

## 1. Who determines the value of our property?

Let's start by mentioning who does NOT determine value.

- The Buyer
  - The Seller
  - The Lender
  - The Appraiser
  - The Realtor
- Note: A couple of additional thoughts need to be mentioned. Value is not based on how much you paid for the property. It is not based on how much you put into the property by way of remodeling. There is no such thing as sentimental value when determining a home's value.

### **Your home's value is determined by the Market Place!**

When asked by a potential selling client to give them an idea of their home's value, we will put together what is called a "market analysis". Contrary to some thinking, we do not just pull a value figure out of the air. We will involve ourselves in a process that will take up to three to four hours just in research. This is an extensive process in which we compare your home to other like sold homes, located in same or similar subdivisions, similar age, with similar amenities. Based on these comparisons, your home should be valued around \$xxxx. By the way, this is exactly the same process the appraiser will go through when appraising a home.

When we have found a buyer for your property and the order for an appraisal goes out, many times we will give a copy of the market analysis to the assigned appraiser in order to defend our sales price. Because of this, seldom is there a problem with our sales price. We've seen thousands of dollars lost or gained because of inexperience on the other side of a given transaction.

## 2. The Market Analysis you have given us is too low. We need to get more money when we sell!

Let us address this concern in the following two ways:

- — Mr. and Mrs. Seller, you need us to be completely honest with you at this point. This is one of those situations in life where we can't tell you what you want to hear. We have to tell you the truth. We believe you want us to be honest. We're assuming that you are depending on me to sell your home and not just practice listing your home! Based on comparable sold properties, your home is worth somewhere between \$\_\_\_\_\_ and \$\_\_\_\_\_.
- — I realize you feel you need (xxxx) dollars out of your home. Do you think your buyer cares what you need? The truth is the buyer is out to get the best deal he can. When you bought this home, you could care less what the seller felt he needed. You negotiated the best deal you could get. Your home is worth what the market dictates its worth. Based on comparable sold properties, your home is worth somewhere between \$\_\_\_\_\_ and \$\_\_\_\_\_.

## 3. Our home is special, look at what we have done! Therefore we should be able to get more.

- Yes, your home is special. You have done a lot of nice things to make it exactly what you wanted in a home. We would be concerned if you didn't feel that way. That confirms that you are like every other seller. The truth is, most people feel their home is special. The problem is your home will not meet the buyer's total expectations. They will probably want to make changes to allow the home to better fit their likes and needs.
- One more thing to keep in mind. Every home has certain amenities like a roof, furnace, and carpet and so on. Having up-graded or replaced any of these items only makes your home more desirable in the eyes of the buyer and does not, in most cases, add value to the property.
- When the appraiser appraises your home, he is not concerned with the fact that you replaced all the faucets with gold faucets. He is only concerned with the fact that your home is functional and has all the appropriate faucet hardware that is needed.

## 4. Will you cut your commission; another realtor said he or she would do it for less.

- We can appreciate that some realtors will do almost anything to get your business. If a realtor cuts his commission just to get your business, he's really saying he's not worth what he charges in the first place. I'm

in the business of providing professional real estate services much like a doctor is in the business of providing care. What separates me from the pack is that I build your bottom line through my value-added platform. I will work to create the highest profit to be generated for you at the sale of your home. I define profit to mean receiving for my client, the best possible price and terms possible. Many times the best deal for you is not just the most money. We have witnessed transactions where the seller lost big time because they took the most money. Disregarding or misunderstanding the terms can be costly.

- We realize you can get someone to list your home for a lesser fee. Here is our concern for you. If they can't even negotiate their own brokerage fee, how can they negotiate a good sale price for your home? When they are not skilled enough to protect their money, how quick will they try to give away yours?

- And finally, reducing a commission is not in your best interest: A lesser rate lessens your appeal to other real estate licensees and ends up being used to sell your neighbor's house down the street.

### **5. We don't want to give it away!**

- We certainly would never ask you to do that. We do need to be close to a fair market value, right? The market analysis is clear that your home is worth approximately (xxxx). Are you prepared to list your home for that price?

- We agree with you. We would never want that either. Do you know what happens to an over-priced property? It gets fewer showings or is used to sell your neighbor's house down the street. Then, because it takes longer to sell, the seller winds up receiving less money in the end. Is that what you want?

### **6. Let's list high; after all, we can come down!**

- Here's the truth about negotiation room. We will have no one to negotiate with because most likely, no one will be making an offer. Is that what you want? Studies have shown that most sellers who go the way of over pricing, end up having to reduce the price. Many times they end up reducing the price below market value to get it sold. One of the three questions most asked by buyers is, "How long has it been on the market?" If it's longer than market norm, there must be something wrong with that house. Let's not even waste our time looking at it. Is that what you want?

- Most buyers buy at the maximum level of their qualifications. That makes it crucial to consider price points. If we price your home over the price point of fair market value, we are going to be competing with bigger, better homes. We want to be the best of the bunch that the buyer is looking at, don't we?

- Marketing a home substantially above its market value is a waste of time, money and energy. Representing you in the sale of your home, it will be my responsibility to market your home to three different groups of people.

- The buying public: With all the information at hand, the buyer can easily determine that your price is at or about market value or is simply laughable. The buying public is not stupid.

- Other Realtors: this group will not waste their time showing an overpriced property unless it makes their listing down the street look good.

- The Appraiser: Say, if by chance, we were able to sell your home way above market value, the appraiser would not justify our price. This means that the bank will not make the loan and you just lost out on the sale. Our only position would be to wait for some kind hearted buyer to come along and pay more than the home is worth by paying cash. We might be waiting a while for that to happen. In thirty five years, I've seen this happen once!

### **7. I had a bad previous experience with a Realtor!**

- The last thing we want is for a previous bad experience to prevent you from receiving the service you deserve. Share with us what happened. Our desire is to make your relationship with our team risk-free. The first step was making us aware of the previous experience. The second is letting us share this concern with our team. And third, it is our total commitment to make sure that as long as you are doing business with us, this

will never happen again! Based on that, do you feel we have a basis for moving forward in a business relationship?

· We appreciate your concern about the last time you used our firm, as it was not the experience you desired. Were we involved in that transaction? Tell us what happened! In the years of selling real estate, my team has not provided that kind of service. Service varies with the person, not always the company. Let me ask you, would you rather do business with someone focused on your needs, goals and values, or simply on the reputation of a company? Based on our commitment to provide a much higher level of service, do you feel we have a basis for moving forward in a business relationship?

#### **8. Safety, security, convenience and fast, fair, hassle free services are my major considerations. Representative me in the sale of my home, how will you address these concerns?**

· Safety and Security: Representing you in the sale of your home, we will regulate and control who has access to your home. Each and every appointment will be through our team. We will know who, when and by whom your home was shown. The direction will be given to all showing your home is that only pre-qualified, serious buyers will be given access to your home. We are sensitive to problems in the making. We will council you in secure guns, jewelry and other cherished items in an out of sight, secured location. We will not hesitate to give you counsel as to how we might better address any other related, potential problem. Your family's safety and security are uppermost in our minds!

· Convenience: All appointments will be approved and scheduled through you. We will work around any times that would be inconvenient for you and your family. If at all possible, it would be best if you were not at home when your home is shown. If it is not convenient to be out of the home when it is shown, just stay as far removed from the showing activity as possible. If questions are asked, in most cases it would be best to refer these questions to me as your real estate professional.

· Fast, Fair and Hassle Free Service: By helping you gain an understanding of the fair market value and your willingness to price your home accordingly, you will ensure yourself that you will receive an offer in a reasonable amount of time that is acceptable to you. Our experience will manage your transaction, help you avoid problems, and skillfully work through points of contention that do arise.

#### **9. We need to sell it ourselves and save the commission:**

· Every buyer out there knows you are trying to save a commission. Why do you think they are willing to view and work with "FSBO's?" They are out to take advantage of your lack of knowledge, and to take short cuts because they know them all. Regardless of what you are asking for the home, they will be thinking of offering at least 5% – 6% less.

· As your professional real estate licensee, I can and will steer you away from home inspection services that will cost you a bunch of money.

· As your professional real estate licensee, I can and will successfully guide and support your interest in the appraisal process. Many times this can mean thousands of dollars to you.

· As your professional real estate licensee, I will be your best and constant source of information concerning loan programs and how they will affect your bottom line as a seller.

· As your professional real estate licensee, I will protect your interest against lawsuits that arise out of errors and omissions.

· In short, are you really going to save anything by selling yourself? The liability and potential problems you take on are scary enough. On top of that, most FSBO's end up with a bottom line dollar far less than they had anticipated.

#### **10. I just want to think it over!**

At the end of our interview, if we end with you saying, "I want to think it over", we take that to mean that we did not do an adequate job addressing your concerns and questions. Because we're not mind readers, we will ask straight out, why hesitate? What have we not addressed to your satisfaction? We would really like the privilege to represent you in the sale of your home! Where have we been less than what you want as a Realtor? Please allow us to understand why you are not sold on our ability to represent you in the sale of your home. There are two ways you can answer us when we have requested the privilege of representing you in the sale of your home. You can say, "Yes" which is our desired response from you. You can say, "No" and allow us to learn from not being selected. We have invested a great deal of time and effort to put together a professional market analysis. We have helped you to gain an understanding of current market conditions and have

counseled you how best to prepare and show your home. If you do not select us to represent you in the sale of your home, please share with me why you did not select our services. Let us learn from this experience and I would be grateful! A “yes” answer is most desired, but a “no” answer allows us the ability to improve.

**Note:** If this article generates additional questions or a need for additional information, the following link will allow you to ask your question(s), request additional information or make comments. It is not my intent to bug you with unwanted phone calls, emails, or text messages! It is my intent to allow you to benefit from my 35+ years real estate activity and to give you a buying experience beyond your expectations! (---Link---