

SCRIPTS:

Listing Consultation



General Discussion Regarding Listing Property, MLS, and Buyer Concessions

Listing Agent/Broker: As we navigate through the process of listing your home, there's a crucial aspect I'd like to discuss which plays a significant role in attracting the right buyers and ensuring a smooth transaction: the topic of buyer incentives, specifically regarding buyer concessions.

When we list your home on the Multiple Listing Service, or MLS, we're making it visible to a wide network of buyers and their agents. While we can not list any offer to compensate the buyers broker, this can work in your favor as it can give us flexibility in negotiations and the marketing strategy for your property. It allows us to tailor the terms in a way that aligns with your best interests and the market dynamics.

This brings us to an important strategy that can benefit both you and the potential buyer: offering a Buyer Concession at the close of escrow. Let's delve into what this means and how it can play a pivotal role in the sale of your home.

A Buyer Concession is essentially an amount that you, as the seller, agree to credit the buyer at the closing of the transaction. This credit can be used by the buyer to cover part of their closing costs or other expenses associated with purchasing the property.

Common buyer concessions can include some or all of these:

- **A seller credit to cover some or all of a buyers closing costs such as loan costs, title/escrow fees, buyers broker agreement etc.**
- **A seller credit to cover repair items such as replacement of flooring, appliances or roof etc.**
- **A seller credit to cover the cost of a service such as a home warranty.**

Offering a Buyer Credit has several advantages:

- **Attractiveness to Buyers:** It makes your property appealing to buyers who are considering the overall costs associated with purchasing a home.
- **Quicker sale:** by appealing to buyer's financial considerations we are removing potential hurdles during the escrow process leading to a quicker closing.
- **Be Competitive:** Stand out in competitive markets by addressing buyer needs upfront

Ultimately, the decision on whether to offer a Buyer Concession, and the amount of such a concession, lies with the seller. My role is to provide you with all the information and guidance you need to make an informed decision that aligns with your goals for selling your home.

I'm here to answer any questions you might have about this strategy or any other aspect of the selling process. Our goal is to ensure that your home selling experience is as positive and successful as possible. Thank you for considering this approach, and I look forward to working together to achieve the best outcome for your home sale.

Seller: How does being open to negotiating concession benefit me as the seller?

Agent: By offering concessions, you're directly addressing some of the biggest obstacles buyers face: upfront costs. This can also help in attracting a larger pool of buyers.

Seller: That sounds promising, but I'm concerned about the impact on my bottom line.

Agent: That's a valid concern. The key is to carefully calculate how these concessions affect your net proceeds. We can potentially negotiate the cost of these concessions into the listing price, ensuring that you still achieve your financial goals.

Seller: I see. Offering concessions sounds like a strategic move.

Agent: Absolutely. This will help us make an informed decision on which concessions might be the most attractive and help you achieve your goal.

When presenting an offer to purchase where the buyer has requested concessions to pay their buyer broker fee.

Seller: What is this? I thought you said when we listed my home that I didn't have to pay the buyer's agent. I'm not paying for this.

Agent: (Seller) you are absolutely right. You do not have to pay the buyer's agent commission. It is the buyer's expense just like the appraisal fee, inspection fee, and any other closing cost associated with the purchase of your home. However, sometimes a buyer needs assistance with those closing costs to be able to purchase your home. Does that make sense?

Seller: I guess so, but I still don't like it.

Agent: I certainly understand. Let's look at the rest of the terms on the offer and how they impact your net proceeds. We can then decide if the offer is acceptable or if we need to prepare a counteroffer. Sound good?

Scripts for Sellers in a Buyers Market

Agent: Given the current market conditions, I've been considering strategies that could make your home more attractive to buyers. As you know, we're in a buyer's market, meaning there are more homes for sale than there are buyers. This situation gives buyers the upper hand, so standing out is crucial.

Seller: Yes, I've noticed the market seems quite competitive. How do you suggest we make our home stand out?

Agent: One effective strategy is to offer buyer concessions. In a buyer's market, buyers have the luxury of choice, and concessions can significantly tip the scales in our favor. These incentives can make your home more appealing by reducing the financial burden on the buyer.

Seller: What kind of concessions are we talking about?

Agent: Concessions can vary but typically involve the seller offering to cover certain costs on behalf of the buyer. This could include paying for closing costs, crediting the buyer an amount at close of escrow to satisfy buyers contractual agreement with their buyers broker, offering a decorating allowance, or covering the first year of home insurance. The goal is to alleviate some of the financial pressures that come with buying a home, making your property a more attractive option.

Seller: I understand the appeal, but how will this affect my sale price or profits?

Agent: It's a valid concern. The idea is to incorporate the cost of these concessions into our overall selling strategy without significantly impacting your bottom line.

Seller: So, it could actually work to our advantage, even in a buyer's market?

Agent: Exactly. By strategically being willing to negotiate concessions, we're directly addressing what buyers in this market are looking for: value and savings. It sends a message that you're serious about selling and willing to work with all buyers. This goodwill can go a long way in negotiations, making your home a top contender among the options available to all buyers.

Seller: That makes sense. How do we decide which concessions to offer?

Agent: Being open to entertaining offers that include buyer concessions we can negotiate terms that are both attractive to buyers and help you achieve your goal. We'll also consider the unique features and potential selling points of your home to ensure we're highlighting its best aspects.

Seller: Sounds like a solid plan. I'm open to exploring this further if it means making my home more competitive in the market.

Agent: Fantastic! We'll work together to ensure we're making the best decisions to attract buyers and get your home sold in this challenging market.

Scripts for Sellers in a Seller's Market

Agent: As we prepare to list your home, I've been thinking about strategies to maximize its appeal and ensure we stand out, even in this seller's market.

Seller: That's interesting. I thought in a seller's market, homes sell quickly anyway. Why would we need to consider concessions?

Agent: That's a common perception, and while it's true that homes can sell faster in a seller's market due to high demand and low inventory, offering concessions can still play a strategic role. It's about maximizing your returns and attracting the highest quality offers, not just any offer.

Seller: How do concessions work in our favor in a market like this?

Agent: Even in a seller's market, buyers are making significant financial commitments and may still face challenges like competing offers or the need to move quickly.

For example, offering to cover closing costs, crediting the buyer an amount at close of escrow to satisfy buyers contractual agreement with their buyers broker or providing a home warranty could be the deciding factor for a buyer choosing between multiple attractive properties. It's about giving your home a competitive edge, ensuring it's not just another listing but the listing in a buyer's eyes.

Seller: I see your point. But doesn't that mean we'll end up with less at the end of the sale?

Agent: Not necessarily. By strategically being willing to negotiate concessions it sends a message that you're serious about selling and willing to work with all buyers. This goodwill can go a long way in negotiations, making your home a top contender among the options available to all buyers.

Seller: Makes sense. I'm open to strategies that will get us the best outcome. What's the next step?

Agent: Next, I'll put together a detailed proposal based on our discussion and some market research.