

CLOSING

HOW TO CLOSE:

1. BUILD RAPPORT
2. TALK MONEY & QUALIFY
3. LAUGH & SHOW
4. TAKE THE GOOD & BAD POINTS AND ADD UP
5. FILL OUT A BUYER'S NET SHEET
6. CALL THE OTHER AGENTS TO GET THEM EXCITED
7. USE A NATURAL CLOSE

SAMPLE: "I don't know about you folks, but I think this must be the place."

NOTE: The natural close is the greatest close. The buyer is not an adversary. Cherish the idea that you're servicing their needs **FIRST**.

8. AGENTS WHO BELIEVE IN WHAT THEY'RE DOING CAN BRING PEOPLE TO A DECISION

LIMITS TO CLOSING:

1. THE CONTINGENT OFFERS
 - Anything contingent on a relative or a friend's approval (borrowing the money), or sale of another property.
 - Include within the agreement:
"Final approval made in writing by: name - date - time - year."
 - Pin them down, get it in writing, and have a deadline.
2. WHEN HUSBAND AND WIFE DISAGREE
 - Do not take sides or become involved. Be a neutral, third party.
 - You are the expert.
3. BE CAREFUL OF OVERLY EXCITED CLIENTS WHEN CLOSING A SALE
 - They might only be shopping.

4. IF ONLY ONE SPOUSE IS PRESENT, TREAT THAT AS A CONTINGENT
 - Again get it in writing.
 - “Final approval subject to spouse’s approval by: date, time, year.”

5. BEFORE YOU CLOSE, ASK YOURSELF:
 - Is it financially sound?
 - Does your close create a temporary sale?
 - Do they sincerely like the home? Or are they just saying yes to be released from your pressure?

YOU CAN REALLY CLOSE NOW!

Now you know you are ready to go forward with your buyers and can solve their housing problems.

“THE CLOSING” SCRIPT

DANIELLE:

Isn't it great that the house on Grand Avenue is still available?!

LAURA:

We are so glad the last sale fell out on it.

BUD:

You know the whole time we were selling our house, we just kept thinking about buying that one!

LAURA:

I just hope we can afford it.

DANIELLE:

Well, we've done our homework now, don't forget. Bud, do you still have that buyer's book that I gave you at our last visit?

BUD:

Yeah.

DANIELLE:

Let's take a look at that for a moment. I've got a duplicate copy too. Yeah, it looks like we have the same thing. We had our interviews with Bob over at community bank, the loan officer. He said we're well within this price range. We're right around \$150,000. Our monthly is in that 1100-1300 dollar range. You more than qualify for that. So we've gone over the net sheet, and I think we're ready to proceed on this thing.

BUD:

I wonder if he'll leave that Bar-B-Q in the back yard.

LAURA:

Oh, that's right and the matching bedspread and curtains in the master bedroom. We really like those.

DANIELLE:

Well, perhaps, but I really think we should go in with a very large earnest money deposit to make this offer as solid as possible. This is especially important since the other couple did not qualify. I'd like to go in with about a \$10,000 deposit. Do you feel comfortable with that?

BUD:

Yeah, okay.

DANIELLE:

Okay, \$10,000.

LAURA:

Wait a minute Danielle, are you writing up an offer?

DANIELLE:

Oh we have to hurry with this one.

BUD:

You really think this is a good value Danny? I mean, we've looked at so very few houses and almost everything's been sold.

DANIELLE:

I'll have to tell you quite frankly Bud and Laura, if we don't move quickly, it'll be gone. Plus, I know someday you're gonna thank me. Don't forget, I live in this community. I'm not only going to see you during the processing of this sale, but we're going to be neighbors afterwards. Our children play Little League together, we'll probably be going to the same church, I'll see you at the grocery stores. And this is not just a sale to me. I am in this for a career. That means that I'm going to be asking you, hopefully, for referrals after this sale closes. And if I do something right now to lead you in the wrong direction, believe me, someday you won't thank me! I'll tell you something, I think we'll miss the boat if we don't get on this immediately.

LAURA:

Keep writing Danny.

NOTE: It looks like it was smooth sailing, but remember — I worked with this couple for quite awhile before getting to this point. When they get cold feet, find out the WHY — the truth.'

THE HARD CLOSER

This is a no, no! Be careful not to push them to move ahead where they are feeling pressured.

STOP CLOSING

- When they start going in another direction.
- Find out what they're afraid to tell you.
- In the long run you'll make a friend and a mentor.
- When obstacles seem to appear out of the blue.

“THE STOP CLOSING” SCRIPT

BUD:

We’re not going to sign anything. We really need to sleep on this.

LAURA:

This whole thing is starting to make me nervous.

DANIELLE:

Well, you know, that’s the last thing that I want to happen here. We’ve built a friendship. First and foremost I’m a public servant, and that means your needs come before mine. If you end up not purchasing this property at all, that’ll be fine. But if you don’t feel comfortable at this moment in time telling me the truth about what’s on your mind, then you can’t take advantage of my expertise and I can’t lead you in the right direction. Now, is there something that you really need to tell me?

NOTE: Don’t say another word until they answer that question!

LAURA:

Well, we’re getting confused. You see, we saw this new home this afternoon and we could close on it in 30 days!

BUD:

They’re offering extra carpeting allowance, extra land-scaping, and just a whole bunch of things that we can really use.

***NOTE:**

Whenever you’re having difficulty closing —

1. Stop closing.
2. Look for the TRUTH.

EXTRA CLOSING SECRETS

1. Don’t ask for a lot of personal property on a low offer.
 - Get a large deposit.
 - Eliminate as many contingencies as possible.
 - Come up with a good possession date that suits both buyer and seller.
2. Don’t show people homes they can’t afford!
Remember the elements of good communication:
 - Intention.
 - Attention.
 - Duplication or Repetition.
 - Acknowledgement — (“I understand how you feel.”)
 - If they state they do not want to go over a certain price say, “In order for me to do a better job for you, I want to be sure you’re comfortable with the monthly house payment.”

3. Don't close too soon.
 - Who likes the property more — you or the client?
4. Take pressure off in the car.
 - Let them know what's going to happen step by step.
5. Return to the same place at the office, where you qualified if it's appropriate.**
 - Makes them feel safe.

** If you're at the property and things are going well. Sit down at the Dining Room table (if the homeowners aren't there) and begin your paperwork.

PRIOR TO WRITING THE OFFER:

1. Call the listing agent to get a feel for the seller's motivation.
2. Explain the purchase agreement form.
3. Use quick speak.
4. Begin to pull (not push) for the decision.
5. Use questions like . . .
 - "Is there anything I've missed that you don't understand?"
 - "Tell me what you're thinking about the possibilities in regard to this property."
 - "Am I on the right track?"

SCRIPT CONTINUED . . .

BUD:

Keep writing Danny.

DANIELLE:

Oh, that's great! Are you in agreement too, Laura?

LAURA:

You bet ! Let's do it!

DANIELLE:

Alright now, I'm going to need both of you to sign on the last page here, if you'll both do that right now.

BUD:

Danny, I want you to know we've both thought long and hard about this offer and I want you to know this is absolutely our best shot!

NOTE: Remember the 3rd and 4th elements of good communication:

- Duplication
- Acknowledgement

This makes the buyer feel confident!

SCRIPT CONTINUED . . .

DANIELLE:

I know Bud and Laura, that this is absolutely your best shot. But if I come back with a counter offer, you need to know it won't be my fault.

LAURA:

Well, what do you mean, not your fault?

DANIELLE:

A counter offer would be the seller's doing Laura, not mine. All it means is that this offer doesn't meet 100% with their approval. But I want you to know that I'm going to do everything in my power to let them see the light.

BUD:

Good.

DANIELLE:

I talked earlier with the listing agent. I've got a pretty good feel for what the seller's motivation is, I told her I'd be calling her right back to set up an appointment to present!

LAURA:

Great!

DANIELLE:

Let's do it!

MORE CLOSING SECRETS

1. Do not give the price out over the phone to the seller when setting up the appointment if you are presenting an offer on your own listing, or anyone else's for that matter.
2. Even if it's not your listing, prepare a Seller's Net Sheet.

"FAMOUS FINANCING" SCRIPT

BUD:

So, how'd it go Danny?

DANIELLE:

Well, I've got good news and I've got bad news for you. Now don't be nervous, it's really not that bad. The good news is that everything about the offer has been accepted. With one exception. And this is what you may feel the bad news is, our pricing.

LAURA:

How far apart are we?

DANIELLE:

Well, let me tell you exactly here, I did some quick calculations and it looks like we're \$12.75 a month apart.

BUD:

We told you that's absolutely the farthest we can stretch!

DANIELLE:

Well, I know you did, and I worked from that premise. But as you know, this is a very, very hot market. These people have already had three offers on their property in the last two weeks. And they've turned it away, and they've had the home sold and it fell out.

LAURA:

I know that Danny.

DANIELLE:

You've got very strong qualifications though, and that big deposit helped. I made sure I reminded them of just how strong you are. Plus very simply put, they like you. They like your children and they know that you love the house and will make great owners and neighbors. They remember when you first looked at the home, oh . . .back 6, 8 weeks ago I guess. And these things are very important to them.

LAURA:

Well, that's nice, and we appreciated it, but what about our offer?

DANIELLE:

That's why I prepared this counter offer at \$158,000 and it also includes that they accepted, don't forget, the fact that they'd leave the Bar-B-Q for you and include the master bedroom bedspread that matches the drapes. I think this'll do the trick.

LAURA:

Well, it looks pretty good, but we keep adding to our monthly outflow.

BUD:

I said, you know, we are absolutely at our limit.

DANIELLE:

I understand that. I really do. But let's go back and take a second look at that home right now. What do you think?

BUD:

What's our option?

DANIELLE:

Start over.

LAURA:

You mean, from the beginning?

DANIELLE:

Uh huh. But here's my problem with that, we're in a hot market and we don't have a lot to look at out there.

BUD:

I think we need to go home and think about this.

DANIELLE:

You know, I've reworked this net sheet. As I mentioned, we're at \$12.75 more a month. Why don't we go back over to the house. That'll give you two the opportunity to talk about it on the way over.

LAURA:

Oh, that's a good idea.

BUD:

Great, I'm willing to take another look.

DANIELLE:

Let's do it.

NOTE: In preparing the client for that second look, use your discretion of whether or not it's good for the seller to be there.

“THE BUY YOUR HOUSE BACK” SCRIPT **(the seller wants to counter)**

WHEN TO USE THE “BUY YOUR HOUSE BACK” SCRIPT

- If the property is over priced and on the market a long time.
- The homeowner is begging you to get them an offer. You do, not full price, but the best they’ll ever get.

SELLER:

Gee, think we can pull them up just a little bit?

DANIELLE:

If we touch this agreement, we’re purchasing our property back.

[then add a true story]

I had this situation occur . . . the buyers ended up buying something else. Two days later homeowner wanted to take that offer. I had to give homeowner the bad news that the buyer had purchased elsewhere. Homeowner was infuriated with me. And never ended up selling their property for quite a long time. I don’t want that to happen to you, Mr. & Mrs. Homeowner. I don’t want you to be mad at me. So, don’t say I didn’t warn you before we touch this agreement. You have the option to counter, but I just want you to realize that it’s a busy market out there. Buyer’s have second choices. And if we touch this agreement it’s like I never walked through the door with the offer.

*****REMEMBER*****

- BE CONFIDENT AND SERIOUS
- CLOSING AND NEGOTIATING A SALE TAKES A LOT OF COMMON SENSE AND A LOT OF SCRIPTS WHICH ARE COMFORTABLE, ETHICAL, AND HONEST!
- Refer to “Closing the Golden Nuggets” chapter in my book *How to List and Sell Real Estate*.