

SANFORD

SYSTEMS & STRATEGIES



Newsletter

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Author: Walter Sanford

Here's the scenario:

1. You took an under-motivated client, because you have not been doing enough lead generation or you have been doing the wrong lead generation. You did it because you are desperate and now have to work a listing where the chances of selling are low.
2. You accepted the seller's estimate of value, which is too high, but they were so convincing! They convinced you because you really needed the listing and you don't have a good handle on the comps. You need to be ready for the seller who has been thinking about why his property is much better than everyone else's property for many more months than you have been thinking about the right price of a home in that neighborhood.
3. You underestimated the negative price pressure of an undesirable aspect of the home, because you needed the listing or just didn't have a feeling for the market.

Here are the facts:

The only reason something does not sell is price. The problem probably isn't marketing, because every agent in your area has it on their screen. It is overpriced, because you needed the listing too much or just didn't know any better.

Don't worry, we all have done it! When I would take overpriced listings, I would always think that things would get better. Maybe the market will get better. Maybe I or I would believe the line -- "It only takes one person to make an offer." Maybe I would just need to get the price reduced!

After thirty-five years of fretting over unsold listings, I've found the only solution. Call regularly, repeat what you believe to be the seller's core selling motivation, and ask for a price reduction. If you cannot get the reduction, ask for a value enhancement. If that does not work, go for the "nuclear" option of giving them a choice to drop the price or take it off the market.

To understand the concept of value enhancements, I have included a few pages out of our system *Phone Scripts and Moving Beyond Do Not Call*. It shares some tips on how to start the conversation.

Real estate is basically a simple game. Have automatic systems that generate listings and service the listings. Understand how to handle the buyers those listing generate. Have systems to double-end most of these leads.

If you would like to know how our coaching clients made it through the

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BE AN INTERNET STAR

We hear many times how our seminars or systems have changed career paths, and we'd like to share your positive experience with others.

Please email a video testimonial to: cynedi@waltersanford.com.

If the file is really big, feel free to use www.sendthisfile.com to send the file to Cyndi, and they'll email a download notification link.

When we post your video to our website, we'd like to thank you for your time by sending you a copy of "Beating the Competition Every Time" so be sure to include your name and full contact information!

OUR COACHING PROGRAM

The very best athletes, entertainers, and business leaders all have someone in their corner whom they can go to for advice, leadership, and teaching. Unfortunately, the average person has no coach and too often allows himself to be influenced by those who have never achieved high levels of success.

With nearly thirty years of real estate experience including record levels of high real estate production and creative business systems, Walter Sanford offers personal coaching to a select group of clients each year.

Why not make this year the one when you start enjoying your career, your family,

recent real estate trough, **give us a call at 800.792.5837**. We have testimonials and references that we can provide for you as well.

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GETTING A CLIENT TO ACCEPT A PRICE REDUCTION OR VALUE ENHANCEMENT

In continuing from above, you are going to end up with a listing that is overpriced and not getting showings, even in this better market. The seller is mad and you're burning overhead. This situation is probably the number one reason why agents earn average incomes.

There is much you can do about taking overpriced listings, prior to making the listing presentation. You can generate more leads so you are less likely to grab that bad listing. You can ask more questions about motivation to make sure the seller has a real reason to sell. You can have some personal standards in working with cement-head sellers.

Bottom line -- better pricing means the seller achieves their goal sooner, and you burn less overhead.

If you are stuck with a listing that won't sell, you are going to have to make a personal contact between you and the seller at least every 10 working days. To accomplish this task more easily, I would take a listing inventory, divide that number by 10, and call that many sellers every day Monday through Friday for two weeks and then start over. If I already had contact with a seller prior to that and had made my price reduction pitch, I did not try again in that 10 day period.

This is not a real estate activity that you can delegate. The rainmaker who took the listing has to grind for the price reduction. I reminded my sellers why they told me they were selling (their core motivation) every time we talked. I let them know the reasons why we needed a price reduction every time we talked. However, sometimes they got very tired of the same old request, and I had to start being a little more creative to get that price reduction or something that added value to the listing. If there wasn't a price reduction, I would look for the value enhancement.

Below are a few conversations starters to get the price reduction or the value enhancement talk started with your client. This list came from my system, *Phone Scripts and Moving Beyond Do Not Call*. I had the questions below and more, copied into my listing files so I could keep track of the conversation starter that I had already tried with the client so I did not repeat myself.

About twice a month, I was building my relationship with the seller, reminding them of the light at the end of the tunnel, impressing them with my marketing systems, asking them for the price reduction, and then asking for the value enhancement, hopefully avoiding the nuclear option of giving them the option of complying, letting the listing go, or

start enjoying your career, your family, and your life? We have a few spaces left in Walter's personal coaching program.

Please call me, Cyndi, at **1.800.792.5837** so that I can arrange a phone appointment with Walter for you to see if this may be the year that you take your business to the next level.

agreeing that marketing be limited to MLS.

Here are some of my conversation lead-ins:

1. There's been a new sale in the neighborhood which affects your value.
2. Here are some of the responses we've received from other agents.
3. Here are the responses that I received from buyers that my office or I have shown.
4. Here are responses that I have heard from buyers shown by other agencies.
5. Here are the responses from the agents in my office.
6. These are the opinions of the real estate agents who attended the broker open house.
7. These were the attitudes of the buyers who walked through your home on the open house.
8. Here are the responses that we have received from the ad that we've placed in . . .
9. Here are some suggestions that I would do if it were my home to make it more appealing to buyers. Oh, by the way, rather than making these improvements why don't we drop the price to compensate the new buyer for making the improvements to their own taste?
10. Why don't we increase the selling office commission? It will increase the attention of agents representing buyers in this price range. If I sell it, I will adhere to the original terms of the listing agreement.
11. May we add a selling office bonus?
12. May we offer points to pay for so that financing becomes easier for a buyer?
13. I know that this offer was low and the buyer did not accept our counter offer; however, may I lower the home to the amount that we mentioned in the counter offer to attract more interested buyers?
14. May we ask for some concessions on the home that you're buying and then supply those same concessions to the listing for potential buyers when they buy your home?
15. May we offer preferential owner financing and make the property more affordable to any potential buyers?
16. We have an open house/new ad/new internet page going up and I would certainly love to be able to market this home at a new and improved price.
17. I'm going to be taking the property out of the MLS and re-submitting it as a new listing, therefore, acquiring a new look and new enthusiasm among the cooperating real estate agents here in town. I'd like to do that at a lower price.

18. Is there anything that we could throw in that would sweeten the pot, appliances, vehicles, maybe even a free vacation at a time share?
19. Many times we have found that emotions play a big role in the sale of a home. Therefore, can we make your home more emotional by having it professionally staged and decorated by a local design group.
20. Cooperation among real estate agents is paramount to getting the property sold. Yes, I am the one agent that is handling the marketing, but I am marketing to more than 3,000 real estate agents who handle a large percentage of buyers. My job is to market to them so that they can express their excitement of your home to their buyers. Let's discuss what we can do to make this home more exciting to the real estate agents here in town like dropping the home below the next pricing barrier.
21. Real estate agents have many properties to show and sometimes the determining reason for showing is ease of access. Let's do some items to improve the showing procedure that will make it easily accessible to real estate agents at any time and a moment's notice.
22. I would like to obtain a price reduction and do some things that are costly and never done to market a home, such as advertising them in *The Los Angeles Times* and *The Wall Street Journal*. Spending money on an ad that would reach outside our geographical area is risky, but I would be willing to go ahead and give it a try if we had a more marketable price.
23. I was looking at your holding cost and find that if we drop your price and obtain a sale, we may eliminate many months of payments, taxes, insurance and upkeep that I believe would compensate you for this price reduction. Let's discuss how this might work.
24. The feedback from our automatic web-based agent showing results shows that our price is too high. Please let me email you the results. Please review the results and call me back after you have spoken to (spouse).
25. The response from our Interactive Voice Recognition System is the weakest among my listings. Sometimes that is attributable to pricing above the competition.
26. In all the years that I've done business, one of the hardest things I have to do is disappoint a client. The continued marketing of this property at the current price that the market and I find too high only tends to disappoint you and therefore, I'd like to ask you the following favor. Would you please consider a price reduction and if that's impossible, would you allow me to discontinue my marketing efforts? It's very difficult for me to express this to a seller who has been fair with me and to a home that I'd like nothing more than to market and sell. However, I truly believe that unless we drop this price, the property will go unsold. I'm willing to give up the opportunity that a listing affords me to show you that we will not achieve your goals unless we adjust your price now.

These 26 lead-ins are certainly not a complete list, but it will get you started on an aggressive program this quarter to get you listing

inventory in shape. Some of you are in areas that need no help to get a listing sold, the market is doing it for you. For those who are still in relatively normal markets, we must keep our listing inventory competitive!

559 South Washington St., Kankakee, IL 60901 | P. 815. 929.9258 | F. 815. 929.9200 | walter@waltersanford.com
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