



momentumSM
MAXIMUM RESULTS

AGENT TRAINING
FSBO Boot Camp

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There are many decisions you must make each and every day to run a successful business. The Momentum program provides basic information to help you. Please note: The Momentum program and materials are designed as a resource to reference. The suggestions made within are not mandatory.

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A TEST OF CONFIDENCE

Real estate is a get-rich business!

SCENARIO:

There's a room filled with 80 people. Each person wants to sell and will list their home with a Realtor. You have 20 minutes (face-to-face) with each person.

ANSWER THE FOLLOWING:

_____ Number of people you can convince to hear your listing presentaion?

_____ Number of people you can convince to list with you? (No competition)

_____ Percentage of your listings that sell?

_____ Total closed transactions procured from the room?

_____ Average GCI/closing?

_____ Total GCI?

How many people do you know right now who want to sell a home? _____

truth

You should **never** wake up and wonder who needs your services!

FSBO BOOT CAMP

Course Overview

PURPOSE:

To teach a **proactive** approach for effectively moving into relationships with people who have indicated a definite need to sell their home.

EXPECTATION:

After this class, you should feel **confident** enough to visit and follow up with For Sale by Owners.

RESULT:

Substantial increase in revenue.

PLAN:



STRATEGY:

5-Step Follow-up Method

RELATED CLASSES:

- Listing Conversion (conversation, pricing, objections)
- Buyer Conversion
- Marketing Boot Camp

SUMMARY:

FSBO Boot Camp teaches the “5-Step Follow-up” method, which is a very complete and **non-threatening** approach for working For Sale by Owners. You learn how to proactively approach, follow up with and close FSBOs in a way that adds value to all. Plans, scripts and follow-up materials are provided.

THE FINANCIAL CONSEQUENCES

The financial security of a proactive lead generator!

	Consistent (Phase 1)	Efficient (Phase 2)	Proficient (Phase 3)
Weeks	45	45	45
New Visits/Week	2	2	2
Total New Visits	90	90	90
Set Rate	15%	25%	33%
Total Meetings	14	23	30
Conversion Rate	50%	75%	90%
Total Listings	7	17	27
Sales Percentage	50%	75%	95%
Total Sold	4	13	26
Average GCI			
Total Income			

NOTE:

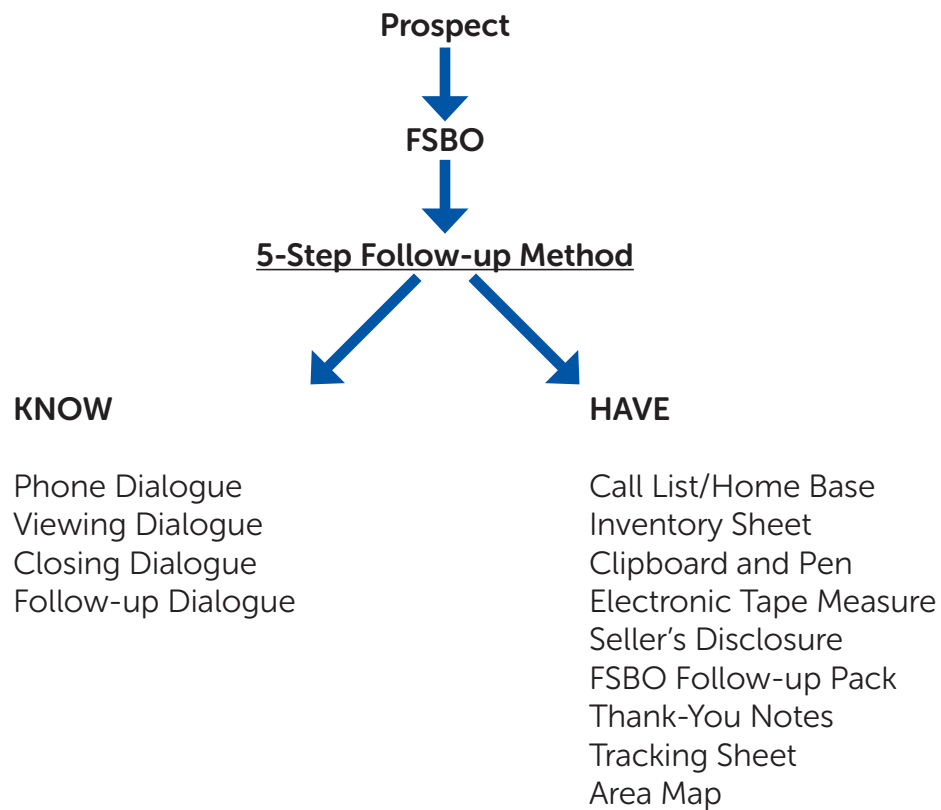
The above numbers have proven to be **conservative** when using the 5-Step Follow-up Method.

FSBO PLAN



Wealthy people work from goals, models and plans!

THE "KNOW, DO AND HAVE" OF FSBO VISITS



NOTE:

Expired call lists can be purchased from theredx.com.

WHY VISIT A FSBO?

Because **100%** of FSBOs have an **immediate** desire to sell their home.

This, coupled with the fact there are **six** possible income streams that come from FSBO relationships, makes it the **most** dollar-productive lead generation source!

POSSIBLE STREAMS OF INCOME:

1. Sell FSBO's home
2. Take FSBO's listing
3. Work FSBO as a buyer
4. Get referral from FSBO
5. Get referral for FSBO
6. Provide service for a fee

WHY WOULD SOMEONE GO FSBO?

Answer: To save \$\$\$\$\$!

Question: If everyone were **just** into saving money, wouldn't we all drive Yugos?

Truth: It's a perception of VALUE! FSBOs don't think a Realtor is worth the commission PERIOD!

IT'S UP TO YOU, OVER TIME, TO PROVE YOUR VALUE!

Moving into relationships with FSBOs is all about having them **self-discover** what a working relationship with **you** will be like.

If they like what they see and hear, your opportunities to form a working relationship increase dramatically. If they perceive no value, you basically have no chance!

The #1 goal is to **differentiate** yourself from your competition! This means you must look, sound and behave differently from the very beginning.

REMEMBER:

Typical behavior reaps **typical** results ... \$25,000/year!

FINDING FSBOs

The key is to be proactive and atypical!

1. **Drive-By** – Routinely driving around a **home base** looking for yard signs has proven to be the **best way** for proactively moving into relationships with FSBOs. (Your competition won't do it!)

DRIVE-BY PLAN

- Define your **home base** – **ANY** area you desire to take multiple listings
- Identify all neighborhoods within a **2-mile** radius of home base using an area map
- Move into relationships with all FSBOs within the 2-mile radius of home base
- Identify all neighborhoods within a **4-mile** radius of home base using an area map
- Move into relationships with all FSBOs within the 4-mile radius of home base
- Identify all neighborhoods within a **6-mile** radius of home base using area map
- Keep expanding 2 miles in each direction to fulfill FSBO performance standard

NOTE:

The 2-mile radius approach allows for more **consistent** follow up, which is the key to your success with FSBOs.

2. Other Sources:

- a. Local Newspapers
- b. www.theredx.com (or other FSBO locating services)
- c. www.craigslist.org
- d. Team Members (if Tier-2 or above)
- e. Trash Service
- f. Mail Carriers

NOTE:

Moving into relationships with FSBOs falls under the **Buyer Specialist** function.

STRUCTURE & FLOW

Your success with FSBOs will be directly related to your willingness to be **productively active** and to **follow up**.

5-STEP FOLLOW-UP SYSTEM

Step #1 = Visit FSBO (Inventory Sheet; Seller's Disclosure)

Step #2 = Hand Deliver Part 1 of FSBO Guide (100 Ways to Sell Your Home)

Step #3 = Hand Deliver Part 2 of FSBO Guide (Money)

Step #4 = Hand Deliver Part 3 of FSBO Guide (Checklists)

Step #5 = Follow-Up Phone Calls (Until it's either listed or sold)

NOTE:

Every time you get face-to-face with FSBOs, you must give them an **item of value**. That is, something that will help them in their attempts to sell the home **themselves**.

THE IMPORTANCE OF FOLLOWING UP

50% of your competition will quit after week #1!

75% of your competition will quit after week #2!

90% of your competition will quit after week #3!

100% of your competition will quit after week #4!

REMEMBER:

Be Persistent ... Be Tenacious ... **Never Give Up!**

STEP #1 – INITIAL TEST

You will not convert 100% of the leads you do not generate!

Approach the front door **prepared** with the appropriate tools (clipboard, inventory sheet, seller's disclosure, pen, tape measure and business cards).

KNOCK ON THE FRONT DOOR AND SMILE

Hi, my name is _____ with RE/MAX_____ and I noticed your home is for sale. Would you mind if I came in, viewed the home and took some room measurements so I can add it to my **For Sale by Owner Inventory?**

THREE THINGS THE FSBO COULD SAY

"WHAT IS THAT?" (Opportunity to differentiate)

I have a process that I use with **all** of my buyers where we uncover the criteria for their perfect home. I then take that criteria and match it to homes in both the MLS **and** my FSBO Inventory to make sure the buyers who work with me **get the home they want and, more importantly, want the home they get!** So what do you say, would you like **preferred** exposure to a **focused** group of buyers?

"DO YOU HAVE ANY BUYERS NOW?"

I am currently working with buyers and receive calls on a daily basis. However, I need to view the house and take some room measurements so I can **match** your home to the criteria of each of my buyers. (Demonstrates you are intentional and proactive)

"WE DON'T WANT TO WORK WITH A REALTOR!" (Don't debate)

I appreciate that, and I understand your concern! **The reason for my visit today is not to list your home.** I would simply like the opportunity to **help you sell it.** All I want to do is come in, view the home and take a few measurements. No pressure and no pitch! Come on, what do you have to lose? (Power phrase)

NOTE:

If the FSBO says, "No, you can't come in," offer a **Seller's Disclosure** (item of value) and say, "I wish you great success in the sale of your home. Here's my card. If there is ever anything I can do for you or anyone you know, please don't hesitate to call." (Believe it or not, your goal was accomplished ... you got **face-to-face** with a FSBO!)

IF CALLING

Initial Phone Call

If you prefer to call **or** if the FSBO sign reads, **“By Appointment Only,”** then use the following phone dialogue:

OVER THE PHONE

Hi, my name is _____ with RE/MAX_____ and I noticed your home is for sale. Would you mind if I made an appointment to come out and view the home so I can add it to my **For Sale by Owner Inventory?**

THREE THINGS THE FSBO COULD SAY

“WHAT IS THAT?”

I have a process that I use with **all** of my buyers where we uncover the criteria for their perfect home. I then take that criteria and match it to homes in both the MLS **and** my FSBO Inventory to make sure the buyers who work with me **get the home they want and, more importantly, want the home they get!** So what do you say, would you like **preferred** exposure to a **focused** group of buyers?

“DO YOU HAVE ANY BUYERS NOW?”

I am currently working with buyers and receive calls on a daily basis. However, I need to view the house and take some room measurements so I can **match** your home to the criteria for each of my buyers.

“WE DON’T WANT TO LIST/WORK WITH A REAL ESTATE AGENT!”

I appreciate that, and I understand your concern! **The reason for my call today is not to list your home.** I would simply like the opportunity to **help you sell it.** All I want to do is come in, view the home and take a few measurements. No pressure and no pitch! Come on, what do you have to lose?

NOTE:

It’s far easier for a FSBO to reject you over the phone.

ONCE INSIDE THE HOME

Sellers work with people they know, like and trust!

ONCE INVITED INTO THE HOME, SAY ...

Thanks for allowing me the opportunity to view your home! What I would like to do is tour the home, take some notes and measure the rooms. **It's been my experience that room measurements are very important to buyers!** It would be great if, as we walk around, you pretend I'm a buyer and point out what **you** feel are the selling features of the home. I would also appreciate it if you could document the dimensions as I measure each room. (Hand FSBO the clipboard with attached Inventory Sheet)

As you tour the home, it's important to engage the FSBO so he or she becomes comfortable **sharing information** with you. In addition to discussing room features, you should also build rapport around non-threatening topics that most people enjoy discussing. If you are a natural rapport-builder, just do what comes naturally. If not, use questions to get the conversation moving in a positive direction.

ASK THE FOLLOWING QUESTIONS AS YOU TOUR THE HOME

Are you originally from this area? How long have you lived in this area? What brought you to this area? Why are you moving?

What do you do for a living? What got you into that line of work? How long have you been in that field? Do you enjoy your work?

What do you do for fun on the weekends? Do you have any hobbies?

NOTE:

Ask about pictures you see of kids, family vacations, diplomas, etc.

CLOSING VISIT #1

The value is in the relationship!

Once you have toured the home and measured the rooms, offer your **item of value** by asking:

“HAVE YOU PREPARED A SELLER’S DISCLOSURE?”

FSBO: “What’s that?”

Consultant: It is basically a notice that discloses the current condition of your home. (Hand FSBO a copy)

FSBO: “The condition of our home is fine!”

Consultant: I’m sure it is, however, state law **requires** you to supply each potential buyer with a copy.

CLOSING THE INITIAL VISIT

I really appreciate you allowing me the opportunity to view your home, and I **wish you great success in the sale!** I’d like to touch base with you **weekly** so I can keep the information on your home up to date. Would that be okay? Would you like me to make copies of this sheet, and/or the seller’s disclosure, and drop them back by tomorrow so you can hand them out to potential buyers? Again, thanks for your time, and **if there’s ever anything I can do for you or anyone you know,** please don’t hesitate to call! (Hand FSBO your business card)

Send a thank-you note after visit #1 (See example on page 21).

FSBO INVENTORY SHEET

Address: _____

Seller: _____

Phone: _____

Sq. ft. _____ Year Built _____ Lot _____ x _____

Stories _____ Price _____ Taxes _____

Kitchen _____ x _____ Master _____ x _____

Breakfast _____ x _____ Closet _____ x _____

Dining _____ x _____ B/R 2 _____ x _____

Den _____ x _____ B/R 3 _____ x _____

Living _____ x _____ B/R 4 _____ x _____

Game _____ x _____ B/R 5 _____ x _____

Office _____ x _____ Utility _____ x _____

Heat G E

Microwave Y N

Dryer G E

Sep. Shower Y N

Stove G E

Pool Y N A

Fireplace _____ Floors _____ Fans _____

Exterior _____ School District _____

STEP #2 – FOLLOW UP

Visit #2

On your **next** scheduled follow-up day, go back and **hand-deliver** Part 1 of the FSBO Guide (100 Ways to Sell Your Home Fast).

VISIT #2 DIALOGUE

Hi! **I just happened to be in the neighborhood**, and thought I would drop this off.

I definitely think it can **help you** in the sale of your home!

How did it go this week?

Are there any changes to the information you provided me?

Is there anything I can help you with?

If you ever need anything, please don't hesitate to call!

NOTE:

If FSBO is not at home, put the follow-up material in an envelope and place at front door (don't tape your card to the door). **Call** to verify FSBO received the information using visit #2 dialogue.

Send thank-you note after visit #2 (See example on page 22).

STEP #3 – FOLLOW UP

Visit #3

7 days after visit #2, go back and **hand-deliver** Part 2 of the FSBO Guide (Money).

VISIT #3 DIALOGUE

Hi! **I was thinking about you** the other day and thought I would drop this off.

How did it go this week?

Are there any changes to the information?

Is there anything I can help you with?

If you ever need anything, please don't hesitate to call!

REMEMBER:

If FSBO is not at home, put the follow-up material in an envelope and place at front door. **Call** to verify FSBO received the information using visit #3 dialogue.

Send thank-you note after visit #3 (See example on page 22).

STEP #4 – FOLLOW UP

Visit #4

7 days after visit #3, go back and **hand-deliver** Part 3 of the FSBO Guide (Checklists & Prepare for Moving Day).

VISIT #4 DIALOGUE

Hi! **Since you are getting closer** to selling your home, I thought this would be of value to you.

How did it go this week?

Is there anything I can help you with?

Are there any changes I should be aware of?

If you ever need anything, please don't hesitate to call!

NOTE:

"Since you are getting closer ..." is very important as this phrase is designed to **solicit** a frustrated response from FSBOs. When it does, close the FSBO to a listing conversation by using the dialogue on page 19.

REMEMBER:

If FSBO is not at home, put the follow-up material in an envelope and place at front door (don't tape your card to the door). **Call** to verify FSBO received the information using visit #4 dialogue.

Send thank-you note after visit #4 (See example on page 22).

STEP #5 – FOLLOW UP CALLS

Weekly Phone Calls

7 days after visit #4, begin weekly follow-up **phone calls!**

FOLLOW-UP PHONE CALL DIALOGUE

Hi, this is _____ with RE/MAX _____ and I am just touching base with you.

How did it go this week?

Any changes I should be aware of?

Is there anything I can help you with?

If you need anything, please don't hesitate to call!

Repeat this call **weekly** until the house is either listed or sold!

truth

If you are **still around** in the eighth week, a relationship has been formed and the FSBO has **self-discovered** you are different from the flock!

CLOSING FSBO TO A LISTING CONVERSATION

Always be on the lookout for “close me” signs!

After using the phrase, “Since you are getting closer ...” (or somewhere during the follow-up process), don’t be surprised if the FSBO starts asking you a lot of questions.

“**Why hasn’t our home sold?**” (Price & Exposure)

“**Should we drop the price?**” (Price)

“**What should we do?**” (Frustration)

“**How’s the market?**” (Frustration)

Really, what they may be saying is, **“CLOSE ME PLEASE”!**

WHEN YOU SENSE THEIR QUESTIONS ARE OUT OF FRUSTRATION, SAY ...

It sounds to me like it may be time for us to get together to discuss exactly what you need in the sale of your home and to see if we can create a win-win working relationship! Wouldn’t you agree?

“Well ...” or “No ...”

If you can get what you need in the sale of your home by forming a working relationship with me, why wouldn’t you **consider** it? If at the end of our conversation you feel like you are going to lose by partnering with me, simply say, “not at this time.” Worst-case scenario is you will be **more informed** about the options you have in the sale of your home. Besides, you should never say no until you know what you’re saying no to. There may be opportunities available you never knew existed. I mean really, what do you have to lose? (Power phrases)

ONE MORE THING

Don't be surprised if at some point a FSBO asks, "**So why are you doing all of this? What's in it for you?**"

VALUE-FOR-VALUE DIALOGUE

I do this because I believe in win-win relationships!

If I give you things of value that help sell your home, that's a definite win for you! Would you agree?

Well, if you happen to run across someone who wants to sell a home and doesn't want to go FSBO, you may think of my name; and if you do, that's a definite win for me!

You see, sometimes there's just value in knowing people!

FSBO THANK-YOU NOTES

FSBO thank-you notes should be written on thank-you cards or Just-a-Notes.

NOTE WHEN A FSBO SELLS ON OWN

(Name),

Congratulations on the sale of your home! You should feel proud of this great accomplishment. Although we didn't get to develop a business relationship, I did enjoy our visits together as well as our conversations over the phone. If I can ever be of service to you or anyone you know, please feel free to contact me. Congratulations again, and best of luck with your move!

NOTE AFTER INITIAL VISIT

(Name),

Thank you for taking the time to show me your home. I really enjoyed meeting you and wish you much success in the sale! If I can ever be of any help to you or anyone you know, please don't hesitate to call me.

REMEMBER:

You are allowing the FSBO to **self-discover** what a working relationship with you will be like. Thank-you notes demonstrate you care and can communicate at a high level.

FSBO THANK-YOU NOTES (continued)

THANK-YOU NOTE AFTER FSBO VISIT #2

(Name),

I hope you found the information I dropped off helpful and that it provided some valuable information for getting your home sold. I hope you have a great week and find success with the sale of your home! Please feel free to call me if you have any questions or need any assistance.

THANK-YOU NOTE AFTER FSBO VISIT #3

(Name),

I hope you found value in the financial information I dropped off today. Again, I wish you the best of luck in selling your home, and please don't ever hesitate to call me with any questions you may have!

THANK-YOU NOTE AFTER FSBO VISIT #4

(Name),

I hope you found the checklists to be helpful. Have a terrific week, and please let me know if you have any questions about the contract-to-close process!

COMPREHENSIVE QUESTIONS **ADVANCED DIALOGUE**

Comprehensive questions are designed to reveal weaknesses and change thinking!

Once you gain confidence with FSBOs and want to be more effective on the initial visit, ask the following questions. These are designed not only to reveal FSBO weaknesses, but also to imply your value as a listing (and selling) consultant.

ACCOUNTABILITY RELATED QUESTIONS

How long has your home been for sale?
Have you received any offers?
How many times has the home been shown?
What feedback are you getting from potential buyers?
Have any similar homes sold while yours has been on the market?

EXPOSURE RELATED QUESTIONS

How are you marketing the home?
What's the response been?
Have any Realtors shown the home? (If so, what was their feedback?)

PRICE RELATED QUESTIONS

How did you arrive at your list price?
Did you consider the pricing benchmarks and trends that exist in the area?
Are you aware of what's sold and expired within the last year in this area?
Are you aware of the supply and demand in the neighborhood? Specifically, the number of months of inventory available for a home like yours?
Did you consider the consequences of pricing high before you chose your price?
Do you think this kind of information would be of value? (See pg. 24 for closing dialogue.)

OPPORTUNITY RELATED QUESTIONS

What are you going to do after you sell the home? (See pg. 25 for dialogue.)
Have you prepared a Seller's Disclosure? (See page 13 for dialogue.)
Are you willing to pay me if I bring you a buyer? (See next page for dialogue.)

CLOSING FROM PRICE RELATED QUESTIONS

You must indicate you possess value beyond the typical agent!

USE THIS CLOSING DIRECTLY AFTER ASKING COMPREHENSIVE PRICING QUESTIONS

Do you think this information would be of value to you and could help you in your attempts to **sell the home yourself?**

If "Yes." When would be a good time for me to come out and share the information? (Set time and date for **listing conversation.**)

NOTE:

Your goal is to get your value proposition in front of people! If a FSBO has an opportunity to experience your **listing conversation**, the chance of creating a win-win working relationship increases dramatically. Remember, you live in a world of **abundance**, not scarcity!

If "No." Continue by asking opportunity-related questions.

OPPORTUNITY RELATED QUESTIONS

Perspectives have a tendency to change over time!

WORKING FSBO AS A BUYER

Consultant: What are you going to do after you sell the home? Will you be staying in this area or will you be leaving town?

FSBO: "We will be looking for another home in this area!"

Consultant: How are you going about finding your perfect home? Would you like to use a **proactive process** that will guarantee you get the home you want and, more importantly, want the home you get? That process begins with us sitting down for an hour so I can uncover exactly what you need in your next home, define your financial comfort zone, and thoroughly discuss the roles and expectations that we would have of one another in a successful working relationship. Does that sound like something that could benefit you?

FSBO: "We would rather sell first and then look!"

Consultant: Great! Are you willing to pay me?

REAL ESTATE FEE

Consultant: Are you willing to pay **me** a commission if I bring you a buyer?

Regardless of FSBO's response, write the answer on top of the Inventory Sheet. Don't be discouraged if the FSBO says "no" as the response is based solely on their perspective that day, and perspectives have a tendency to change.

If you have a buyer whose criteria matches the home of a FSBO who indicated an unwillingness to pay, call the FSBO and say: "I have a buyer whose criteria match your home. I noticed in my notes that when we first talked you were unwilling to pay me a commission for selling your home, has that changed?" If the FSBO agrees to pay your fee, include the home on your tour (after getting a one-time showing agreement signed). If the FSBO remains unwilling to pay, consider whether you want to exclude the home from the tour (unless the buyers are willing to pay your fee).

FSBO TRACKING SHEET

“What gets measured gets done!” – Peter Drucker

Week: _____

DAY	ATTEMPTS	VISITS	SETS	MEETINGS	LISTINGS
Monday					
Tuesday					
Wednesday					
Thursday					
Friday					
Saturday					
Sunday					
TOTALS					

Glad I Did _____

Wish I Had _____

Biggest Learning Lesson:

DEFINITIONS

- Attempt:** Door knock or phone call (not email, snail mail or Internet)
- Visit:** **Face-to-face** tour of home (not phone call)
- Set:** Specific date and time established for **listing** meeting (not potential)
- Meeting:** Face-to-face **listing** conversation with expired seller (not phone presentation)
- Listing:** Signed and **executed** listing agreement (not empty promises)