



Commissions in *Your Pocket:* A Guaranteed Home Selling System

How to Sell Your Own Home,
In 90 Days or Less...
For Top Dollar...
Without a Real Estate Agent!

The Home Source Real Estate Inc.
Mortgage Services

Compliments of Chuck Colwell (Lic. Home & Loan Broker)
The Home Source 1-800-309-5490 Direct (619) 806-9052

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IMPORTANT

READ THIS SECTION FIRST

Dear Friend,

Your decision to purchase or receive this home selling marketing course may be one of the smartest, most profitable moves you've ever made!

This book delivers on every promise I've made in my advertising. Every tip, trick, and technique you're about to read has been tested and proven in the real world of professional real estate marketing. These concepts have *already* made (and saved) vast amounts of money for myself, thousands of astute real estate agents, brokers, and investors whose very livelihoods depend on "turning over" real property fast, inexpensively, and at a fair profit. And I'm confident you too will sell your home and pocket thousands of dollars in saved commissions once you know these marketing secrets.

This course is about marketing. It is short, sweet and to the point.

You will find step-by-step instructions concerning how to get your property SOLD, and while I may occasionally digress into the areas of cleaning, making repairs and other non-marketing related topics, you will not find a lot of fluff or fancy filler within these pages.

You don't have time for fluff and filler. You've got work to do. Serious work. Work that will spell the difference between pocketing thousands of dollars of equity... or handing it over to a stranger for basically doing *less than* you can do for yourself.

You will discover the most advanced, results-oriented home selling techniques used in the nation today by a very select group of sharp, professional marketers. And you will discover how to use these same concepts, these same inexpensive tools, and these same advertising techniques to enjoy the same magnificent results.

Realize that over the years, I've tried it all and I've watched countless real estate agents, brokers, investors and for sale by owners try it all: the conventional, the unconventional, the risqué, the complicated, the simple, the common and even the crazy. *And I recorded the results.*

Some things worked. Some things didn't.

This course represents only those things which work.

You will read and learn what you need to know to get the job done, not some textbook theoretical nonsense that doesn't work in the real world. Some of the techniques presented will be easy for you to accept, learn and carry out. Others will be more difficult.

I will ask you to do some things that will test your resolve; that will make you ask and answer the question:

*Am I more concerned about selling my
property or saving face with my neighbors?*

And know this... your answer, your actions will predicate your results.

Marketing is a game of "being right in front of the buyer when the buyer is ready to buy". That means, first you have to determine who your potential buyers are. Then you have to get their attention. Then you have to woo their emotions, make it easy for them to buy, provide clarity and support – and handhold them throughout the entire transaction.

You have to become an overnight expert in many, many arenas.

You have to become a psychiatrist, a counselor, financial consultant, master communicator, fixer-upper, negotiator, para-legal, coordinator and... most importantly... a master marketer.

And you get one shot.

Lay down anywhere in the process and it can (and will) cost you thousands.

When you decided to go *fsbo* (*For Sale By Owner*), you decided to take on a world that few ever survive. The quiet, sobering reality is most 'for sale by

owners' do not sell their homes in a timely fashion, for top dollar and without a tremendous amount of wasted time and effort. Most well intentioned FSBOs lose their shirts. Most 'for sale by owners' eventually throw in the towel and hire a real estate company to handle the deal... costing them even more money in the long run than if they had decided to use a realty company from the beginning!

And I don't mention any of that to scare you off. I believe you've made a wise decision to sell your home yourself. But you do have to be prepared. You have to go into the program realizing you have an uphill battle ahead of you and the secrets you learn here, while certainly making the trip easier, is not *the* answer.

THE answer is you. What are you going to do?

Follow the steps outlined and you will effect the sale of your home. Don't follow the steps and, well, may the market be with you.

I have invested many, many years researching the marketing strategies in this course. I have talked and studied the "best of the best" in the business and have spent countless hours and thousands of dollars gathering this information. **All of this knowledge is now yours! All you have to do is read on, take action and profit.**

The ball is in your court. All the best, and happy marketing!

Compliments of Chuck Colwell (Home & Loan Broker)

The Home Source 1-800-309-5490 Direct (619) 806-9052

P.S. I am not a writer. I am a marketer. If my grammar, punctuation, structure and style offends you, or your schooling, or your sensibilities... I apologize. Chew the meat, spit out the bones – and let's get your home sold, shall we?

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*“Begin at the beginning,” the king said gravely.
“Go until you reach the end, then stop.”*

--Lewis Carroll, Adventures in Wonderland

Section I

The Nature of the Beast

A few years ago when I attended the first night of my 'pre-license' training class. "You're here," said the instructor, a local broker named Steve, "because you see houses everywhere. And perhaps you read in the local paper about some agent who sold 5 million dollars of property last year and pocketed over \$75,000, and that looks pretty good to you".

"You're here because you want to be a master of your own fate. To set your own hours, to earn a few dollars, feed your family, keep a roof over your head and maybe even fulfill your goal of someday becoming financially independent by helping other people reach their goals of home ownership. And those are all fine goals, but in all fairness... most of you will not make it in this business. Most of you will discover real estate to be the career to you love to hate".

"There are 62 of you in this room this evening," Steve concluded, "and if the statistics prove correct--and they always do--only 50 of you will complete this course, 42 will take the state exam, 30 will pass the exam on their first attempt, and 25 will sign up with a local broker. Of those 25 who actually begin their careers, most will earn less than \$12,000 a year. One of you will earn over \$50,000 your first year. Five years from now... only two or three of you will still be in the business."

That was the nature of the real estate business in the late 1980's.

So out of curiosity, I popped into another pre-licensing class a few months ago and guess what? I heard the same sobering spiel. You'd think, after all these years, things would have gotten better. But they haven't. If anything, they've gotten worse.

As a professional real estate marketing trainer, I personally receive calls from agents and brokers every single day of the week who are struggling in their careers, who are barely making a living. And I'm not talking about just newly licensed agents either. Even the veterans are struggling. It is not uncommon for me to answer the phone and hear agents with 10, 12, even 15 years in the business contemplating giving up their careers altogether.

And, to me, the question begs to be answered: “Why?” What's the difference between a Craig Proctor who, at the age of 29, became the number one RE/MAX agent worldwide, closing an incredible \$1.7 million in commissions and the average, hard-working, honest, give-it-their-best-shot agent who barely closes enough escrows to feed their family?

What's the difference between how 99.9% of the industry conducts their business and a guy like Marshall Redder who, his second year in the business, closed over 175 transactions with no assistants?

Even more important, *what's the difference that makes all the difference* between the average ‘for sale by owner’ who honestly wants to sell their home but can’t, and one who effects a deal in timely, profitable fashion? Three words:

- **Positioning,**
- **Presentation, and**
- **Marketing.**

According to Marshall (of the greatest volume producing real estate practitioners of all time), *“Most real estate agents don't understand marketing. They do no testing. They also prefer to run institutional advertising versus direct response advertising. And they have no USP or unique selling proposition.*

“Because of these basic mistakes, most agents’ advertising fails and before long they find themselves knocking on doors and cold calling to get leads.... Marketing and cold prospecting are both simple habits, but definitely give different results. When you market properly, the public will call you.” (Quoted from *The Real Estate Professional*, July/August 1995 - emphasis mine)

Wise, wise words. The quiet fact is, Marshall Redder is a master of direct response marketing. And so is virtually every top producing agent or broker who has built their careers in the 90's.

And so is every successful For Sale By Owner! (though they probably didn't realize it).

The difference that makes all the difference between getting your home sold—or having it sit on the market with a sign posted in the yard collecting spider webs—*all boils down to a proper understanding of marketing in the new millennium* and, in particular, Targeted Emotional Response Marketing (TERM MARKETING).

Direct response marketing, or what I like to call “TERM’ marketing, is the very foundation, the essence of getting your home sold for top dollar, fast, in today's highly competitive economy because it focuses on

positioning, not selling. It focuses on getting noticed, and sharing with the world the wonderful news that you have a nice piece of property for sale, at a nice price... *in a language they want to hear and presented in a package they want to see.*

It focuses on “being right in front of the buyer when the buyer wants to buy.”

It focuses on marketing, positioning and presentation.
No more. No less.

Think about it. You can have the nicest, most spectacular house on the block. You can have the best deal going, the greatest price, and the greatest financing package. You could have spent a fortune decorating the den, laying new carpet, painting both the interior and exterior, steam cleaning the carpet and scrubbing every nook and crook until your hands pickled and your face turned blue.

And after all that, with all that going for you... if the world doesn't know about your “wonder deal of a lifetime”... you won't sell your home.

Isn't that right?

So let's cut to the chase and get your home sold, shall we?

My goal from this point on is to give you the facts and nothing but the facts about what it will really take to get your home sold at a fair price... quicker, easier and more efficiently than you would have ever imagine.

Let's get started...

Section II

A Real World, Step-By-Step System that Works.

What we are going to discuss in the next few pages is the fastest way to attract a tremendous number of hot, ready-to-buy buyers to view your property and, ideally, make an offer, cut a deposit check, open escrow and close the deal.

It is the exact system I have sold to hundreds of real estate agents for \$547 and to entire offices for as much as \$25,000.

The system is clean, simple and powerful. So simple, in fact, you might be tempted to discount the power behind. So be forewarned: Don't! The system works as outlined and works very, very quickly in many cases. But you have to work the system. You have to complete each and every step along the way, in order (if possible) if you are to benefit completely. So, if you are really serious about selling, commit to following the program... right here, right now... so we can get you packed up and off to your new home and new life.

Here's how we'll work it. I share with you the what to do and how, and occasionally why we're doing it. Your job is simply to go forward and get the job done. Deal? All right then...

In a nutshell, this is what we will be doing:

1. Set up a telephone Hotline (commonly known as voice mail or an answering machine) to answer the phone and provide information to all the potential buyers inquiring on your ads, signs, internet campaign and brochures. (If you don't want to go through the trouble of signing up for a company, *I will let you use one of my 800 lines, at no charge, if you work with me as your lender for your buyers*) No cost or sales pitch to convince you how great I am! Promise!

Your hotline is going to serve a couple of important functions.

- It is going to free up your evening and weekends so you can continue having a life apart from selling your house,

- It will automatically qualify and disqualify potential buyers so as not to waste any of your precious time,
 - It will field any and all solicitation from Realtors attempting to pick your pocket for thousands of dollars, and
 - It will do all your up front “prospecting” for you. You don’t even have to concern yourself about “selling” someone to come over and give your home a shot. Your hotline will do all the selling for you at this phase... freeing up your time to *do more marketing!*
2. **Determine the actual market value of your property.**
 3. **Contact a lender, announce your intention to sell fsbo, ask them to research the best home loans available for your home, and provide you with a number of wonderful handouts of to make available to all potential buyers. (*I can do this for you too!*)**
 4. **Obtain a “Good Faith Estimate” on three loan types for your property from your preferred lender.** (Don’t panic... you’ll understand everything once we get into the step-by-step how-to’s and why-to’s. Trust me, the whole process is relatively painless!)
 5. **Compute a “Buying Cost Analysis” using the above “Good Faith Estimate”, make copies and have them available for distribution.**
 6. **Prepare a property brochure featuring all the benefits of owning your house and make this available for distribution 24 hours a day, 7 day a week via a “brochure box” posted conspicuously in your yard and, if you really want to get fancy, via a fax-on-demand system. You can use one of mine if you want.**
 7. **Write two styles of classified ads. One to post in your local newspaper, and one designed to broadcast to the world via the internet.**
 8. **Design and record your Hotline announcement.**
 9. **Obtain contracts, make escrow arrangements, and prearrange legal counsel if necessary.**
 10. **Post a number of unique signs in your yard. (*I can provide you with signs to use free of charge*)**
 11. **Place your ads.**
 12. **Present your property, negotiate and close the deal**

Doesn't sound like much, does it? Well, fasten your seat belts because we're going for a fast, home selling ride!

Section III

- 1. Set up a telephone Hotline (commonly known as voice mail or an answering machine) to answer the phone and provide information to all the potential buyers inquiring on your ads, signs, internet campaigns and brochures.**

This part of the system is tough. Go find your yellow pages and look up "Voice Mail." Call at least three vendors and obtain quotes to provide you with:

- A local number so callers won't incur a long distance charge and you won't eat the expensive of an 800 number,
- Multiple incoming lines so callers will never encounter a busy signal,
- At least a 3 minute outgoing or 'broadcast' message, and
- Voice capture capabilities.

You should be able obtain the above listed services for about \$16 a month. I personally use a number of hotlines systems, the most expensive of which costs me \$19.95 a month, gives me an 8 minute outgoing message, *and* a "menu tree" of options. So shop around. Don't let anybody get the best of you. In fact, you might want to call the company I use, their rates for the above services are \$9.95 to \$19.95 a month, first and last paid in advance. Here's their information:

Freedom Voice Systems

(800) 477-1477 x1

Address: 169 Saxony Rd, Ste 206

Encinitas, CA 92024

Email... sales@freedomvoice.com

Website... www.freedomvoice.com

If you really need to save a couple bucks, you can always program your answering machine to serve this 'hotline' function, but I don't recommend it for a couple reasons. First, if you market correctly, your phone will ring constantly... which can be very annoying and distracting. Also, it is important to remember, especially when it comes to selling your home, to

be successful you: *Must be right in front of the buyer when the buyer wants to buy.* Which means 24 hour access and no busy signals.

Quick example: This is a real life story that happen to someone that I knew. When I decided to pack up my family in search of greater, greener pastures, and my beloved wife gave me the nod... I packed up my 12 year old son and hit the road. Heading east from California, I crossed the border into Nevada and drove until I was tired. Then we camped. In the morning we picked up a couple newspapers and made three phone calls to three 'for sale by owners.' Two answered the phone. The first we summarily dismissed because there was no room for our two large dogs. We drove by the unanswered address and it looked perfect, but no one was home and, again, no one answered the phone. So we stopped by the third and, approximately an hour later, secured the property.

Interestingly, about two weeks after our move, that original "nobody's home, nobody's answering the phone" property was still for sale and Lisa, my wife, and I decided to become looky-loos for the day and stop by. To make a long story short, had they been home that day my son and I were in town or had the sellers had at least a voice mail system going to let me know when I could make arrangements to view their property – I would have bought their home! That day. Cash in hand!

So you never know. It is important to your success to be available 24 hours a day, 7 days a week, and since that is humanly impossible... go with voice mail.

We'll talk about what to do with your single line voice mail system later. For now, get busy and get this step done.

Call at least three vendors in the yellow pages. Get the information. Compare prices. Decide on a vendor. And obtain your own private, inexpensive 24 hour Realtor now. (*I can supply this to you*)

Section IV

2. Determine the actual market value of your property.

Your home will sell at the highest profit and in the quickest amount of time when the 5 ingredients the comprise the formula for a success sale all come together into one magnificent combination – the most important of which is price.

Price will make or break your deal. The law of supply and demand reigns supreme. Period. And yet this is where a lot of home sellers (and even professional real estate agents) get into trouble. Even though you and me and everyone knows better – we always tend to try and make a “killing” and, in the real estate game, this strategy almost always results in a loss.

Think about it. When you sell your property, chances are good you are going to purchase another. Now, let’s be frank. Would you be willing to pay more than a home is worth upon investigation? Of course not, and neither is anybody else. So price your property appropriately from the beginning. I guarantee it will save you a lot of time, effort and money – even if it appears you will get less than you think it is worth.

There are essentially two ways to determine a property’s potential market value and one way to determine a property’s actual value:

- Have a real estate broker provide you with a Comparative Market Analysis (potential market value), (*This is something else I can supply.*)
- Obtain your own Comparative Market Analysis (potential market value), and
- Hire a fee appraiser to appraise your property (actual property value).
Let’s briefly discuss each option.

A Comparative Market Analysis (CMA) is *an opinion of price* the market will bear based upon the most recent *selling* prices of similar properties, in a similar location, and in a similar condition.

Most real estate companies will provide you with a CMA in exchange for the opportunity to sell you on the value of using their services, in other words, in exchange for a listing appointment. So, unless you want to spend a couple hours fending off ‘closing questions’ and ‘rebound questions’ and some other pretty subtle, yet powerful persuasion techniques designed solely and only to get you to sign a contract – pass on this option.

A better, less painful option is to go online and visit Axiom DataQuick at (<http://products.dataquick.com/consumer/>). This site offers the quickest way to legitimately determine a Comparative Market Analysis of your home, which you can use to help determine a viable asking price. The charge is \$9.95 and takes all of five minutes to have the information in your hand.

I recently used DataQuick to give me a comparable report on a property I own in California. Within seconds, Axiom’s huge database

located 30 properties which had recently sold in and around the location of my property. End result: I knew approximately how much I could obtain for the property should I decide to sell. Because, remember, *Only a buyer willing to put money in your pocket can tell you what your house is actually worth.* And actual, recent selling prices are the best way to ‘take the pulse’ to your local market.

So spend the \$10 to obtain a CMA on your property. Or invite over the Realtors. Your choice... but obtain this information.

Next, you want to get an idea of the asking prices of a number of comparable properties. These properties represent your competition. In fact, on average, buyers tend to inspect 12 homes before making an offer. That means, in a very real sense, that 11 homes are competing against yours for the buyers dollar. And we are going to use this fact of the market to our advantage. But first, you have to gather the information. You need at least 3 and preferable 6 or more comparables of the asking price of similar homes on the market right now.

You can obtain this information a couple of ways. First, had you opted to invite over three Realtors to provide you with a CMA – you already have this information – and you’re one step ahead of the game. If you didn’t, don’t fret... simply stop by a Real Estate office and ask them to provide you with the asking prices of homes in your area and they will be more than happy to accommodate you. You can explain that you are considering the sale of your home in the near future or you can pose as a potential buyer. In either event, be prepared to go through a minor (or major) attempt to get you to do business now in one form or another. But stand firm, accept their business card and promise to contact them if you need any further assistance, get your information and be on your way. This is the quickest, easiest way to obtain this information. *(If you want to save yourself the hard sell sales pitch just give me a call!)*

Another way to obtain asking prices is to drive through your neighborhood and jot down the contact numbers posted on the signs. Go home, pick up the phone and ask for the information.

Okay. At this point you should have a list of the actual selling prices of similar properties in your market area as well as a number of current asking prices.

Let’s say your list looks like this:

Actual Selling Prices

\$112,895	125 Main Street (3 bd)
\$109,000	105 Main Street (3 bd)
\$123,117	444 Able Street (4 bd)

\$110, 562
\$112, 699

333 Able Street (3 bd)
115 Main Street (3 bd)

Current Asking Prices

\$129,829
\$125,350
\$157,995
\$127,146
\$129, 600

135 Main Street (3 bd)
111 Main Street (3 bd)
112 Main Street (3 bd)
330 Able Street (3 bd)
220 Able Street (3 bd)

Notice a couple of things here. First, there is a sizeable difference between actual selling prices (the market value as determined by the market) and asking prices. Also, the sellers at 112 Main Street are what is called in the real estate business a 'Career Listing.' These folks don't really want to sell their home, they want to win the lottery! And quiet as it's kept, these types of listings are taken all the time in the real estate business for a couple reasons. For one, these types of overpriced listings are commonly used to help sell other properties that are priced more appropriately. The *trick* is to take buyers to this property first and then take them to a similar property, which is selling for *only* \$129,000!

Another reason you will find overpriced listings is because many agents will 'buy listings' by agreeing to place the home on the market at an inflated value simply to get a sign in the yard and, so they are taught, increase company exposure and their own name recognition. Others will even go so far as to accept an overpriced listing *knowing* the property won't sell, but also knowing they stand a good chance of gaining a price reduction and an eventual sale sometime in the not too distant future.

All of these practices are detrimental to everybody involved, and you need to be aware of them. But anyway, back to our list.

One of the most powerful ways to get the most money for your home, in the quickest amount of time, and with the fewest problems is to price your home slightly less than the competition (current asking prices), and slightly more than recent sales.

This strategy creates the illusion of a below market deal which attracts huge numbers of buyers to view your home. And because of the increase activity, interest and enthusiasm, you stand a much better chance of getting a FULL PRICE OFFER that is slightly more than recent sales!

Using this strategy we would first eliminate the 4 bedroom house on Able Street since we need to compare similar properties and our house (for purposes of this illustration) is a 3 bedroom. That leaves us with four actual selling prices, the average of which is \$111,289.

Next, we discount the obviously overpriced listing from our equation and obtain an average asking price of \$127,981.

That's now our range. We'll want to price our property somewhere between \$111,289 and \$127,981.

Personally, I've been most successful when I price the home approximately 5 to 7% above average selling prices. In this example, my asking price would then fall somewhere between \$116,853 and \$119,079.

If you are in a hurry to sell, set your asking price towards the lower end of your range. If time is not an issue, lean towards the higher range.

Okay, now step back and look what we've done. We've determined the actual selling prices in our area is about \$111,000. Asking prices average \$128,000. We're going to price our home to gain immediate attention at \$118,987 – a whopping ***\$10,000 less than current asking prices and \$8,000 more than recent selling prices.***

This is a powerful, dynamic pricing technique which *will* obtain results because it gives the *appearance* of a great, once-in-a-lifetime deal but, in actually, gives you plenty of room to negotiate and obtain a good, solid price.

So go ahead, set your asking price: _____

Now let's talk about getting a fee appraisal and why it is imperative you do so.

Here's the bottom line: It will be very, very difficult (if not impossible) for you to sell your property for more than its *appraised* value. A fee appraisal is the bottom line because most homes are bought with a loan and no bank or mortgage lender will loan more money to purchase a property than a fee appraiser determines it is worth.

When you obtain an appraisal, you will know the actual value your property is worth, the top dollar a bank or lending institution will be willing to finance. Anything monies above the appraised value will have to come directly out of the buyer's pocket *in addition to* the normal down payment required by the lender – making it practically impossible to effect a timely sale.

You *might* be able to find a buyer willing to come out of pocket with this extra money or, perhaps, you might carry back a small second to cover the difference but, in either event, you will have thrown a monkey

wrench into the deal which will -- more often than not -- cause you nothing but headache and hassle... not to mention unnecessary dollars.

So keep it simple. Obtain a fee appraisal. Check with your local banks and mortgage lenders and find an appraiser who is qualified and who will be accepted by the underwriter of that lending institution. Then call and ask for a discount rate, pre-sale appraisal in exchange for a commitment to use their final services upon an offer being made. It's a common practice and you shouldn't have any problem here. Also, keep in mind it is traditional to have the buyers pay for the cost of the final appraisal since it is considered a cost of acquiring a loan.

The expense of obtaining this first, pre-sale appraisal should be considered as just another cost of getting your home sold in a timely, profitable fashion. The benefits far out weight any cost involved. Consider:

- You will know the top dollar you can get for our home without alternative financing
- You can rest confident you won't sell your home too cheap (imagine effecting a sale and then having the appraisal come in 3 to 4 thousand dollars higher than your selling price!)
- You can rest confident knowing you won't have to risk losing the deal or lowering a price you had already spent (in your own mind) when the appraisal comes in less than your agreed upon price
- You can eliminate the buyer's fear of paying too much for your property by simply producing the appraisal, and
- You will have gained a powerful *positioning* posture useful in the negotiation phase.

Quick review:

- 1. Obtain a voice mail number.**
- 2. Obtain a fee appraisal** to determine the actual, top dollar value of your property a lender will approve financing for and/or obtain a comparable market analysis to help you establish an asking price and actual selling price.

I recommend you obtain both a CMA and a fee appraisal. However, realizing there a number of well-intentioned 'for-sale-by-owners' won't get a fee appraisal for whatever reason, be advised you must at least obtain a CMA if the rest of this *Guaranteed Home Selling System* is going to do you any good.

Once again: Apart from marketing, price is the #1 most important factor in the sale of your home.

Inspections: Another Critical Issue To Address

We've already discussed the fact that lenders will not lend more money for a property than a fee appraisal indicates it is worth.

Another fact is banks will not loan money for a property until the property meets certain minimal standards like an absence of dry rot on the floor or sub-floor (a common problem occurring around sinks, bathtubs, laundry rooms, and outside faucet fixtures), a leak free roof, and a complete absence of termites.

Knowing this, you are well advised to call a local title company and ask them what specific inspections are required in your area, **obtain them, and make all necessary repairs *before* you place your property on the market.**

Again, the benefits of doing so far out weight the initial costs involved. Keep in mind, the inspections have to be acquired and the repairs made -- regardless. So the question isn't, "Will you need to get the required inspections and make the required repairs?" (You do!) The question is when do you want to handle it? (At the last minute when you are already in escrow, your house is off the market and the deal can't close until said inspections are completed and any repairs (*and there WILL be some, almost always is*) are made?

When you've obtained the necessary inspections and made the required repairs *in advance*, you will again find yourself operating and negotiating from a position of strength. You can immediately set the buyers at ease by producing these documents and easing their minds about making a bad decision. You will also eliminate a common "back out" clause used by many buyers which states, in effect, that their offer is contingent upon satisfactory inspection reports. As a home and loan broker, unless a house is sold in a "as is" condition every buyer will want this clause! Depending on the age and condition of the home this can be a major hurdle in the home selling process. When you have these reports in hand, in advance, the power shifts to you!

Section V

- 3. Contact a lender or myself, announce your intention to sell fsbo, ask them to research the best home loans available for your home, and provide you with a number of wonderful handouts of to make available to all potential buyers.**

At this point you are probably questioning my sanity, after all, you are *selling* a house... not *buying* one. So why should you seek out a lender?

- The mortgage business is highly competitive and lenders will be more than happy to help you out in exchange for a number of potential “leads” you will be able to supply them with in the near future – the perfect win-win..
- Your job, as the seller, is to make it as easy as possible for the buyer to buy. This means you have to assume your buyer will be absolutely clueless and place yourself in a position to provide instant answers, instant referrals, and instant resources. A good lender will help you here on all counts.
- You will want to have your potential buyers get pre-qualified before to purchase your home before you commit to taking your property off the market. Again, guide them to your pre-arranged lender, and you’ll save yourself some time, headache and hassles.
- Your lender may be able to provide you will nice handouts, possibly help you prepare a nice feature and benefits brochure, obtain information about the area, the schools and child care centers. All this information is valuable to potential buyers and a cooperative lender will save you a lot of time, and expense to make it available.
- Lenders also know about the best loan packages available in your area, loan packages you and your buyers may not even know exist. For example, in my area, a loan exists for certain properties which require zero down and which virtually anyone can qualify for.

A good relationship with a lender is critical to getting your home sold fast, and for top dollar.

Pre-Approvals

If you want to use another lender other than myself, you might want to have the lender

agree to the following terms.

90% of my pre-approved buyers buy a home from the lender who pre-approved them within 3 months. Quite literally, pre-approvals are like money in the bank for you and me. I expect “pre-approval” clients to be treated with the same attention to detail as regular “found-a-home, made-an-offer” sales.

If you send me your buyers for pre-approval I will commit to the following:

1. Acknowledge receipt of my Pre-approval Information Form or Loan Application List and other information I fax you about the buyer.
2. Immediately inform you of the date I have scheduled the first meeting with the buyer (I *may* arrange appointment upon first meeting with buyer).
3. Immediately phone you with the results and analysis of my first meeting with the buyer.
4. Once the file is in process, call you immediately if there is any problem with the file.
5. You will get weekly updates. I'll commit to **weekly updates** by fax, mail or voice-mail to both you **and** the buyer, and, if a transaction is pending, my closing coordinator if applicable. Weekly!
6. I will provide a copy of this letter to the loan processor at file setup for every file.

If you would like me to send you dozens of loan applicants, and are willing to commit to these standards of excellence, please acknowledge by signing and returning this letter to me.

If you are not able to commit 100% to every item listed above, please do not sign this form. Do not sign this form unless you FOR SURE will live up to the standards promised. Also, you must be assured, by whatever means you deem necessary, that your loan processor will make this same commitment to excellence of service. Thank you.

Loan officer signature: _____ Date: _____

Section VI

4. Obtain a “Good Faith Estimate” on three loan types for your property from your preferred lender.

Lenders are required by law to provide a *Good Faith Estimate* to every buyer who applies for a home loan. It is nothing more than a simple worksheet that outlines estimated costs for obtaining a loan, and most lenders produce dozens of them each and every week.

So, once you’ve obtain your fee appraisal and/or determined an asking price for your home, you’ll want to approach the lender you’re going to work with and **have them prepare a GFE on your property for three different loan types.**

- The *lowest possible down payment* (this might be a ‘special’ loan program they’ve uncovered or, perhaps a FHA 3% down or whatever. You want the lowest possible down humanly possible.
- The *lowest monthly payment* using a standard 30 year adjustable rate loan, and
- Any other GREAT loan program which makes the numbers sing “affordable.”

What we are seeking to accomplish here is to determine the “numbers” we’ll actually use to advertise your home. We’ll talk much more about this later... for now... simply obtain the GFEs.

Of course, the only reason you would be tempted to go online to obtain a GFE is because you *skipped* or plan to skip the previous step in your *Guaranteed Home Selling System* and have will reduced your chances of effecting a successful, profitable sale about 50 fold. Additionally, if you don’t contact a local lender and obtain this information online:

- You won’t be able to obtain GFEs on special, low cost loans, particular to your area and known only by local lenders – very often the key which will unlock a fast, profitable sale, and
- You’ll miss out on the personal, one-on-one education you’ll need to understand the loan process so you can, in turn, guide your buyers into action.

Section VII

5. Compute a “Buying Cost Analysis” using your Good Faith Estimate, make copies and have them available for distribution.

Brief review:

- We’ve discussed the importance of using an automatic, 24 hour voice mail service to receive calls and you’ve secured a number.
- We’ve discussed the importance of obtaining a fee appraisal and, at the very least, a good Comparable Marketing Analysis to help you establish both an asking price and a bottom dollar selling price for your property which the market will bear and lenders will finance. And you’ve taken care of that.
- We’ve also discussed the value and benefit of ordering all necessary inspections and making all required *repairs prior to* placing your property on the market, and you’ve made arrangements to make that happen.
- We’ve also decided it would be in your best interests to contact a number of local lenders and choose one which will work closely with you and provide ample marketing support and services in addition to a solid Good Faith Estimate on at least three different loan types: A low down payment, A low monthly cost (probably an ARM, 30 year loan), and any other special loan program you have in the area like a Farmers Home Loan. And you’ve made arrangements for this to happen as well.

Great! Now we’re ready to begin applying some state-of-the-art, save the commission marketing strategies. Most of the “battle” is over. Now it’s simply a matter of presenting your new found knowledge and your newly repaired, ready to market property to the public – in a way wherein it will be well received.

The first step in that process is to complete a “Buying Cost Analysis” or what is also called a “True Cost Form.”

This three-page form is invaluable because it will help buyers visualize exactly what they will need to purchase your home as well as the many benefits involved in doing so. And this is especially important when you realize that almost 40% of homes purchased are bought by first time homeowners!

When you complete the “Buying Cost Analysis” form, you then will have most of the information you’ll need to design your voice mail message, design your advertising campaign and make a powerful, persuasive presentation which speaks directly to the four items most important to a buyer:

1. Amount of the down payment
2. Total acquisition costs
3. Monthly payment (principal and interest)
4. Total monthly payment including taxes and insurance.

Notice that of the four things most importance to a buyer, the selling price is no where to be found! Why is that? And if that is true, why does everybody mention the price in their advertising and exclude everything else listed?

Good questions! Let’s talk about that.

Let’s imagine you have decided it’s time to buy a new car. You don’t have a lot of cash on hand, so you realize you are going to have finance your purchase and you’re okay with that because *as long as the monthly payments* stay under \$300 a month, you think you’ll be able to comfortably afford it. Of course, to arrive at the \$300 figure, you had to factor in insurance and maintenance (which you assume will cost you an additional *\$100 a month*) which brings you to a total out-of-pocket cost of *\$400 a month*. And you can live with that. So now you go shopping.

You stop and check out a bunch of new cars. You see the sticker prices: \$12,995... \$24,788... \$37,447 *and none of it really matters* too much to you. The price doesn’t really mean anything. After all, you can afford to pay \$300 a month for a car and that’s it. If someone would sell you a \$150,000 Ferrari for only \$300—you can afford it! On the other hand, if somebody offered to sell you a \$8,765 Hyundai for \$422 a month—you can’t.

And that’s how most people go about making purchases. That’s how most people decide what they can and cannot afford. They compute based on monthly payments, what they think they can handle on a monthly basis.

Same goes for furniture purchases, boats investments, computer equipment, cloths charge on credit, Christmas purchases and... can you believe it... homes.

That’s why it has never ceased to amaze me why almost every professional real estate agent (who should really know better) and virtually every well-intentioned for sale by owner (who should also know better

based on personal experience) *insist on advertising and displaying total asking price* to the exclusion of what people, including themselves, find most important – monthly payments and total out of pocket, up front expenses.

Let's go back to the car lot for a moment. You've spotted a beauty. It's perfect. The sticker price states: \$28,444 fully loaded. It's a really, really neat car and you start looking around for a salesperson. Now think about it. What is going to be one of the first questions out of your mouth? What is one of the most important questions you have to have answered before you can do anything else?

"What's it going to cost me? What are the monthly payments?" Right?!

Point made. And therein lies the value of completing the "Buying Cost Analysis." We're preparing ourselves to be able to present your home in a package that can be well received, and *readily* received by the public.

Ideally what you are going to want to do is complete your Buying Cost Analysis using the lowest money down, least cost per month option as detailed on the GFE report which your lender was so kind to provide you with. The idea is to present a magnificent, low cost financial picture of owning your property.

I've provided the form on your bonus diskette so you can print out a few copies to work with. What follows are completed samples based on a sample GFE. I've attempted to make it as self-explanatory as possible but if you need help completing the forms... ask your lender!

Buyer Cost Analysis

John Home Seller

112 Maple

Drive

1-555-555-1212

Anywhere, USA

09999

Your Monthly Cost To Own This Home

\$ _____ Monthly loan payment (___) Fixed (___) Adjustable
\$ _____ Your savings account for real estate taxes and insurance
\$ _____ Total monthly payment - first payment is not due for 31-59 days
\$ _____ Subtract Federal Government Homeowners assistance
\$ _____ **Actual cost to own this home after State & Federal assistance**
\$ _____ Subtract monthly increase in value based on appreciation figures*
\$ _____ **True cost to own this home compared to renting**

Interest rate is ____ % for a 30-year fixed-rate home loan. Monthly payment:

\$ _____

Interest rate is ____ % for a 30-year adjustable-rate home loan. Payment:

\$ _____

* The average home in America increases 3-7% in value *every year*—sometimes more! 5% appreciation was used above.

Down Payment, Interest Rate Assistance

The State of Nevada, as well as various City and County agencies, offer a variety of programs designed to help qualifying first-time homebuyers own their own home by offering down payment assistance and/or a reduced interest rate loan.

For instance:

Citizens For Affordable Homes offers a 1% down payment program.

Rural Economic & Community Development Services offers a ZERO down payment program.

Federal Housing Authority offers a 3% down payment program.

This home qualifies for the Federal Housing Authority, 3% down payment program. For more information, please call Sam Super Lender at 555-5555.

Address:

Financing: _____

Total Needed To Take Ownership

\$ _____	Down payment
\$ _____	Closing costs
\$ _____	Tax and insurance escrow (This money is kept in a savings for payment of future taxes.)
\$ _____	First year Homeowner's Insurance Policy
\$ _____	First month payment paid at the closing*
\$ _____	Total Needed To Buy This House

* First Month Payment: No payment due on the house for 31-59 days if you pay this highest possible amount. First Month Payment could be as low as \$20.00, in which case your first house payment would still not be due for at least 31 days.

When You Need The Money

\$ _____	Total Needed To Buy This House*
\$ _____	Subtract deposit when you want to reserve the home
\$ _____	Subtract loan application fee - within 5 days

\$ _____ Subtract deposit made to hold - within 14 days
\$ _____ **Balance due when you take ownership (the closing)****

* Estimated for purposes of illustration. Not actual, legal quote.

** The closing of the sale is usually in 6-9 weeks.

Savings Calculations for:

Federal Income Tax Savings As A Result Of Home Ownership

\$ _____	Annual real estate taxes
\$ _____	Approximate annual home ownership interest
\$ _____	Approximate total federal deductions
\$ _____	Annual federal tax savings at 28% income tax rate
\$ _____	Approximate monthly federal income tax savings*

* Give yourself a raise! Ask me for instructions on how you can take these monthly savings as increased take-home pay each week!

The U.S. Census Bureau recently published a study which showed that 61% of Americans would be worth absolutely nothing—ZERO—if they did not own their own home. Homeownership is one way to secure your financial future!

Your New Home Will Increase In Value!

- Your new home will increase in value each month.
- From 1980-1990, homes increased in value 7.5% per year!
- This increase in value is like money in the bank when you sell.
- Assume that this home goes up in value only 5% per year.
- \$ _____ value times 5% = \$ _____ increase in value each

year.

- \$ _____divided by 12 = \$ _____monthly increase in value.
- **This is like putting \$_____ into your bank account each month!**
- At 5% appreciation, this home will be worth \$_____ in just 5 years.
- In 10 years, this home will be worth \$_____.
- Keep renting at \$_____ per month, and you'll throw away \$ _____yearly in rent. That's more than \$_____ over the next 10 years and you'll have absolutely nothing to show for it!

GOOD FAITH ESTIMATE

This information estimates charges that are likely to occur at the settlement of your loan. The fees listed are estimates. Your transaction may or may not involve a fee for every item listed.

Loan Amount: \$106,200.00

Interest Rate: 7.750%

Terms: 360 Months

Loan Origination Fee @ 1%	\$1,620
Loan Discount Fee	-0-
Credit Report	\$55
Appraisal Fee	\$275
Loan processing fee's	\$175
Tax Service fee	\$69
Flood Inspection Fee	\$25
Title Insurance - Lender's policy x .00575	\$611
Intangible Tax x .002	\$212
Mortgage Doc Stamps x .0035	\$371

Mortgage Insurance Premium	-0-
Recording Fees	\$35
Survey	-0-
Pest Inspection	\$50
Document Preparation Fee	\$400

Buyer Cost Analysis

John Home Seller

112 Maple Drive

Anywhere, USA 099995

1-555-555-1212

Your Monthly Cost To Own This Home

\$_____ Monthly loan payment (___) Fixed (___) Adjustable
 \$_____ Your savings account for real estate taxes and insurance
 \$_____ Total monthly payment - first payment is not due for 31-59 days
 \$_____ Subtract Federal Government Homeowners assistance
 \$_____ **Actual cost to own this home after State & Federal assistance**
 \$_____ Subtract monthly increase in value based on appreciation figures*
 \$_____ **True cost to own this home compared to renting**

Interest rate is ____ % for a 30-year fixed-rate home loan. Monthly payment:

\$_____

Interest rate is ____% for a 30-year adjustable-rate home loan. Payment:

\$_____

* The average home in America increases 3-7% in value *every year*—sometimes more! 5% appreciation was used above.

Down Payment, Interest Rate Assistance

The County of San Diego, City of El Cajon, City of Santee, offer a variety of programs designed to help qualifying first-time homebuyers own their own home by offering down payment assistance and/or a reduced interest rate loan.

For instance:

City of El Cajon offers a 2% down payment program and a \$25,000 silent second loan to first time qualified home buyers.

Pers Loans for State of California Employees Allows employees to use their 401k retirement to help with the down payment. (only certain mortgage companies are licensed to do these loans.)

Federal Housing Authority offers a 3% down payment program.

This home qualifies for the Federal Housing Authority, 3% down payment program. For more information, please call Sam Super Lender at 555-5555.

Address:

Financing: _____

Total Needed To Take Ownership

\$ _____

Down payment

\$ _____

Closing costs

\$ _____

Tax and insurance escrow (This money is kept in a savings for payment of future taxes.)

\$ _____

First year Homeowner's Insurance Policy

\$ _____

First month payment paid at the closing*

\$ _____

Total Needed To Buy This House

* First Month Payment: No payment due on the house for 31 -59 days if you pay this highest possible amount. First Month Payment could be as low as \$20.00, in which case your first house payment would still not be due for at least 31 days.

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\$ _____	Subtract loan application fee - within 5 days
\$ _____	Subtract deposit made to hold - within 14 days
\$ _____	Balance due when you take ownership (the closing)**

* Estimated for purposes of illustration. Not actual, legal quote.

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Savings Calculations for:

Federal Income Tax Savings As A Result Of Home Ownership

\$ _____	Annual real estate taxes
\$ _____	Approximate annual home ownership interest
\$ _____	Approximate total federal deductions
\$ _____	Annual federal tax savings at 28% income tax rate
\$ _____	Approximate monthly federal income tax savings*

* Give yourself a raise! Ask me for instructions on how you can take these monthly savings as increased take-home pay each week!

The U.S. Census Bureau recently published a study which showed that

61% of Americans would be worth absolutely nothing—ZERO—if they did not own their own home. Homeownership is one way to secure your financial future!

Your New Home Will Increase In Value!

- Your new home will increase in value each month.
- From 1980-1990, homes increased in value 7.5% per year!
- This increase in value is like money in the bank when you sell.
- Assume that this home goes up in value only 5% per year.
- \$ _____ value times 5% = \$ _____ increase in value each year.
- \$ _____ divided by 12 = \$ _____ monthly increase in value.
- **This is like putting \$ _____ into your bank account each month!**
- At 5% appreciation, this home will be worth \$ _____ in just 5 years.
- In 10 years, this home will be worth \$ _____.
- Keep renting at \$ _____ per month, and you'll throw away \$ _____ yearly in rent. That's more than \$ _____ over the next 10 years and you'll have absolutely nothing to show for it!

Section VIII

6. Prepare a property brochure featuring all the benefits of owning your house and make this available for distribution 24 hours a day, 7 days a week via a “brochure box” posted conspicuously in your yard and, if you really want to get fancy, via a fax-on-demand system.

Designing and distributing a property brochure is a MUST DO if you are serious about getting your home sold. It is one of the things that virtually everyone else is doing that you do, indeed, want to copy.

A properly designed property brochure acts as your “salesperson in print” – ready to give instant, beneficial reasons for calling you and requesting to take the next step.

Ideally, your property brochure should be 8-1/2 x 11, show a nice photo of your home, state the price, state the required down payment and monthly payments indicated by your Buyers Cost Analysis. It should also provide a brief description of your property, *and a number of reasons why you like living there!*

Mention the cool morning breeze. Mention the wonderful barbecues you’ve shared in the backyard. Mention how you enjoy crafting on the workbench in the garage and just how easy it is to reach right into the pantry to pick out a snack. Mention the new carpet and how it feels on your feet. Strive to make your home livable!

There are basically three ways you can get your property brochure made.

- Ask your lender,
- Create with a word processing/drawing program, or
- Order directly from Office Depo or a quick printer.

Couple of helpful tips to keep in mind.

- Color sells. So eat the additional expense and have your brochures printed with a color photo of your home.
- Print school and child care information on the back... anything that a potential buyer might find useful to know. And don’t take anything for granted. You don’t know who is stop by and pick up a brochure so mention the golf course 2 miles down the road, the bus stop a half a block away, the park and the wonderful mailman who delivers a 2 o’clock sharp everyday.

- Buy a “brochure box”, usually a plastic see-through container which attaches to your yard sign (you can obtain these at any sign store, Office Depo, etc.), attach it to your yard sign (which we’ll talk about later), and **KEEP IT STOCKED AT ALL TIMES!**
- Always attach a copy of your Buyer’s Cost Analysis to your brochures and anything else you might find valuable to potential buyers. In other words... provide all potential buyers with everything they need to know about the benefits of owning your home. Make it easy for them to decide if they need and want to know more or not.

You will also want to make this same brochure/analysis package available to everyone who views your house or who wants you to mail more information (out of state shoppers).

Important Note: You should always list your voice mail number as the contact number to call if they want more information. This serves two purposes: 1) It keeps your time free as we’ve previously discussed, and 2) it will generate more calls. Here’s how to word it to get the most response:

For more information or to arrange an appointment call 555-1212, 24 hour free recorded message.

Notice what we’ve done. **By using the phrase “24 hour free recorded message”, we have made the first contact extremely painfree.** Almost everybody even remotely interested in your property will call your hotline, voice mail number because they know there is absolutely no chance they will be “sold” or “pressured” into anything. They know they can’t be pinned down to provide information they may or may not be ready to give; they know they can easily hang up without offense if what they hear isn’t to their liking; and they know there simply is no reason not to call. So they will. In fact, this one advertising/marketing strategy is **KEY** to your success and we’ll be using this same technique when we write our ads.

You may also consider making your property brochure, school and day care information, and Buyer’s Cost Analysis forms available via fax-on-demand. The voice mail service that I have recommended has this service.

In most cases, the only time I would consider recommending using this option is if:

1. You already have a fax-on-demand system available, or
2. Your home is executive in nature and many of your potential buyers will have a fax machine at work or at home.

If you do decide to distribute your information via fax-on-demand, you’ll want to make this option known in your voice mail script, on your property

brochure, and in all of your first contact advertising, i.e., your fsbo magazine ads, internet ads, newsgroup postings, and your local newspaper ads.

More property brochure marketing tips:

- Distribute to your local, upscale apartment complexes (or country clubs if executive in nature).
- Distribute to at least 100 of your closest neighbors (*very powerful* because the people in your neighborhood work with people who would also like to live in your neighborhood. After all... birds of a feather flock together!

Another helpful tip: If you already have a full-color internet listing that you can modify, then modify it to reflect your voice mail number and your down payment and monthly payment information. Then select “print to file” when viewing the page and print out as many copies as you like!

Section IX

7. Write two styles of classified ads. One to post in your local newspaper, and one designed to broadcast to the world via the internet.

Our next step in the system is to write a classified ad. Two ads, actually. One for placement in your local daily press, and one for placement worldwide via the internet classifieds.

Keep in mind the ads we are about to write are designed for only one purpose: **To Make Your Phone Ring.**

Here are the rules:

1. Do not mention too many features in yours ads – it will increase the possibility of buyers disqualifying your home before receiving ALL the information.
2. Use a three or four line classified ad. Any more is a waste of money. If you want to increase your advertising, increase the number of placements per issue or increase the number of papers you advertise in. You will always generate more calls by placing 3 small classifieds in the same issue than you will by placing one large ad.
3. Always advertise in your major, local newspaper.
4. Always mention the area your home is located, the down payment required, the monthly payment, annual percentage rate, and your voice mail number.

5. Follow the formula.

Here's the formula:

El Cajon – Gorgeous, 3-bedroom home. Quiet, mature neighborhood. 2 car garage, fireplace, barbecue pit. \$5000 down, \$1240/mo. 6.5% APR. Call owner, 555-1212, 24 hour free recorded message.

La Mesa – Lovely 3 bedroom, 2 bath home. Quiet street. Fenced yard, with mature shade trees. \$5,500 down. \$1098/mo. 6.5% APR, 30 years. Call owner, 555-1212, 24 hr message.

Easy Street -- \$6,750 down, \$1477/mo. Spacious 3 bedroom colonial. Huge lot. Quiet neighborhood. 6.75%, 30 yrs. Call owner 24 hours, message, 555-1212.

Notice a couple things here.

1. One, the ads are short, sweet and to the point. This will keep your costs down since most newspapers will charge “per word.” It doesn't make any sense to say, “Spacious 3 bedroom colonial home a huge lot located in a quiet neighborhood,” (14 words) when “Spacious 3 bedroom colonial. Huge lot. Quiet neighborhood” (8 words) says the same thing.
2. Two, we never mention price. As we've previously discussed, people are interested in the “terms” of the deal, not the price. Price is subjection and meaningless. Terms are concrete and powerful.

Again, **BE FOREWARNED:** Do not let the “simplicity” of this advertising style fool you into doing it differently because you think it won't work or because it is so radically different than every other ad you see in the papers. Keep in mind that less than 10% of the so-called professional real estate agents make 90% of the money. That means that 90% of the ads run by most of the real estate agents are wrong... they don't produce results. If they did... they would find themselves in the top 10%! The worst thing you can do is to look in your local newspaper or fsbo magazine and “copy” the style everybody else is using. Copy the style and, I guarantee, you will copy the their results. Which, in most cases, is pretty dismal.

Realize that many, many dollars and many, many tests have been run – all across the country – to discover these simple, yet dynamic, results-oriented “secrets.” Use them and you *will* get results.

Okay, now let's write an ad for placement in the internet classifieds. We're going to use the same formula, but expand the word count since many internet classified advertising sites allow up to 400 words in your ad. I've included over a hundred places to advertise on the internet on your free bonus disk, and while it will take you a few hours to post your ad on all the sites, I highly recommend you invest the time and energy to do so. Many, many hundreds of thousands of people read these classified every day. And I guarantee you, the more you expose your property to the world... the greater your chances of effecting a quick, profitable sale. Keep in mind... you don't know "where" you're going to find your buyer. Your job is to be in front of as many "potential buyers" and you possibly can to increase your chances.

Let's get started. What you are going to want to do here is to draft your ad using a word processor or text file because you are going to want this information available to "cut and paste" into the advertising submission forms on the internet. It will save you a tremendous amount of time if you can "cut and paste" versus re-typing your ad every time you want to submit to another site. And, keep in mind, a lot of these internet classified advertising sites allow you to post in numerous categories every 30 days or so... so you this "placement campaign" should be ongoing in nature – not just a one time deal.

First, you want to list your personal information. Your name, address, city, state, zip code, country, voice mail number, e-mail number, and link to your URL address for photo's and or internet listing.

Then you will want to write a brief, 25 word "title" using the same advertising style previously mentioned.

Then a longer, 50 word ad.

Then a longer, 250 word ad.

And, finally, a 400 word ad.

When you are done, your "word processing document" should look something like this:

Chuck Colwell
1145 Shady Oak Dr
El Cajon
CA
92021
USA

555-555-1212 (voice mail message center)

El Cajon, CA -- \$3,576 down, \$888/mo. Large 3 bedroom by owner. Call 555-555-1212, 24 recorded message.

El Cajon, CA – Gorgeous 3 bedroom, 2 bath ranch. \$4987 down, \$1257/mo. Quiet semi-rural living, zoned for horses. Bring your kids, pets and barbecue forks. Call 555-555-5555, 24 hrs for free recorded message.

El Cajon, CA – Gorgeous 3 bedroom, 2 bath ranch. \$4987 down, \$1257/mo. This quiet, semi-rural property is lined with mature shade trees, zoned for horses, and is perfect for kids, pets of all kinds, and summer barbecues. This property is for sale by owner and complete information can be obtained by calling 555-555-1212 24 hours a day, free recorded message. Or via fax-on-demand at 555-555-1313.

You get the idea. Now that you have your word processing or text document created, keep it open and, simultaneously, open the file called “Directory” on your free bonus disk. This file is available in Word, text, or html. If you can open this file in either Word or your favorite browser, simply connect to the internet via your local dial up connection, click on a link and you’ll be instantly be “transported” to the advertising site.

Once there, select your category (Real Estate), your state (if asked) and then “cut and paste” your information into the form. Hit submit, and go to the next one.

It will take you a solid 4 to 6 hours to get through the entire list, but it sure beats “re-typing” all the information. Granted, it *is* a lot of work, but the payoff can be in the thousands... So you really, really do not want to skip posting to the internet classifieds – especially if you have can provide a link to an internet listing or photo of your property.

Section X

8. Design and record your Hotline announcement.

Before we discuss writing your 24 hour voice mail script, we are going to touch upon a very powerful, yet very subtle marketing technique you can use to eliminate the need to always be “on the ready” to show your property 7

days a week and, even more important, virtually guarantee you will receive a full price offer on your property—fast!

The strategy is based on a strong, unconscious psychological response that causes people to automatically assign more value to opportunities when they perceive the opportunity to be less “available.”

In other words, when people perceive things as being rare or difficult to obtain, we *unconsciously* assign more value to the item or opportunity in question and, consequently, “want” it more.

Perhaps the best way to describe this money-making principle in action is to share an excerpt from the book *Influence: Science and Practice*. Dr. Robert B. Cialidini, the author and world renown social psychologist, relates this story:

“My brother Richard supported himself through school by employing a compliance trick....

Richard sold cars, but not in a showroom nor on a car lot. He would buy a couple of used cars sold privately through the newspaper on one weekend and, adding nothing but soap and water, would sell them at a decided profit through the newspaper on the following weekend. To do this, he had to know three things. First, he had to know enough about cars to buy those that were offered for sale at the bottom of their blue book price range but that could be legitimately resold for a higher price. Second, once he got the car, he had to know how to write a newspaper ad that would stimulate substantial buyer interest. Third, *once a buyer arrived, he had to know how to use the scarcity principle to generate more desire for the car than it perhaps deserved*. Richard knew how to do all three. For our purposes, though, we need to examine his craft with just the third.

For a car he had purchased on the prior weekend, he would place an ad in the Sunday paper. Because he knew how to write a good ad, he usually received an array of calls from potential buyers on Sunday morning. **Each prospect who was interested enough to want to see the car was given an appointment time—the same appointment time.** So, if six people were scheduled, they were all scheduled for, say, 2:00 that afternoon. This little device of simultaneous scheduling paved the way for later compliance because it created an atmosphere of competition for a limited resource.

Typically, the first prospect to arrive would begin a studied examination of the car and would engage in standard car-buying behavior such as point out any blemishes or deficiencies and asking if the price were negotiable. The psychology of the situation changed radically, however, when the second buyer drove up. The availability of the car to either prospect suddenly became limited by the presence of the other. Often the earlier arrival, inadvertently stoking the sense of rivalry, would assert his right to primary consideration, “Just a minute now, I was here first.” If he didn’t assert that right, Richard

would do it for him. Addressing the second buyer, he would say, “Excuse me, but this other gentleman was here before you. So, can I ask you to wait on the other side of the driveway for a few minutes until he’s finished looking at the car? Thin, if he decides he doesn’t want it or if he can’t make up his mind, I’ll show it to you.

Richard claims it was possible to watch the agitation grow on the first buyer’s face. His leisurely assessment of the car’s pros and cons had suddenly become a now-or-never, limited-time-only rush to a decision over a contested resource. If he didn’t decide for the car—at Richard’s asking price—in the next few minutes, he might lose it for good to that... that... lurking newcomer over there. The second buyer would be equally agitated by the combination of rivalry and restricted availability. He would pace about on the periphery of things, visibly straining to get at this suddenly more desirable hunk of metal. Should 2:00 appointment number one fail to buy or even fail to decide quickly enough, 2:00 appointment number two was ready to pounce.

If these conditions alone were not enough to secure a favorable purchase decision immediately, the trap snapped securely shut as soon as the third 2:00 appointment arrived on the scene. According to Richard, stacked-up competition was usually too much for the first prospect to bear. He would end the pressure quickly by either agreeing to Richard’s price or by leaving abruptly. In the latter instance, the second arrival would strike at the chance to buy out of a sense of relief couple with a new feeling of rivalry with that... that... lurking newcomer over there.

All those buyers who contributed to my brother’s college education failed to recognize a fundamental fact about their purchases: The increased desire that spurred them to buy had little to do with the merits of the car. That failure of recognition occurred for two reasons. First, *the situation that Richard arranged for them produced an emotional reaction* that made it difficult for them to think straight. Second, as a consequence, they never stopped to think that the reason they wanted the car in the first place was to use it, not merely to have it. *The competition-for-a-scarce-resource pressures Richard applied affected only their desire to have the car in the sense of possessing it.* Those pressures did not affect the value of the car in terms of the real purpose for which they had wanted it.”

Influence: Science and Practice, by Robert B. Cialdini

Pretty powerful stuff. And you can apply this same dynamic psychological principle of scarcity when you sell your home... and obtain the same, “pressured” results to make a deal or pass. Here’s how:

On your voice mail, you can inform all callers your property will be held open for inspection between a certain time and only at said time. For example, you might say, “We’ll be holding an Open House on Saturday from 2:00 to 2:30 and again on Sunday at 1:00 to 1:30 for all interested parties. Due to a situation beyond our control, these are the ONLY times our home will be available for viewing so, if you are interested, please mark these times down

on your calendar: Saturday from 2:00 to 2:30 and Sunday from 1:00 to 1:30. Once you tour our home and decide you would like to know more or spend more time, we will at that point, arrange for a private showing.”

Even more powerful, though a bit more time consuming, is to personally return the calls of everyone who left their name and phone number as a potential buyer. Then personally inform them of the same “situation beyond your control” and the time of showing. *And don’t mention the fact you have told a half dozen other people the same thing.*

So here’s how it works in real life. A dozen or more potentially interested buyers response to your classified ad and call your voice mail number. They all listen to your description of the property and the financials. About 3 of them will disqualify themselves at this point, hang up, and go about their business. Another 3 will leave a message asking for a return call. And the remaining six will just “show up” at your scheduled Open House.

Now imagine their thought processes upon arriving at your home and seeing this horde of cars and people “lined up” to see your home.

“Wow, Martha. What’s this? How much did they say this home was selling for?”

You see, by having everyone show up at one time, you’ve embraced the incredible power of creating scarcity. You have instantly created “*more perceived value*” for your home because it has suddenly become “*less available.*”

Now listen: This one technique can and will get your home sold faster and for more money than everything else combined in this system. It is *that* powerful. In fact, it is currently the “basis” of a professional real estate system that is selling for over a \$1,000 across the country right now. It is a *proven* system used by countless investors and other professional real estate practitioners who *have to* turn their properties quickly and for a fair profit.

By using this showing technique versus the standard full afternoon open house or ‘private appointment’ – you will create the same sense of urgency and competitive spirit that Richard, Dr. Cialdini’s brother, did when selling cars. And you’ll gain the same results.

You’ll want to have a number of “Kitchen Kiosk Packages” available to hand out to every prospect that shows. What’s a Kitchen Kiosk? It is a complete presentation package regarding your property including your color brochure, true cost analysis, school and day care reports, inspection and repair reports and anything else which a potential buyer might find interesting and of value.

You'll want to have offer contracts available, and the complete lender package your lender was so kind to provide you with. In fact, you should also seriously consider inviting your lender to help you host your half hour tour.

You'll also want to use a "sign in" sheet to capture the names and phone numbers of your visitors. Ask them politely, but firmly to "sign in" and *then* issue them a "Kitchen Kiosk" package. There are two reasons for doing this. One, it gives you the opportunity to follow up with a phone call to get their feedback, and it provides a number of "leads" you've promised to pass on to your helpful lender. ☺

Showing your property one-at-a-time puts you, the seller, at a serious disadvantage. Potential buyers comes through with no pressure of competition, look around, take their time and "nit picks" things to death. If they're smart, they'll spend their time picking your brain for the reasons you are selling, to see if they can determine just how motivated you are to sell... just how great their chances of negotiating a substantial price reduction... etc., etc., etc.

Show your property enmasse', however, and the tables automatically turn in your favor. Show your property enmasse' and you will harness one of the greatest psychological motivators known—the principle of scarcity!

So, assuming you are going to embrace this wonderful marketing tool, let's design our voice mail script. This outgoing message announcement should give all callers all the information they need about a your property and the showing schedule:

- Tell them all the good things about the property.
- Tell them how much down payment is required.
- Tell them how much the monthly payment will be.
- Tell them detailed directions on location, address and how to contact you directly (if necessary).
- Tell them the how to contact your lender for more information concerning prequalification.
- Tell them the showing times of your open house.

Here's a script you can use for a model. Keep in mind you want to come across as sincere, knowledgeable and helpful. And most importantly, tell them what they want to hear!

"Hi, my name is Joe HomeSeller, and thank you for calling to learn more about my home. As the owner, I know this house inside and out, so indulge me for a moment as I take you on a tour.

Located in the College and Riverside are, the first thing that strikes you when you turn onto our street is the large, mature trees and well-manicured lawns. Turn into the driveway, and you see this home is beautifully landscaped as well. The backyard even more so, with large fruit trees, a wonderful redwood deck, and an 18 by 24' built in barbecue which I promise to leave for your enjoyment.

When you step inside the home, you'll be struck by the wonderful, new deep pile carpeting and natural limestone fireplace. Many a fire has seen this hearth, and to help you enjoy *your* first winter, I'll leave you about a cord and a half of seasoned oak.

Upstairs you'll find 3 spacious bedrooms with walk-in closets, full vanity mirrors and ceiling fans. The master bedroom sports its own private bath and even cable hookup!

On the main floor you'll find a den, office or 4th bedroom, a large great room, formal dining room, guest bath and a sunny, like-new kitchen with all-new floors, counters, and tons of cupboard space. There's even a small breakfast bar which is great for drinking your morning coffee and sharing a bagel.

The garage looks like a normal two car from the outside, but once the electric doors open, you'll be shocked to see it is actually eight foot deeper than normal, which makes it great for all that bulky yard equipment or for your favorite workbench.

Of course I could go on forever, but the greatest thing about this home is you can own it for only \$6678 down and \$1284 a month if you have good credit, and only slightly more if your credit is somewhat less than perfect. I'm asking just \$296,750 which, if you check, is substantially less than comparable homes, less spectacular homes in the area. I'm telling you... you've just got to see it to believe it!

If you are serious about buying, I suggest you call my mortgage consultant, John Lender, at 444-4444, to see if you qualify for financing. It's helpful if you do because, since I'm selling to buy a new home, I'm not in a position to offer seller financing or anything fancy like that. Again, I encourage you to call John Lender at 444-4444 if you're serious. He's a nice guy who can provide you with tons of helpful information... even if my house isn't right for you.

Now Mary and I will be holding our house open on Saturday from 2:00 in the afternoon to 2:30 and again on Sunday from 1:00 to 1:30. If you would like to see our home, you have to make sure and show up on Saturday between 2:00 and 2:30 or Sunday between 1:00 and 1:30 as this is the only time we plan to hold open house. At that time, we'll give you the grand tour and if you like what you see, we'll make further arrangements for a private showing... and maybe even a barbecue.

Feel free to drive by prior to Saturday's tour. Our address is 123 Easy Street, at the cross streets of College and Riverside. Again, that's 123 Easy Street, at the cross streets of College and Riverside.

If you're calling long distance and would like us to send you're a complete package of information regarding our house, please leave your name, address and telephone number at the sound of the tone.

If you are already prequalified with a lender and absolutely, positively cannot make our open house on Saturday at 2:00 to 2:30 or Sunday between 1:00 and 1:30, feel free to leave your name and number at the tone as well and either myself or Mary will call you to make arrangements.

Thanks again for calling. I look forward to seeing you Saturday at 2:00 or Sunday at 1:00."

--tone--

Notice what we've done. We've "talked" to them. We've remained human. We've painted a picture to entice them into the home. We've given the essential price information and encouraged them to get prequalified. We rewarded serious buyers (those who have already obtained prequalification) with a direct contact option. We've created a situation which guarantees a "rush" of potential buyers arriving all at one time and giving us the psychological advantage of the scarcity principle. We've given the address, twice. And we've given the showing schedule an number of times.

You see, the idea is to answer a lot of their questions up front – price, location, and general condition. But even more important, you've set the stage for rapport. You're friendly, non threatening, homey even. You've given the impression you will be safe to deal with and, if you do it right, I absolutely guarantee your home will host 6 to 12 people on both Saturday and Sunday and... chance are good... you'll be entertaining an offer or two by Wednesday!

You might also want to mention in your announcement that you've had the home and roof inspected, have made all necessary repairs, obtained and appraisal and have all documentation available for review. Again, the idea is to eliminate any and every possible negative up front.

You could, of course, give your voice mail tour and then simply ask everybody to leave their name and phone if interested. You would then personally call them, soft qualify them (or maybe even *require* they gain pre-approval which, though it will cut down on your responses, will greatly improve your security and the quality of your showings), and invite them over for your tour.

Section XI

9. Obtain contracts, make escrow arrangements, and prearrange legal counsel if necessary.

Keep in mind that close to 40% of home purchases are made by first time homeowners. That means you stand a 40% chance of having to deal with a first time homeowner that, in all probability and for lack of a better term, will be clueless about the processes of purchasing a home.

That also means YOU have to be prepared. It mean, at minimum, you should have a working knowledge of the process and the forms necessary to effect the deal. To be legal in California and help avoid a possible lawsuit. You should have on hand and be familiar with:

- Sales contracts
- Contingency Release Forms
- Quitclaim Deeds
- Deeds of Trusts
- Second Mortgage Notes
- Promissory Notes
- Agency Disclosure (Showing that you are only representing yourself and not the buyer)
- Purchase Agreement
- Counter Offer
- Transfer Disclosure Statement
- Seller's FRPTA (Affidavit) (IRS requirements)
- Buyer's FRPTA (Affidavit) (IRS requirements)
- EQ/ Environmental Booklet Receipt
- Earthquake Hazard Report
- Lead Based Paint Disclosure
- Smoke Detector Statement of Comp.
- Water Heater Statement of Comp.
- Contractor's Inspection / Waiver
- Buyer's Request for Repairs
- Seller's Response to Repair Request
- Termite Report / Clearance
- Water Retrofit Certificate / Transfer (San Diego City requirement)
- Walk – thru / Waiver
- Natural Hazard's Disclosure
- Buyer's Election of Inspections

Again, I encourage you to befriend and utilize a lender. A good lender can educate you and provide you with virtually everything you need to know to effect a timely and proper sale of your property. You should also contact a title company and educate yourself on how to open an escrow account, the forms you'll need to complete, how to go about depositing a deposit and drafting the escrow instructions. A lot of people have the idea that "when I get a buyer I'll call escrow and take care of the rest". This is a common mistake! By law escrow is a disinterested third party that cannot give advice to either side. Their only job is to hold the proceeds and distribute them to the proper parties involved in the transaction at the proper time. The purchase agreement between the seller and the buyer controls the escrow in a court of law. Not the escrow instructions.

You'll want to go online and check out the free information resources available there.

In short, familiarize yourself with the process and forms. It can and will payoff for you. And if you don't, it could cost you the deal. *Also, you will want to hire an attorney or paralegal to review and approve all documentation. This is critical!* We live in an ever increasing litigious society where, in a very real sense, you can lose everything you've worked for your entire life for simply by making a mistake or failing to disclose certain issues and whatnot. Professional agents and brokers carry Errors & Omissions insurance just to protect themselves from such eventualities. And, from experience, let me tell you... it is not a matter of if something will go wrong and someone will sue... it's a matter of when and to whom. So don't get caught here. Don't try and save yourself a couple bucks because you think you know it all and can handle the legal stuff. When it comes to buying or selling a property, the best approach is to consider all written documentation *legal stuff* and get it reviewed and approved by a competent legal advisor.

Every property transaction is unique. Every buyer and seller is unique. Therefore, your sale is unique and needs to be handled as if it was unique. Do not trust off-the-shelf forms, or even state recognized forms as valid and suitable for your situation.

Again, hire an attorney to review any and all documentation *before* you put pen to paper and you'll save yourself a ton of headache and hassle down the road.

Remember, it is your responsibility as a for sale by owner to knowest what thou has gotten yourself into. It's a lot of work, a lot of education but... it's worth it.

Section XII

10. Post a number of unique signs in your yard.

Now here is where we'll discover how serious you are about selling your home. The more serious you about selling, the more closely you'll follow this strategy to the tee. The less serious, the more you'll find a way to fudge and "minimize." So, without further ado, here's the strategy... a proven, dynamic, whizbang marketing strategy I might add... a strategy that *will* get your property noticed, a strategy that *will* make your voicemail ring off the hook, a strategy that literally puts your world (your neighborhood) on notice that you are serious about selling your home. Here it is:

- Go buy a 4' x 8' piece of cheap plywood
- Go buy some bright yellow paint
- Go buy some flat black paint and a number of stencils or a small paint brush suitable for hand painting letters and numbers
- Cut the plywood into four sections
- Paint the plywood bright yellow
- On one section, print the words (in large letters) "For Sale By Owner" and underneath your voicemail phone number.
- Post this sign in a highly prominent, visible place in your yard. Attach your brochure box, and stuff with your brochure..
- On another section, write \$2576 down, \$698/mo and below this, your voicemail phone number (use the figures supplied by your lender. Again, post in a highly prominent, visible place in your yard.
- On the other two sections, paint directional arrows and the words Open House. You'll post these signs on Saturday and Sunday on the street corners to help guide buyers to your address.

Did you get all that? Should I go over it again? Perhaps not. But I should go over what I did not say to do.

I did not say to go down to the store and buy one of those barely visible For Sale signs that measure a whopping 8 x 12 inches and post it in your window or tack it to your fence. **I did not say** to go down to your local sign maker and obtain a nice, corrugated sign that reads "For Sale by Owner. Shown by Appointment Only" in fancy, professional type with a nice blue and red background that perfectly matches your perennials. And **I certainly did not say** to *not* post a sign.

Bright yellow. Large. Black writing.

We are bombarded with over 2,000 advertising messages a day. Our minds grow numb to them. You can “see” a nice, professional sign and never notice a thing. You can “see” a traditional looking real estate sign and never notice it at all. In fact, you drive by dozens of these signs and day and never notice them.

Studies have proven **that the best way to get your signs noticed are to do everything you can to make them *not* appear like professional real estate for sale signs**. And, if you remember the statistics we covered in the Pre-Sell Pack ... signs account for over 20% of real estate sales.

Your sign then, if it gets noticed, stands a one in five chance of bringing you your buyer. One in five. That’s how critical it is to get your signs noticed. And talked about.

You want your neighbors talking. You want everyone who sees your bright yellow signs (and everyone driving by will) talking. You want them talking to the friends, family, neighbors, barber, and co-workers. You want the postman spreading rumors. You want people to drive by “just to see” if the rumor is true! Because that is what effective marketing is all about. Creating stories. Because stories spread the word and the word equates to exposure and exposure sells homes.

Section XIII

11. Place your ads.

Imagine you’ve just gotten a raise and you’ve got a few thousand saved. Your significant other has been pestering you to buy a house for the last two years and you’re suddenly comfortable with the idea. So comfortable, in fact, you’re ready to start looking. Where do you start?

Most areas have several property publications with “homes for sale” listings. You’ll find them displayed at grocery stores, libraries and a host of other places including the free display, “take one” racks. Are you going to put on your shoes, comb your hair, saddle up and drive downtown to find yourself a copy? Probably not....

Perhaps you'll take a trip to the laundry mat and check out the free bulletin board?! Probably not...

How about driving down the road and stopping at the Quik Stop or 7-Eleven and picking up a free copy of the Penny Saver or the Nifty Nickle or the Free Classifieds? Probably not...

No. Chances are good you'll simply reach down and grab your local daily newspaper, flip to the housing section and begin your search in the comfort and quiet of your own home.

When the urge for information hits you to look for property, *almost always*, the preferred medium is your local, daily newspaper.

In fact, my records indicate the best place to advertise for effectiveness and cost savings is in your local, daily newspaper.

Period.

The second best place to advertise is on the internet. More and more people have internet access and it is just as easy to fire up the 'ole computer as it is to open your newspaper. In fact, many local newspapers are published daily in their entirety on the internet.

Internet advertising has a number of benefits:

It is cost effective. There are at least 12 places which will provide a free "home page" simply for signing up as a member. There are also a number of homes for sale databases on the internet which allow you to place a small classified or even a large informational ad for free and well as other sites which charge a minimal fee such as \$35 for a six month listing including photos!

The internet allows to the opportunity to **inform the world** your property is for sale. Personally, I scoured the net for about a week before I physically drove into Nevada from California to find my new home. The net gave me all the information I needed as to anticipated pricing, schools, climate and a host of other information. Now, in my case, I didn't purchase a home I'd spotted on the net... I purchased one I spotted in the local, daily newspaper!

If you obtain a "home page" listing versus (or in addition to) listing your home within a data-base format, you can then submit your page to any number of search engines **and increase your potential exposure** 10 fold or more. (In fact, I encourage you to check out <http://www.tripod.com> or any other site which offer a free home page. Most of them have html editors available so you don't really have to know anything about creating a web page... you

simply follow the easy tutorial and within minutes... have a full color, full sized “property brochure” available for the world to see and appreciate. You can then “submit” your page to the search engines to ensure your home gets noticed.

Another advantage to the internet is the proliferation of **free classified sites** you can post your ad. You can post your classified ad to today, provide your voice mail number, your email address, link your property page and/or link to the page where you have a photo.

You can do amazing, wonder marketing-oriented things on the internet! You simple need to spend the time, money and effort to optimize the process!

So get busy! The world is your oyster.

Exposure, exposure, exposure!

Remember:

- Place classified in your local, daily newspaper,
- Place classifieds all over the internet and keep placing them,
- Get your property listed in a “homes for sale” data base,
- Obtain a separate “home page” and create a property brochure, then submit your site to all the search engines, and
- Post to all the newsgroups related to real estate and for sale sites in your area.

Section XIV

12. Present your property, negotiate and close the deal.

There is plenty of helpful information related to how to prepare your house for sale which you can obtain for free either at your library or on the internet so I won’t bore you to tears here. However, I do have a couple of tips you probably won’t find on the internet or at your local library which can help you out.

1. Clean, clean, clean, clean and clean some more.

2. Spend a lot of time with the front yard and entry way. First impressions are lasting impressions. You can win or lose a sale (or thousands of dollars) based on how your home appears from the street. One inexpensive trick is to paint fresh “curb numbers”. Another is a new mail box. And add color via potted flowers, if possible.
3. Change all the door fixtures (knobs and hinges), faucets, outlets and switch covers. These items are most noticeable and most touched. Spend a few bucks on these items and you’ll pocket a few hundred on your sale.
4. “If you can smell it, you won’t sell it.” Period. If you have pets of any kind: dogs, cats, birds, reptiles, hamsters, mice, or whatever... get your home professionally cleaned and keep the animals away until you move. It is inconvenient, but important. You may not notice any odors because you live in your home so don’t trust your nose to give you the final word. **Get your property cleaned, painted, sprayed or whatever and then invite someone over who does not have pets and ask them if they can perceive any odors.** If they can... **get your property cleaned, painted, sprayed or whatever and then invite them back over and ask them if they can perceive any odors.** If they can... **get your property cleaned, painted, sprayed or whatever and then invite them....**
5. Pack. That’s right. Pack. You should go through your home and pack everything you won’t be needing on a daily basis. That means all those extra clothes in the closet, all the knick knack decorations, plate collections, books, pictures, extra lamps, Tupperware, pots and pans you don’t use, all the extras in the garage, etc., etc. The idea is to “open” the spaces in your home so potential buyers can “visually” move *their* items in. Full cupboard don’t speak space, they speak lack of space. Full closets don’t lend the impression of plenty of closet space, they lend the impression of not enough closet space.
6. Beware of making any indication you are under any type of time, money or emotional pressure to get your home sold urgently. Even when this sense of urgency is real, it is not a good idea to reveal it to any potential buyers as it will give them greater leverage in the negotiation process. And greater leverage means lost dollars or a you having to make a number of concessions you really had no idea of making.

Section XV

Well, my home selling friends, that about sums of *Commission in Your Pocket*:

Let's briefly review the entire system in capsulated form so you can get started immediately.

- Educate yourself by reading everything you can get your hands on regarding both the sale and purchase of real estate. This will help protect your interests as well as help you serve your buying prospects. Remember, almost 40% of home sales are made by first time buyers. And it is up to you to guide them through the process. If you really need to get your home sold, on time and for top dollar, you simply cannot afford to not take and maintain control of the entire process. You must blaze the trail and, quite frankly, if you don't have a map... you're almost certain to get lost.
- Obtain a 3 to 5 minute outgoing message voice mail account which you can dedicate solely and only to your home selling campaign.
- Make arrangements with an attorney to review all documents before you sign anything.
- Meet with a title company and determine the processes to open escrow.
- Contact a lender and solicit their help in marketing your home. A good lender will be your best asset throughout your entire home selling campaign.
- Determine the actual market value of your home by obtaining a fee appraisal. You'll also want to obtain a Comparable Market Analysis so you'll know what the asking prices of similar homes are in your area so you can set your asking price slightly lower to lend the impression of a good, solid deal. You'll also want to point of this "perception of savings" on your voice mail announcement system. For example might say, "We're asking only \$209,000 for our home, about \$8,000 less than similar properties in the neighbor."
- Ask your lender to provide a Good Faith Estimate on at least loan types for your property. You will want the lender to research and draft a GFE on the lowest down payment or lowest total acquisition cost loan available-even if the majority of people will not be able to qualify for this loan. The idea is to legitimately use these wonderful numbers

as the “hook” in your ads and on your For Sale signs to generate interest and activity. By announcing a low down payment and/or easy monthly payments, your home will be considered by people who, previous to seeing your ad, didn’t believe they were financially capable of purchasing a home.

- Convert the GFE into a simply, easy-to-read format called a True Cost Analysis or a Buyers Cost Analysis. Make multiple copies of this three-page form and have it available for distribution to everyone.
- Design a color property brochure for your home and make available at all times. Use your property brochure as the basis and then add school information, licensed day care information, tips on the best commute, inspection reports, and your True Cost Analysis to comprise a comprehensive, home selling package.
- Obtain all inspections and make all necessary repairs prior to placing your home on the market. This will eliminate any costly “surprises” down the road which can seriously undermine your deal. It will also help erase any buyer anxiety about your home and help expedite the sale.
- Draft a number of classified ads using the “terms” formula as outlined in this book.
- Place those ads first and foremost in your local, daily newspaper.
- Place those ads at every site possible on the internet.
- Use a minimum of two large, brightly colored signs in your yard which do not—in any way—resemble a professional “For Sale” sign. One sign will state “For Sale By Owner” and offer your contact phone number. The other sign will state the required down payment, monthly payment and, again, your contact phone number.
- Pack most of your belongings and remove them from the premises. “Open” spaces allow buyers to mentally move their possessions in.
- Record a voice mail “tour” of your property and provide just enough information to begin the process of gaining rapport. You’ll also want to announce the “terms” of the sale and invite all callers to view your property at a set, pre-arranged time.
- Invite all prospects to tour your home at the same time. Distribute all prospects a complete package of information about your home, the

area, and available financing. You will also want to distribute an offer contract to make it easy for them to submit an offer. Invite serious lookers who have agree to obtain a pre-qualification to for a private showing.

- Open escrow and close the deal!

That's it! Be blessed and GREAT Home Selling! Email me at homesource@lycos.com if you have questions. Thanks!