

# Buyer's Agent Coaching™

Session 15

Examining the Buyer Mindset and Misconceptions



To your Achievement of Excellence in Life

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## OBJECTIVES

**During this session you will:**

- Understand the four mental states of a prospect.
- Know and apply the determining factors of a quality prospect.
- Prepare for and overcome buyer misconceptions.

## FOUR MENTAL STATES OF A PROSPECT

### MENTAL STATE #1

#### Opportunity

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One word is lost in their sentence...NEED!

- We NEED to get a larger yard for our children to play in.
- We NEED to take advantage of the low interest rates and get a bigger house.
- We have a new baby and NEED more room.

Where they are now as compared to where they want to be can be spurred by outside forces.

1. Job promotion with more money.
2. Friends that have just moved.
3. Mid-life crisis.

#### Scripts:

*Are there options with your current home to be able to...*

*Of the needs you expressed to me...is there one that is really driving the desire for a new home?*

*What will moving help you and your family accomplish?*

*What haven't I asked you that I should have that will help me understand your needs better?*

MENTAL STATE #2

Significant problems

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**Key words:** Crisis, problem, big problem, time crunch, fix, danger, etc.

**Questions:**

- How large in your view is this a problem?
- What level of danger does this put you in?
- How tight is the timeline that is driving this decision?
- What would ultimately fix this problem?
- What do you need to do to avoid the crisis?

**Scripts:**

**Associate:** *I believe I have a clear understanding of your challenges. I also know I can help you navigate these challenges in a manner that will serve you best.*

*Because you expressed \_\_\_\_\_ and \_\_\_\_\_ and \_\_\_\_\_ I believe the timing for you is more urgent. We should schedule a quick appointment to meet.*

**CLOSE OPTION**

**YOU SAY:**

- Alternate of Choice** → *Do you have some time \_\_\_\_\_ or would \_\_\_\_\_ be better?*
- Direct Option** → *Could we meet at \_\_\_\_\_?*
- Permission Close** → *Would it be possible to meet this week?*

**Associate:** *Real estate transactions are more complex today. The challenges we have discussed will...*

*Expose you to more risk.*

*Make yours even more complex.*

*Narrow the scope of options you have in homes.*

*The agent you select to represent your interest will have a significant influence in minimizing risk and increasing your options. Someone, like myself, that understands these problems and challenges and can create solutions will be a game changer for you and your family.*

*The next step is really to set a quick appointment...there is no cost or obligation for this appointment. What this will do is enable you to move the odds in your favor in accomplishing your goals."*

**CLOSE OPTION**

**YOU SAY:**

- |                     |   |   |
|---------------------|---|---|
| Alternate of Choice | ➔ | <i>Would you have a little time _____ or would _____ be better?</i> |
| Direct Option       | ➔ | <i>Why don't we meet at _____?</i>                                  |
| Permission Close    | ➔ | <i>When would be the best time to get together?</i>                 |

**Associate:** *Can I ask you what type of real estate agent you desire to represent your interest in buying your next home? Because we/I specialize in working with buyers and spend all our time doing so, I will understand your goals, objectives, needs and problems better. This will enable me to craft more customized solutions to your specific goals and objections.*

**Associate:** *You have the option of working with a specialist on the \_\_\_\_\_ Team, or you could work with the typical real estate agent that is working with buyers, sellers, and everything else in between.*

**Associate:** *My philosophy with clients isn't to tell them what to do in challenging situations or challenging market conditions. I am here to provide you the facts, figures, analysis and options for you and your family. This process guarantees that you will make a more informed and wiser decision.*

*Is that what you want?*

**Or**

*Does that make sense?"*

MENTAL STATE #3

We are okay

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Scripts:

**Associate:** *Something must have peaked your interest to (search our website, look for properties on Zillow, or click on an advertisement). Do you mind me asking what that would be?*

*You expressed that \_\_\_\_\_. Is that something you would seriously consider or is it really more of a dream at this stage?*

*What if there was an actual, tangible option of making the “dream” turn into reality for you and your family? What would you do?*

*I can't guarantee \_\_\_\_\_ can be done. I don't have enough information from you to guarantee that. I do have enough of an understanding that it would make sense to further explore your options because you do have a few avenues that could net you the result you are looking for. The next step would be to book a quick, no cost, or obligation appointment where we can explore the options and avenues together.*

CLOSE OPTION

YOU SAY:

Alternate of Choice



*I am booked later this afternoon but I have an opening at \_\_\_\_ or \_\_\_\_\_. Which of those works better?*

Direct Option



*Because the information is so valuable to you we should meet right away. Let's meet at \_\_\_\_\_. Does that work?*

Permission Close



*Given the value of the information, when would be a good time for us to meet?*

**MENTAL STATE #4**

**Everything is perfect**

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**QUALIFYING OBJECTIVES**

- 1. Separate qualified and non-qualified prospects.**
- 2. Eliminate non-qualified prospects.**
- 3. Trade commitments with qualified prospects.**
- 4. Provide counsel to qualified-committed prospects.**

**QUALIFIED PROSPECT DETERMINING FACTORS**

**STRONG MOTIVATION**

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**FINANCIAL CAPACITY**

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**AUTHORITY TO TAKE ACTION**

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**REALISTIC EXPECTATIONS, WILLINGNESS TO COMPROMISE**

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**WILLINGNESS TO UNDERSTAND THE MARKETPLACE AND MARKET COMPETITION**

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**COMMITMENT TO WORK WITH YOU EXCLUSIVELY**

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## REAL ESTATE CHAMPIONS PERSONAL PROFESSIONAL SERVICES PROVIDED TO HOME BUYERS

To save your time, minimize your stress, provide maximum security and help assure you get the best home for your money; I will perform the following services for you, the home buyer:

1. Provide a complete explanation of the **home buying process**.
2. Provide thorough knowledge of the current and emerging **real estate market conditions**.
3. Assist you in **Selecting the best home** for you, for your money.
4. Write your **purchase agreement to correctly and clearly** express your intentions and represent your interests
5. Submit your purchase agreement in a manner that will present you in the **most favorable position**.
6. Review all offers in detail and provide **negotiation representation** of your interests.
7. Provide assistance in **obtaining the best possible financing** of your next home.
8. **Coordinate the closing** of your purchase with other Realtors, lenders, inspectors, appraisers, attorneys, escrow officers, and title insurance companies.
9. Provide **on-going personal communication** to keep you informed on the step by step progress of the purchase of your home.
10. Provide **post-sale follow-up** to assure your total satisfaction.

It may matter more who personally represents your interests when buying a home than which home you may attempt to purchase. If you try to buy the right home through the wrong agent, you may not get the home you want or you may have an unsatisfactory home buying experience.

You can't get these personal services from me unless I am the agent you select to represent your interest in the purchase of your home.

## PREPARATION FOR BUYER PROSPECTS POTENTIAL MISCONCEPTIONS

### **I don't need an agent.**

*"I'm curious why you feel that way?"*

Why not an agent?

- ✓ Someone else's energy
- ✓ Someone else's expert guidance
- ✓ Someone else's time

Where in the world can you gain professional representation without the cost of it out of your pocket? Why not?

### **I don't need to be exclusive to an agent.**

What are the advantages for exclusivity?

*"The best agents work exclusively. Attorneys only represent one party in a particular case at a time. To achieve that level of counsel one has to be exclusive."*

*"By working with many agents you will be receiving duplicates of the information wasting your time, energy, effort, and raising your frustration. While you are looking at the home on Primrose Lane for the 3<sup>rd</sup> time the home that is really right for you on Marigold has just sold."*

*"The very best skilled agents who offer the greatest benefits to you, work exclusively only. They work with fewer people that are more committed so they can invest more time in them. This raises the service level the clients receive, reducing the risk in the transaction, raising security for their clients. In the end this can easily mean the difference between you securing the right home for you and your family away from the other buyers who want it. It could also increase your negotiating power because by being exclusive, I have more information and am better able to position you on the house to your benefit."*

*"The best agents only work exclusively and I am one of the best, and only work that way."*

## **I don't need to be financially pre-qualified**

1. Write your purchase agreement to correctly and clearly express your intentions and represent your interests.

*“It would be difficult to counsel you on your options and the ones that seem best for you without a clear understanding of the financing piece of the puzzle”.*

*“To write a purchase agreement correctly, express your intentions and needs clearly on the financial components. What type of loan you need, does the seller need to contribute closing costs, are we trying to achieve 80% LTV (loan to value) so you avoid MIP (mortgage insurance premiums).*

*Are you stretching your monthly payments so you need a 2/1 buy down to lower the payments initially. Is this a long-term home so you secure long-term financing, or do we need to look at a shorter term fixed at a lower rate since you will be moving in 5 years, so you can save ½ point on the interest.”*

*“To be able to truly represent your interests, I need to understand the financial equation”.*

2. Submit your purchase agreement in a manner that will represent you in the most favorable position.

*“My objective is to convince the other agent and the seller that you are the best buyer available in the marketplace. To position you so favorably, that they don't want to take the risk of losing you to purchasing another home. This will help us exert a little control in the transaction, giving you a better position and more potential options.”*

## **If I look long enough I'll find the perfect home.**

- ✓ Sales is an odds based business
- ✓ Wants and need don't change the odds.

**A good property will wait for me to act.**

We must get the buyer to understand the rules:

1. Good properties sell fast.
2. If you wait, you may lose it.
3. If you sleep on it...you may not sleep in it.

**“The most disappointed buyers are the buyers who lose the home they want by not taking action and being competitive when they do.” – Dirk Zeller**

## BREAKOUT SESSION

### BREAKOUT SESSION 15

**Associate:** Select one of the buyer misconceptions that you hear frequently. Use either the scripts or strategies to break through to secure an appointment.

### BREAKOUT DEBRIEF

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## ACTION PLANS – WEEK 15

1. Buyer Pipeline Report due.
2. Practice your buyer misconception strategies and scripts.