



Transaction

SESSION 18

Negotiate Offers



Today's Agenda


**Real Estate
Expert**




**Lead
Generation**




**Lead
Follow-up**




Transaction

Notes:



Negotiating is not something to be avoided or feared—it's an everyday part of life.

Leigh Steinberg
Sports Agent and Author



What is Negotiation?

You negotiate with:

1. Your clients
2. The agent on the other side of the transaction

The Common Points of Negotiation

- 1

Price

 - Usually the primary factor
 - The cost of the property

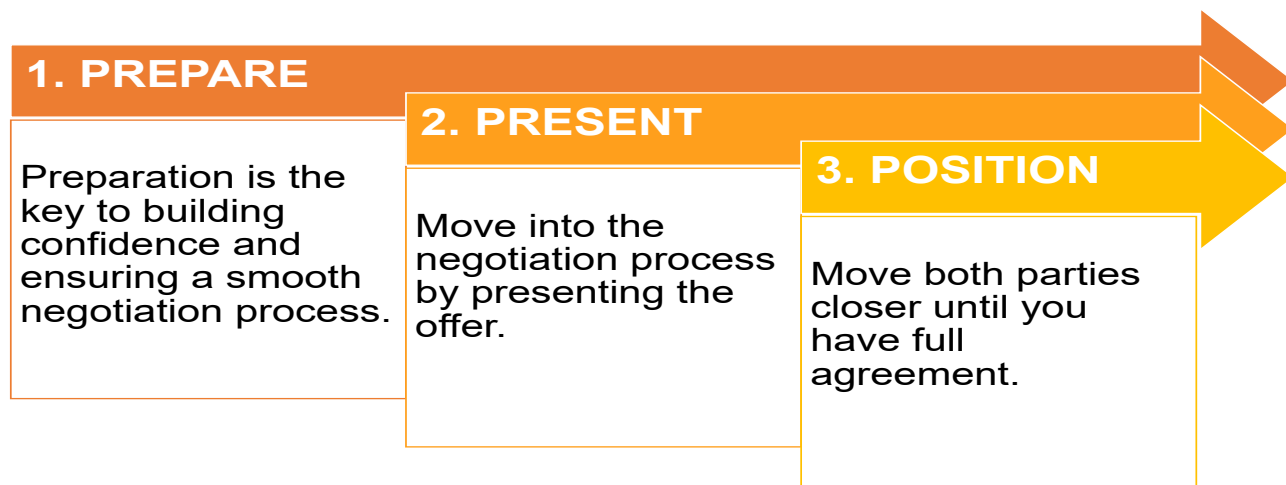
- 2

Terms

 - Either financial, time-based, or both



The 3Ps Approach



1. Prepare

1. Know your goal
2. Know your client
3. Think ahead
4. Set clear expectations
5. Be informed
6. Obey the laws
7. Know the documents inside and out

Notes:

Ask Purposeful Questions



Provides you with the **points** you will negotiate on



Allows you to get to know your client and their **goal**



Provides **insight** on where you and your client will have leverage



Helps you learn what will make it a **win-win** negotiation for both parties



Sets clear **expectations**

Open-Ended Questions

Questions that have unlimited response options.

- What additional information should I know?
- What is important about closing in 30 days?
- How do you feel about that?

Closed-Ended Questions

Questions that expect a specific response, often yes, no, or one word.

- Do you have to sell your home by a specific date?
- Do you have any other offers?
- What is the bottom-line price you would consider?

What would happen if...

Why is this important to you?

Take Action



Read the scenario below. Circle or underline the key areas in which you need more information or certainty before you could confidently negotiate on your client's behalf. Write three specific questions you would ask your client in the space provided below.

Scenario

You are representing a single buyer. Your client is renting her present property. Like any first-time buyer, she is looking to you to guide her through the process. The asking price for the home she really loves is \$175,000. The house appears to have evidence of a roof leak, is listed “as is,” and is correctly priced. Your client would like to keep her payments as low as possible since she still has a number of student loans to pay off. She wants to write an offer for \$155,000. There has been quite a bit of activity on the listing.

Clarifying questions to ask the client:

1. _____

2. _____

3. _____

2. Present

1. Call the other agent
2. Pay attention to non-verbal cues like pauses and voice qualities
3. Keep quiet once you present an offer
4. Listen carefully to what is important to the other party
5. Stay calm and relaxed
6. Focus on the customer's needs
7. Give your offer the best chance

Notes:

3. Position

1. Acknowledge and affirm common ground
2. Ask “what” and “how” questions
3. Know that positioning is a process
4. Know when to walk away



Take Action



Choose a partner and select who will play the part of the buyer agent and who will play the part of the listing agent. Review your role below. Using what you have learned in the course and using the supporting materials, take 1-2 minutes to prepare for a negotiation. Present your case to your partner and practice positioning. Go back and forth 2 times with the goal of a win-win agreement.

Scenario

The property has 4 bedrooms, 3.5 baths, and is listed at \$350,000 in a well-established neighborhood. The house requires new carpeting throughout the first floor and a new garage door opener. Three offers have been made, but all were below the asking price.

Buyer Agent Role

Your buyers are making an offer of \$340,000 for the house. They have been preapproved. The buyers would like to close in the shortest time possible since they are moving from out of state and need a home for their family. Since they are leaving their appliances in their current home, the buyers would also like all of the appliances to be included.

Listing Agent Role

Your sellers have raised their family in the house you are selling and have many friends and family in the area. Since their children are now grown, they no longer need the amount of space their current home provides and have purchased a home in Florida. They would like to give all appliances to their daughter, who has just gone through a divorce. They will not be moving until they have sold their current house, and although they would like to get to Florida as soon as possible, they are ready to stand their ground regarding the price.

Notes:



Negotiation Tips

1. Be professional
2. Keep your goal in mind
3. Pay attention to your communication and tone with anyone involved in the transaction.
4. Continually refer to your client's motivation when speaking with them.
5. Don't reveal too much. Listen more than talk. Keep your client's motivation close to your chest.
6. Don't be attached to the outcome.

Notes:



Aha's



Turn Aha's into Achievement

How has your **THINKING** changed?

What do you **FEEL** differently about? What was meaningful for you today?

How will your behaviors be different going forward? What **ACTIONS** will you take?

What **TOOLS**, models, or systems will you use? How will they make you accountable?

Daily Success System

Success Activities

These are suggested activities for the second half of your session.



DAILY SUCCESS SYSTEM

☐

___ of 10 CONVERSATIONS
➔

☐

___ of 10 CONTACTS ADDED
➔

☐

___ of 10 HANDWRITTEN NOTES
➔

☐

10-5-1 SOCIAL MEDIA ENGAGEMENT
➔

☐

ENRICHMENTS
➔

☐






















APPOINTMENTS
➔

☐

AGREEMENTS
➔

☐

CLOSINGS
➔

10					
					
5					
					
1	 <div style="display: inline-block; vertical-align: middle; text-align: left;"> <p style="margin: 0;">Social Media Engagement</p> </div>				

WARNING! You must comply with the TCPA and any other federal, state or local laws, including for B2B calls and texts. Never call or text a number on any Do Not Call list, and do not use an autodialer or artificial voice or prerecorded messages without proper consent. Contact your attorney to ensure your compliance.



Conversation Sheet

Get your phone and the list of contacts you prepared for this session. You may also have a few referral names to connect with.

Use the conversation starters provided to you in earlier sessions.

1. Call for 20 minutes and make contact with as many people as possible.
2. Ask for business, that is, an appointment, if it's a strong lead.
3. Ask for referrals from each contact.
4. Offer your KW App to each contact.

Record your results below and share them at the end of the conversation.

Name	#	Email	Notes

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