



Virtual Top Gun Academy™

Session 2

Expanding Your Lead Triad



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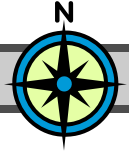
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OBJECTIVES



During this session you will:

- Expand your lead generation sources and systems
- Target and approach FSBO sellers as listing prospects
- Set appointments with FSBO's to build a service relationship
- We will also conduct our first breakout session

LEAD SOURCE POOL

- Center of Influence
- Referrals
- Networking Groups
- Past Clients
- Ad Calls
- Expireds and FSBO's
- Sign Calls
- Social Media
- Internet

LEAD GENERATION ACTIVITIES

ACTIVE

Active:

Personal engagement is required, leads generally convert more quickly, cost less to generate, data is easier to track and respond to, higher success level.

But! It requires more of your time.

Examples: Expireds, FSBO's

PASSIVE

Passive:

Take longer to convert, create a system over a longer time, more trial and error, high cost, and lower conversion rate.

But, less of your time day-to-day once you figure out how it runs.

Examples: Internet lead capture, auto-responders, Pay-per-click campaigns, direct mail, geographic farms.

PORTRAIT OF A FSBO

For Sale By Owner: A person who has entered the profession of the real estate business for one transaction.

According to NAR’s Home Buyer and Sellers’ Report: #1 reason people choose to attempt to sell by owner was they did not want to pay a commission fee...38%.

A FSBO that converts to agent representation sells on an average of 16 weeks according to NAR.

Exhibit 8-7

TIME ON THE MARKET, FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

	All Sellers	FSBO			AGENT-ASSISTED		
		All FSBO	Seller Knew Buyer	Seller did not Know Buyer	All Agent-assisted	Agent-assisted only	First FSBO, then Agent-assisted
Less than 1 week	5%	17%	25%	9%	3%	3%	9%
1 to 2 weeks	23	26	36	15	23	24	10
3 to 4 weeks	13	16	8	23	13	13	11
5 to 6 weeks	6	7	5	8	6	6	4
7 to 8 weeks	6	3	*	5	6	7	3
9 to 10 weeks	4	4	4	4	5	4	6
11 to 12 weeks	7	5	1	8	7	7	5
13 to 16 weeks	6	8	12	4	6	6	4
17 to 24 weeks	9	3	2	3	10	10	13
25 to 36 weeks	8	5	5	4	8	8	14
37 to 52 weeks	7	4	1	6	8	7	13
53 or more weeks	6	6	1	10	6	6	10
Median weeks	8	4	1	6	8	8	16

* Less than 1 percent

59% of FSBO’s who actually sell do so in 4 weeks or less.

69% of FSBO’s who actually sell do so in 8 weeks or less.

TARGETING YOUR PROSPECTS

FSBO's are easy to find.

FSBO's rely heavily on outdated marketing approaches to sales:

Exhibit 8-11

METHOD USED BY FSBO SELLERS TO MARKET HOME

(Percent of Respondents)

	All FSBO	Seller Knew Buyer	Seller did not Know Buyer
Yard sign	46%	30%	62%
Friends, relatives, or neighbors	39	1	11
Listing on the Internet	27	12	41
Open house	14	1	27
Print newspaper advertisement	12	1	23
For-sale-by-owner Web site	11	*	22
Other Web sites with real estate listings	7	*	14
Social networking Web sites (e.g. Facebook, MySpace, etc.)	5	*	9
For-sale-by-owner magazine	2	*	4
Direct mail (flyers, postcards, etc)	1	1	1
Video	1	*	1
Television	*	*	*
None - Did not actively market home	28	44	12
Other	2	1	2

* Less than 1 percent

Old Methods:

- ➔ The newspaper
- ➔ Drive around
- ➔ Enlist the help of family and friends

New Methods:

- ➔ Search FSBO websites: Some examples include www.forsalebyowner.com, www.fsbo.com, www.zillow.com, www.owners.com, www.salebyowner.com.
- ➔ Check out The RedX (www.REDXPromotion.com). A company that aggregates FSBO information and phone numbers so you don't have to research them. They put all the information into a CRM software.

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

SELECTION CRITERIA

In targeting FSBO's for conversion, use the following selection criteria:

- Clear motivation to sell
- A short selling timeframe
- A specific place they need to be by a certain date
- The capacity to sell at fair market value with a commission or willing to do a short sale
- A high demand home in a high-demand neighborhood
- Owners who don't have a best friend or relative that is a real estate agent

TOP LIST

Create a Top 20 or Top 30 List.

FSBO OBJECTIVE

What's our objective with a FSBO?

- To obtain a face-to-face appointment; we want to see the seller's home.
- We want to transfer value.
- Offer more benefits and value.

It's easier to sell to someone what they want to buy than what you have to sell them.

– Dirk Zeller

→ We want to transfer value, but we need to know what to transfer

Exhibit 8-12

MOST DIFFICULT TASK FOR FSBO SELLERS

(Percentage of Distribution)

	All FSBO	Seller Knew Buyer	Seller did not Know Buyer
Getting the price right	23%	20%	23%
Preparing or fixing up the home for sale	18	16	19
Selling within the length of time planned	14	13	16
Having enough time to devote to all aspects of the sale	13	11	14
Attracting potential buyers	13	7	17
Understanding and performing paperwork	10	9	11
Helping buyer obtain financing	6	16	*
Other	4	9	*

* Less than 1 percent

Items to deliver or send to FSBO's that convey value:

- Sample Net Proceeds Sheet
- Sample Walkthrough Form
- Sample of Purchase and Sale Agreement
- Pricing Analysis Grid
- Updated MLS data of sales in last 4 weeks in their price range
- Updated MLS data of active listings in their price range
- Updated MLS data of expired listings in their price range
- Guest Register to use for showings
- Open House Sign-in Sheet
- Telephone Lead Capture Sheet
- Essential Mortgage Flyer
- List of homes to purchase based on their criteria as a buyer
- Free Reports about selling their property
- Information about staging their property
- List of quality contractors or service providers for repairs

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

- We want to demonstrate our market knowledge and professionalism.
- We want to discuss their needs, wants, goals and expectations.
- We want to probe their urgency.

Exhibit 8-8

SELLER URGENCY, FSBO AND AGENT-ASSISTED SELLERS

(Percentage Distribution)

Sellers needed to sell:	All Sellers	FSBO			AGENT-ASSISTED		
		All FSBO	Seller Knew Buyer	Seller did not Know Buyer	All Agent-assisted	Agent-assisted only	First FSBO, then Agent-assisted
Very urgently	18%	22%	18%	25%	17%	17%	23%
Somewhat urgently	41	34	37	31	42	41	46
Not urgently	41	44	45	43	42	42	32

Your goal is to build a connection, then to build a professional service relationship. The only want to do that is to get face-to-face.

FSBO PHONE APPROACHES

There are a number of ways to effectively approach a FSBO over the phone. The key is to practice a few different approaches to find the approach that feels most comfortable.

MARKET EXPERT – KEEPING UP WITH THE INVENTORY APPROACH

Associate: *Mr. Seller, your home is located in my core service area. Because it is, I would like to come by and preview your home.*

CLOSE OPTION

YOU SAY:

Alternate of Choice



Would there be a time on _____ or _____ to do that this week?"

Direct Option



I only need about 15 minutes. Does _____ work for you?

Permission Close



When would be a convenient time to meet this week?

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

Associate: *I sell a number of homes each year in the _____ area and I like to know all of the homes that are for sale. Would it be alright if I came by on _____ or would _____ be better?*

CLOSE OPTION

YOU SAY:

Alternate of Choice



Would there be a time on _____ or _____ to do that this week?"

Direct Option



I only need about 15 minutes. Does _____ work for you?

Permission Close



When would be a convenient time to meet this week?

WORKING WITH A BUYER APPROACH

Associate: *Mrs. Seller, I am currently working with a buyer for the _____ area. We have not found the right home for them. Would it be alright if I came by to see if your home might meet their needs?*

CLOSE OPTION

YOU SAY:

Alternate of Choice



Would _____ or _____ be better for you?"

Direct Option



Terrific, I'd like to set a time to meet. How about _____?

Permission Close



I would only need a few minutes to preview your home. Does later this week work for you?

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

Associate: *Mr. Seller, I understand you are selling your home on your own. Let me ask you this; are you willing to cooperate with real estate agents? What I mean is, if a real estate agent brought you a qualified buyer at an agreeable price would you be willing to pay a commission?*

We are working with a few buyers for your area that we have not been able to place yet.

CLOSE OPTION

YOU SAY:

Alternate of Choice



May I come by on _____ or _____ later this week to see your home?"

Direct Option



Terrific, I'd like to set a time to meet. How about _____?

Permission Close



I would only need a few minutes to preview your home. Does later this week work for you?

POTENTIAL INVESTOR APPROACH

Associate: *Mr. Seller, your home is located in a solid area for real estate investment. I was wondering if I could come by to see your home as a principle for possible purchase; to see if it is a property that would meet my investment needs.*

CLOSE OPTION

YOU SAY:

Alternate of Choice



Would _____ or _____ be better for you?"

Direct Option



I am interested in a property in your area. Would _____ be a good time to meet at your home?

Permission Close



With your permission, when would the best time be to meet with you?

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

REVERSE NO SCRIPT OPENING

Associate: *Mr. Seller, would you be offended if I came by to take a quick look at your home?*

STRAIGHTFORWARD APPOINTMENT

Associate: *Is this the party with the house for sale?*

Seller: *Yes*

Associate: *Have you sold it yet?*

Seller: *No*

Associate: *This is _____ with _____ and I can tell from your ad that you want to sell your house on your own right now. Is that correct?*

Seller: *Yes*

Associate: *I can respect that, and actually have some valuable information that will help you accomplish your goal in today's challenging marketplace.*

CLOSE OPTION

YOU SAY:

Alternate of Choice



I am booked with appointments the rest of today but I do have time at _____ or _____. Which of those is better for you?

Direct Option



The information is quite valuable. I could meet at _____. Does that work for you?

Permission Close



When would be the best time to review it with you?

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

IF THE SELLER SAYS:

I'm trying to sell it on my own. I don't want to list with a REALTOR.

YOU SAY:

I want to show you what's involved in selling your own home. There's no charge or obligation.

CLOSE OPTION

Alternate of Choice:

Again, I am sorry I am booked today but I do have time at _____ or _____. Does either of those times work for you?

Direct Option:

Could we meet at _____?

Permission Close:

Would there be a time we could get together to meet?

IF THE SELLER SAYS:

I'm trying to sell it on my own. I don't want to list with a REALTOR.

YOU SAY:

I understand that you're trying to sell your house without a broker. In fact, the information I have is designed to help you do that. I am not coming out to talk to you about listing your home. The information I have is valuable. It helps you with your marketing effectiveness, pricing effectiveness, legal details and closing process, just to name a few. It will only take about 15 minutes.

CLOSE OPTION

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?

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

IF THE SELLER SAYS:

If I list, I'll list with a friend.

YOU SAY:

I understand. But right now you are trying to sell on your own, aren't you? That's exactly why I am offering the information to help you do. I'll come out only if we have a mutual understanding first that I am not coming out with any listing paperwork in hand agreed? And that if you do decide to list your house in the future, you might be obligated to talk to someone else. Fair enough?

CLOSE OPTION

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?

IF THE SELLER SAYS:

Why would you want to help me sell my own home?

YOU SAY:

This is a free service I offer sellers. I've built my business on helping others like yourself. My hope is that you just might say something nice about me if I help you as I have others. You have heard of the law of reciprocity haven't you? You have heard of paying it forward haven't you? That is how I have built my business.

CLOSE OPTION

Alternate of Choice:

I know this information will aid you. I can meet with you at _____ or _____. Does either of those work?

Direct Option:

I truly believe the information is valuable. We could meet at _____.

Permission Close:

Giving first is the principle I have established my business on. Would you like to meet? If not please say so; it's okay.

IF THE SELLER SAYS:

YOU SAY:

CLOSE OPTION

There's got to be a catch. You real estate agents just don't go around helping people sell their own home.

Well, there is one thing I'd like for you to do. I'll be giving you a guest register that will make it easier for you to get the name, phone number and information of people who look at your house. If the people are not interested in your home I would like the register back so I can use the book to help those other buyers you didn't need. Is that something you could do? That would help us both out.

Alternate of Choice:

Let's set an appointment so I can get you the guest book and information. I have openings at _____ or _____; do either of those work for you?

Direct Option:

I think what would be best is set a time to drop off the guest book and meet. Does _____ work for you?

Permission Close:

When would you like me to come by and drop that guest book off for you?

IF THE SELLER SAYS:

YOU SAY:

CLOSE OPTION

Can't you just mail it?

No. The information is a little more complex than that. I'll need to go over it with you. I'll only take a few minutes.

Alternate of Choice:

Would you have a little time _____ or would _____ be better?

Direct Option:

Why don't we meet at _____?

Permission Close:

When would be the best time to get together?

BREAKOUT SESSION

BREAKOUT RULES

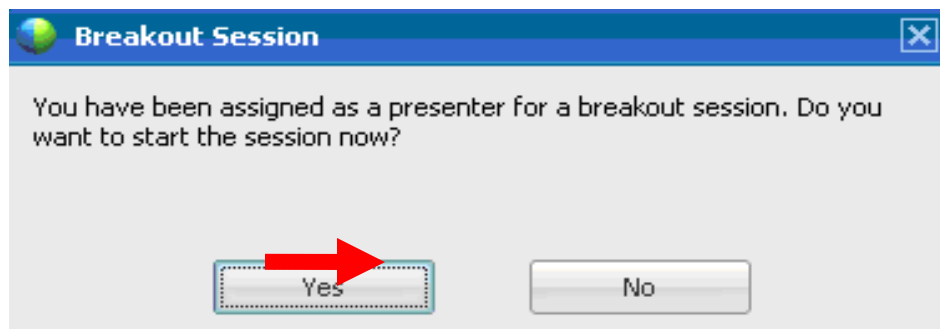
Breakout Session Rules:

- ➔ It should be fun so wear a smile!
- ➔ You will perform how you practice so be focused whether you are the agent, buyer, seller, or observer.
- ➔ When you are the buyer or seller provide some resistance that is realistic but don't be a jerk.
- ➔ If your role-play partner goes over the top you have the right to say no and hang up graciously as you would with a prospect.
- ➔ Practice only successful outcomes of appointments booked and contracts signed.
- ➔ Quick 15-30 second debriefs before trading places will lock in learning.

BREAKOUT WEBEX INSTRUCTIONS

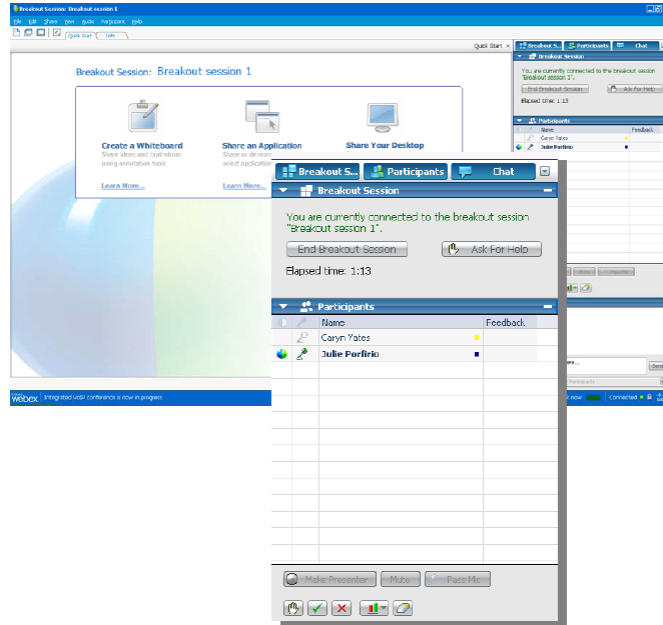
PRESENTER – The Squadron Leader will be selected to be a Presenter in a Breakout Session.

1. Presenters will get the following screen.



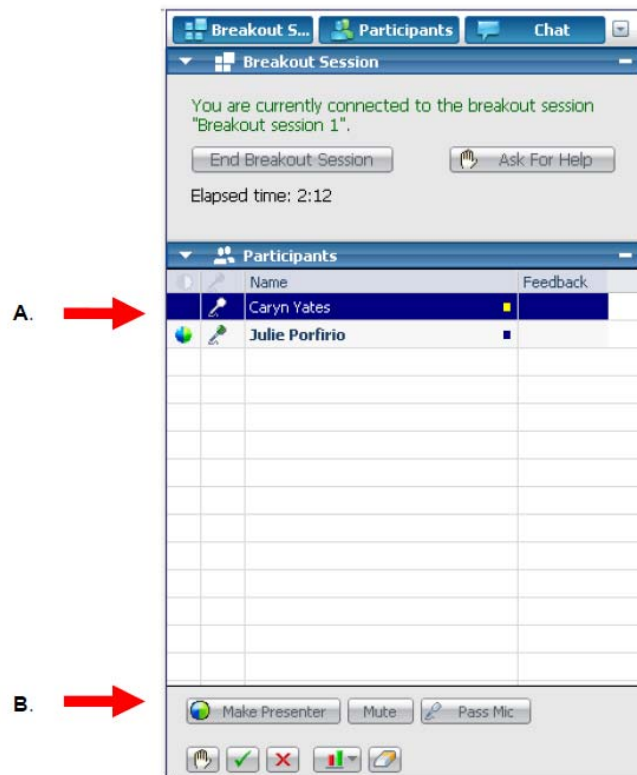
Click on the "Yes" button.

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD



2. The Presenter can then pass the microphone to one student at a time. To do this:

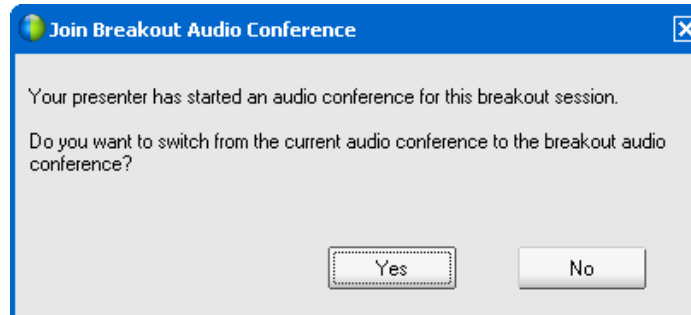
- A. Highlight the name of the student by left clicking on it.
- B. Then click on the "Pass Mic" button (located under the list of attendees).



VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

PARTICIPANT – All others in the Breakout Session will be participants.

1. Participants will get the following screen:



Click on the "Yes" button.

BACK IN THE MAIN ROOM – Once you come back from each Breakout Session, you will be asked again to join the VoIP. You must select "Yes" in order to listen and speak in the remainder of the session.

BREAKOUT SESSION 2

Associate: You see an ad in the newspaper for a FSBO in an area you just sold a listing in. Your job is to get yourself an appointment for a preview.

Seller: Your house has been offered for sale for 3 weeks. You sold your own house 10 years ago and are certain you can do that again.

ASSISTANCE PRESENTATION SCRIPT

PARTNERSHIP FOR SUCCESS

Thank you for showing me through your house. As I stated over the phone, I'm here today to discuss some steps you can take that may increase your chances of selling your house on your own.

By the way, how long have you lived here? Have you enjoyed living here? How do you feel about moving? If you were able to get a quick sale, that would make the move a little more pleasant, wouldn't it?

Selling a house yourself is never easy, but the better you understand what's involved, the greater your chance of success. So, as I promised, I'd like to show you a blueprint of a successful transaction – what it takes to sell your house yourself. Okay?

COMPETITIVE PRICING

The first step is to price the house right. Believe it or not, some people actually ask too little for their house. But overpricing is the more common mistake. If the house is not priced competitively to start with, buyers will not even look at it so it will take longer to sell or, even worse, it may not sell at all.

To help you avoid either pitfall, I recommend that you invest in an independent appraisal of your property by a qualified appraiser who has access to current market data and can be completely objective about what buyers would likely pay for your house. In fact, if buyers should question your price, showing them the professional appraisal will help justify your asking price. I'll be happy to leave you a list of appraisers that are active in our area.

ATTRACTIVE FINANCING

Most buyers will need financing and many buyers are more concerned about how much down payment they must make and what their monthly payments will be than they are about the price itself. If attractive financing terms are available they can, and often will, pay a higher price. So for you to get the best price, buyers will need to be shown financing terms that they can afford.

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

There are dozens of financing alternatives available today and this can be confusing to the average buyer. The more knowledgeable you are about available financing, the better your chance of making a sale at the best price. So you may want to spend some time visiting with several local lenders to learn what financing options would be available for your house. That way you could tell a prospect exactly what kind of down payment and monthly payments would be required.

The lenders could also acquaint you with their underwriting guidelines so you could attempt to pre-qualify the buyer financially before taking your house off the market. Better than that, I'll leave you an 800 number for my mortgage partner. When you find a buyer, they can call this number and get qualified in about 15 minutes. There's no cost or obligation for you to use this service.

Other ways of creating more attractive terms would be to hold part of the mortgage yourself or to assist in the financing costs.

ATTENTION TO LEGAL DETAILS

The legal aspect of the sale is critical. Be sure you get any offer in writing, along with a substantial earnest money deposit.

In fact, I'd recommend that you contact your real estate attorney now and have a contract prepared that you can have on hand. If you find a buyer, you want to 'get his name on the dotted line' without any delay. If you have to wait until you meet with an attorney later, there is too great a probability the buyer might cool off in the meantime. And that couldn't do anything but hurt your price, could it?

Your attorney can also provide you with the required disclosures and information on the legalities of handling the earnest money deposit.

APPEALING CONDITIONS

When you sell on your own, you'll sometimes have to show the house without notice. I know it's a pain in the neck, but I'd recommend that you keep your house ready to show from early morning till early evening. I'll leave you a brochure that will give you some ideas and a checklist that will help you prepare the house for sale.

SUCCESSFUL CLOSING

If everything we just covered works, the final job involves coordinating all the legal and technical details to complete the transaction. It's one thing to find a buyer and get a contract. It's another thing to keep that sale from falling through. So you'll need to follow-up constantly on inspections, surveys, title insurance and loan approval to ensure a successful closing.

Do you have any questions about any of these items? As you can see, there really is a lot involved in selling a house. I hope you can use the information I've given you to increase your chances of success.

Many people, like yourself, just want to try selling on their own for awhile and then, if the house doesn't sell, they consider employing a real estate professional. If that happens, I believe I can demonstrate that, because of the additional exposure and services we provide, you'd actually receive as many or possibly more dollars, net to you, than you will by selling it yourself.

So if you decide to consider any other option, will you at least give me an opportunity to come back and show you how I'd sell the house?

Is there any reason we couldn't tentatively schedule a time to do that right now? There's no obligation and it couldn't hurt to at least know what your options are, could it?

Good luck. Call me if you have any other questions. In fact, I'll stay in touch with you from time to time to see how you're doing.

VIRTUAL TOP GUN SESSION 2 – EXPANDING YOUR LEAD TRIAD

FSBO SURVEY SCRIPT

1. Gosh, how long have you lived in this home?
2. Where are you hoping to move to?
3. How soon are you hoping to move?
4. How has the sales activity been on your house?
5. What would you say are your home's best features?
6. Have you excluded anything from the sale, such as special light fixtures or other items?
7. What else is important about your home that I should know?
8. How did you determine your asking price for your home?
9. What techniques are you using for exposure and marketing for your home?
10. Are you aware that over 94% of buyers search for properties on the Internet now?
11. Is there anything else you feel I should know?
12. May I ask, what happens if for some reason your home isn't sold in _____ weeks? What are your plans then?

FINAL QUESTION BEFORE YOU LEAVE

Option A: *“Mr. Seller, thank you for your time today. I wish you the best in selling your home. If in the future you decide to interview agents for the job of selling your house would you allow me to be one of the agents that you interview?”*

Option B: *“_____, I appreciate the opportunity to visit with you face-to-face. I hope you sell your home. If for some reason that doesn't happen, I am convinced that I can help you. I need to ask you, when you decide to interview for the job of selling your house would you grant me an interview to try to win your business?”*

Option C: *“_____, it was a pleasure to meet you and see your house. You can see I am committed to mine and your success because I am one of the few to invest the time to meet with you. When you decide to interview agents about representing your interest in selling your home, would you be willing to interview me for the job?”*

Closing Statement: *“_____, under what circumstances would you see yourself using services like mine?”*

Confirmation Statement: *“I appreciate your confidence in my professionalism and service to grant me an interview. I guarantee you will be pleased you did. I will keep in touch with you and hope you are successful in selling on your own. Thank you again for your time.”*

YOUR MISSION – WEEK 2



1. 5-5-5.
2. Practice with your Accountability Partner. Role-play objections and target approaches.
3. Call FSBO's as part of your "new" contacts. 5 contacts of FSBO's per day.