2. Quality of Resources3. Understanding the Tools4. Target Audience5. Knowledge of the Targeted Niche6. Costs Involved7. Time Involved
-------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

MODULE 6: MARKETING THE LISTING

Marketing Tools – cont.

What to Include	<ol style="list-style-type: none">1. Slideshow2. Homebook3. Links to Amenities4. Listing Description5. Call to Action Form6. Area Information7. 3D Tour8. Video9. Floor Plans
------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Listing Photography	<ul style="list-style-type: none">▪ Ask the seller for their lifestyle photos▪ Tell a story with the photos
----------------------------	------------------------------------------------------------------------------------------------------------------------------------



Code of Ethics: Article 12, Standard of Practice 12-8

Article 12

Realtors® shall be honest and truthful in their communications and shall present a true picture in their advertising, marketing, and other representations

Standard of Practice 12-8

The obligation to present a true picture in representations includes information presented, provided, or displayed on Realtors® websites. Realtors® shall use reasonable efforts to ensure that info on their websites is current. When info on a Realtor®'s website is no longer current Realtors® shall take corrective action. (Adopted 1/07)

MODULE 6: MARKETING THE LISTING

Marketing Tools – cont.

Digital Homebooks	<p>Create a homebook that tells the consumer about more than just the house. Give them a reason to download it and hang on to it.</p> <p>Resources you can use include:</p> <ul style="list-style-type: none">▪ Canva.com▪ NARRPR.com▪ Economic Development Information
Listing Aggregators	<ol style="list-style-type: none">1. Update everything!2. Add all media3. Walk-through videos and virtual tours4. Emphasize the features5. Tell the home's story
Single Listing Website	<ul style="list-style-type: none">▪ Create a page on your website or use a 'single property website' vendor (just Google – there are many to choose from).▪ Add external content.▪ Point all call-to-actions to that site.▪ Point unique URL to page or the site if using a vendor.
Use of Drones	<p>On June 21, 2016, the Federal Aviation Administration (“FAA”) issued its highly anticipated “Small Unmanned Aircraft Rule” (14 C.F.R. Part 107). In response to NAR members’ growing interest in using this technology in connection with their real estate businesses, they assembled this FAQ to address some of the most frequently asked questions regarding the legal and regulatory landscape pertaining to the use of unmanned aircrafts.</p>

MODULE 6: MARKETING THE LISTING

Marketing Tools – cont.

<p>Virtual Reality</p> <p>Put Me in the Home from Home</p>	<ul style="list-style-type: none">▪ Virtual Reality Is a Growing Trend▪ Buyers can “walk-through” in their own home▪ Consumers are already acclimated to VR▪ Embedded videos and callouts allow you to highlight key features
<p>Blog Post About a Feature</p>	<p>Create content around a specific special feature or amenity of the property and then share the listing information at the end.</p>
<p>Virtual Staging</p>	<ul style="list-style-type: none">▪ Many buyers cannot imagine the possibilities inherent in some properties.▪ Virtual staging takes the guess work out of what a property can become.<ul style="list-style-type: none">▪ Add furniture▪ Remove items▪ Replace dark skies▪ Adjust photos <p>Disclosure will be necessary for all virtually staged homes.</p>

Virtual Staging Resources

There are a variety of vendors offering virtual staging options. Here are a few you may wish to research:

- **BoxBrownie.com**
- **Wowzler.com**

MODULE 6: MARKETING THE LISTING

Marketing Tools – cont.

<p>Video Marketing</p>	<p>Consumers Don't Read – They Watch</p> <ul style="list-style-type: none">▪ 49% faster revenue growth using video.▪ 74% of home buyers use videos as part of their search.▪ 46% of consumers take action after watching a video.▪ YouTube is the most used search engine after Google.▪ 89% of home buyers look at community video as part of their home search.▪ 81% of home buyers are more likely to look at a listing if it has a video. <p>Video Rocks the Listing</p> <ul style="list-style-type: none">▪ Do a video walk-through of the listing.▪ Capture the seller's love affair with the home.▪ Create short videos of someone enjoying the property.▪ Create amenity videos of the property.▪ Use a gimbal.
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<p>Social Media</p>	<p>Create social ads based on one or more of the property's unique features.</p> <p>Example: (photo used with permission)</p>  <p>The image shows a social media advertisement for an indoor pool. The background is a black and white photograph of an indoor swimming pool. Overlaid on the image is the text 'INDOOR POOLS OFFER' in small white letters, followed by 'YEAR-ROUND SWIMMING' in large, bold, white letters. Below this, the URL 'VaHomePlace.com/WhisperingWay' is written in a smaller white font. In the bottom left corner, there is a logo for 'MATTHEW RATHBUN'.</p>
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MODULE 6: MARKETING THE LISTING

Paid Versus Free Marketing

Paid	Free
<ul style="list-style-type: none"> ▪ Websites ▪ Print Ads ▪ Aggregators ▪ Give Aways ▪ Digital Ads ▪ Lead Generation Sites 	<ul style="list-style-type: none"> ▪ Videos ▪ Content Marketing ▪ Sphere of Influence ▪ Civic Involvement ▪ e-Newsletters ▪ Social Media

Generating Interest by Writing Descriptions – Quick Tips

Your listing descriptions should make a **connection** with the reader. Here are some quick tips to help you write descriptions that will capture the attention of and make a connection with the reader.

- **Be descriptive.** Make sure you're providing value in your descriptions.
- **Not TOO descriptive.** Buyers want to quickly find out about the property. They don't want to write a research paper.
- **Use words attractive to buyers.** A study found these words to be attractive to buyers:

▪ Luxurious	▪ Granite / Quartz	▪ Spotless
▪ Captivating	▪ Pergola	▪ Tile
▪ Impeccable	▪ Remodel	▪ Upgraded
▪ Stainless	▪ Beautiful	▪ Updated
▪ Landscaped		
- **Avoid these words.** There are a few words and phrases that are proven to either be neutral, not evoking any positive feelings, or just plain bad. Marketleader.com reported that there are some words that are common of homes that sell below asking price. Some of those words are:

▪ Move-in Ready or Move-in Condition	▪ Must Sell
▪ Clean	▪ New Paint or New Carpet
▪ Motivated	▪ Ranch
▪ Value	▪ Quiet
	▪ Vacant
- **Use brand names.** If there are appliances or features from well-known brands, then mention those brand names.
- **Don't repeat yourself.** The MLS will already have a few things listed for you such as the number of bedrooms, bathrooms, square footage, lot size, year built, and more. No need to take up precious word space in your description by repeating yourself.
- **Make people use their imagination.** You can add in just a few extra words to help people use their imagination and picture themselves enjoying the property.
- **“Private back deck to enjoy quiet mornings.”**

MODULE 6: MARKETING THE LISTING

Generating Interest by Writing Descriptions – Quick Tips – *cont.*

- **Proofread and proofread again.** Share the text with someone you trust for some honest feedback.
- **Consider outsourcing.** If writing just isn't your thing, consider outsourcing. Fivvr is a great resource.
- **Be accurate.** Be honest of your portrayal of the home, but don't sell it short.
- **Follow fair housing laws.** Fair housing laws prohibit the mention of race, national origin, gender, disability, ethnicity, familial status, and more in real estate listings. Always comply with the fair housing laws in your area.
- **Include a Call to Action.** "Don't miss this captivating home – schedule a private tour today!"

Here is an example of an engaging listing description:

"Enjoy your privacy without giving up the perks of a city — this recently renovated two-story home sits on a quiet street in Seattle's Ballard neighborhood, just two blocks from shopping, dining, parks, and public transit. The spacious open kitchen has been upgraded with granite counters and stainless-steel appliances, and dining and living areas on the main level have brand-new walnut flooring. The living room opens up to a fully fenced backyard with large patio, propane fire pit, mature fruit trees and a lush lawn with an underground sprinkler system. Three upstairs bedrooms have captivating views of Puget Sound and downtown Seattle. Main bedroom features a private five-piece bathroom with remodeled shower, large bathtub, and 8-by-10 walk-in closet. Convenient upstairs laundry room with high-efficiency washer and dryer. Ample off-street parking with one-car attached garage and room for two more cars in the driveway. Easy commute to downtown Seattle or nearby Bellevue via car or bus.

Don't miss this captivating home – schedule a private tour today!"

MODULE 6: MARKETING THE LISTING

Apps and Online Tools

In order to keep the course materials up to date, REBI does not list examples of mobile apps or tools in this course.

However, we have provided you with a valuable resource for tools, apps, and software.



Website Tools for Real Estate Agents

(Reprinted with permission, Matthew Rathbun, MatthewRathbun.com)

There never seems to be enough time during training to review all the excellent websites that exist to help agents perform better. The following list has been created, curated, and updated for well over a decade. There are always new sites popping up and some sites add features to make it better. This list is created as a reference but is not a complete list of all Real Estate sites across the web, just those that I have used and find useful in everyday practice. I hope you enjoy and feel free to visit www.MatthewRathbun.com/Webtools to contribute more sites or find an updated list.

You will find a variety of useful links and resources for the following (a downloadable Webtool Booklet is also available):

- Marketing Resources
- Graphic and Design Tools
- Customer Relationship Manager (CRM)
- Transaction Management
- Client Resources
- Document and Presentation Sharing
- Meeting and Scheduling Tools
- Research and Reference
- Green Resources
- Website and Blog Tools
- Video Tools
- Communications
- Team Tools
- Audio Tools
- Cloud Storage Tools
- Organizational Tools
- Email Tools
- Listing Promotion
- Voice Mail
- Broker Tools
- Realtor Site Tools
- Automation Systems
- Client Testimonials
- Business Planning
- Premium Marketing Tools

MODULE 7

Setting the Stage



MODULE 7: SETTING THE STAGE

Pre-Sale Preparation: Improvements, Remodeling & Staging

You will need to gain consensus from the seller on preparing the property for sale.

Decluttering or Hiring a Professional Stager

- What will be done and how long it will take
- What repairs or renovations will be made
- Who will do the work and will permits be required
- Removing items from the property that will not stay

Prudent Basics

- Secure the listing in terms of the project start date rather than start date of showings.
- It takes money to make money. Set a budget and evaluate the 'return on investment'.
- If inspections reveal issues, make sure that repairs are made, and contractors paid.
- Buyers want "move-in" condition so work with the sellers to make sure all details are covered.
- A dispassionate 'eye' or another consultant is priceless, and professionals are worth hiring.

It Takes Money to Make Money

- Provide the seller with at least 2 or even 3 levels of pricing:
 - 'As Is' Condition
 - With minor cosmetic improvements
 - Renovated or Updated Condition
- In a Seller's Market this demonstrates how even nominal improvements can yield them more money at the closing table.
- In a Buyer's Market it may not yield more money but might motivate a sale when no property is selling.
- This approach helps the seller assess the ROI of improvements.

MODULE 7: SETTING THE STAGE



KEY RESOURCE

NAR publishes an annual “Remodeling Impact Report.”

- The typical cost of 20 remodeling and replacement projects, as estimated by members of the National Association of the Remodeling Industry (NARI)
- How much appeal each project is likely to have for buyers, according to REALTORS®.
- How much REALTORS® estimate that homeowners can recover on the cost of the projects if they sell the home.

Visit [NAR.realtor](https://www.nar.realtor) and search by the name of the report for the most recent version.

The Value of Home Staging

Remodeling Impact Report:

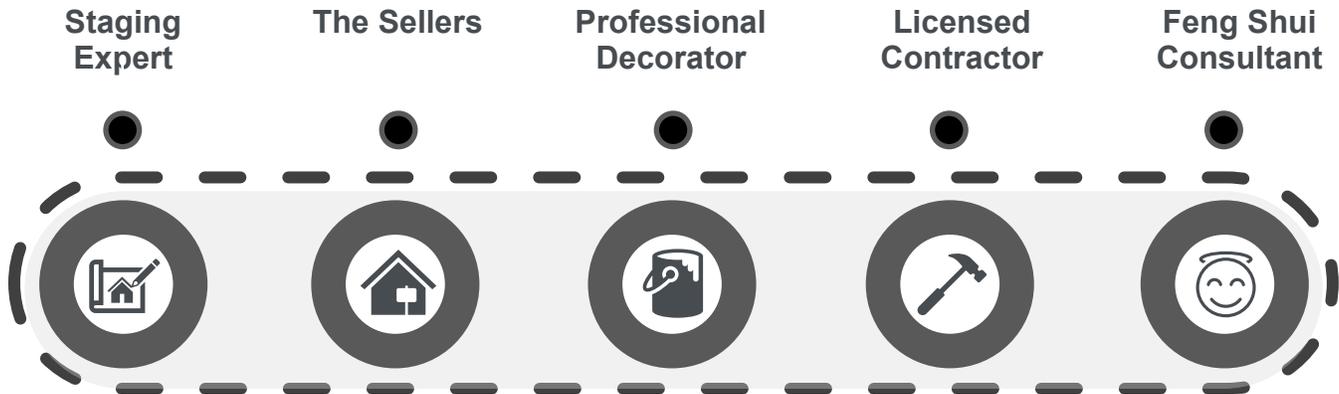
- The report looks at multiple aspects of home staging, including: the effects of home staging on how a buyer views a home; which rooms are most important to stage; and how the dollar value of offers changed for staged homes — among many other data points.
- Both buyers' agents and sellers' agents can use this report to see the effects that staging can have on potential buyers and sellers.
- They can also get a feel for the importance of certain rooms being staged, how staging can impact a home's time on the market, and the potential change in dollar value offered by buyers and sellers when compared to similar homes that were not staged.

Staging and Pre-Listing Inspections

- Purpose is to position the property in its best light and maximize the ‘return on investment’ (ROI).
- Property is evaluated room by room to identify what repair or adjustments will enhance the value for a prudent investment.
- Pre-listing inspections are also used in certain market conditions so the seller can position for a quick sale.

MODULE 7: SETTING THE STAGE

Who's Doing the Work and Providing Advice?



Who's Doing the Work?

- Do you have liability when recommending a contractor or service provider?
- What about disclosures if you know they have done work without permits?
- Do you know if they are good at what they do?
- What if you know they are not?
- What if they are related to you?



Code of Ethics: Standard of Practice 6-1, Disclosure of Third Party Relationships

Realtors® shall not recommend or suggest to a client or a customer the use of services of another organization or business entity in which they have a direct interest without disclosing such interest at the time of the recommendation or suggestion.

(Amended 5/88)

MODULE 7: SETTING THE STAGE

It's Showing Time!

Property Showing Have Changed

- Online marketing has definitely impacted the amount of in person property showings.
- Showing the property now happens online first.
- When in person showings occur, the buyers are far more focused and serious about the property they are seeing.
- Buyers are more apt to be viewing their online finalists.
- The objective of an in person showing is to ensure the property is as good as it appears online.
- For that reason, it is imperative that every in person showing occur.

Respect for Property, People and Each Other

- It is a privilege to represent someone's interests.
- As such, there is general guidance on respecting property, the public, and each other from both the NAR Code of Ethics and their guide called 'Pathways to Professionalism'.
- Although these seem like common sense, clearly common sense is not common.

NAR's Pathways to Professionalism Best Practices for Showing Property

1. Be responsible for everyone you allow to enter listed property.
2. Never allow buyers to enter listed property unaccompanied.
3. When showing property, keep all members of the group together.
4. Never allow unaccompanied access to property without written permission.
5. Enter property only with permission even if you have a lockbox key or combination.
6. When the occupant is absent, leave the property as you found it (lights, heating, cooling, drapes, etc.). If you think something is amiss (e.g., vandalism), contact the listing broker immediately.
7. Be considerate of the seller's property. Do not allow anyone to eat, drink, smoke, dispose of trash, use bathing or sleeping facilities, or bring pets. Leave the house as you found it unless instructed otherwise.
8. Use sidewalks; if weather is bad, take off shoes and boots inside property.
9. Respect sellers' instructions about photographing or video graphing their properties' interiors or exteriors.

MODULE 7: SETTING THE STAGE

NAR's Pathways to Professionalism Respect for the Sellers / Occupants

1. Schedule showings as far in advance as possible.
2. Call if you are delayed or must cancel.
3. When entering a property ensure that unexpected situations, such as pets, are handled appropriately.
4. Leave your business card if not prohibited by local rules.
5. Never criticize property in the presence of the occupant.
6. Inform occupants that you are leaving after showings.
7. When showing an occupied home, always ring the doorbell or knock – and announce yourself loudly before entering. Knock and announce yourself loudly before entering any closed room.
8. If occupants are home during showings, ask their permission before using the telephone or bathroom.
9. Be aware of and respect cultural differences.
10. Identify your REALTOR® and your professional status in contacts with the public.
11. Do not tell people what you think – tell them what you know.



KEY RESOURCE

NAR's "Pathways to Professionalism"

These Professional courtesies are intended to be used by REALTORS® on a voluntary basis and cannot form the basis for a professional standards complaint.

Visit [NAR.realtor](https://www.nar.realtor) and search by "Pathways to Professionalism" for the full document and additional information.

MODULE 7: SETTING THE STAGE

Should Sellers Expect Feedback?

This is typically a spirited conversation in this course, and we often hear responses such as “it’s customary”, or “that’s how we do it in my market”. So let’s take a look at some facts and some rationale for giving or not giving feedback.

Agent Feedback

- Not required by COE or Law except for subagents of seller.
- Seller should be told that you will ask for it, but it may or may not be given.
- The job of the listing agent is to ask.
- The job of the buyer agent is not to respond due to client confidentiality.
- Client feedback requires written permission before conveying interest, motivation, personal thoughts, financial information.
- Agents should not give their thoughts or opinions since it may be used against them later in negotiations.
- Can’t be truly relied upon.

Buyer Photography Considerations

There will be times when a buyer wants to take photos of the property they are touring. Here are some important questions you need to answer before giving permission:

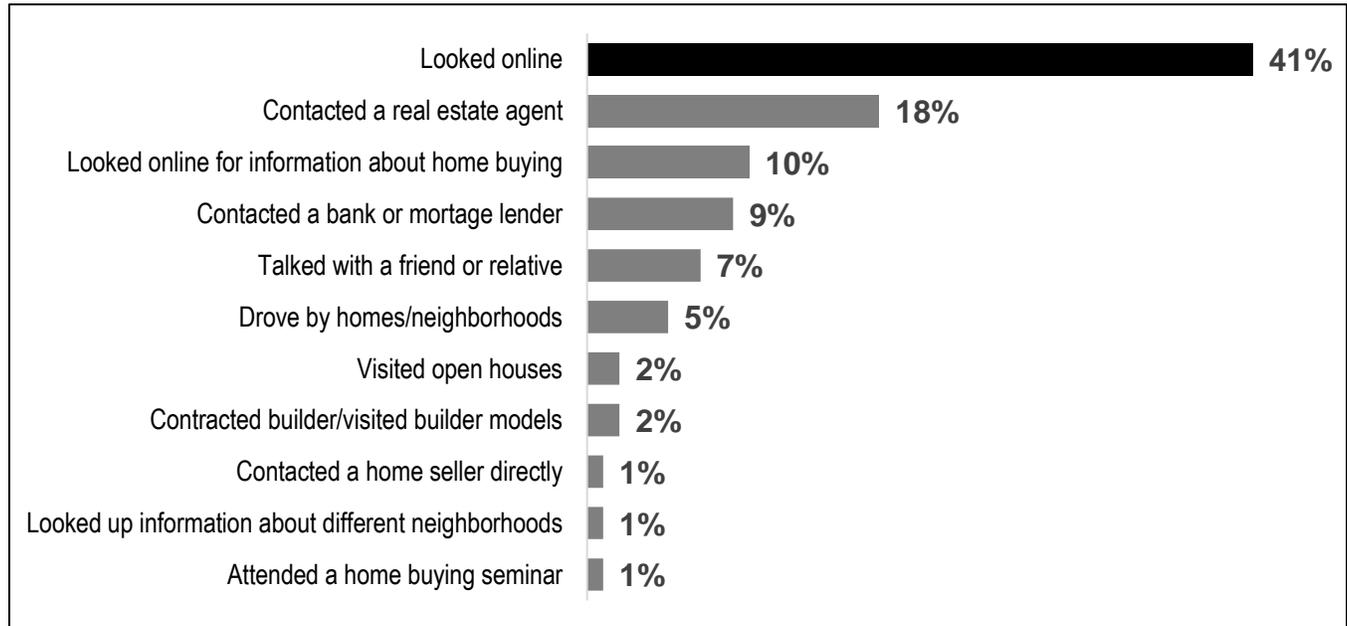
- Could photographing the property be prevented?
- Could they have good reasons for taking photos?
- What if they post them on Social Media sites?
- What about nanny-cams?
- What is the implication of recordings or listening devices if the agent is from the same firm and they do or don’t practice designated agency?

MODULE 7: SETTING THE STAGE

Where Do Buyers Come From?

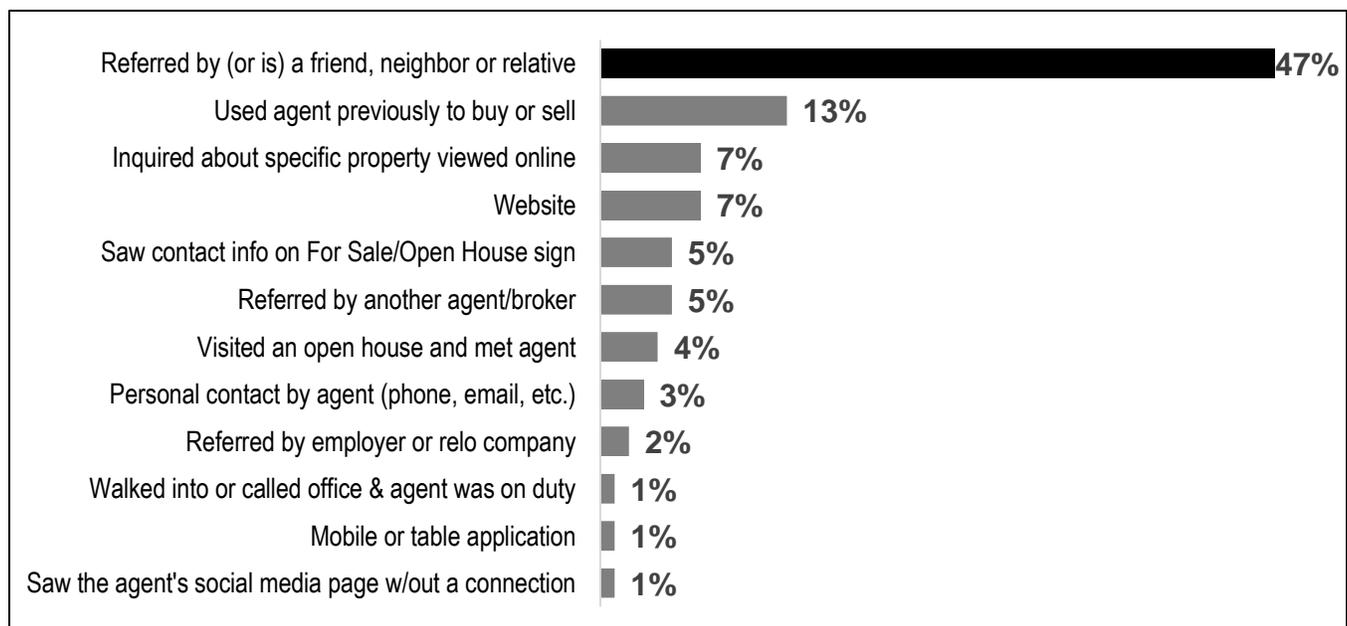
First Step Taken During the Home Buyer Process

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 3, page 62)



How Buyer Found Real Estate Agent

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 4, page 83)



MODULE 7: SETTING THE STAGE

Where Do Buyers Come From?

The first question to ask when meeting a buyer at a listing or an open house is: ***“Are you contractually represented by a buyer’s agent?”***

You Can’t Convert Calls Until You Know Your Office Policy

Review your office policy to answer these questions:

- Will buyers be customers?
- Will buyers be clients?
- Will buyers be ‘facilitated’?
- Will buyers be referred out?



Code of Ethics: Standard of Practice 16-13, Duties to the Public

All dealings concerning property exclusively listed, or with buyer/tenants who are subject to an exclusive agreement shall be carried on with the client’s representative or broker, and not with the client, except with the consent of the client’s representative or broker or except where such dealings are initiated by the client.

Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, REALTORS® shall not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects’ exclusive representatives or at the direction of prospects.*

(Adopted 1/93, Amended 1/04)

****Code may allow – License law may not***

MODULE 7: SETTING THE STAGE

Agency Questions

If a buyer is exclusively represented by an agent in another brokerage, what can you do?

	Walk-In	Open House	Sign Call	Ad Call	Internet
Give them property information					
Show them your firm's listing					
Book an appointment with them on the listing					
Confirm appointment directly with them					
Follow-up directly with them					
Write their offer on the firm's listing					
Negotiate with them on their offer					

20 Questions from Buyer Agents

Responding to questions from Buyers' Agents is one of the Listing Agent's most important responsibilities.

Here is a list of typical questions you will be asked by a buyer agent. Give some thought on how you will respond.

1. Why is the seller selling?	11. If offers refused, how much were they for?
2. How long has property been on market?	12. If offers refused, when did that happen?
3. What has sold in the neighborhood?	13. Why did it fall apart?
4. Is the seller negotiable?	14. Are there offers currently on the table?
5. What's wrong with the property?	15. How many offers are there?
6. What is the Variable Rate Difference?	16. Have you written any offers?
7. What would the seller like to see for terms?	17. Have any agents in your firm written an offer?
8. When do they need to move?	18. What do they want for the property?
9. How many showings have they had?	19. Will they accept __?
10. Have any offers been refused?	20. What is the number to beat?

MODULE 7: SETTING THE STAGE

Questions Listing Agents Should Ask Buyer Agents

There are also some questions that you need to be asking the buyer agents. The answers can provide valuable information you can leverage later on in negotiations or to get a better profile of the buyer.

1. Is the buyer your contractual client or a customer?
2. Where are your buyers coming from, or are they local?
3. Do they have property to sell or lease?
4. If so, is the property a short sale?
5. Have they been pre-approved by a lender?
6. Who is their loan originator?
7. Would there be any contingencies in their contract?
8. How soon do they want to close?
9. What other properties have you been showing to the buyer?

There are two must-take courses that will help you with pricing strategies and sharpen your negotiation skills.



PRICING STRATEGY ADVISOR

[NAR.realtor](https://www.nar.realtor)



Real Estate
NEGOTIATION EXPERT

[REBinstitute.com/rene](https://www.rebinstitute.com/rene)

MODULE 7: SETTING THE STAGE

Timely Price Adjustments

- Saleable listings need to be the best value in their price range.
- Over pricing a property can be a disaster if not managed quickly.
- If a property is lingering on the market, adjust or re-price sooner than later.
- There's nothing worse than begging for a price adjustment.

Timely Price Adjustment Strategies

- Secure all adjustments and appropriate time frame up front in the seller written service agreement.
- Identify the amount of adjustment based on the price range and competition
- Consider other pre / post-closing incentives in lieu of a price adjustment – closing costs, cosmetic credits, paid HOA fees, lawn service, etc.
- Re-introduce to market with sign riders, “New Price” postcards, etc. to market area
- Notify all Top Producers (all agents) anyone who previously showed the property
- Email the sellers to keep them in the loop on everything being done.

Sales Price Compared with Listing Price, by # Weeks on Market

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 6, page 128)

SELLERS WHOSE HOME WAS ON THE MARKET FOR

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
Less than 90%	4%	2%	1%	2%	2%	6%	27%
90% to 94%	8%	1%	4%	9%	15%	22%	22%
95% to 99%	26%	12%	18%	41%	45%	43%	30%
100%	28%	41%	29%	30%	20%	19%	11%
101% to 110%	28%	34%	39%	15%	15%	8%	7%
More than 110%	7%	9%	9%	3%	3%	2%	3%
Median (sales price as a percent of listing price)	100%	100%	100%	99%	98%	97%	95%

* Less than 1 percent

% of list price goes down the longer property is on the market. Couple this with price reductions and the loss can be even greater.

MODULE 7: SETTING THE STAGE

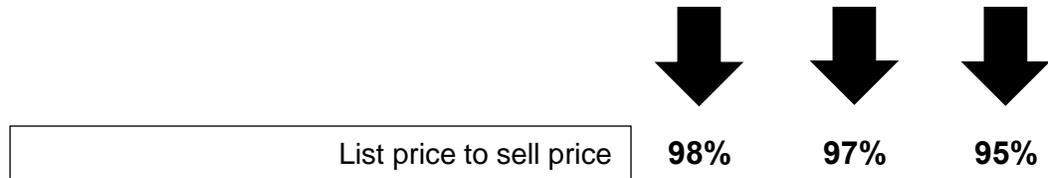
Number of Times Asking Price Reduced, by # Week on Market

Source: 2021 NAR Profile of Home Buyers and Sellers (Chapter 6, page 129)

SELLERS WHOSE HOME WAS ON THE MARKET FOR

	ALL SELLERS	LESS THAN 1 WEEK	1 TO 2 WEEKS	3 TO 4 WEEKS	5 TO 8 WEEKS	9 TO 16 WEEKS	17 OR MORE WEEKS
None, did not reduce the asking price	74%	96%	89%	66%	52%	40%	17%
One	16%	3%	10%	28%	36%	28%	24%
Two	5%	*	*	6%	9%	19%	27%
Three	3%	*	*	1%	3%	11%	19%
Four or more	1%	*	*	*	*	1%	14%

* Less than 1 percent



These two charts should be used in your Seller Counseling Session to demonstrate to sellers the importance of pricing their home properly from the very beginning. The longer it sits on the market, the list price to sell price decreases and they are leaving money on the table.

MODULE 8

Offer to Closing



MODULE 8: OFFER TO CLOSING

The Offer Process – Presentation and Acceptance

Buyer “Love Letters” (or liability letters?)

A tactic used by some buyers to stand out to a seller, especially in hot markets with low inventory and bidding wars.

Seemingly harmless, these letters raise fair housing concerns, and could open real estate professionals and their clients to fair housing violations.

The National Association of REALTORS® legal department recently produced some important guidance on “Buyer Love Letters”.

If you want to review the video again after class, you can find it on the NAR.realtor website along with a full transcript you can download:

<https://www.nar.realtor/window-to-the-law/video-best-practices-for-buyer-love-letters>

Reverse Offers

- Traditionally, buyers make offers to sellers, but have you ever participated in the reverse where sellers make offers to buyers?
- In what circumstances might that be worthy of consideration?



Code of Ethics: Article 9, Duties to Clients and Customers

REALTORS®, for the protection of all parties, shall assure whenever possible that all agreements related to real estate transactions including, but not limited to, listing and representation agreements purchase contracts, and leases are in writing in clear and understandable language expressing the specific terms, conditions, obligations and commitments of the parties. A copy of each agreement shall be furnished to each party to such agreements upon their signing or initialing.

Amended 1/04)

MODULE 8: OFFER TO CLOSING

The Offer Process

In the offer process, the **presentation phase** is separate and distinct from the **acceptance phase**.

Presentation Phase Issues

Ever wondered if your client's offer was presented?

- This remains a big concern from cooperating agents, especially in low inventory markets or when agents / firms are more concerned with securing all sides of business rather than the interests of their client.
- Listing agents would reduce concerns by providing the buyer agent an ability to present the offer.
- Agent could present in person, live virtually, phone, or email.
- If concerns persist, buyer could present directly to seller.

All Offers are Presented

- Some laws require that **ALL** offers be presented, which includes oral offers.
- Companies cannot create a policy to only present written offers if the law says ALL will be presented.
- However, once presented the seller can “counter” stating they want it in writing.
- If the agent is a REALTOR®, they must present oral offers according to Article 1 SOP 6.



Code of Ethics: Standard of Practice 1-6, Duties to Clients and Customers

ARTICLE 1: When representing a buyer, seller, landlord, tenant, or other client as an agent, REALTORS® pledge themselves to protect and promote the interests of their client. This obligation to the client is primary, but it does not relieve REALTORS® of their obligation to treat all parties honestly. When serving a buyer, seller, landlord, tenant or other party in a non-agency capacity, REALTORS® remain obligated to treat all parties honestly. *(Amended 1/01)*

STANDARD OF PRACTICE 1-6:

REALTORS® shall submit offers and counter-offers objectively and as quickly as possible.

(Adopted 1/93, Amended 1/95)

MODULE 8: OFFER TO CLOSING



Code of Ethics: Standard of Practice 1-7, Duties to Clients and Customers

When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide, as soon as practical, a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/ landlord has waived the obligation to have the offer presented. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease.

(Amended 1/20)

Use Caution! Watch what you say in a text and / or an email. It might be legally binding! Know your state laws!



Model Rules & Regulations for an MLS*: Section 2.3, Right of Cooperating Broker in Presentation of Offer

*Model Bylaws & Model Rules and Regulations for an MLS Separately Incorporated but Wholly owned by an Association of REALTORS®

Mandatory Section:

The cooperating broker (subagent or buyer agent) or his representative has the right to participate in the presentation to the seller or lessor of any offer he secures to purchase or lease. He does not have the right to be present at any discussion or evaluation of that offer by the seller or lessor and the listing broker. However, if the seller or lessor gives written instructions to the listing broker that the cooperating broker not be present when an offer the cooperating broker secured is presented, the cooperating broker has the right to a copy of the seller's or lessor's written instructions. None of the foregoing diminishes the listing broker's right to control the establishment of appointments for such presentations.

(Amended 4/92)

MODULE 8: OFFER TO CLOSING

We are discussing these issues because of technology. Many offers are being presented over virtual platforms.



Model Rules & Regulations for an MLS*: Section 2.4, Right of Listing Broker in Presentation of Counter-Offer

*Model Bylaws & Model Rules and Regulations for an MLS Separately Incorporated but Wholly owned by an Association of REALTORS®

Mandatory Section:

The listing broker or his representative has the right to participate in the presentation of any counter-offer made by the seller or lessor. He does not have the right to be present at any discussion or evaluation of a counter-offer by the purchaser or lessee (except when the cooperating broker is a subagent). However, if the purchaser or lessee gives written instructions to the cooperating broker that the listing broker not be present when a counter-offer is presented, the listing broker has the right to a copy of the purchaser's or lessee's written instructions.

(Adopted 11/93)

No Delays in Presentation

The listing agent can't:

- Require the buyer agent to remove the co-op fee language or any other clause insertions prior to presenting the offer.
- Require that the initial offer be on a particular contract or familiar form.
- Require a pre-qualification or pre-approval letter prior to presenting the offer.
- Require all contingencies be removed prior to presenting the offer.

However, prior to presenting an offer, a seller can require all of the above and more as part of the negotiation.

Additional Barriers to Presentation

- Requiring that buyers be pre-approved by the seller's lender.
- Requiring proof of funds prior to presenting.
- Waiting until "Tuesday" for all offers to be considered.
- Plus, all the other nonsense we see out there ...

MODULE 8: OFFER TO CLOSING



Standard of Practice 1-6, Duties to Clients and Customers

REALTORS® shall submit offers and counter-offers objectively and as quickly as possible.

(Adopted 1/93, Amended 1/95)

Confidentiality Agreements

If the listing agent and seller are presented with a confidentiality agreement prior to the delivery of an offer:

- Listing agent must present to seller.
- Suggest legal advice prior to signing.
- List agent should review with their broker prior to them signing.
- If signed, neither the listing firm nor the seller may disclose the price, terms, or conditions of the offer.
- The terms may also additionally stipulate that the existence of the offer is also confidential.



Standard of Practice 1-13, Duties to Clients and Customers

When entering into buyer/tenant agreements, REALTORS® must advise potential clients of:

1. the REALTOR®'s company policies regarding cooperation;
2. the amount of compensation to be paid by the client;
3. the potential for additional or offsetting compensation from other brokers, from the seller or landlord, or from other parties;
4. any potential for the buyer/tenant representative to act as a disclosed dual agent, e.g. listing broker, subagent, landlord's agent, etc., and
5. the possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.

(Adopted 1/93, Renumbered 1/98, Amended 1/06)

MODULE 8: OFFER TO CLOSING

Presentation of Multiple Offers

Myth vs. Fact of Multiple Offers

Myth or Fact	First offer is fully negotiated before others are presented or considered.
Myth or Fact	You can only ask for highest and best once.
Myth or Fact	All competing offers are confidential.
Myth or Fact	Seller must sell if the offer is full price, cash, and no contingencies.
Myth or Fact	Once an offer has been accepted, no other incoming offers presented.
Myth or Fact	If the offer has a deadline for response, the seller is obligated to respond.

Disclosing Multiple Offers

The Code of Ethics (Standard of Practice 1-15) requires disclosure of multiple offers only when asked and only with the permission of the seller.

Presentation Options of Multiple Offers

When the seller has authorized the disclosure of multiple offers to competing agents, have agents present their offers.

- If no disclosure was authorized, offers are presented privately.
- All agents will know that their offer was presented fairly.
- To reduce seller confusion and neutralize personalities – map out all offers on a grid or excel sheet.
- Listing agent must make sure that seller has seen all offers.



Standard of Practice 1-15, Duties to Clients and Customers

REALTORS[®], in response to inquiries from buyers or cooperating brokers shall, with the sellers' approval, disclose the existence of offers on the property. Where disclosure is authorized, REALTORS[®] shall also disclose, if asked, whether offers were obtained by the listing licensee, another licensee in the listing firm, or by a cooperating broker.

(Adopted 1/03, Amended 1/09)

MODULE 8: OFFER TO CLOSING

Competing Offer Terms

- Buyer pays seller's closing costs
- Seller holds earnest money deposit
- Waive HOA contingency
- Large earnest money deposit
- Escalation addendum
- Remove contingencies
- Appraisal contingencies
- Offer seller a non-refundable daily rate for due diligence period
- Reject the buyer broker fee, which in essence increases the net to the seller and have the buyer pay the agent/firm directly instead

How to Handle Multiple Offers

The National Association of REALTORS® legal department recently produced some important guidance on multiple offers.

If you want to review the video again after class, you can find it on the NAR.realtor website along with a full transcript you can download:

<https://www.nar.realtor/videos/window-to-the-law/how-to-handle-multiple-offers>

The Grid Method

This can be a useful tool in organizing and presenting offers to your client.

- All offers entered by feature.
- Simplifies comparison.
- Provides seller with un-biased analysis.
- Streamlines the counter-offer process.
- Seller can counter individual terms.
- Helps sellers focus on "Adjusted Gross" - the real amount that they will yield.

MODULE 8: OFFER TO CLOSING

Grid Method Sample

This is a sample of what a grid method might look like. You can create your own version very simply in Excel or Word.

MULTIPLE OFFER FORM		Property Address:			
\$370,000 List Price	OFFER 1	OFFER 2	OFFER 3	OFFER 4	
FINANCIAL TERMS					
Initial Contract Price (offer)					
Escalation (Max. Offer)					
Earnest Money					
Seller Concessions					
Down Payment					
Loan Amount					
Loan Type (Conv., FHA, VA, etc.)					
Lender Letter Received (yes/no)					
DATES & DEADLINES					
Inspection					
Closing Date					
Possession Date/Time					
HOME SALE CONTINGENCY					
Buyer must sell to close?					
If yes, is the home under contract?					
OTHER CONSIDERATIONS					
Buyer Will Occupy					
HOA Transfer Fees Paid by (Buyer/Seller)					
Other Seller Expenses (Extend Title, etc.)					
NET OFFER					
NET OFFER WITH ESCALATION					

Escalation Clauses

- Higher than highest ascertainable offer
 - With or without a start price
- No 'not to exceed price'
 - 'Not to exceed' gives away buyer's price
 - Buyer can say 'no' to whatever seller counters
- Listing agents – do not eliminate other offers
- Buyer agents – may be no way to satisfy buyers need to know about other offer

MODULE 8: OFFER TO CLOSING

Escalation Clause Issues

- What will buyer do if does not appraise?
- What will the seller do?
- Does buyer still qualify for the mortgage?
- Will seller kill the sale and hope for new buyer with more down or that it appraises second time?
- Depending on how your contract is written – buyer may not be able to get out of contract if it does not appraise.
- Loan amount remains the same – difference between appraised value and purchase price paid by the buyer.
- Down payment amount stays the same – increase added to loan amount.
- Loan amount will increase to ?% of appraised value.
- Seller reduces price to appraised value.
- Depending on type of financing this may be the only option if appraisal can't be raised.

- You listed it for \$400,000 a week ago.
- Gave the seller a probable selling price of \$370 - \$390.
- Why? BECAUSE THAT'S WHAT THE COMPS SAID!!!
- It sold for \$420,000 in a multiple offer bidding war.
- It's just weeks later – and you now get angry at the appraiser because he comes up with \$410,000.
- Seller say's they won't reduce the price!

Counter-Offer Strategies

- Some state regs require counter-offers be in writing, dated, timed, and signed which can limit opportunities for the seller client.
- Whether there is one or multiple offers, it is possible to ask 'clarifying questions' of the buyer's agent(s) without tying the seller's hands.
- Most states do not require written confirmation, leaving options open.
- That's when it's time to **WONDER!**

MODULE 8: OFFER TO CLOSING

Negotiating Tactic – “Wondering”

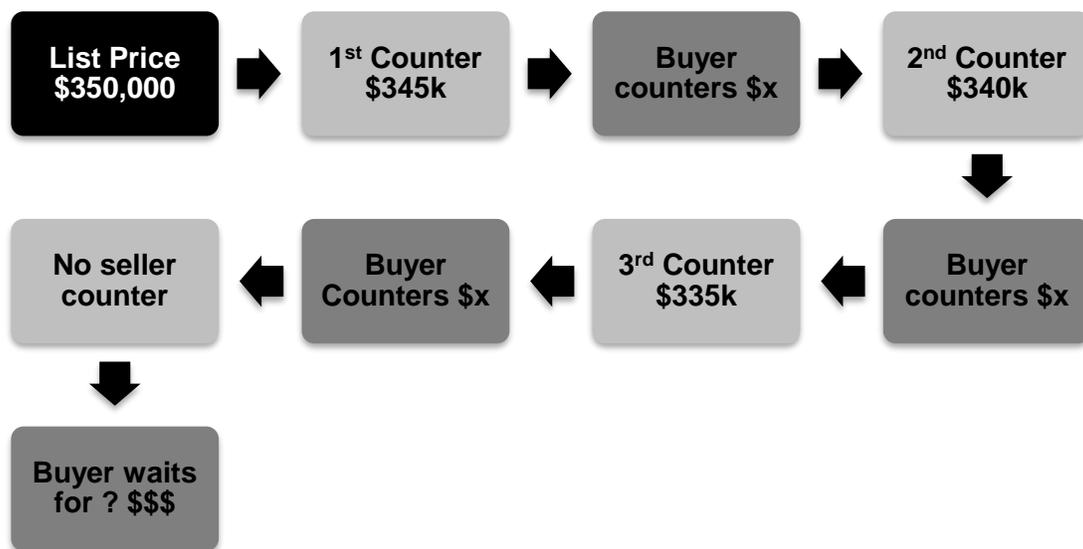
This tactic involves asking ‘clarifying questions’ to determine possibilities. Here are some examples:

- “Thank you for your offer – we see that the buyer has offered \$X, has an initial down-payment of \$Y, a mortgage date of _____ and a closing date of _____.”
- “The seller was wondering if your client would consider More on the offer price; a little more down payment in a second installment; a quicker closing date – would you be able to ask your client those questions and get back to us please?”
- “What if we did this _____ ? Would your clients be willing to _____ ?”

Counter-Offer Signal Patterns

Counter-offers can signal a pattern that trained negotiators recognize and utilize. When you make a counter-offer, do you signal a pattern?

Example:



What does this pattern signal?

MODULE 8: OFFER TO CLOSING

Example:



What does this pattern signal?

As we mentioned earlier, the Real Estate Negotiation Expert (RENE) certification course is an excellent program to sharpen your negotiating skills.

Ask the Lender

- How well do you know the buyer agent?
- How well do you know the lender?
- Talk with the lender and verify whether they:
 - ran the buyer's credit
 - verified employment
 - verified self-employed taxable income
- What type of financing are they qualified for?
- Know how high they can go!!!

MODULE 8: OFFER TO CLOSING

Acceptance Phase

After the Presentation, but Before the Acceptance

- A seller client can request a pre-approval or verification of assets to close
- A seller can take whatever time they need to think about what has been presented, consult with their attorney, tax consultant or other advisors knowing that buyers may or may not want to wait



REALTOR®

Standard of Practice 3-6, Duties to Clients and Customers

REALTORS® shall disclose the existence of accepted offers, including offers with unresolved contingencies, to any broker seeking cooperation.

(Adopted 5/86, Amended 1/04)

Subsequent Offers

The seller accepts an offer in writing and prior to closing, receives a better offer:

- Must it be presented?
- Can the seller accept it?



REALTOR®

Standard of Practice 1-7, Duties to Clients and Customers

When acting as listing brokers, REALTORS® shall continue to submit to the seller/landlord all offers and counter-offers until closing or execution of a lease unless the seller/landlord has waived this obligation in writing. REALTORS® shall not be obligated to continue to market the property after an offer has been accepted by the seller/landlord. REALTORS® shall recommend that sellers/landlords obtain the advice of legal counsel prior to acceptance of a subsequent offer except where the acceptance is contingent on the termination of the pre-existing purchase contract or lease.

(Amended 1/93)

MODULE 8: OFFER TO CLOSING

Home Inspection Phase

The Purpose of Inspections

- Permits the buyer an opportunity for an Independent 3rd party assessment.
- Determines if the buyer still wishes to buy the property.
- Contract addendum/clause will identify:
 - If any person can perform an inspection.
 - If inspector must be a licensed contractor.
 - Some states license Home Inspectors.

Listing Agent's Role at Inspections

You need to discuss with your seller client to determine your limitations and their expectations.

Presence at Inspections	Reasons to be Present
<ul style="list-style-type: none">▪ Not required by law or Code of Ethics.▪ May be required by Office Policy.▪ Can create liability issues for the listing firm.	<ul style="list-style-type: none">▪ Provide access to the property or make sure the property is secure.▪ Your 'service' delivery or differentiation.

Presence at Inspections

Your presence at the home inspection raises the level of potential liability for you, your brokerage, and your client.

- Be very careful answering any questions about the property.
- Don't interfere with the inspector, buyer, or buyer's agent.
- If you must be present, just open and re-secure the property.
- Refer all questions about property condition to the seller.
- Suggest buyer and agent submit in writing.
- Have seller answer questions in writing.

MODULE 8: OFFER TO CLOSING

Listing Agent's Role at Inspections

- Co-op agents may be expected to accompany the buyer and inspector.
- If represented by a buyer agent, that agent or licensed replacement from that brokerage should be there, even if the listing agent is required to be present by office policy or seller request.

Buyer Agent's Role at Inspections

- All requests should be forwarded in writing.
- Requests should be accompanied by the portion of the report that identifies an issue.
- The same is true if the mortgage company is stating the need for a repair.
- Repair requests should include estimates in writing for repair cost of that item.
- Repair requests should be forwarded:
 - Prior to expiration of performance date.
 - Written request for extension should accompany if nearing a deadline date.

Re-Negotiations



Verifiable repair issues open the door for a re-negotiation even if disclosed prior to the offer being made...



- Re-negotiation is usually best result to accomplish the client's objective.
 - Take each item individually.
 - May or may not be valid requests.
- Follow the contract!!
 - Dates & extensions play a big role in resolution.
 - How motivated are the parties to settle?

MODULE 8: OFFER TO CLOSING

Re-Negotiations



Remind the seller that defects discovered during the inspection and subsequently verified, must be disclosed if the current contract fails.

- If seller refuses to disclose because they question results or don't want to verify:
 - Discuss with your broker and/or attorney.
 - License laws require that agent disclose or be held liable for the non-disclosure.
- Be prepared to terminate the listing.
- **Disclose all defects reported even if the seller thinks they are incorrect.**

The Appraisal Process

The home appraisal process starts with the listing agent meeting the appraiser.

The Appraisal Package

- Floor plan
- Survey
- Copy of contract
- Multiple offers
- Neighborhood information

The listing agent should meet the appraiser, or at the very least make all information available at the time of the appraisal.

The appraisal is subject to property information:

- Date of improvements
- Cost of improvement
- Improvements not visible
- Comparable Sales
- Comps used and why
- Comps not used and why
- Mistakes on comps:
 - Square footage incorrect
 - Photos altered
- Provide pending – details
- Provide on-markets – details

MODULE 8: OFFER TO CLOSING

The appraisal comes in low – what now?

FNMA Guidelines: (Federal National Mortgage Association, commonly known as Fannie Mae)

- Lender initiates discussion.
- Request for change must be based on –
 - Material and substantive issues.
- Cannot be because it does not support sales price.

Lender Options:

- Contact appraiser about deficiencies.
- Obtain desk or field review.
- Get a new appraisal.
- Return appraisal to appraiser with written justification for change.

Disputing a Low Appraisal

- Buyer Agent gets copy of the appraisal.
 - Reviews with the buyer.
- Cannot start fighting appraisal without buyers' consent.
- Buyer may want to pursue other options first.
- Both agents should work to dispute the low appraisal:
 - Comps used were too old – no adjustments were made for time.
 - No adjustment was made for location – busy street, backing up to commercial.
 - Challenge any 'outliers' that were used.

Give the Appraiser a Reason

- Submit new information.
- Submit new compass – if available.
- Appeal appraiser.
- All else fails – new lender.

MODULE 8: OFFER TO CLOSING

When it Hits the Fan! – Typical Problems and Issues

1. Personal Property

Issue: Seller removes an item(s) from the property that the buyer thought should stay.

- The law of “fixtures” is not black/white.
- Items removed by the seller are usually not of high dollar value but are serious irritants to buyer at highest stress time of closing.
- Code of Ethics (Article 9) addresses this issue.

2. Smart Home Devices

- Thermostats
- Doorbells
- Lightbulbs
- Security, etc.

Personal Property – Proactive

Both the listing agent and buyer agent should be careful to include all items sold with the property in the purchase contract.

- Be specific.
- Do not rely on the seller disclosure statement.
- Do not rely on MLS information, listing sheets or flyers.

You may also wish to consider an Addendum:

- Identifying specifically what’s in/out.
- Could create possible lender issues about the loan-to-value ratio.
- Make sure the Addendum to the Contract is given to the lender to avoid double-contracting and fraud.

MODULE 8: OFFER TO CLOSING

Last Minute Crisis

SCENARIO 1	Seller removes a center island in the kitchen that was not attached to the property. The value is \$450. Buyer refuses to close.
-------------------	-----------------------------------------------------------------------------------------------------------------------------------------

What are the seller's options?

SCENARIO 2	The buyer's lender announces at the closing that they cannot "fund" the loan for two days.
-------------------	--------------------------------------------------------------------------------------------

Who is responsible? What are the seller's options?

SCENARIO 3	The seller removes the Nest thermostat and replaces it with the original. The value is \$249. Buyer refuses to close.
-------------------	------------------------------------------------------------------------------------------------------------------------------

Who is responsible? What are the seller's options?

MODULE 8: OFFER TO CLOSING

The Closing Process

Pre-Closing Walk-through

Prior to closing it is advisable for the property to be re-viewed by the buyer:

- This isn't a re-inspection unless substantial repairs occurred.
- It ensures that all contracted items remain.
- That no substantive damage has occurred.
- That the property is vacant unless the parties have another arrangement.

When should this walk-through occur and who else needs to attend?

What if something is not the way it should be? What do you do then?

Follow-Up

Once the closing occurs, it's never over. Here are some important follow-up tips:

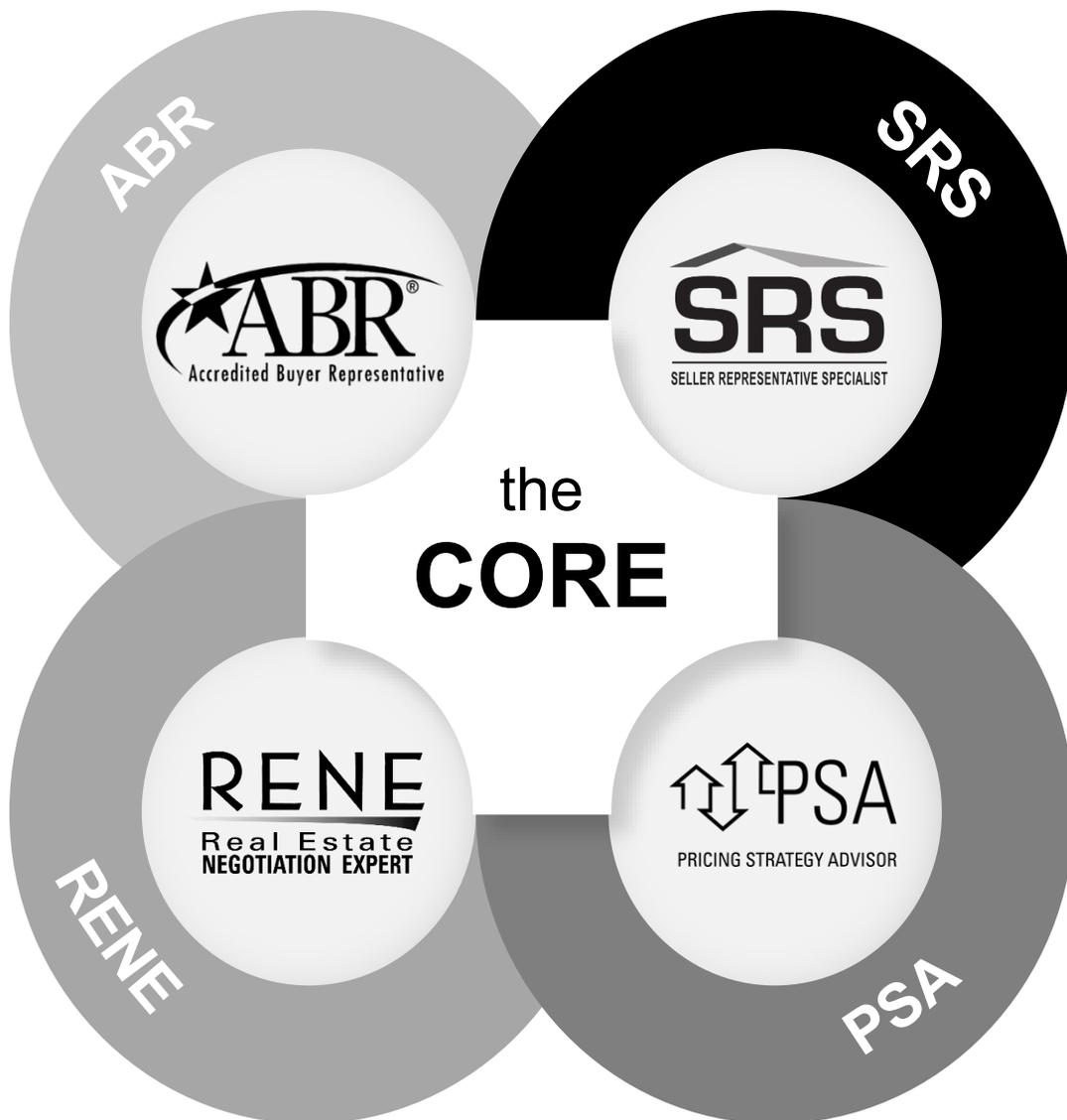
- Insert the clients into your database
- Keep them on your online/offline drip system
- Consider an appropriate closing gift system for all closed clients
- Touch base periodically
- Ask for referrals

REVIEW

Don't Forget – Your Agents Don't Know What They Don't Know!

It is also critically important for you to have on-going professional development. We recommend the "CORE 4" as the baseline credentials for every real estate professional to do business.

These courses provide the skill sets needed to be successful in today's real estate environment. They are also a terrific risk management strategy for brokers and managers.



REVIEW

More Credentialing Programs from the Real Estate Business Institute (REBI)

The Real Estate Business Institute is an affiliate of the National Association of REALTORS® with more than 40,000 members worldwide.

We own and confer the following credentials: (learn more at www.REBINstitute.com)

Designations



Advanced business management courses for brokers, owners, and managers.



The right tools and strategies for seller representation.

Certifications



The right systems for team leadership, profitability, and formation.



A full spectrum of tips, tools, and techniques to help you provide effective results for your client.

Learn more at www.REBINstitute.com

REVIEW

Certificate Programs – Learn more at REBINstitute.com



Developed in partnership by the Real Estate Business Institute (REBI) and the National Association of REALTORS® (NAR).

An advanced training program designed to sharpen the skills of current professional assistants or jumpstart the career of an aspiring professional assistant.

The course curriculum will cover a variety of skills, techniques and topics that will make a professional assistant invaluable to an agent, office, or team.

For Licensed & Unlicensed Assistants.



New Agent Training: 3-Part Series

Part 1: Building Your Business & Demonstrating Your Value

Part 2: Converting Buyers & Building Your Buyer-Side Business

Part 3: Neutralizing Seller Concerns & Building Your Listing-Side Business

An exceptional onboarding solution for newly licensed agents that want a solid foundation to generate business and minimize risk.



Leveraging social media to create sales funnels.

Developed by the Real Estate Business Institute (REBI) and Marki Lemons.

REVIEW

I completed the Course, now what?

- You will receive an email from REBI as soon as they receive this class roster.
- The email will have instructions on how to download a certificate of completion for the Course.
- Be patient – REBI won't know who you are until they receive the course roster. This can take the sponsor a week or so to submit.

Course Evaluation

Your feedback is valuable and helps us with managing content and providing valuable learning experience.

The evaluation should only take you 3 – 5 minutes to complete. A simple option is to scan the QR code on the slide the instructor has up and complete it from your mobile phone or tablet.

Open the camera on your mobile device and align the QR code in the frame.

The course provider will also send you a link to complete the evaluation following the conclusion of the course.

APPENDIX

We have provided a robust Appendix of additional resources and templates to assist you in your role as a listing agent.

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182 Things a REALTOR® Does

Listed here are nearly 200 typical actions, research steps, procedures, processes, and review stages in a successful residential real estate transaction that are normally provided by **full service** real estate brokerages in return for their sales commission. Depending on the transaction, some may take minutes, hours, or even days to complete, while some may not be needed.

More importantly, they reflect the level of skill, knowledge and attention to detail required in today's real estate transaction, underscoring the importance of having help and guidance from someone who fully understands the process – a REALTOR®.

And never forget that REALTORS® are pledged to uphold the stringent, enforceable tenets of the REALTOR® Code of Ethics in their professional dealings with the public. Not every real estate licensee holds REALTOR® membership. Make sure yours does!

Pre-Listing Activities

1. Make appointment with seller for listing presentation
2. Send seller a written or e-mail confirmation of listing appointment and call to confirm
3. Review pre-appointment questions
4. Research all currently listed comparable properties
5. Research sales activity for past 18 months from MLS and public records databases
6. Research "Average Days on Market" for this property of this type, price range, and location
7. Download and review property tax roll information
8. Prepare "Comparable Market Analysis" (CMA) to establish fair market value
9. Obtain copy of subdivision plat/complex lay-out
10. Research property's ownership & deed type
11. Research property's public record information for lot size & dimensions
12. Research and verify legal description
13. Research property's land use coding and deed restrictions
14. Research property's current use and zoning
15. Verify legal names of owner(s) in county's public property records
16. Prepare listing presentation package with above materials
17. Perform exterior "Curb Appeal Assessment" of subject property
18. Compile and assemble formal file on property
19. Confirm current public schools and explain impact of schools on market value
20. Review listing appointment checklist to ensure all steps and actions have been completed

Listing Appointment Presentation

21. Give seller an overview of current market conditions and projections
22. Review agent's and company's credentials and accomplishments in the market
23. Present company's profile and position or "niche" in the marketplace
24. Present CMA Results To Seller, including Comparables, Solds, Current Listings & Expireds
25. Offer pricing strategy based on professional judgment and interpretation of current market conditions

26. Discuss Goals With Seller To Market Effectively
27. Explain market power and benefits of Multiple Listing Service
28. Explain market power of web marketing, IDX and REALTOR.com
29. Explain the work the brokerage and agent do "behind the scenes" and agent's availability on
30. weekends
31. Explain agent's role in taking calls to screen for qualified buyers and protect seller from curiosity seekers
32. Present and discuss strategic master marketing plan
33. Explain different agency relationships and determine seller's preference
34. Review and explain all clauses in Listing Contract & Addendum and obtain seller's signature

Once Property is Under Listing Agreement

35. Review current title information
36. Measure overall and heated square footage
37. Measure interior room sizes
38. Confirm lot size via owner's copy of certified survey, if available
39. Note any and all unrecorded property lines, agreements, easements
40. Obtain house plans, if applicable and available
41. Review house plans and make copy
42. Order plat map for retention in property's listing file
43. Prepare showing instructions for buyers' agents and agree on showing time window with seller
44. Obtain current mortgage loan(s) information: companies and loan account numbers
45. Verify current loan information with lender(s)
46. Check assumability of loan(s) and any special requirements
47. Discuss possible buyer financing alternatives and options with seller
48. Review current appraisal if available
49. Identify Homeowner Association manager if applicable
50. Verify Homeowner Association Fees with manager - mandatory or optional & current annual fee
51. Order copy of Homeowner Association bylaws, if applicable
52. Research electricity availability and supplier's name and phone number
53. Calculate average utility usage from last 12 months of bills
54. Research and verify city sewer/septic tank system
55. Water System: Calculate average water fees or rates from last 12 months of bills
56. Well Water: Confirm well status, depth, and output from Well Report
57. Natural Gas: Research/verify availability and supplier's name and phone number
58. Verify security system, current term of service and whether owned or leased
59. Verify if seller has transferable Termite Bond
60. Ascertain need for lead-based paint disclosure
61. Prepare detailed list of property amenities and assess market impact
62. Prepare detailed list of property's "Inclusions & Conveyances with Sale"
63. Compile list of completed repairs and maintenance items

64. Send "Vacancy Checklist" to seller if property is vacant
65. Explain benefits of Homeowner Warranty to seller
66. Assist sellers with completion and submission of Homeowner Warranty Application
67. When received, place Homeowner Warranty in property file for conveyance at time of sale
68. Have extra key made for lockbox
69. Verify if property has rental units involved. And if so:
 - Make copies of all leases for retention in listing file
 - Verify all rents & deposits
 - Inform tenants of listing and discuss how showings will be handled
70. Arrange for installation of yard sign
71. Assist seller with completion of Seller's Disclosure form
72. "New Listing Checklist" Completed
73. Review results of Curb Appeal Assessment with seller and provide suggestions to improve salability
74. Review results of Interior Décor Assessment and suggest changes to shorten time on market
75. Load listing into transaction management software program

Entering Property in Multiple Listing Service Database

76. Prepare MLS Profile Sheet -- Agent is responsible for "quality control" and accuracy of listing data
77. Enter property data from Profile Sheet into MLS Listing Database
78. Proofread MLS database listing for accuracy - including proper placement in mapping function
79. Add property to company's Active Listings list
80. Provide seller with signed copies of Listing Agreement and MLS Profile Sheet Data Form within 48 hours
81. Take additional photos for upload into MLS and use in flyers. Discuss efficacy of panoramic photography

Marketing The Listing

82. Create Internet and print ads with seller's input
83. Coordinate showings with owners, tenants, and other Realtors®. Return all calls – weekends included
84. Install electronic lock box if authorized by owner. Program box with agreed-upon showing time windows
85. Prepare mailing and contact list
86. Generate mail-merge letters to contact list
87. Order "Just Listed" labels & reports
88. Prepare flyers & feedback faxes
89. Review comparable MLS listings regularly to ensure property remains competitive in price, terms, conditions, and availability
90. Prepare property marketing brochure for seller's review
91. Arrange for printing or copying of supply of marketing brochures or fliers
92. Place marketing brochures in all company agent mailboxes
93. Upload listing to company and agent Internet site, if applicable
94. Mail Out "Just Listed" notice to all neighborhood residents
95. Advise Network Referral Program of listing

96. Provide marketing data to buyers coming through international relocation networks
97. Provide marketing data to buyers coming from referral network
98. Provide "Special Feature" cards for marketing, if applicable
99. Submit ads to company's participating Internet real estate sites
100. Price changes conveyed promptly to all Internet groups
101. Reprint/supply brochures promptly as needed
102. Loan information reviewed and updated in MLS as required
103. Feedback e-mails/faxes sent to buyers' agents after showings
104. Review weekly Market Study
105. Discuss feedback from showing agents with seller to determine if changes will accelerate the sale
106. Place regular weekly update calls to seller to discuss marketing & pricing
107. Promptly enter price changes in MLS listing database

The Offer and Contract

108. Receive and review all Offer to Purchase contracts submitted by buyers or buyers' agents
109. Evaluate offer(s) and prepare a "net sheet" on each to give the owner for comparison purposes
110. Counsel seller on offers. Explain merits and weakness of each component of offers
111. Contact buyers' agents to review buyer's qualifications and discuss offer
112. Deliver Seller's Disclosure to buyer's agent or buyer upon request and prior to offer if possible
113. Confirm buyer is pre-qualified by calling Loan Officer
114. Obtain pre-qualification letter on buyer from Loan Officer
115. Negotiate all offers on seller's behalf, setting time limit for loan approval and closing date
116. Prepare and convey any counteroffers, acceptance, or amendments to buyer's agent
117. Fax copies of contract and all addendums to closing attorney or title company
118. When Offer to Purchase Contract is accepted and signed by seller, deliver to buyer's agent
119. Record and promptly deposit buyer's earnest money in escrow account
120. Disseminate "Under-Contract Showing Restrictions" as seller requests
121. Deliver copies of fully signed Offer to Purchase contract to seller
122. Deliver copies of Offer to Purchase contract to Selling Agent
123. Deliver copies of Offer to Purchase contract to lender
124. Provide copies of signed Offer to Purchase contract for office file
125. Advise seller in handling additional offers to purchase submitted between contract and closing
126. Change status in MLS to "Sale Pending"
127. Update transaction management program to show "Sale Pending"
128. Review buyer's credit report results -- Advise seller of worst- and best-case scenarios
129. Provide credit report information to seller if property will be seller-financed
130. Assist buyer with obtaining financing, if applicable and follow-up as necessary
131. Coordinate with lender on Discount Points being locked in with dates
132. Deliver unrecorded property information to buyer
133. Order septic system inspection, if applicable

134. Receive and review septic system report and assess any possible impact on sale
135. Deliver copy of septic system inspection report to lender & buyer
136. Deliver Well Flow Test Report copies to lender & buyer and property listing file
137. Verify termite inspection ordered
138. Verify mold inspection ordered, if required

Tracking the Loan Process

139. Confirm Verifications Of Deposit & Buyer's Employment Have Been Returned
140. Follow Loan Processing Through To The Underwriter
141. Add lender and other vendors to transaction management program so agents, buyer and seller can track progress of sale
142. Contact lender weekly to ensure processing is on track
143. Relay final approval of buyer's loan application to seller

Home Inspection

144. Coordinate buyer's professional home inspection with seller
145. Review home inspector's report
146. Enter completion into transaction management tracking software program
147. Explain seller's responsibilities with respect to loan limits and interpret any clauses in the contract
148. Ensure seller's compliance with Home Inspection Clause requirements
149. Recommend or assist seller with identifying and negotiating with trustworthy contractors to perform any required repairs
150. Negotiate payment and oversee completion of all required repairs on seller's behalf, if needed

The Appraisal

151. Schedule Appraisal
152. Provide comparable sales used in market pricing to Appraiser
153. Follow-Up On Appraisal
154. Enter completion into transaction management program
155. Assist seller in questioning appraisal report if it seems too low

Closing Preparations and Duties

156. Contract Is Signed By All Parties
157. Coordinate closing process with buyer's agent and lender
158. Update closing forms & files
159. Ensure all parties have all forms and information needed to close the sale
160. Select location where closing will be held
161. Confirm closing date and time and notify all parties
162. Assist in solving any title problems (boundary disputes, easements, etc.) or in obtaining Death Certificates
163. Work with buyer's agent in scheduling and conducting buyer's Final Walk-Thru prior to closing

164. Research all tax, HOA, utility and other applicable prorations
165. Request final closing figures from closing agent (attorney or title company)
166. Receive & carefully review closing figures to ensure accuracy of preparation
167. Forward verified closing figures to buyer's agent
168. Request copy of closing documents from closing agent
169. Confirm buyer and buyer's agent have received title insurance commitment
170. Provide "Home Owners Warranty" for availability at closing
171. Review all closing documents carefully for errors
172. Forward closing documents to absentee seller as requested
173. Review documents with closing agent (attorney)
174. Provide earnest money deposit check from escrow account to closing agent
175. Coordinate this closing with seller's next purchase and resolve any timing problems
176. Have a "no surprises" closing so that seller receives a net proceeds check at closing
177. Refer sellers to one of the best agents at their destination, if applicable
178. Change MLS status to Sold. Enter sale date, price, selling broker and agent's ID numbers, etc.
179. Close out listing in transaction management program

Follow Up After Closing

180. Answer questions about filing claims with Home Owner Warranty company if requested
181. Attempt to clarify and resolve any conflicts about repairs if buyer is not satisfied
182. Respond to any follow-up calls and provide any additional information required from office files

FSBO Objection Responses

Objection 1: I've only had the house on the market one week and I've already had three people come and see it.

Most Effective Counters:

- That's great you've had so much interest. Could I come over and preview the property? I might have a buyer who would be interested.
- How many of those people have come back a second time? One of the problems with showing a house is that you get a lot of browsers who just like to see other people's homes.
- Did you have anyone who made an offer? Often prospective buyers find that they can't really afford the houses they find appealing in the ads. As a real estate professional, I always try to prequalify buyers first so that I'm not wasting an owner's time showing buyers houses they can't afford.

Objection 2: I need every cent I can get from the sale to put toward my new house. I can't afford to pay a real estate commission.

Most Effective Counters:

- I know that it's important to have the biggest down payment possible. An NAR survey revealed that people who sell their homes through a Realtor® sell their homes for 16% more than those who sell their property themselves. So even if I charge a professional service fee, you will probably come out ahead.
- Our firm advertises extensively to generate inquiries from qualified buyers and all area agents so that you will receive property showings and increase possibilities to secure offers.
- You know, buyers understand about real estate commissions, too. Any buyers who purchase from an owner will automatically assume that they can discount the price by at least that amount. The only person who gains if you sell your house directly is the buyer.

Objection 3: What do I need you for? I can put up a sign in my yard just as easily as you can.

Most Effective Counters:

- Your sign will attract buyers, but are they qualified to buy YOUR home? We ensure that buyers that make offers are qualified, and usually before they view any properties
- Putting a sign on the front lawn, posting your property on some internet site, and throwing an ad in the paper will not yield the best buyer for your property – it takes extensive and comprehensive marketing – electronic and manual – to get results
- When you advertise your own home, you have an inventory of one. We have an entire database of possibilities to offer them.

Objection 4: If I list my property, it will be with my friend in real estate.

Most Effective Counters:

- You know that your home is probably your single biggest asset. Do you really think your friend is most qualified to get you the best price for you?
- I've always found that the biggest problem with working with friends is that it's so hard to fire them if they don't perform. You take such a risk of losing their friendship and waste time not selling.
- Most folks are usually not comfortable having their friends know all the confidential aspects of their finances or business transactions. I admire your trust in your friend's ability to keep that confidential.

Listing Action Plan Checklist

Seller(s) Name	
Property Address	
Date	

At the Listing Appointment: (I have explained each of these documents thoroughly to the sellers)	
<input type="checkbox"/>	Completed and signed Listing Agreement-Seller must receive copy
<input type="checkbox"/>	Have them review the MLS data information, sign, and give them a copy
<input type="checkbox"/>	Signed Property Disclosure or Disclaimer-Seller must receive copy
<input type="checkbox"/>	Signed CMA-Seller has received copy
<input type="checkbox"/>	Signed Estimated Sellers Net Sheet based on Listed Price-Sellers must receive a copy
<input type="checkbox"/>	Signed Mortgage Information Request-Seller must receive copy
<input type="checkbox"/>	Signed Lead Paint Forms if applicable-Seller must receive copy
<input type="checkbox"/>	Signed Home Protection Application or Waiver-Seller has received copy

I have reviewed with the seller the following:	
<input type="checkbox"/>	Explained Agency relationships
<input type="checkbox"/>	Explained financing alternatives including discount points, seller assistance with closing costs, pre-pays and owner financing
<input type="checkbox"/>	Explained Marketing Plan
<input type="checkbox"/>	Explained Marketing Guarantee
<input type="checkbox"/>	Explained property tour by office
<input type="checkbox"/>	Explained how the MLS works and how appointments will be made
<input type="checkbox"/>	Obtained key for lock box and explained how the lock box system works
<input type="checkbox"/>	Explained and gave samples of Just listed, Open House and Just Sold flyers
<input type="checkbox"/>	Explained Open Houses - Brokers and public
<input type="checkbox"/>	Explained how to prepare their property for showing
<input type="checkbox"/>	Explained advertising program
<input type="checkbox"/>	Established marketing area in property-where feature sheets, business cards, home book & guest book will be displayed.
<input type="checkbox"/>	Explained showings that do not have an appointment-Leave business card holder with a supply of business cards

<input type="checkbox"/>	Explained the process if they will be buying another property
<input type="checkbox"/>	Discussed the advantage of leaving as much personal property as possible (window treatments, etc.).
<input type="checkbox"/>	Discussed the what ifs, such as an offer with earlier possession than desired.
<input type="checkbox"/>	Ask for copies of utility bills in order to prepare a "Home Book"
<input type="checkbox"/>	Discuss special arrangements for pets so property can be shown
<input type="checkbox"/>	Set a convenient time that you will discuss the status of their listing every week-coordinate both of your calendars for that time.
<input type="checkbox"/>	Discuss when sign installation will take place
<input type="checkbox"/>	Leave a video on preparing your property for marketing
<input type="checkbox"/>	Have folder for sellers to keep their copies of signed documents and important papers
<input type="checkbox"/>	Property Owner's Association (POA) Packet

REMEMBER: The Sellers MUST be given a copy of everything they sign immediately, plus an original for the office files.

Add any additional items here that will be important to your office or area:

<input type="checkbox"/>	

Marketing Checklist for New Listings

Seller(s) Name	
Property Address	
MLS ID	

TASK	DATE COMPLETED
<input type="checkbox"/> Create Room in DocuSign	
<input type="checkbox"/> Upload Listing Docs to DocuSign	
<input type="checkbox"/> Add Seller to DocuSign Room	
<input type="checkbox"/> Notify Seller of Their Updater Account	
<input type="checkbox"/> Order Pre-Listing Title Search	
<input type="checkbox"/> Order Photos	
<input type="checkbox"/> Order or Take Video / Drone	
<input type="checkbox"/> Order 3D Tour	
<input type="checkbox"/> Collect Room Measurements	
<input type="checkbox"/> Order Virtual Staging Photos	
<input type="checkbox"/> Call About Sign Placement	
<input type="checkbox"/> Place Sign(s)	
<input type="checkbox"/> Place Lockbox on Property	
<input type="checkbox"/> Create Flyer	
<input type="checkbox"/> Write Listing Story & Description	
<input type="checkbox"/> Enter Listing into MLS	
<input type="checkbox"/> Setup Showing Time for Listing	
<input type="checkbox"/> Add Lockbox Serial # in Showing Time	
<input type="checkbox"/> Add Property Disclosure & Lead Paint Disclosure into MLS	
<input type="checkbox"/> Create Homebook and Leave at Listing (RPR)	
<input type="checkbox"/> Update DocuSign Transaction Room (DTR) with MLS Information	
<input type="checkbox"/> Submit DTR for Broker Review	
<input type="checkbox"/> Setup Social Media Marketing Campaign	
<input type="checkbox"/> Share Link to Single Listing Site with Seller	
<input type="checkbox"/> Add Video Link to Realtor.com Listing	
<input type="checkbox"/> Setup Automated Seller Report on ListHUB Pro (if applicable)	

<input type="checkbox"/>	Order Just Listed Cards	
<input type="checkbox"/>	Order Home Warranty and Add to DTR	
<input type="checkbox"/>	Add Listing Expiration Date to Personal Calendar	
<input type="checkbox"/>	Add 30-day Expiration Reminder to Personal Calendar	
<input type="checkbox"/>	Send Summary of Marketing Efforts to Seller	
<input type="checkbox"/>	Send Handwritten Thank You Note to Seller	
<input type="checkbox"/>		

Notes:

Questions to Ask a Seller

(Reprinted with permission, Matthew Rathbun, MatthewRathbun.com)

1. What prompted you to decide to sell your home?
2. How long have you been thinking about this move?
3. Who else is involved in the decision to sell your home?
4. What prompted you to decide to buy this house? If moving, are you part of a relocation program?
5. Have you made improvements to the home since moving in?
6. What do you now feel is the best feature of your area/home?
7. Price - What do you feel homes like yours are selling for?
8. Price - How flexible are you with pricing?
9. What is your Time frame?
10. What is most important to you in the sale? Price? Time? Convenience?
11. What will happen if you can't sell your home? (Stay, Try to Short sale, how long do you have to sell before you would need to short sale?)
12. What projects do you feel need to be done to your home before selling?
13. Have you ever sold a home before and what was the market like when you last sold a home?
 - Did you use a Realtor?
 - How did that move go?
 - What do you feel a Realtor can do for you that you can't do yourself?
14. How would you like to handle showings? (Pets, Homeschooling, etc.)
15. How (email, phone) & how often would you like to be contacted?
16. Where are you moving?
17. Have you taken the time to qualify financially for your next move?
18. What would you expect from ME to perform exceptionally, not just adequately?
19. Do you have any other questions I can answer or research for you?

Prospecting Tactics & Tools



It's a No!

Door knocking and solicitation is soooo 1995 (and pre-COVID) ...

They hate it. You hate it. Everybody hates it.

It's all about the lifestyle ...



Community Engagement Ideas

1. Build a Community Page on Your Website

- Make sure it's 1,000 + words.
- Use at least 4 pictures with alternate tags.
- Include at least 1 YouTube video.
- Add links to your community assets.
- Include a link for a CMA request.
- Add links to a community Facebook Group.
- List your favorite local restaurants.
- List your favorite or calendar of community activities.

2. Write some Blog Posts

3. Create a Digital Community Guidebook (use Canva!)

- | | |
|---------------------|-----------------------------|
| ▪ Area information | ▪ Demographic information |
| ▪ Emergency numbers | ▪ School contacts |
| ▪ Vendors | ▪ Ask for email to download |

Prospecting Tactics & Tools

Community Engagement Ideas – *cont.*

4. Facebook Group

- Doesn't exist? – Build it.
- Does exist? – Own it.
- Be an advocate, contributor, and resource.

5. REALTOR® Content Resource powered by HouseLogic

- Visit <https://members.houselogic.com/start/>
- FREE NAR member benefit.
- Ready-to-use articles on all aspects of homeownership, including homebuying and selling, for your consumer communications.
- Free Consumer Guides you can brand and share.
- Use the content *when* you need it, *how* you need it.
 - Facebook
 - Twitter
 - Email
 - Your site or blog
 - Handouts

6. Postcards

- Give me a reason to read.
- Not everyone is a seller.
- Be relevant.
- Be intentional.

7. Neighborhood Introduction Letters

- Send an initial letter when you claim your farm and give them a reason to love you.
- Send a welcome letter to everyone who moves in.
- Include link to your Community Guide.

8. Occasional Handwritten Notes – Vonne.co is a great resource

- New pet
- Home upgrade
- Graduation
- Birthday
- Any reason to say “hi” or “thanks”
- Be purposeful
- Create a reason
- Quality matters

Prospecting Tactics & Tools

Community Engagement Ideas – *cont.*

9. Website

- When they start to go to your page, ask them to subscribe
- Have life-style content ready
- Be consistent and relevant
- Mailchimp.com is a great resource

10. Stalk Them (not really)

- You're their new best friend
- Social Media follows
- Be their go-to community guide

11. Homeowner's Association (HOA)

- Contribute to their newsletters
- Get on a committee
- Share HOA initiatives with followers
- Be non-political

12. Organize a Community or Block Party

13. Specialty Business Cards



Prospecting Tactics & Tools

The CRM – Customer Relationship Management

Using a CRM for your database is essential to your business growth and success.

Some of the major concerns for those who don't have anything in place include:

- Which product is right for me?
- How will I get my contacts into it?
- What will I use it for?
- Who will manage it?
- What will I send?
- Can this be outsourced?



What to Look for in a CRM

- Invest in a CRM designed for real estate.
- Look for must-have features.
- Make sure it has a mobile application.
- Take advantage of free trial offers so you can try before you buy.
- Keep it simple so you can actually use it.
- Go with a cloud-based product.
- Focus on compatibility with other tools you are using.

How to Effectively use a CRM

- Contact Management
- Lead routing capabilities
- Email and texting templates
- Email tracking
- Email drip campaigns
- Triggered emails
- Batch emails
- Listing and closing capabilities
- Reporting and analytics
- Software integration
- Works on mobile devices

Prospecting Tactics & Tools

Real Estate CRM Examples

We are not recommending or endorsing any of these vendors. There are many to choose from – these are some that show up on many top lists.

- HubSpot
- MoxiWorks
- AgileCRM
- Apptivo
- Bitrix24
- Contactually
- Streak CRM
- Wise Agent
- Pipedrive
- Propertybase
- Zendesk Sell
- Zoho
- Real Geeks
- CINC
- RealPage IMS
- Market Leader
- Top Producer
- Rethink CRM
- Follow up Boss
- Realvolve
- IXACT Contact
- Realty Juggler
- Close
- Nutshell
- LionDesk
- Freshworks
- Insightly
- NetHunt CRM
- Shape

Prospecting is Necessary Both Online and Offline

Whatever you use, you must consistently drip. Here are some examples:

ONLINE		
	<ul style="list-style-type: none"> ▪ SEO ▪ Social Media ▪ Email ▪ Website 	<ul style="list-style-type: none"> ▪ Blogs ▪ Reviews ▪ Video ▪ Display Ads

OFFLINE		
	<ul style="list-style-type: none"> ▪ Print Ads ▪ Business Card ▪ Direct Mail ▪ Phone Call 	<ul style="list-style-type: none"> ▪ Events ▪ Referrals ▪ Word of Mouth ▪ Meetings

Prospecting Tactics & Tools

Return on Investment – Track and Evaluate

How will you know if your prospecting is successful? Here is an example of a form you might consider developing in Excel or another program you use.

Campaign	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Year-End Total
Leads					
Sales					

Campaign	Leads / Sales									
Postcard Drip – Sphere										
eBlast to Sphere										
Social Media										
Networking Events										

Specialized Courses on Lead Generation

There are several courses in the REALTOR® family that focus specifically on lead generation. Consider taking them to further your skill development in this area.

“Generating Buyer & Seller Leads: Capture, Qualify, Convert”

Visit OnlineLearning.realtor or NAR.realtor for more information.



“Digital Lead Generation Professional”

This Certificate Program was developed in partnership by the Real Estate Business Institute (REBI) and Marki Lemons-Ryhal.

Visit REBINstitute.com for more information.



www.REBInstitute.com



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