

2022 HOME SELLER CHEAT SHEETS TALKING SELLERS OFF THE FENCE



REALTY **ONE** GROUP
RESULTS

HOME SELLER CHEAT SHEET 2022

Common seller objections and how to overcome them

Objection 1: Sellers might be uninformed, misinformed, or not fully informed about real estate topics like the state of the market, the selling process, or other aspects of real estate.

- **Solution: Share relevant facts, data, and information**-Share home value reports, interest rate changes, historical housing data, market forecasts, recently sold homes, and other information that will give your seller the full picture. Facts and data can clarify any misconceptions, preconceived notions, and assumptions that may have been holding them back.
- **Example:** Interest rates are low right now, but will increase –giving buyers less spending power, which means lower offers.

Objection 2: You might not know the reason for your client's actions or the right solution to offer.

• **Solution: Uncover their true motives** -Your client's current circumstances/situation has a major influence on their decision making. You can uncover their true motives for delaying their home sale by asking the right questions –Try using the “7 Whys” method to find the core issue. Once you know the reason for the delay and/or for wanting to sell initially, you can address it directly by offering the appropriate solutions.

• **Example:** Seller: I don't want to sell my home anymore.

You: Why don't you want to sell your home anymore?

Seller: Because I'm worried

You: What are you worried about?

Seller: I'm worried about COVID

You: Why are you worried about COVID?

Seller: I'm worried about getting sick from COVID.

You: Your health and safety are my priority. Here's our new COVID home seller process option that we can use for your concerns. In this new process, we'll make the necessary accommodations to ensure your safety by minimizing contact and by communicating virtually -whenever possible. Which video software do you use?

Objection 3: Unrealistic expectations about the selling process.

- **Solution: Set realistic expectations about the selling process** -If a client has unrealistic expectations about the selling process like the pricing of the home or number of days on the market, you must reset their expectations, so your client has a better understanding of the situation. Use information like a CMA, recently sold homes, and expired listings to support your reasoning.
- **Example:** 1) The perceived value of a home could decrease if it's priced too high and stays on the market too long. This could decrease the amount offered from buyers.
2) Trying to predict and play the market is risky and you could get priced out. Share the market demand and explain that a seller's market gives them more power.

Objection 4: Seller worries and fears.

- **Solution: Address their fears and worries** -Your client's home sale is probably one of the biggest sales they'll ever make and one of the biggest decisions too. Since there are many seller worries that can delay a sale, ask questions to uncover it, then offer solutions based on their answer. Additionally, you should remind them about the reasons they wanted to sell in the first place because it will help remotivate them.
- **Example:** 1) The top fears of home sellers include not being able to find a new home to buy and move into, missing out on a better deal, the home not selling fast enough.
2) Give them guidance on identifying the best price and time to sell in your market.

Objection 5: Your client decides to not sell now.

- **Solution: Be service-oriented**-Don't be pushy. Empathize with your client and put yourself in their shoes. If they don't want to sell right now, that's ok. Don't force a seller to sell if they don't want to. You're an adviser, after all, so you should do what's best for your client.
- **Example:** A client remains on the fence, regardless of your reasoning. Don't be pushy, be service-oriented and let them know you're there for them when they need you. Then check in with them, share local market stats, and other information that'll nudge them toward continuing the sale.

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Statistics to understand, target, and motivate home sellers

Quick Stats -Local (Input Your Stats)

Month	Mortgage Rate	Avg Recent Home Sale Price	Avg Days on the Market	# Sales in Month
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
1				
1				

Number of Weeks Recently Sold Homes Was on the Market¹

% of Sellers	Number of Weeks
17%	Less than 1 week
45%	1 to 2 weeks
13%	3 to 4
5%	weeks 5 to
4	7 to 8 weeks
%	9 to 10

Age of Home Sellers¹

% of Sellers	Median Age in Group	Age Range
2%	18	18 to 22
6%	years	years 23 to
20	30	31 years 41
%	years	years 42 to
24	49	56 years 57
16%	years	67 to 75 years
23%	60 years	76 to 96 years
%	years	

Sales Price Compared with Listing Price¹

Percentage of Sellers	Sales Price as a Percentage of Listing Price
8%	90% to 94%
26%	95% to 99%
28%	100%
28	101% to 110%
%	More than

Type of Home Sold¹

% of Sellers	Type of Home Sold
78%	Detached single-family home
8%	Townhouse/row house
5%	Apartment/condo (building with 5+ units)
4%	Duplex/apartment/condo (building with 2-4 units)
5%	Other

Top Reasons Sellers Listed Their Home¹

% of Sellers	Reason for Selling
18%	Move closer to friends and family
17%	Home is too small
11%	Neighborhood is less desirable
9%	Change in family situation (marriage, newborn, divorce)
9%	Home is too large

Most Important Factor in Choosing Agent¹

% of Sellers	Factor
32%	Reputation of agent
19%	Honest and trustworthy
17%	Friend or family member
11%	Knowledge of the neighborhood
5	Caring personality/good listener
%	Agent's commission
4	
%	

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Information and news articles to help motivate home sellers

Top Reasons Sellers Don't List Their Home

Reason for Not Selling	Explanation
Longer tenure in homes	On average, homeowners are staying in their homes longer –from 6 to 7 years to 10 years.
Property owner prefer renting	Many property owners/landlords would rather rent their second/vacation home than sell it
Happy with current interest rates	Homeowners are satisfied with their current mortgage rate
Increasing interest rates	A homeowner who plans on purchasing a new home, might be concerned that their new mortgage loan and rate will be too high.
Low new construction homes for entry-level buyers	New homes are either too larger or too expensive for the new wave of millennial first-time home buyer. Additionally, there is a shortage in the construction labor force and materials.
Loss of money	The home is worth less than the mortgage
Affording a new home to buy	Since prices have increased, homeowners may be concerned about affording a new home.

Factors that Motivate Home Sellers¹

Reasons for	Explanation
Selling Growing or shrinking family	Families that are having a child, have older children leaving, or are having parents move in
Unhappy with location	Such as the neighborhood has become less desirable, too far from work, bad neighbors, etc.
Changing jobs	A job change could mean the homeowner must commute to new location; income decrease, increase, or loss; retirement, etc.
Nearing retirement	Earn cash for retirement savings, smaller property to maintain, decrease expenses, etc.
Maintenance	The property is too large, upkeep is too difficult, expenses are too high
Need cash flow	Sell home to pay for unexpected expenses
Desire for a newer or different home	Wanting an updated property, a new floor plan, a new style, a larger property/yard, etc.
Sell at the top	Sell at a high price, when the market is hot. Then buy back in when the market cools off

Top Solutions to Get Sellers Off the Fence

Recommend contract contingencies like a sale and settlement contingencies
Share available properties that meet or exceed their desired preferences
Consider a bridge loan with lender
Leverage equity to pay cash or negotiate new mortgage loan and lower rate
Offer incentives or discounts
Low inventory = more competition/higher bids
Share facts and news articles
Uncover needs, concerns, and worries then address them or offer multiple solutions
Don't be pushy, be service-oriented
Remind your client of their initial reasons for wanting to sell their home
Prices & demand tend to decrease after summer

Why Sell Now?

Reason to Sell	Supporting National Data	Source
Home buyer demand is still high	Home sales increased by 17.6% in May 2022 compared to last year	Realtor.com
Inventory is still low	Total inventory was about 10% lower in April 2022 than one year ago.	TradingEcon
Home prices are still going up	Median price increased by 14.8% in April 2022 compared to April 2021	NAR.realtor
Homes are still selling quickly	The avg home spent 31 DOM in May 2022, down 6 days from last year	Realtor.com
More cash offers	In April 2022, 26% of transactions were all-cash sales	Reuters.com

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Processes and strategies to sell during COVID

Home Selling During COVID-19

Contact Seller

- 1 Get an update on their seller status, how they feel about selling now, and uncover their needs and worries.
- 2 Offer solutions to overcome them: do they need more information or data? Do their expectations need to be reset? Will you need to share your marketing plan for their listing?
- 3 Ask your client how comfortable they are with the current pandemic so you can offer accommodations.
- 4 Get confirmation to continue the selling process.

Marketing the Listing

- 1 Emphasize the importance of technology and how you will leverage it to reduce face-to-face time and other methods like using video calls to meet with them and potential buyers.
- 2 Create a virtual walkthrough of the home
- 3 Tell your client that you will screen buyers more thoroughly before showing the inside of the home. Schedule a time to show the inside of the home if they're still interested:
 - Have the buyer's agent send prequalified/preapproval documents before a showing.
 - Share the floor plan and other listing information.
 - Have the buyer watch a video tour of the listing, view the floor plan, and seller's disclosure.
- 4 Show the home:
 - **INVITE ONLY:** Host a traditional open house but by appointment only.
 - **PRESHOWING:** Have the buyer attend a pre-showing: walk around the exterior of the home, view the room, lawn, and backyard as well as the neighborhood, nearby parks, businesses, and proximity to points of interest.
 - **LIVE VIRTUAL OPEN HOUSE:** Host a virtual tour of the home. Give the buyer a memorable experience by giving them the same experience as if they were with you. Encourage questions. Talk about and be overly descriptive about all the features and details of the home - open doors, cabinets, closets, and test on appliances, faucets, switches, etc.
 - If the buyer is still interested, let them know they can call/message you to come to view the home in person as soon as possible.
- 5 Explain that to reduce health and safety risks, you will provide masks, gloves, hand sanitizer, and other personal protective products to guests as well as disinfect the home after showings:
 - Include a COVID-19 addendum to disclose and set any variances due to matters outside of your control (ex: Having a flexible closing day).
- 6 Other tips:
 - Be accommodating: Do what it takes to get the job done. ex: with permission, go to the buyer's home with a notary to get the contract signed if necessary.
 - Be a community leader: Offer services in your community. ex: recommend a babysitter in your network, deliver food to their homes, provide meals for kids at home, and share Personal Protective Equipment (PPE).
 - Check in with clients frequently and keep them in the loop.