Session 30 - Weekly Agent Mastermind

[00:00:00]

[00:00:00] [00:00:00] Recovering Momentum After a Holiday Break

Join us every week for coaching and q and a. You'll learn how to get more listings signed and sold, following the simple and fun EZ listing method. Plus, find hidden gem tips and get motivated as you surround yourself with like-minded peers in this weekly mastermind. Let's jump in. ~~Let's jump in.~~

Robert Climer: welcome everybody. I hope everybody had a, a great fourth. Before we get started let's go through some, uh, any good stuff, bad stuff, anything that you wanna reflect on real estate in your area other than prices dropping? I think we all can relate to that.

Michelle, was it a slow 4th of July weekend for the homes listed on the site? Oh, yeah. Nothing happened. Nothing. Okay. Just so you guys, I mean, that generally happens on the fourth. Usually the week before and the week after, just the dust has to settle. Then all of a sudden people start getting into it again.

Yeah, I had a lot of agents ask whether they do [00:01:00] open houses on 4th of July. I do not. I don't really like wasting my time doing them, and I kind of plan my listings around holidays. Uh, I I try not to, uh, list them. Well, I don't, try not, I don't list them during holidays, period. You know, I'll start the week after to get a, you know, the, because you remember those first three days.

The hot sheet matters, you know, because you guys are syndicating out to however many property sites you're, uh, your, uh, MLS is syndicating to. If you do that over a holiday, you're pretty much wasting that syndication period time. So that being said, though so let's open up floor. Any good news, any bad news, any other than our tenant dying.

I think that's the only bad news I got. So

Gabe Elliott: G

[00:01:56] Live Listing Plan: 30-Day Agreement Strategy

Gabe Elliott: abe, so I just wanna, I got a listing that's [00:02:00] going live, uh, next Wednesday. We're putting it on the market. It's just a 30 day agreement. You know, I told him we're gonna do seven day bidding events at a time. Um, we are starting low, so the comps in the area, he wants, he wants to net at least four 80.

The comps in the area, um, look pretty nice, pretty, pretty high. I mean, there's a few homes that are, that are listed, you know, around four eighties, but they're not in the same community. Mm-hmm. And as nice as his, he's got, you know, the new flooring. Everything looks pretty clean. It looks, you know, kind of updated so.

So we're gonna start, it's, it's actually quite nice because I kind of start off whenever I was talking to him, 'cause I did it through Zoom. That's how I got the listing. 'cause he's in Chicago right now. And I basically just started off, you know, like, what's your end game with the property? You know, if you can't get what you want for it, where does that leave you?

What are you gonna do? What's your plan? So he said, you know, he doesn't know, he'll probably just [00:03:00] rent it out or whatever. So I, I told him like, listen, you know, if this doesn't work, you're in the same spot you are now, but with this psychology approach, this is gonna, you know, get you the most out of the home.

So he actually wanted to start, he was willing to start as low as 400,000, but I think that would be a little too low based off of what's going on in the area. So I, I told him, you know what I mean? I wanted to start it at 4 25 and that's well below market value. So I think at 4 25 we'll have the best chance of, you know, getting it bid up to 500,000.

Frank Macri: Cool.

Gabe Elliott: So, I don't know, we'll see how it goes. Fingers crossed. You know the address?

[00:03:45] FSBO to EZ: Live Property Details + Market Analysis

Gabe Elliott: Yeah, I got the address. It's 58 14 Fairwood Circle.

Joy Steidl: Say it again.

Gabe Elliott: 58 14 Fairwood Circle. Uh, Sarasota and [00:04:00]

Robert Climer: Sarasota. Yeah.

Is it Fairwood with an S? Yeah, with an S. It's right now in Zillow. It's for sale by owner. Yep. Okay.

That actually is pretty good for their views and saves. Yeah.

Oh my God. Here we go again. Gee. Christmas

Michelle DeLorme: is all of Florida for sale.

Robert Climer: Exactly, yes. How many, Gabe, how many months of inventory does that neighborhood have?

Gabe Elliott: Uh, we're about nine, nine months worth of inventory.

Robert Climer: And what are you gonna lower it down to? Gabe? You should do 400 again. Four 20 five's. Probably not gonna do it.

What are, what are you lowering it to?

Gabe Elliott: 4 25.

Robert Climer: All right. So there's a 4 55 here. Let's see.

Gabe Elliott: So the guy said that the owner, 'cause I looked at the comps with him, I pulled him up, you know, all online with him. He said it doesn't look like that inside at all. So, I mean, I don't know if he's talking about just the, uh, just the [00:05:00] furniture or the flooring, but might be a good idea to go and check it out.

Robert Climer: So you'll be under that one.

Uh, God, I, I cannot believe the inventory you guys have like in a block radius of this place. It's crazy.

Gabe Elliott: His is, uh, it's four bedrooms, two and a half bath. 2000 square foot square. This is it right here, right? Yep. Yep. So is that marble on the floor? Is that cement?

So it says, uh, porcelain tile. Uh, in the previous listing that he had last year, is this an

Robert Climer: investor?

Gabe Elliott: Uh, he's got a couple other properties. I mean, he's not a huge investor, but I think he does, I think he does a little bit of flips.

So he said he is got a couple other properties he's willing to try out on the platform, but obviously he wants to see if it works first.

Normalina Martin: True.

Gabe Elliott: Nice. The [00:06:00] pictures I think are, are kind of terrible. Um, because they don't, they don't show the space being open, you know, the, the one photo from the beginning, you know, it just looks like everything's compartmentalized and people want a lot more open concept nowadays, so. Mm-hmm. Even, even the previous listing, I think the lady, she had like 70 photos in the MLS, but they were like all the same pictures and they, they just didn't get mm-hmm.

They weren't good at capturing the space. So I think I'm gonna be really strategic about the photos.

Joy Steidl: You might look into doing, um, virtual staging too.

Gabe Elliott: Okay.

Joy Steidl: Usually it's like $20 a photo and that's it. Right, right. One thing, and I, maybe I would do the living room, bedroom dining, or, I mean, if you're close, I don't know if you have a stager or something, but I.

Gabe Elliott: No, I don't. But they do. They, they had it available. The photo. The photo people have like that as an available option.

So what do you [00:07:00] guys think? You don't think four 20 five's a good price? You think four hundred's a better price? Yeah, you should be. I, I'm in Florida, I'm in Cape Coral. The neighborhood I'm in has about eight months of inventory. 20. If you do 20% below market value from what the house is worth, that'll drive, that'll give you enough attention where you can realistically get that price.

Robert Climer: But you have to, you have to be really low, especially when there's a lot of inventory. 'cause buyers have options, right?

Joy Steidl: I mean, he says he wants four 80, but realistically, if you get offers in, then again, that's kind of the point. True, right? Is to drive. Attention, drive traffic and then drive offers. Even if you have one or two offers, then at least you have somewhere to negotiate from too. So that's the main goal. And again, advertising around it, getting as many people to that open house.

I would definitely do a Facebook market listing. Okay. Where you put it on Facebook Marketplace and drive that conversation. You should [00:08:00] be having a lot of messages from people. And when I get messages from people, Hey, is this, you know, is this available? I just tell 'em, my only response is the open house, Gabe.

[00:08:10] What Integrity Reports, HouseCanary Reveal About Future Value

Robert Climer: Okay. So Gabe, did you get the, uh, that report from Integrity? Oh, the, yeah. Yeah, I did. Yeah. What is that saying? Six months from now report? Uh, six months. It's saying it's supposed to decline by how much? Like a couple percent. Let me, I can pull it up right here. I actually just had it up.

Gabe Elliott: For all you guys, take a look at this. Go ahead and share Gabe. Okay, so hold on.

So there's the, the value that they're estimating right there. And then we go down, there's all the comps they pulled, but it shows you the estimate right here. So risk of decline, 41%.

Um, and then this is within the next [00:09:00] year. Well, actually, no, it's saying within the next year it's supposed to decline 0%, but where?

But I really, I mean, I just show 'em the, uh, I just use it as another valuation tool. So I show 'em this right up here at the top. Yeah. So they're saying 4 71 on the low end and, and 5 28 on the high end.

Robert Climer: And then scroll down where there was a, a, a one year risk, said 0% on the one year risk. But I mean, year over year right now in this area, we're down. We're down 13%. Yeah. Keep going. Keep going down from last year in July, right here going the three year growth. No, keep going down. I think that was it. It stopped here.

Stop, stop, stop.

Joy Steidl: And this is what, this is that. It says House Canary, but

Robert Climer: what is, yeah, there you go. The one year MSA one year risk of decline.

Okay. It [00:10:00] just explain what it is. Yeah, yeah. Where they got the information or Yeah, disclosure. Well, I, based on this report, you should be fine. You know, any, the, the, the thing I like about it, even at the five and a quarter, that's a fair amount of views, right? Uh, yeah. Watch your views go up like crazy. When you list it

and what buyer's premium are you using? Six.

Gabe Elliott: Nope. So we're doing a hybrid method, so he's gonna pay me 2% and then we're gonna do a 3% premium.

Robert Climer: Beautiful.

Gabe Elliott: Two will go to the buyer's agent and then one will go to the platform. Cool. Is there, is there a max platform fee? Like is it, I, I thought, um, like at 1%, is it like a max of $5,000 or is it just 1% and there's a minimum 1%.

So it's 1% flattered across, but there's a minimum 1500 bucks, right?

Robert Climer: Correct.

Gabe Elliott: Okay.

Robert Climer: Yeah, I'll be interested to watch, we'll, we'll [00:11:00] have to watch this one. So I, I think I, I think you got a price right at four and a quarter, and I, Mikhail, I get what you're saying about the 400. But based on everything that he is showing us here, I think that, I don't think that's a bad estimation.

Anybody else wanna comment on it? The, the price, what they think?

Katt Wagner: I, I'd say the only exception is you are what's your average days on market?

Gabe Elliott: And, and that report, it was saying like 84, so on 90.

Katt Wagner: You've got 30 days, but maybe that's not stringent, you know, just because it doesn't sell in 30 days this, the sky isn't gonna cut ties with you or anything.

But I do think it's important to consider that your listing agreement is only that 30 day window.

Gabe Elliott: Yeah. So before the 30 days is up, um, depending on, you know what I mean, what the market is telling us, the activity that we get on it you know, I'm gonna try to tell 'em like, listen, your end game, you know what I mean?

You said you're just gonna keep the place. So, you know, we've got another strategy we can try, you know, drop it down another [00:12:00] 25,000, um, and then give me another 30 days. And then obviously if it doesn't work, you're, you're in the same spot you are now. And that's just what the market is telling us.

Robert Climer: So make sure you're showing him the Zillow saves and like do a snapshot of it.

Gabe Elliott: Right.

Robert Climer: And then when you put it down to the price on the platform, then you, you've got something to compare it to. This is, you know, how many buyers. So, I mean, that, that, that'll be good for the seller to see that live, right?

Gabe Elliott: Yeah. Yeah.

Robert Climer: I think you did a good job. I appreciate the feedback. Yeah, that's great.

[00:12:37] Open House Recap: 3 Weeks of Traffic + Feedback (Arizona Market)

Robert Climer: Uh, Michael Nikolai, Michael, uh, is the only one I know that did a, uh, open house over the, the, the weekend. And Michael, you wanna tell us what happened?

Hello? Michael Nikola. Hey, there I am. Hi. Hey, I'm on my phone today because I'm actually gonna be out the door here to a home inspection [00:13:00] because I got a listing or not a, a buyer under contract. So anyway, this weekend I did have an open house for that home. Huh? No buyer. A buyer for

Frank Macri: his home.

Mike Nicolai: No, not for my home.

It for, for a for another thing for a, an adult community. Anyway.

Robert Climer: Very good.

Mike Nicolai: Yes, it, uh, it is very good. Okay. I have I did an open house today. It was abbreviated only 10:00 AM to 2:00 PM didn't go any later 'cause the, the seller needed to get his house back over the weekend. And, um, I had a total of 10 people come through, or 10 buying groups I should say.

Again, I had two that were fairly interested and I'll be following up today with them. I got one buyer out of it. So, you know, they didn't like that [00:14:00] house, but they, you know, they liked me. So they said, okay, well help, please help us find a home. So that'll be good. I'm waiting for one gentleman to call me back and he's supposed to have well it, it basically, it's a, the purchase would be for his son and he lives around the corner, so he is trying to talk his son into living close to him.

They're coming from California, so I've got some high hopes on that one, but they've gotta get the prequalification done today. Other than that, you know, it, it, my, my traffic and my open house went from 26 to 16 to 10. So week three, it just keeps going down. I'm doing more Facebook marketplaces and sharing them out to groups and open house groups and, you know, darn near my [00:15:00] whole Facebook, you know, people who, who are my friends.

I still don't have

[00:15:06] The Value of Reverse Prospecting

Robert Climer: **Are you doing any reverse** prospecting through the MLS? Honestly, I don't know how. Uh, well, when, when you get some time, get me on your MLS and I'll show you. Okay. 'cause that'll, this is where these numbers you guys come in handy. Good chance if they're saving 'em here, they've saved 'em somewhere else on the MLS website as well, especially for the agents that are, have a good active, uh, uh, MLS.

So last week, Micah, you were at three, like 3,500 people and 350 saves right? Uh, yeah, and I think I'm up to five. You're up to 6,700. Everybody can see my screen, right?

Mike Nicolai: Yeah. Look at that. That's crazy, huh? That's wonderful. And

Robert Climer: the reason why they, when you start getting into that, the 500 on saves, [00:16:00] that's a good time to go back and do some rever.

Does everybody know what reverse prospecting is? Mm-hmm. Sounds like a good topic. Thursday.

Yes, it does. I do not know. Yeah. Thank you. That'd be great. I know it's where you, okay. I, anyway, reverse prospecting. Anybody that has put in saved something that, that's pretty much the same type home or did their own search, and then it has a plugged in and save. Regardless if an agent has done a a, a a a, A lookup in that area.

They'll get, they'll pop up in your reverse prospecting file. And then what we always, what we always do is we'll send 'em out emails and give 'em like the highlight of the, uh, the home and give 'em, you know, the, the views and the saves. It's priced right. It's just a matter of days before it sells. 'cause I mean, if we go back in [00:17:00] through your, your area again and again, it just fricking blows me away.

All these listings around here.

Mike Nicolai: Yeah. Uh, well the thing is, all the listings around are two and three bedroom homes that are a little bit smaller and they're in the four hundreds. And since they're in the four hundreds, I've got it listed at three 50. It's, that's probably why I'm getting, you know, the responses that I'm getting.

Robert Climer: Uh, let's do this here and let's look at this old

Greg Bilbro: Michael. Can I ask a clarifying question while Robert's looking that up? Yes. Did you say you've had three open houses and it was 21, 16 and 10,

Mike Nicolai: uh, 26, 16 and 10. Yeah, that's, that's what I've, that's what I've had

Greg Bilbro: of like buyer groups. Seeing the house during that week or attending the Saturday open house [00:18:00] or attending

Mike Nicolai: the Saturday open house.

You can add probably between three and five showings during the week because, uh, you know, it's, it's tough to get in there and there's no lockbox. The, they've got dogs and people and who knows what else.

Greg Bilbro: Okay. Hmm. That would make it tough. Are you getting feedback on the house? Like, I like the house, but I would make an offer, but

Mike Nicolai: yes.

And honestly, those, those I like the house buts are more, excuse my language, kind of just excuses. Because, you know, it's like once a, a bunch of people do not like the fact that some of the walls are painted accent colors. There's a blue, there's a green, you know, that kind of thing.

Greg Bilbro: Now wait, do you say, well, hey, [00:19:00] it's priced where a 5K paint job makes that a non-issue or.

We'll work into the deal. We'll paint it for you at, at close or whatever, you know, we'll figure that out. We'll paint it for you.

Mike Nicolai: Yeah, no, I, yes, I have.

Greg Bilbro: Okay. Okay. So you, you go through that good.

Mike Nicolai: And they simply say, well, we'll get back with you. I've had a few people you know, the agents get back with me and say, I just don't understand the process.

So I, I say, okay, well let's go through it again and I'll try to make it as simple as I possibly can. Or, you know, there's a,

a person up there by the name of Michelle, and she's fabulous and she can help explain this. She's been doing this for almost 10 years or a little more, maybe, I don't know. It's been around a long time. And they said, okay, well, we'll check it out.

Greg Bilbro: How many people out of. How many total [00:20:00] people said, I don't like to paint. How many people said, I don't understand what this process is all about?

Mike Nicolai: I'd say 10 on the paint and five on the process. The rest of 'em, it's just, you know, they, they don't like being on a golf course because they, they've got big dogs and they don't wanna have to build a fence back there.

'cause it's got a view fence on it right now. And so, you know, it's, but that's weird.

Greg Bilbro: Why would you, the house in the first place, you got dogs with a low fence and you can see it's on the golf course with a low fence. Why would you go? I don't know. Yeah. That's a weird one.

Mike Nicolai: I don't know. You know, there're that, that's the thing.

I just, I don't know. It makes no sense to me.

Robert Climer: Well, what about

Mike Nicolai: show up that are, huh?

Greg Bilbro: Well, I was gonna say, what about of the 10 people. If the house was painted the [00:21:00] right way, like not the blue and pastel. So where that was a non-issue from the start. Not something that you had to fix after the fact, but you painted it two months ago and it was like perfect paint.

Say that was done. Say the other five people when they asked the question, how does the process work? And you hit 'em right between the eyes with the perfect answer in like 30 seconds and they're like, oh, okay. I get that. That makes sense on the spot at the question, what would happen then? What do you think outta the 15 people that in this hype, goofy hypothetical that I'm asking you to reach deep into, but would that have brought a plus one buyer?

Would that have, 'cause I've noticed, how do you have 52 people in the house, three open houses, people like it, and no bids?

Mike Nicolai: Yeah.

Greg Bilbro: I don't

Mike Nicolai: get it.

Greg Bilbro: Yeah. So I'm thinking And you're 15. Yeah, go ahead.

Mike Nicolai: Yeah, I, you know it. You're right. It's probably me. It's probably me and my inadequacy for explaining the [00:22:00] process.

Robert Climer: No. Whoa, whoa, whoa, whoa, whoa, whoa, whoa. We we're getting out of kilter here, Greg. Go for it. Yeah.

[00:22:05] How to Explain Negative Feedback to Your Seller and Use It to Reposition (Not Just Reduce) the Listing.

Robert Climer: First of all, there's 500 homes within a block of his house for sale.

Greg Bilbro: That's a

Robert Climer: big deal. Buyers can go check out. They're, you know, they're gonna go look at every last home before they start making offers, unless they absolutely fall in love with the home.

Yeah. He hasn't had anybody fall in love with the home. Yeah. What he does have is a lot of people looking at it and a lot of people saving it that are watching it interesting out there. So it, it is not necessarily the, the decline of buyers. Of course. I'm surprised you had that many on a July 4th weekend, to be honest with you.

But you know, Michael, the, the best thing, if you're struggling to answer 'em, send 'em off to us. Hey, hey, I don't have time to talk to you right now. Call the 800 number, let 'em help you.

Okay, we're, we're here to help you guys. You know, if, if you, if you feel like that's any part of the, the five down there, by all means, let us help 'em because we, [00:23:00] I, maybe we make a better case or, uh, especially with the Antiar thing, it's, it's, it's funny in Seattle, we haven't come across with anybody that thinks it's goofy.

They think it's because of the anti or settlement the site was built. In a worst case scenario, if, if they cannot wrap around their head around it for whatever reason and or just are not willing to just say, Hey, send me a regular offer. I'll, I'll fix it. I'll make it so that we can be on the platform.

Joy Steidl: Don't let that be a deterrent. But it, I mean, it, I would say if you're a buyer's agent, if you have a, a buyer that is in love with the house, you're gonna find a way to do it. It just sounds like maybe a lot of the buyers like the house because it has a lot of. When someone's walking, I always figure out when I'm a buyer and I'm walking into a house, if there are things that are emotionally striking me right away being like, oh my God, look at that.

I love that. Oh my God, look at that.

[00:23:55] Emotional Appeal in Home Selling: "LOVE IT" vs. "It Will Work, But..."

Joy Steidl: I love that. That adds to my emotional level and interest. [00:24:00] If I'm walking into a house, it's a nice house, but then I'm like, oh gosh, this smell, oh gosh, this paint, oh G. You know what I mean? So you're negatively retracting.

Then it again, people, c people aren't gonna be as emotionally tied to it, so they're not gonna be as invested, so it's just gonna, you're gonna have to work that much harder to sell it just because again, it's not, it's not giving that emotional appeal because of certain negative aspects, and if the seller's not willing to fix those, then again, you just have to be honest with them and be like, look and tell.

Tell 'em from that perspective. Look, people are walking in. They're seeing this house from the street and being like, this is great. It's a great neighborhood. And then they're walking in and we're gonna, they're hit with A, B, C, D, E as a detraction. How can we address these or not?

If they're not willing to then just be like, okay, then each, each time we need to address this.

It needs to be a price reduction. I got, I got a question for Joey that was [00:25:00] gets I, I'm glad somebody's got a brain in their head today. 'cause I don't, yeah. How many, so my, my, the other questions, Michael, did you anticipate the paint being off? Do I what now? Did you anticipate the paint colors being a problem?

Mike Nicolai: Well, okay. They're, they're pretty bold, so they're gonna take couple quotes of paint. But no, it's just cosmetic stuff. You know. One of the other things was, there's, there was, there's some aunt dogs in there, so, you know, last week we went and, what is it? Poofed, everything. And you know, got some candles in there so it smells good.

And making some chocolate chip cookies and the whole bit. So, you know, the odor. Has that

Robert Climer: the home been hard to see the outside of your houses? What do you mean with, are the sellers cooperating? Like they'll leave in five minutes if somebody wants see the home.

Mike Nicolai: Yeah, it, [00:26:00] because they've got a wrangled two dogs.

They need to stay on site when I'm not there.

Joy Steidl: Oh. Because

Mike Nicolai: they're moving the dogs around so that everybody can see everything in the backyard.

Robert Climer: So is that precluded some people looking at it, not looking at it?

Mike Nicolai: Haven't had any problems with that. You know, I've

Robert Climer: good. Everybody

Mike Nicolai: who's wanted to go and take a look at the property, we've always figured out how to get 'em in there to look.

Robert Climer: Now let, let me ask you this. Being that, you know, you got some resistance, some things need to be done to the house, right? Yeah.

[00:26:35] Creative Deal Fixes Using the Buyer Premium

Robert Climer: What if you were to bump the buyer's premium up another 3%

and tell them that you are doing that, uh, so that to they can paint the house and put it into the cost of the home. Or maybe your seller knowing that he doesn't have to pay for it. Well go ahead and have it done. You kind of messing around the buyer's premium to help sell it Uhhuh [00:27:00] like Michael Graham did with his, uh, $65,000 solar system.

This is a great idea. This is the right answer, in my opinion. It's part of the right answer for sure.

Okay. That's

Mike Nicolai: brilliant.

Robert Climer: These are all the things you guys you gotta be thinking of and knowing what the buyer's premium can do to help you sell a home in this buyer's market.

[00:27:20] Navigating a Saturated Market

Robert Climer: Especially, like I say, I've never seen competition like you, yours in Florida's in my life of, as a real estate agent.

I have never seen that many homes for sale around every stinking listing that goes up. I mean, because that, that's a lot of homes within a block of the, the house.

Mike Nicolai: Well, it's still not like it was in oh eight and nine,

but Yeah, no, I get your point. And yeah, so, you know, I'm just wondering, you know, how long is this going to last? Because it's, you know, it it, the, the market is not the same as it was back [00:28:00] in eight and nine and this just seems to be a reaction to, you know, the general, uh. Economy that's going on here in the United States and people just not knowing what's going on.

So, you know, this can't last forever.

Joy Steidl: I mean, no, it can, once interest rates start coming down, it'll subside for all of us. But in the meantime, I think we as real estate agents have to kind of, you know, again, try and deal with the, you know, the hand we're dealt, but in order to and fix what we can get fixed. So that's why was my suggestion.

It's like I, if you're having the same recurring negatives about the house, you just have to say, okay, here's our negative. How do we address it? And the, and the, you know, the seller. If, if we wanna sell the house, we have to address it somehow. So, okay. It looks like paint is a [00:29:00] big issue. How do we address it and let 'em answer, let, can we talk?

Can we talk about getting a painting, a painter in here? Can we talk about,

I mean, they just, they have to see the reality of the situation and realize, look, especially in that kind of competition, it's just you have to, your house has to shine. It has to, again, have that emotional appeal. And I mean, you liken it to like a dating app if no one's swiping right, you need to glow up.

Robert Climer: Yeah.

Greg Bilbro: You

Joy Steidl: go get a haircut, you need to do something.

Greg Bilbro: Very true. I would say you might have the solution here, just from this conversation. What I'm hearing is this. You got 50 butts in the seat. These days, that's pretty good. I take that as a W. Like I know we're not getting a hundred anymore, but to me I think 50 is a win for sure.

What I would also say is you have people with interest that have also told you their objection. So you already know the problem. [00:30:00] Paint the thing, explain the thing, both of which are fixable. I would blame out of 15 people, if you could go to them right now, call 'em all back and say, Hey, I'm gonna have this thing painted.

What color do you want it? And we'll take care of it. Or just handle that objection. However you do figure that out, whether it's buyer, premium or seller, does it, you know, figure that out. That takes care of 10 people. And then I would get the other list of five dudes, five realtors who are confused, the confused list.

And I would do a three-way call with Michelle and out of 15 you'll find, you may find your one.

[00:30:34] Action Steps: Follow-Up + Reverse Prospecting

Robert Climer: Definitely we gotta get on the reverse prospecting that, that's probably your best source of, uh, 'cause these are people that have buyers uh, looking at that property. Okay. So when you get back set up an appointment so I can show you how to do that.

Okay. Alright. You know, every MLS can do it, but hey, I, you know, the, the, the good news is again, I [00:31:00] mean you doubled your looks and saves. I didn't think it would be that strong. I mean, that, that's another positive thing. Definitely to show your seller that it's working and I'd really, I might consider running it up another two, 3% to cover that painting of those rooms.

'cause you're getting resistance on it and then all of a sudden we have a way to take care of it for 'em.

Mike Nicolai: You know, that's, that's a, that's a really good idea. You know, and then I can, I, you know, I will call everybody. I, you know,

I don't

Mike Nicolai: know. I'm moving on to something else. I'll just call 'em all, say, Hey, we're gonna, you know, include 3% in here to, you know, take care of any of the issues in the house.

And, uh, do you have any other questions? Can we get answered? Then I'll just let Michelle know that I'm gonna bombard her with, with phone calls. Hey Michelle, we plan some time Mike with phone calls, huh?

Michelle DeLorme: We'll plan some time. Let me know. I'll be here for you. Alright,

[00:31:58] Live Poll: What's the #1 Buyer Barrier Right Now?

Robert Climer: so [00:32:00] everybody, I'm gonna start asking some questions now and why doesn't everybody gimme some feedback?

In fact, I, Michele I'm gonna start with you. Are you still there? Mikel?

Marty's on the phone. Kenneth Collins, you still around? Yes, I am. All right. So what do you think the biggest factor of this buyer's market? What do you think the biggest factor is? And just, just gimme one answer and then I'm gonna go around the horn and get it from everybody. The big biggest factor in the, the creating the big large inventory of homes, you know, that's on the market.

Kenneth Collins: Uh, it is just an example of looking at what you saw in, in Florida that's, that's kind of rep being replicated, uh, in, in several places. Are you finding that in SoCal as well? Yes. Okay. Yes. Number one. Normally no. What's another factor that would help things home? Start selling [00:33:00] again.

Normalina Martin: You said that would help home selling again.

Yeah. Hmm. I thought the, I thought what the deterrent was. Deter, deterrent, I've been hearing is people are saying they don't wanna go through having to deal with bidding. That's been my, my feed, my, uh, now

Robert Climer: in irregular real estate. What would help people start selling homes again?

Normalina Martin: Oh, price reductions for sure.

Okay. Mm-hmm.

Kenneth Collins: Thank you. Oh, I thought I, I misunderstood the question. I thought you were asking what are some of the deterrent or what's causing the, the market

Robert Climer: that's huge. That, that's, I say a great answer. Mm-hmm.

Kenneth Collins: Okay.

Robert Climer: Frank Macri.

Frank Macri: Hello? Uh, good morning. I, I believe that accurate pricing out the gate, you gotta really crunch those [00:34:00] numbers. I. And then have it, and depending on the condition, priced accordingly.

Robert Climer: Great answer.

Frank Macri: Brad Coin

Gabe Elliott: on another call. Hang on.

Robert Climer: Terry's iPhone,

Terri Roston: I say interest rates, just even a slight drop in interest rates will kind of bring out buyers.

Robert Climer: Terry's a stud. Okay. Thank you, Terry. That's that's right Naomi.

Nahomie Hailey: I think, um, pricing it right and also the rates it just have to be very attractive for folks to move on it.

Robert Climer: Okay.

John King: John King, I would say the same thing is it always is pricing it right. And the interest rate. Right now, you think about you looking at a buyer with the average, I'm in California, average monthly payment is [00:35:00] running you 35, 3500 and up.

Mm.

John King: So that just a doggone payment that ain't got nothing to do with the rest of the cost of living in that doggone house. So that has a lot to do with it. When you talking about 3,500 plus, you put another $3,000 on top of it for housing, for grocery, food and insurance and, and all the incidentals. So that's a, that is where it at right now.

Robert Climer: Very good. Good answer. Uh,

John King: that's where we at right now. So, you know, um, only thing I'm doing is right now with all, everything going on is pounding the streets now.

Robert Climer: Yeah, we we're gonna get to, there's gonna be a method to the madness. Trust me here in a couple seconds. That's okay.

Terri Roston: If I could add, I saw something today that lab coat agents [00:36:00] had price, they had a map of the United States and they were saying how long it takes a buyer to save up for a home.

And in areas like Hawaii, it had 28 years. It takes them to save up, to be able to afford a home. Like I'm in Colorado, it says it takes five years for a buyer to be able to save enough for a down payment. So I'm, I'm thinking even maybe pushing down payment assistance programs, but those interest rates come at a higher cost.

So it's like give and take, but it's, it's right now. The payments, the monthly payments for buyers at entry level are 3000. You know it, that's really high.

Robert Climer: All right, so what I'm pretty much hearing does, does everybody agree that sounds like interest rates are the most important thing?

John King: Agreed.

Terri Roston: Well, with the rising cost of [00:37:00] homes, you know, the, the cost of the homes.

You know, when I bought my house, I bought my house at 130,000, but my same house in my neighborhood is 600,000. And so you add the rising cost of homes, plus the interest rate. When I bought my home, my interest rate was 7%. So it's not that the interest rates are that high, but the, you add that to the cost of.

You know, just the base price of the home, just with the pi, it's, it's un insurance. Well, lemme ask you this,

Robert Climer: Terry. When people are buying homes, what are the, what's the biggest factor

Terri Roston: that they have? Well, buyers, they're coming off of rent. So they calculated based off of their, the payments

Robert Climer: payment. And that has to do with interest rate, right?

Yeah, yeah. Okay. So we're back to interest rates. How in the heck can we help our buyers lower that interest rate? Greg? [00:38:00] Of course you

Greg Bilbro: got

Robert Climer: the answer.

[00:38:02] Monthly Payments Buyers Will Buy (Buyer Premium Math Ideas)

Greg Bilbro: I got a whole plan, a whole mind map. I got this on lock, baby.

Robert Climer: Well,

Greg Bilbro: you do.

Robert Climer: What's that? So

Greg Bilbro: go ahead, Greg. Oh, you want me to break it down? You want me to go through.

Okay. Wow. I didn't think I was gonna go through it, but let's see what we got. I don't think I need to share my screen 'cause that'll take forever. But I will, and I also don't know if this is entirely accurate 'cause I'm not a lender or an MLO and so I'm kind of still figuring out if the rules make some sense.

But there's a affordability is the problem. I heard a guy say, you buy the payment, not the price. I was like, that's kind of interesting. That makes some sense to whoever was talking a couple minutes ago. It's a few before Robert. It's a payment issue, right? Mm-hmm. If they're qualified for a house of X dollars, they're just qualified.

They're of, of that. There's nothing you can do about that. The MLO says, Hey, you can go buy a house for X. Cool. And now it's cashflow and that's, that's, they're gonna go max out. If you're [00:39:00] qualified for 500 people want a 500,000 house. They typically don't go get a two 50 house if they're qualified for five, so they max out their stuff.

Often what I said was, is, okay, it's the PITI that's too expensive. It's, and then I broke down the P in the I and the T in the I, and I said, what is the way that we can think about each and maybe try to reduce and or offset some of that? So I thought, all right, here's what we do. We leverage the buyer's premium at a 10% number.

We get 1% to the easy platform. 1% to me or whoever originates this deal. Sorry, 0.5, 0.5% for deal origination. Maybe 2% of the buyer's agent and 2% for the listing agent. I'm not really sure. You know, you're trying to turn a zero into a plus one, and so you should get paid more, not less. But what I'm trying to do is kind of solve a different problem.

And that problem is, is hey, we, this dude can't afford the house. So if the dude can't afford the house, everybody makes zero. [00:40:00] So let's get the dude to afford the house and then everybody makes something. So that leaves on a 10% buyer's premium, four and a half points left. That's a lot of money. So if a two, one buydown on a 500,000 house, for example, is 2%, that's 10 grand.

So if the 4.5% buyer's premium times 500 K produces 22,500 bucks of money we can do something with. The first thing I would do is spend 10 grand on two, one buy down. Or something like that. Whatever an intelligent lender says, this is the smart thing to do to drop the interest rate. And that would be my number one thing.

Number two, oh, then I go to the first, the PITI. The P you don't touch 'cause it's principle. In fact, we're leveraging principle to attack the ITI. So p we leave alone 'cause that's what we're using. I interest, we attack with a two one to buy down plenty of money to do it. T [00:41:00] now you could prepay your taxes, right?

You could prepay your taxes for a year or two or three or four. The government will let you do that, but there's no leverage in that. It's dollar for dollar. You do not get a discount if you owe 5K in taxes in a year and you send them 5K, it's 5K. But. It's an option. You could still prepay taxes as much as you want, but the I, I looked up the eye and in eyes, it's not a big delta, but if you prepay rather than a monthly amount for I for insurance, and this goes for all insurance, car insurance, whatever insurance.

I used to be an insurance life. Insurance life insurance, it's a little, it can be a little different, but if you, for insurance, if you prepay and if you prepay a lot in advance, sometimes you can get, and I saw in some cases in homeowners insurance, and I don't know if this is correct, but chat GPT said about 10 to 15% if you buy two to three to four to five years in advance.

So then you do, you get another double whammy, just like the interest rate. You get the discount, which is good. Well, no, you get a double whammy, sorry. On this [00:42:00] side you get the discount, which you want, but you also get the actual offsetting of the bill itself for the number of years. And so really when you got $22,500 minus 10 grand for the two one buy down, you got $12,500 to go pay some shit off.

You could throw out maybe at a, I don't know what else you could do with it. I don't know other options, but you could definitely prepay your insurance and if you wanna throw some taxes, money at taxes too and pre and prepay that off, pay that in advance. You really can help a person make year one palatable.

And I think with my math that I did like on an average deal, it was like 1100, I think it was 1100, where was it? I think it was $1,142 a month that I was able to offset with a premium on a typical 500,000 house. And it was like 13 grand a year or 12 something a year. So that's something $1,100 a month.

Robert Climer: Yeah. And, and, uh, [00:43:00] these are the things you guys. By having a buyer's premium that nobody else does. You know what I mean? When you start doing creative things like that to help buyers out. Michael Nikolai, you think it might be a little easier to explain to agents about why we're using a buyer's premium?

Okay. It must be gone. Yeah, I'll answer for 'em. Heck yeah. Hey, okay. So yeah, I'm, I just gotta use, figure out how to use my phone. But yeah, no, that I think would solve a lot of problems. So, you know, it, it's just simply an explanation of how it works and we gotta get you know, the information from their lender so that we can figure out how to leverage that to the biggest advantage

for all you struggling with talking to agents.

First of all, our customer service. Is better than anybody else's out there. It's not ai. I think we actually [00:44:00] pick up the phone still. It's amazing. We're just one of those companies that do that. But the second thing is, it's always about what's in it for the buyer? What's in it for the buyer's agent?

And I am telling you, mark my words, by the end of the year, sellers will not be able to pay buyer's commissions. And that's even gonna put us into a stronger position with everything. You gotta utilize the stuff that God's given you to use with this site. You know, the, the, the, what we've learned over the last five years is using the buyer's premium as a tool to get people into homes.

And I remember you, people started thinking, well, it's, it's always a 6% buyer's premium. We know that's not always what it is, right? We gotta be smart in this economy because if, if I can get an agent enough money to buy down a couple points, I mean, we're [00:45:00] talking about a, you know, $5,000 mortgage being half, wouldn't that fix a lot of people's problems with getting into a home?

Mike Nicolai: Yes, it would. Especially with some of the other things Greg was talking about. It would be amazing if I may, let me add one more detail. 'cause this, again, I've been working on this and it's like, it's just like such a powerful tool. I asked Chad GBT. If a buyer gets a 400 K loan and this example four for whatever reason and wants to do two, one buy down, can it be funded in the loan?

Greg Bilbro: Meaning rolled into the loan? GPT says no. The two one buy down cannot be rolled into the loan itself. It must be prepaid. Upfront at closing is a prepaid fee, usually a seller concession, blah, blah, blah. So then I said, can we use a buyer premium to pay for it? Yes, you can use a buyer premium to fund two on buy down, but it must be structured properly.

Here's how, uh, blah, blah, blah, blah, blah, blah. I don't need to read all this stuff. But again, it's just like another superpower. It's like, wow, you could do whatever with buyer's premium. It's just like, just don't do fraud and illegal [00:46:00] stuff, and then it's fine. But what's the rule on a buyer's premium?

Robert Climer: Everybody. It cannot exceed the value of the home, right? Yeah, that's right. And don't break the rules that those are two things. If it kills the sale, you're, you're not doing, you're breaking the rule. And then if you're breaking the law, then obviously that's it. Everything else. It's a wild, wild west tool.

Katt Wagner: Well, and everybody's walking in, in this market expecting concessions. They expect the seller's gonna make concessions. And what's the point of concessions? Well, at the price point you're asking for, rather than reduce your price, here's some sort of exchange of value that you're gonna concede that'll get me to the number and make this deal.

Make sense? So when you're facing buyers that are, are marching in, they're expecting we're gonna put in an offer low, we're gonna ask for concessions. Well, with the buyer's premium, you've already gotten that taken care of with the advantage of, you know, certain loan types that would cap concessions. You don't run into that issue when the buyer premium is part of the purchase sale agreement [00:47:00] price.

Robert Climer: Ooh, that's a mouthful right there. I like that.

Everybody should like that. Oh my god, your brains ought to be running wild right now. It's just preemptive objection handling.

For all of you smart people. Way to go Kat. She amazes me every week.

[00:47:20] Closing Remarks and Group Support

Robert Climer: So, uh, anyway, so we're bucking up against the hours. Anybody else have anything they wanna say about the buyer's premium? Are you starting to get how you can manipulate it and help, uh, our buyer friends out there? Just know that I'm very thankful for the brain trust that everybody has got here.

Mike Nicolai: I love this group.

I'll second that buddy. Mm-hmm.

Kenneth Collins: 100%. 100% best Mastermind are going.

Robert Climer: Yeah, we're gonna get bigger and stronger. Everybody just, uh, hang in there. Appreciate everybody. Hope everybody had a [00:48:00] wonderful fourth. It's kinda nice getting back into, uh, the swing of things again. But, uh, if you guys are struggling, don't forget to call us.

We're all here to help you. We all, you know, we as a group, even, you know, before we do these, the groups with, with this group, believe it or not, we sit around trying to figure out how to make this better for you.

I'm gonna call you Robert

Robert Climer: anytime. You guys are more than welcome to and appreciate everybody. And, uh, that being said, so anybody else have anything they wanna say in, in closing?

All right, have a blessed week. We'll see you guys on Thursday, if not sooner. For all of you that, uh, Wednesday we're back on track for the master, uh, training and we're looking forward to, to getting that back, going again and uh, picking up some new agents and watch this throw. So have a great week everybody, and hopefully talk to you [00:49:00] soon.

Take care. Thank you guys. Good class.

.