

FIND AND WIN BUYERS

CONVERTING BUYER LEADS TO SIGNED BUYER AGREEMENTS

IGNITE POWER SESSION #7

In this chapter ...

- Find buyers to work with
- Qualify and schedule buyers for the consultation
- Conduct the buyer needs analysis to find the right homes
- Close for the buyer agreement



Table of Contents

TODAY'S EXPECTATIONS	5
ACTION REVEAL.....	6
Report Out – Daily 10/4.....	7
GET YOUR HEAD IN THE GAME.....	10
MAKE IT HAPPEN – CONVERTING BUYER LEADS.....	11
1. Find Buyers.....	11
2. Qualify and Schedule Buyers for the Consultation.....	19
3. Buyer Consultation.....	27
PUTTING IT ALL TOGETHER	53
Action Plan	53
Prepare for Your Next Class.....	54
Recall and Remember.....	56
FROM AHA'S TO ACHIEVEMENT	57
ENHANCE YOUR LEARNING.....	58
SCRIPTS.....	59

Today's Expectations

Cappers in Training

1. Find buyers.
2. Qualify and schedule buyers for the consultation.
3. Educate your buyers and set service expectations.
4. Learn and practice your buyer consultation.
5. Ask for the buyer agreement to be signed.
6. Establish next steps.

Ignite Faculty



To maximize your learning, your Ignite faculty is committed to:

1. Devote the majority of time on **activities** in class.
2. Show great role-model **videos** in class.
3. Role model what it takes to be highly successful. Guide and support the Cappers in Training by holding them accountable to their **Daily 10/4** and prework **Mission**, and during the phone call activity make calls along with the class.

Action Reveal

There are three parts to the Action Reveal.

1. Review **Mission** assignments and get questions answered.
 - a. Answer questions about any videos watched
 - b. Provide your aha's from the Mission
2. Announce your **Daily 10/4** activity results from the day before class and review leader board standings. Celebrate successes!
3. Make **Real-Play** calls in class.

IGNITE	Mission 7
Complete this Mission prior to attending Ignite Power Session 7	
DONE ✓	1. Daily 10/4 – develop your lead generation habit
<input type="checkbox"/>	Complete your Daily 10/4 daily!
<input type="checkbox"/>	Write notes on the homes you previewed and bring to class to share
<input type="checkbox"/>	Report out – be prepared to share your Daily 10/4 results in class
<input type="checkbox"/>	Bring a supply of notecards, business cards, and stamps for handwritten notes
DONE ✓	2. Extend your learning
<input type="checkbox"/>	Practice scripts with a partner
DONE ✓	3. Gather your tools – and bring to class
<input type="checkbox"/>	Create a list of names to call in Power Session 7 Real-Play and bring to class
<input type="checkbox"/>	Do Research on your local market statistics and bring to class: <ol style="list-style-type: none"> 1. Average days on market in two different price ranges 2. Number of homes for sale in the same two price ranges
<input type="checkbox"/>	Request a copy of a Buyer Representation Agreement from your Market Center
<input type="checkbox"/>	Download and print the Ignite Buyer Presentation – on Ignite on KWConnect
<input type="checkbox"/>	Download and print the Ignite Buyer Needs Analysis Questionnaire – on Ignite on KWConnect
DONE ✓	4. Prepare for the buyer consultation
<input type="checkbox"/>	Watch: <i>Buyer's Consultation</i> (5:31 mins) 
DONE ✓	5. Follow up – with previous Power Session
<input type="checkbox"/>	Complete activities from the Action Plan in the previous Power Session
<small>*Access videos from KWConnect.com. Ignite. Need help? Contact your Technology Coordinator or Tech Ambassador in your Market Center, or email support@kw.com.</small>	
	
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Report Out – Daily 10/4

Note: For help using **myTracker**, refer to instructions on the back of your Mission page.

Report on Your Daily 10/4 Activities

The **Daily 10/4** is your most important business activity!

Keep track of yourself and your fellow Cappers in Training and cheer their successes!

Capper in Training	10 Contacts Added	10 Connections	10 Notes	Homes Previewed
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				

Your Turn – Lead Generate for Business

Daily 10/4 Real-Play

1. Begin by saying an affirming message out loud.

“I easily find motivated buyers!”

2. Get your phone and your list of contacts developed in your Mission.
3. Record your results below.
 - Goal #1: Call for 20 minutes and make contact with as many people as possible.
 - Goal #2: Always ask for **referrals** from each contact and offer your app.
 - Goal #3: Secure an appointment.

Results				
Name	Phone Number	App	Referral Name	Result of Call
1.				
2.				
3.				
4.				
5.				
6.				
7.				

4. Write a note to two – three people you called to thank them for their time.

Time: 20 minutes

Scripts for Calling Renters and First Time Home Buyers

RENTERS (OPTION 1)

Hi ____ my name is ____ with Keller Williams Realty, and I was wondering if you've considered buying a home for yourself or your family sometime in the near future. Owning a home is a goal for most people and continues to be a good investment.

Have you wondered about the costs and the process to get into a home of your own? I've found that some people don't think they can afford to buy their own home, and that they may be able to buy a home for almost the same amount as they are paying in monthly rent.

I would love to sit down with you and explain the process of owning your own home. It's no obligation on your part. Would you like to meet tomorrow for 15 minutes?

RENTERS (OPTION 2)

Hi ____ my name is ____ with Keller Williams Realty, and I was wondering when you'll be ready to stop paying your landlord and start paying yourself. May I explain?

I help people buy homes, and I've found that a lot of people don't think they can afford to buy their own home, and that they may be able to buy a home for almost the same amount as they are paying in monthly rent.

I would love to sit down with you and explain the process of owning your own home. It's no obligation on your part. Would you like to meet tomorrow for 15 minutes?

NEWLYWEDS

Hi ____ my name is ____ with Keller Williams Realty. I'm calling today, first and foremost because I heard you recently got married and wanted to congratulate you, and second to see if you had considered buying a new home — or if you already own a home, what about buying an investment property?

I would love to sit down with you and explain the process of owning your own home or investment property. It's no obligation on your part. Would you like to meet tomorrow for 15 minutes?

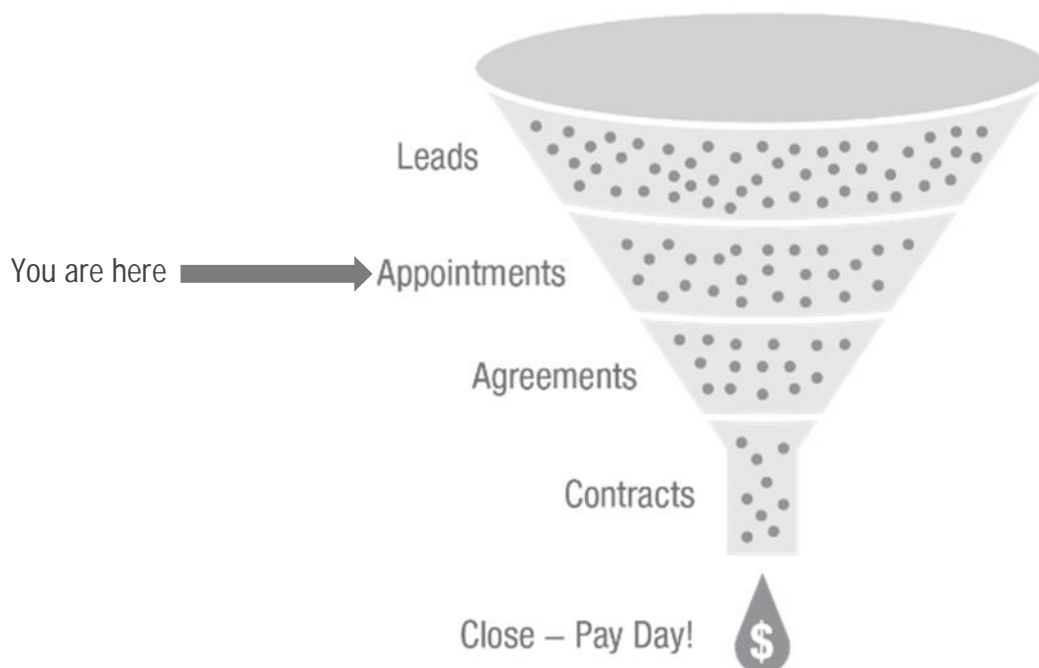
And because you are a newlywed, you typically know other newlyweds or others getting married who haven't bought a home yet, and you'd be doing them a great service by introducing us and letting me talk to them for five minutes to share with them the opportunity of owning their own home.

Get Your Head in the Game

Clearly establishing the process of finding and buying a home and working with your buyer as a coordinated team is the best way to work effectively and efficiently to close as many buyers as possible. Working with buyers is relatively simple, inexpensive, and quick.

1. **Finding buyers is simple:** It's not hard to find buyers to work with—they visit open houses and look for properties online or through your KW app. Buyers are everywhere at all times, essentially raising their hands and saying, "Work with me!"
2. **Servicing buyers is inexpensive:** Buyers are more time consuming than costly. Apart from the gas you'll put in your car as you show homes, your expenses will be low.
3. **Earning with buyers is quick:** If you do it right, in a great buyer transaction, you can help that person find a home and write an offer in one day! Working efficiently with buyers is your key to generating income quickly.

Converting your buyer lead to a signed **buyer agreement** is an important step in the process. Each step of the process requires you to build and cultivate the relationship.



Make It Happen – Converting Buyer Leads

Working with buyers can be fun and exciting—touring houses and helping them find their next dream home. The process of working with buyers can be refined to three steps:

1. **Find Buyers**
2. **Qualify Buyers**
3. **Sign Buyers**

1. Find Buyers

Remember your job #1 is **lead generation!** In this case, it's lead generating for buyers. After all, you can't work with buyers if you don't have any buyers!

Activity: How will you find buyers?

- _____
- _____
- _____

Lead Generation

Doing your Daily 10/4 is an excellent opportunity to find buyers and buyer referrals.

Always ask:

I just want to see if you have any real estate plans coming up that I can help you with? I appreciate you giving that a thought. If you do come across someone, will you promise to let me know?

Open Houses

As a new sales representative, open houses are an easy, fun, and low-cost way to find buyers. Your goal in holding an open house is not only to sell the home; it is to put yourself in the path of opportunity—the business opportunity to meet people, add to your database, and set appointments, especially with interested buyers!

For many sales representatives, holding open houses is their number one strategy to build a strong business and it can be yours too. If you follow a proven model, buyers and sellers come to you, and other visitors may not be actively looking to buy or sell, but a memorable and favorable impression can generate referrals now and business farther down the road.

Holding an open house can be broken down into these steps:

1. Preparation
2. Marketing
3. Connecting with visitors and asking for their contact information
4. Lead cultivation and conversion follow-up

*Note: Refer to the **Open House Job Aid** in your Ignite Toolkit to hold an open house.*

Video

Watch a Master: Find the Motivated



- Watch the video **“Find the Motivated.”**
- What are your aha’s?

Time: 10 minutes

Do Your Market Research

You are in the information business. As you are prospecting for buyers, you will be asked questions about the market. Be prepared!

What should your response be when a buyer says this?

- What's available in my price range?

- I don't think I can afford to buy a house.

- I'm thinking about waiting until next year.

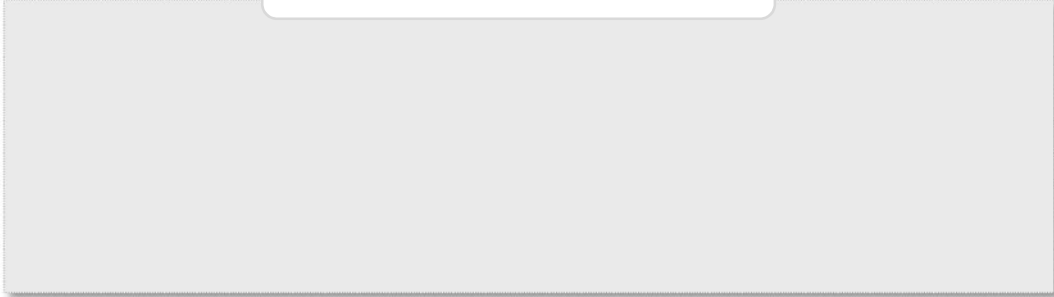
- Can you help me find investment properties?

- I can afford about \$1,500 per month for my living expenses and I'd like to live in (neighbourhood of high-price homes that buyer cannot afford).

And when you can't answer their question or objection, what should you say?

Know your terms

List Price to Sale Price



Days on Market (DOM)



Average Days on Market (ADOM)



BINS



IDX



Market Statistics

Be the expert, professional real estate sales representative that your buyers can rely on by having local market statistics at your fingertips. Your buyers will need your expertise in order to make informed decisions when it is time to make an offer and negotiate.

Keep these statistics updated on a monthly, weekly, even daily basis! It's your job to know these numbers.

- 1. List price to sales price ratios**

List price to sales price ratios can help buyers decide what to offer on a home, and they help you educate your buyers on how much they can reasonably expect to negotiate with the sellers on price.

- 2. Average days on market in different price ranges**

Buyers are generally interested in how long a home has been on the market. This will help them with offers and negotiations.

- 3. Number of homes on the market in different price ranges**

You need to be aware of trends and have an overall picture of what is going on in terms of listing inventory across the price bands of your market. This can help buyers understand how quickly they need to act.

- 4. Price Trends**

Use local home values for the last 5–10 years to show how prices have fallen or risen over the last 10 years, and let your buyers know whether it is a buyer's or seller's market. Price trends will drive how buyers and sellers behave in the market. Check your MLS, talk with your Team Leader, and mastermind with other sales representatives to keep your finger on the pulse of market trends.

Local Information

You will want to have information on your geographic farm:

1. School district information — know the school districts inside and out

2. Local resources

Put yourself in your buyer's shoes. What would you want to know about the area you are moving to?

This type of information is readily available from your Title Company or local chamber of commerce. Where else?

Your Turn – Research Your Stats

Where to Find Local Market Statistics

Where can you find your local market statistics? Depending on the type of data, it could be online, your local Title Company, or maybe another sales representative in your office.

1. Break up into teams of 3 – 4 people.
2. Use any resource you find to learn the local market statistics.
3. Identify the local market you are using (town, city, neighbourhood, etc.).
4. Be prepared to present to the class and defend your numbers and resources.

Market Statistics	
Local Market Used	
Average Sales Price	
Average Days on Market	
List Price to Sale Price	
Total Number of Listings	

Time: 15 minutes

Aha's from Activity

- _____
- _____

2. Qualify and Schedule Buyers for the Consultation

Armed with market knowledge, your next step is to qualify buyers and schedule an appointment for the buyer consultation.

Whether you are speaking to someone in your sphere, a referral who has expressed an interest in buying, responding to buyer sign calls or inquiries from an open house, or making contact with a buyer looking for properties on your website, you have two goals:

1. **Qualify** them—are they actual buyers?
2. **Get the appointment** for the buyer consultation.

Why Qualify First?

- _____
- _____
- _____
- _____

When Buyers Call on a Property They Saw Online or Driving By

This sounds like an instant client, right? No! Buyers who are calling on properties often have two goals:

1. **Eliminate the property**—with a quick call, they want to determine if the house has potential. If it doesn't, they don't have to see it.
2. **Eliminate you!** Until they are ready to make a move, they want to avoid salespeople.

So how do you accomplish your goals first? By using scripts that give the buyers the information they are looking for on the property, but at the same time enable you to find out enough about them and demonstrate your value before they eliminate you.

1. Qualify

Use the Buyer Lead Sheet on the next few pages and available in your Ignite Toolkit to guide you through the buyer qualification. The Buyer Lead Sheet will help you uncover if the buyer is able, ready, and willing to purchase a home.

Establish control of the conversation when a buyer calls by asking questions about:

- **Price**
- **Motivation**
- **Location**
- **Wants and Needs**
- **Timeline**
- **Finances**
- **Availability**



Buyer Lead Sheet

Date: _____

Lead Source/Property that prompted call: _____

CONTACT INFO	
Name	_____
Email	_____
Street Address	_____
Children's Names:	_____

Home Phone	_____
Cellphone	_____
Work Phone	_____
Fax	_____
What is the best way to get in touch with you? What times are best?	

Buyer Consultation Prequalification Questions

1. Has an agent taken you out and shown you any properties? YES NO If yes, how's that going?

2. Is there anybody else buying the home with you?

3. Who will be living in your home?

4. How long have you been looking for a home?

5. I'm just curious, why are you moving?

6. Are you renting or do you own now? RENT OWN

Renter: Do you know when your lease is up? _____

Owner: Do you need to sell your current home before you buy your next home? YES NO

If yes: Have you signed a listing agreement with a real estate agent to sell your home?

YES NO

If no: When would be a good time for us to get together so I can give you a free market analysis on your home? _____

7. Are you going to be paying cash or will you be getting a mortgage for the purchase of your home?

CASH MORTGAGE

Mortgage: Have you already been preapproved by a lender? _____

If yes: Who are you working with? _____

What is the amount you are preapproved for? _____

What will your down payment be? _____

If you want to recommend a lender. I have three trusted lenders who always provide top quality service. Would you like their contact information?

8. What price range are you comfortable with? _____

9. Is there anyone else who will be involved in your home buying decision? _____

10. On a scale of 1 to 10 with 10 meaning you must buy a home as quickly as possible and 1 meaning you are not sure you'll really buy anything, how would you rate yourself? ____

Anything less than 10: What would it take for you to become a 10? _____

11. When do you need to be in your new home? _____

12. I'd love to help you buy a home. In order to help you find a perfect home, all we need to do is set an appointment (with all of the decision makers) so I can help you get what you want in the time you want. What is a better time for us to meet? day at time ,or alternate day at alternate time ? (ex. Tuesday at 4:00pm or Wednesday at 10:00am)

Appointment date and time: _____

Rate the Buyer

Buyer's ability to buy and level of motivation are the two main points you are looking for. Use three simple categories to classify your buyers:

A BUYERS

They are able, ready, and willing to purchase. They will be under contract in a matter of weeks.

B BUYERS

They are ready and willing, but not able right now. Something has to happen first: get their existing home under contract, wait for their lease to expire, or get the cash from their tax refund, etc.

C BUYERS

They have no immediate need. They may have a very exacting situation. For example, if they can sell their property for a specific price, or get a house on a street they have always loved.

Qualify Financially

Financial qualification is essential. You don't want to waste your time or your buyer's time by looking at homes that are not in their price range.

- **Prequalification** is a preliminary evaluation on how much the buyer can afford to borrow using the initial information from the buyer.
- **Preapproval** is a more involved process in which the lender actually verifies a buyer's income, employment, etc., to evaluate how much the buyer can afford to borrow.

Explain the benefits of preapproval

SCRIPT

Mr./Ms. Buyer, it's important that you are preapproved for a loan before you begin your home search. Preapproval is really just a lender's determination of how much money you will be eligible to borrow.

You'll know exactly what price range you can afford.

When you find the home you love, you'll be able to take action quickly.

Sellers will be more likely to accept an offer from a preapproved buyer.

And, finally, you can see if there are any errors on your credit report and you can resolve them right away.

Would you like to have one of my lenders call you to help with your preapproval? When is the best time?

2. Get the Appointment

Now that you have qualified them and determined their ability, readiness, and willingness to purchase a home, it's time to close for the appointment.

Based on the qualification, you'll vary your follow-up:

- **A buyer**—Get them in the car immediately!
- **B buyer**—Identify what needs to happen first, then help them achieve their goal. Put them in your database and on an 8 x 8 touch campaign based on their interests and keep in touch.
- **C buyer**—Manage them electronically by putting them in your database and on an 8 x 8 and then a 33 Touch campaign. Keep yourself “top of mind” for when they are ready to move forward.

If this buyer lead came to you based on the buyer calling in on a certain property and the home happens to be in their price range, make an appointment for them to see the property and have a consultation.

Schedule the appointment for the buyer consultation

SCRIPT

The property at 123 Maple Street is listed at \$249,000. Let's schedule an appointment to see if 123 Maple Street is the perfect home for you. Would today at 4:00 p.m. or Saturday at 10:00 a.m. be better for you?

Great. Let's meet at my office so while we are out you can also review other properties on the multiple listing service that you might be interested in if Maple Street isn't right for you. Does that work for you?

Buyer Referral

If you have called a referral and the buyers have been willing to answer questions and stay on the phone with you, they have the potential to be serious buyers!

Demonstrate that your service has value to them and focus on the benefits to the buyer.

Schedule the appointment for the buyer consultation

SCRIPT

Mr./Ms. Buyer, I'd like to invite you to come into my office so we can discuss what you are looking for in your next home, and use my MLS to review properties. This way, we can search for homes that fit your criteria.

When we meet at my office, we can work together to make the most of your time. I can use the tools I have to find the best matches for you and check for any contingencies and other details that would not be apparent from a property visit alone.

Are weekends or weekdays better for you?

Tip

The safe option is to schedule buyer consultations in your office or a conference room in your Market Centre. This positions you as the professional, allowing you to take charge and direct the process. Once you have a buyer in your office, you have a good chance of representing that individual.

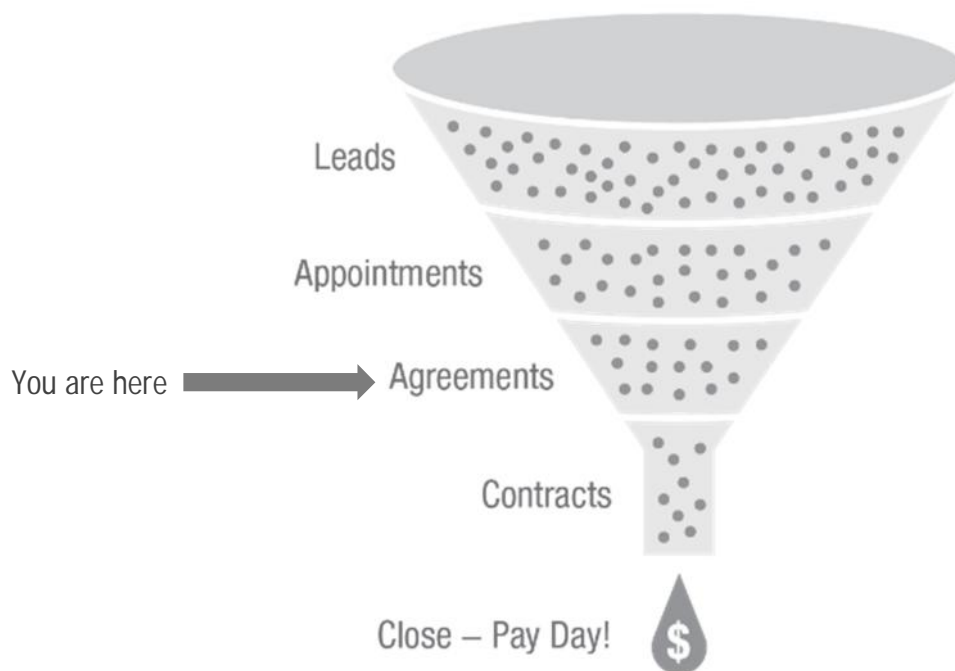
3. Buyer Consultation

The Buyer Consultation is a tremendous opportunity to pave the way to an effective and long-term relationship with buyers. During your meeting with the buyers, your goals are to:

1. Delve into the needs, wants, and values of your buyers.
2. Showcase your services, and educate and set expectations for how you will work together.
3. Walk away with a signed agreement—the **Buyer Representation Agreement**.

The buyer consultation is what customer experience is all about. You are devoting your full attention to your buyers, which shows that you care deeply about finding them the right home. You are bringing your complete skill set to the table, which demonstrates your ability to provide the kind of expertise and perspective that will enable them to make confident, informed decisions.

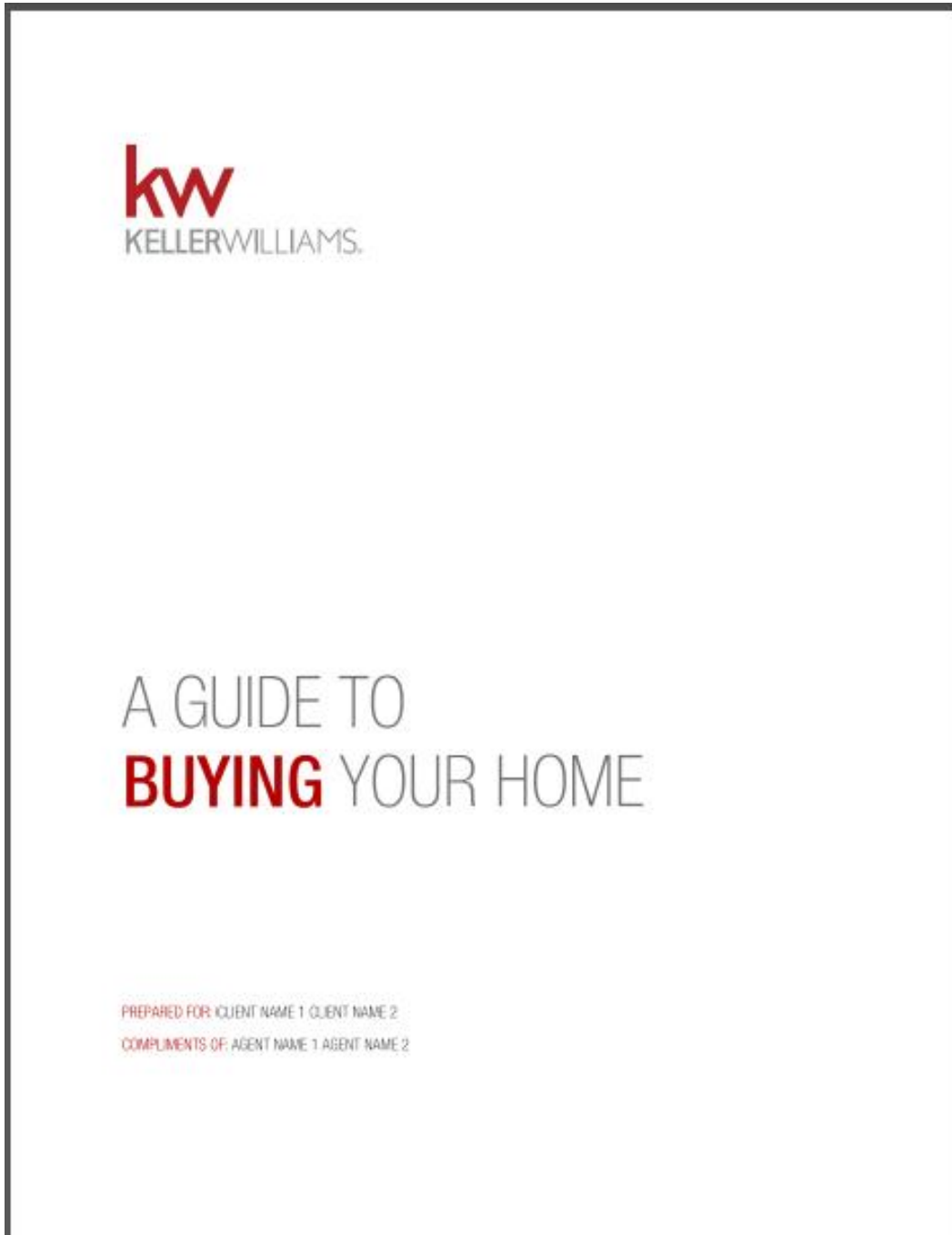
The buyer consultation is possibly the most critical point when working with buyers, because it is how you turn your appointment into a signed Buyer Representation Agreement.



Let's take an in-depth look at the eight steps of the Buyer Consultation!

1. Set the Stage

You only have one chance to make a great first impression. Take the time to show you appreciate them; listen and clarify what they are looking for in a home and what they expect from a professional relationship.



This is the first page the buyer will read. This will set the tone for your entire relationship with them. You want to provide an excellent customer experience by making the process about the buyer.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

It's All About You

My real estate business has been built around one guiding principle: It's all about you.

- Your needs
- Your dreams
- Your concerns
- Your questions
- Your finances
- Your time
- Your life

I will work with you to understand your unique lifestyle, needs, and wishes because buying a home is more than a certain number of bedrooms or a particular ZIP code. It's about your life, and it's important to me.

My focus is on your complete satisfaction. In fact, I work to get the job done so well, you will want to tell your friends and associates about it. Maybe that's why so much of my business comes from repeat customers and referrals. Good service speaks for itself. I'm looking forward to the opportunity to earn your referrals too!

It's all about you!

PAGE 2 OF 14

This second page will explain the benefits of working with you. This is where you will be able to sell the superior customer experience that you will provide.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

You Get From Me ...

- A knowledgeable and professional REALTOR® who represents you
- Thorough consultation to determine your unique wants and needs in a home
- Advice on making offers based on expert market evaluation so you don't "overpay"
- A committed ally who will complete your purchase contract, present your offer, and negotiate on your behalf
- Preparation of all closing documents and guidance through the closing process
- Assistance with any post-close issues
- The backing of a trusted company, Keller Williams Realty

As part of my service, I will commit to helping you with your home search by:

- Organizing and scheduling homes to view based on your unique specifications
- Personally touring homes and neighborhoods with you
- Keeping you informed of new homes on the market
- Advising you of other homes that have sold and for how much
- Working with you until we find the home of your dreams

2. Educate Your Buyers

Information is power. A buyer who knows what to expect is a confident buyer, and a confident buyer is much easier to work with than an anxious or uncertain buyer who will bring up objections at crucial points in the process. Set them up for success by explaining the major milestones they will encounter.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

6 Steps to Home-Buying

1. **Choose a REALTOR®**

Choose the best real estate agent to represent you in finding and purchasing your dream home and sign a Buyer Agency Agreement to work together. It is important to trust your agent, as you will be spending a lot of time together and your agent will help you with one of the biggest financial commitments you will make.
2. **Obtain Financial Pre-Approval**

Get pre-approved for a loan before you find the home you want to buy. Benefits include:

 - You know your price range, closing costs, and monthly payments up front
 - You only look at homes within your price range
 - Your negotiating position with the seller is stronger
 - Closing on your new home can happen more quickly
3. **View Homes and Find "The One!"**

After a thorough understanding of your new home needs, you receive a list of homes that meet most or all of your requirements, and we schedule time to visit them. I will also help you find homes through:

 - Online with real estate search sites including my Keller Williams mobile search app – we will make appointments to visit them.
 - For Sale or For Sale by Owner (FSBO) signs as you drive through neighborhoods – we will make appointments to visit them.
 - Open Houses - accompanied by your real estate representative.
 - New home developments – accompanied by your real estate representative.

PAGE 4 OF 14

6 Steps to Home-Buying *(cont)*

4. *Make Your Offer*

Once you have found your dream home, I will research market data on the home to help you will determine what to offer and we will present a written offer to the seller's agent. There may be some negotiation required and the seller may either accept, reject, or counter your offer. When the seller accepts the offer, it becomes a legal contract.

5. *Get Inspection and Negotiate Repairs*

You will hire a professional home inspector to conduct a thorough inspection of the property and we will negotiate with the seller to complete any necessary repairs.

6. *Final Review of Contract and Close!*

The closing is the formal process of signing papers, paying fees and closing costs, and receiving the keys to your new home!

3. Cover the Mortgage and Loan Process

It is especially useful to cover this part of the process if your buyers have not yet been preapproved for a loan.

If your buyers are still dragging their feet on getting in touch with a lender, use the earlier script to show the benefits of preapproval. If they still won't do it, you do not want to work with this buyer!

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

Funding Your Home Purchase

Three Factors Determining How Much Can You Afford

1. *Qualification for the Mortgage*
2. *Down Payment*
3. *Closing Costs*

1. *Qualification for the Mortgage*

Lenders may require that your monthly payments range between **28 – 44%** of your monthly income. The percentage will depend on the borrower's credit rating. Your monthly mortgage payment to the lender will consist of:

 - Principal on the loan
 - Interest on the loan
 - Property taxes
 - Homeowner's insurance
2. *Down Payment*

Most home loans today require an upfront, or down payment, between **3.5 – 10%**. If you are able to pay more upfront, you may be eligible for lower interest rate loans, and shorter loan periods.
3. *Closing Costs*

Additional fees and costs associated with loan processing and closing are required to be paid at the final closing, unless you are able to include them in your financing. Typically, closing costs amount to between **2 – 5%** of the purchase price (not the loan amount.)

PAGE 6 OF 14

Process of Funding

1. *Financial Pre-Approval*

- Application and interview with a bank or other mortgage loan company
- Buyer provides pertinent documentation including verification of employment
- Credit report is requested
- Appraisal scheduled for current home owned, if any

2. *Underwriting*

- Loan package is submitted to underwriter for approval

3. *Loan approval*

- Parties are notified of approval
- Loan documents are completed and sent to title

4. *Title company*

- Title exam, insurance and title survey conducted
- Borrowers come in for final signatures

5. *Funding*

- Lender reviews the loan package
- Funds are transferred by wire

4. Describe Making an Offer and Negotiating

Explain to your buyers that you will do a Comparative Market Analysis (CMA) before they make the offer—that will give them the knowledge they need to make an informed decision.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

Making an Offer

Once you have found the property you want, we will write a purchase agreement. While much of the agreement is standard, there are a few areas that we can negotiate:

- **The Price**
What you offer on a property depends on a number of factors including its condition, length of time on the market, buyer activity, and the urgency of the seller. While some buyers want to make a low offer just to see if the seller accepts, this often isn't a smart choice, because the seller may be insulted and decide not to negotiate at all.
- **The Move-in Date**
If you can be flexible on the possession date, the seller may be more apt to choose your offer over others.
- **Additional Property**
Often, the seller plans on leaving major appliances in the home; however, which items stay or go is often a matter of negotiation.

We will present the offer to the listing agent and/or seller. The seller will then do one of the following:

- Accept the offer
- Reject the offer
- Counter the offer with changes

By far the most common is the counteroffer. In these cases, my experience and negotiating skills become powerful in representing your best interests.

When a counteroffer is presented, you and I will work together to review each specific area of it, making sure that we move forward with your goals in mind and ensuring that we negotiate the best possible price and terms on your behalf.

Note: Earnest money may be needed at the time of offer. This is typically 1% - 2% of the offer price. This check is made to the Title Company and will **ONLY** be deposited if the offer is accepted. This amount will be applied to the down payment.

PAGE 8 OF 14

5. Explain Closing

You will want to give the buyers an estimate of closing costs so they aren't surprised when they come to the closing table.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

Closing 101

- **Prepare for it**

Closing day marks the end of your home-buying process and the beginning of your new life! To make sure your closing goes smoothly, you should bring the following:

 - A certified check for closing costs and down payment. Make the check payable to yourself; you will then endorse it to the title company at closing
 - An insurance binder and paid receipt
 - Photo IDs
 - Social Security numbers
 - Addresses for the past 10 years
- **Own it**

Transfer of title moves ownership of the property from the seller to you. The two events that make this happen are:

 - 1. Delivery of the buyer's funds**

This is the check or wire funds provided by your lender in the amount of the loan.
 - 2. Delivery of the deed**

A deed is the document that transfers ownership of real estate. The deed names the seller and buyer, gives a legal description of the property, and contains the notarized signatures of the seller and witnesses.

At the end of closing, the deed will be taken and recorded at the county clerk's office. It will be sent to you after processing.

PAGE 9 OF 14

Closing Costs

Explain closing costs using the following script:

SCRIPT

Mr. /Ms. Buyer, before we tour homes, let's discuss closing costs. Generally, if you put 20% down on a house, you can expect your closing costs to be an ADDITIONAL 3% of the purchase price. So, if you were purchasing a \$200,000 house, the down payment would be \$40,000 and the closing costs would be an additional \$6,000, for a total of \$46,000. If you put down less than 20%, your closing costs may be as high as 4%.

There are two options for buyers who may not have enough money for closing costs. These options are more likely to work in a buyer's market.

1. Ask sellers to cover the costs.
2. Ask sellers to help them roll the costs into the loan by paying the costs themselves and raising the price of the home to make up the difference.

Note: The sales price will have to be in line with the appraisal to satisfy the lender.

Frequently Asked Questions

How will you tell me about the newest homes available?

The Multiple Listing Service Website provides up-to-date information for every home on the market. I constantly check the New on Market list so I can be on the lookout for my clients. I will get you this information right away, the way that is most convenient for you: by phone, email, text and/or my IDX instant notification system.

Will you inform me of homes from all real estate companies or only Keller Williams Realty?

I will keep you informed of all homes. I want to help you find your dream home, which means I need to stay on top of every home that's available on the market.

Can you help me find new construction homes?

Yes, I can work with most builders and get you the information you need to make a decision. On your visits with the builder, I will accompany you. By using my services with a new construction home purchase, you will receive the services I offer, as well as those provided by the builder, at no additional cost.

How does for sale by owner (FSBO) work?

Homeowners trying to sell their home without agent representation are usually doing so in the hopes of saving the listing agent commission, but most understand they will pay for buyer agent commission. If you see a FSBO and want the advantages of my services, let me contact the owner for you and make an appointment. Most times the homeowner will work with an agent even though their home is not listed, since the agent is introducing a potential buyer to their property.

Can we go back through our property again once an offer is made but before possession?

Usually we can notify the seller and schedule a convenient time to visit the property again. Immediately before the closing, we will schedule a final walk-through and inspection of your new home.

Once my offer is accepted, what should I do?

Celebrate and focus on moving into your new home! You will want to schedule your move, pack items, and notify businesses of your address change. I will provide you with a moving checklist to help you remember all the details. I will also give you a good faith estimate and HUD statement, which will indicate the amount you will need to bring to closing.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

About Me

This page is optional –
either complete it or
remove it from packet.

Insert your value proposition.

Expertise

Insert geographical areas of expertise, any specialty market segments, etc.

Technology

Insert the ways you give your clients an edge through technology.

Communication

Insert something on your accessibility and/or how you communicate with clients.

Clients for Life

Insert any stats or percentages of business from repeat clients, referrals, etc.

Awards/Recognition

Insert appropriate honors.

Personal

Insert charitable affiliations, volunteer work, interests, hobbies, family info, etc.

My Commitment to You

Insert your client commitment.

What My Clients/Colleagues Say

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Testimonial Name
City, State

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Testimonial Name
City, State

A GUIDE TO **BUYING** YOUR HOME

CLIENT NAME 1 CLIENT NAME 2

Above and Beyond

This page is optional –
either complete it or
remove it from packet.

To me, providing exceptional service involves more than just making your real estate dreams come true. It requires taking the next logical step; helping you through the details after you officially own your home.

I have worked with the following service professionals, and highly recommend them to my clients:

[list of your approved vendors]

A GUIDE TO BUYING YOUR HOME

CLIENT NAME 1 CLIENT NAME 2

Keller Williams Realty

Reliability

Founded on the principles of trust and honesty, Keller Williams Realty emphasizes the importance of having the integrity to do the right thing, always putting your needs first. It reinforces my belief that my success is ultimately determined by the legacy I leave with each client I serve.



Track Record

I'm proud to work for the world's largest real estate franchise by agent count. It's proof that when you offer a superior level of service, the word spreads fast.

Knowledge

Keller Williams Realty has been named the #1 training company across all industries by Training Magazine. Our training helps me stay ahead of trends in the real estate industry through its comprehensive, industry-leading curriculum and research resources. It's what prepares me to provide you with unparalleled service.



Technology

Leading-edge tech tools and training give me the edge in effectively marketing your property online, 24 hours a day, seven days a week! Through the exclusive Keller Williams Listing System (KWLS), your property is fed to more than 350 online search engines and is available on KW's Web network of more than 76,000 sites, including my Mobile Property Search App. Best of all, every single Internet inquiry in our system on your property will come directly to me so that I can follow up quickly with those potential buyers.

Teamwork

Keller Williams Realty was designed to reward agents for working together. Based on the belief that we are all more successful if we strive toward a common goal rather than our individual interests, I'm confident that every Keller Williams professional shares the common goal of serving you, my client, in the best way possible.

6. Close for Agreement

You have used the information in the buyer consultation to solidify your position as a knowledgeable professional that will be able to help them find their new home. Now it's time to ask for the buyer's business.

Ask for the Business

The following script details a simple way to obtain an exclusive agreement:

SCRIPT

All I ask in exchange for my superior customer service promise is that you agree to work with me exclusively. Does that sound fair?

Okay, can we sign and shake on that?

*(Provide the buyer with the **Buyer Representation Agreement**, explain it, and have them sign it. Then, shake hands.)*

Closing the Buyer Representation Agreement #1

SCRIPT

What we're going to do now is sign the Buyer Representation Agreement which puts me to work for you. You're giving me the tool I need to represent you in your purchase. With this tool, I have the opportunity to negotiate for you and get you the best deal. And getting the best deal is important to you, isn't it? Perfect, then let's do the right thing, sign the Buyer Representation Agreement, and put me to work for you.

Closing the Buyer Representations Agreement #2

SCRIPT

Can you see how it would benefit you to have a professional looking out for your best interests as you search for the best home and negotiate to get the best deal?

Great! This form allows me to represent you and look out for your best interests. Here's how we take care of that. You just need to okay this agreement right here.

Closing the Buyer Representation Agreement #3

SCRIPT

We call this agreement our loyalty agreement, where I agree to be loyal to you and take no action detrimental to your best interests. It's a reciprocal agreement in that I ask you to give me your loyalty in exchange for me working nonstop to find you the best home, at the lowest price, in the least amount of time.

Handling Objections to Exclusivity

Not all buyers will say yes. Some buyers will object to working exclusively with you. If a buyer objects to signing, use the script below:

SCRIPT

Mr. /Mrs. Buyer, because of the level of service I provide, I can only work with buyers who work exclusively with me. Let me remind you that by signing you are NOT agreeing to pay me a fee.

You are agreeing to have me represent your best interests and to use my knowledge and expertise to find you the best home at the best price. That is what you want, isn't it—to find the best home for the best price?

Objection 1

I don't want to sign anything. I want to be free to work with other sales representatives.

SCRIPT

When you engage me as your real estate sales representative, you give me the tool that I need to represent you. If you sign the Buyer Representation Agreement with me, I am contractually obligated to share any information about the seller's situation that I find out; for example, if it is a divorce, relocation, or estate sale. Without that agreement in place, I am actually a sub-sales representative* to the seller. That means that I do not represent you, and I cannot share that information with you. I want to be your advocate, not theirs. So let's do the right thing and sign the Buyer Representation Agreement today.

**Ask your Team Leader whether your state has sub-agency, dual agency, and/or designated agency.*

Objection 2

What if I change my mind during this 30-day period?

SCRIPT

I understand completely. Think of this agreement as a form of going steady, not marriage. If you decide at any time that you do not want to go steady anymore, we can just break up. There's no need for a divorce. And you can break up with me if I'm not meeting your expectations! If you feel comfortable with that, you can just okay the agreement with your initials.

Objection 3

I don't need to work with a sales representative because I can find a home on my own through the Internet.

SCRIPT

Searching for homes is the fun part, and we will certainly use the Internet to find your home. *Finding* your dream home is not why you hire a buyer sales representative. You hire a sales representative to help you *get* the house you find. My job is to protect your interests throughout the home-buying process, and negotiate on your behalf to get you the best price and terms.

Know When to Let a Buyer Go

Keep in mind that sometimes *you* have to say no. If you aren't able to agree on a win-win solution, you may spend a considerable amount of time showing homes to a buyer only to have them eventually purchase from someone else. If a buyer refuses to work exclusively with you, you may choose to let them go, especially if you feel like there is a possibility that they would buy from another sales representative such as a friend or relative of theirs. Be sure to ask great questions to uncover why they won't sign.

SCRIPT

Mr. /Ms. Buyer, I appreciate your decision. Since I can only work with buyers who work exclusively with me, I'll have to just wish you luck in your home search. Thanks again for coming in to meet with me today, and let me know if you change your mind.

Your Turn – Script Practice

Role-Play the Closing and Objections

- Form pairs and practice your closing for agreement scripts and handling objections.
- Your goal is to get to an agreement to work together. Ask your role-play partner to sign the Buyer Representation Agreement.
- Switch roles from sales representative to buyer.

Time: 20 minutes

Aha's from Activity

- _____
- _____

7. Needs Analysis

Use the **Buyer Needs Analysis** form to ask the buyers about their ideal home. The questionnaire is the foundation of your needs analysis—you will capture a precise picture of what your buyers are looking for so you can provide them with what they expect.

1. **Listen and take notes.** Ask, “Do you mind if I take notes?”
2. **Be specific.** You can’t meet and exceed a buyer’s wants, needs, and values if you don’t know what they are. Ask questions and dig deeper using the “What about _____ is important to you?” question.
3. **Ask “what else?”** As you go through each group of questions, continually ask what else is important to them until they finally say, “I can’t think of anything else!”
4. **Ask outside the ideal.** For example, buyers may mention a ranch-style home as their ideal, but may like a cape style almost as much. You need to discern whether they would be perfectly happy with an alternative if it fits the other criteria.
5. **Never assume.** If you aren’t entirely clear on something a buyer is saying, ask for clarification.
6. **Ask about household, not family.** Asking about a person’s family could be a violation of the Fair Housing Laws.
7. **Make it a dialogue.** Take advantage of this time to build rapport as well, by keeping the tone conversational, not interrogational!

Video

Understand the Value of the Needs Analysis Process



- Watch the video **“Buyers Needs Analysis.”**
- What are your aha’s?

Time: 10 minutes

Present the Needs Analysis

SCRIPT

Mr. /Ms. Buyer, thank you for letting me help you. My goal is to give you a 10+ customer experience. To do that, I'd like to get a clear idea on what you are looking for in your new home. So, with your permission, I'd like to spend the next 10–15 minutes exploring what the right home for you would be like. We'll call this your 10+ home.

It may seem like a lot, but I'd rather ask you 500 questions and show you the right 5 homes than ask you 5 questions and waste your time showing you the wrong 500 homes. Does that work for you?

Three Questions Deep

When you ask your buyer questions, you will need to probe deeper to better understand the buyer's motivation and what they are really looking for.

Here is an example of how to move three-deep when asking questions.

SCRIPT

Where are you moving?

How soon?

Why is moving to that part of town important to you?

Why will that do for you?

What are you looking for in a new home?

Why is a large yard important to you?

What will that do for you?

What will that ultimately do for you?

Conclude the Needs Analysis

When you wrap up the needs analysis portion of the buyer consultation, let the buyer know that they are unlikely to find a home with 100 percent of the features they are looking for.

Help buyers to understand this by using the script below.

SCRIPT

Mr./Ms. Buyer, there is no such thing as a 100 percent house. It will have your five must-haves, and possibly some of your nice-to-haves. When we find a house that has your five must-haves—that is, a 90 – 95% house — I'm going to suggest you write an offer. Does that work for you? What are the five must-haves for the home you buy?

Five Must-Haves

1. What are the top five things your home must have?

- _____
- _____
- _____
- _____
- _____

2. Beyond those five things, what is something else you really must have?

3. If you could have something else, what would that be?

4. If you could have one last thing to make this your dream home, what would that be?

Your Turn – Needs Analysis

With a partner, take turns doing the Buyer Needs Analysis

- Practice the script to start the needs analysis.
- Go over one portion of the Buyer Needs Analysis questionnaire (for example, the interior or lifestyle). Make it conversational and be sure to drill down with questions (three deep).
- Close the needs analysis by establishing the five must-haves and summarizing.

Time: 40 minutes

Aha's from Activity

- _____
- _____

8. Establish Next Steps

It is a golden rule in real estate that you never close one appointment without scheduling the next one. Whether you view homes directly following the consultation or you need to begin another day, make sure you end the meeting with another appointment.

A GUIDE TO **BUYING** YOUR HOME
CLIENT NAME 1 CLIENT NAME 2

What's Ahead

Let's look for a new home.

The information we just discussed about your wants, needs, and desires will all be taken into account when I choose homes for you to view.

In some cases, my clients find their dream home on the first day. In other cases, it takes more time to find the right home. Rest assured, there is a home out there just right for you. We just have to find it.

To assist you in the home search journey, I will organize a list of homes with the following information for each:

- Photos of the home
- The home address
- The current asking price
- The square footage and property taxes
- The number of bedrooms and baths
- The age and lot size
- Unique features and comments

Once we narrow down the list of properties that are of interest, I will:

- Provide you with more detailed information about the home
- Review the county tax records for tax liens, etc.
- Tour the home with you
- Determine how the asking price compares with other homes in the area
- Answer any and all questions you may have

PAGE 14 OF 14

Your Turn – Buyer Consultation

Practice Makes Perfect – The Buyer Consultation

- Practicing the buyer consultation will help make it seamless in front of the potential clients.
 - After today, set up times to continue to practice this buyer consultation with your team and accountability/script partner.
1. Form groups of two.
 2. Take turns practicing the buyer consultation from beginning to end.

Time: 40 minutes

Aha's from Activity

- _____
- _____

Putting It All Together

1. **Action Plan**
2. **Prepare for Your Next Class**
3. **Recall and Remember**

Action Plan

Recap of all assignments from today, and in preparation for next class.


Action	Completed / Due Date
Practice your Buyer Needs Analysis with your team or partner.	
Practice all scripts with your team or script partner.	
Practice the buyer consultation and objections with your team or partner.	

Bring your phone, laptop/tablet, and database to every class.

Prepare for Your Next Class

Prepare for your next class by completing the Mission prior to the next scheduled Ignite Power Session.

Download your **Mission** for the next class from Ignite on KWConnect.

IGNITE	Complete this Mission prior to attending Ignite Power Session 8	Mission 8
DONE ✓	1. Daily 10/4 – develop your lead generation habit	
<input type="checkbox"/>	Complete your Daily 10/4 daily!	
<input type="checkbox"/>	Write notes on the homes you previewed and bring to class to share	
<input type="checkbox"/>	Report out – be prepared to share your Daily 10/4 results in class	
<input type="checkbox"/>	Bring a supply of notecards, business cards, and stamps for handwritten notes	
DONE ✓	2. Extend your learning	
<input type="checkbox"/>	Practice scripts with a partner	
DONE ✓	3. Follow up – with previous Power Session	
<input type="checkbox"/>	Complete activities from the Action Plan in the previous Power Session	
DONE ✓	4. Grow your database – with your current contacts	
<input type="checkbox"/>	Bring your prepared contact list and your laptop/tablet to the next Ignite class	
<small>*Access videos from KWConnect.com, Ignite. Need help? Contact your Technology Coordinator or Tech Ambassador in your Market Center, or email support@kw.com.</small>		
		
<small>© 2017 Keller Williams Realty, Inc. Ignite v4.15</small>		

Recall and Remember

What are some ideas to find buyers?

What is list price to sale price?

What are the three phases of the home-buying process?

What is a needs analysis?

How many contacts in your KW eEdge database by the end of Ignite? _____

How many contacts do you have today? _____

From Aha's to Achievement

AHA'S

What are your Aha's?

BEHAVIORS

What behaviors do you intend to change?

TOOLS

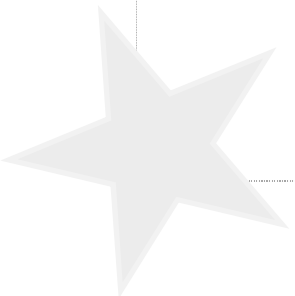
What tools will you use?

ACCOUNTABILITY

What does accountability for this look like?

ACHIEVEMENT

What will you achieve?



Enhance Your Learning

Watch on KWConnect

- | | |
|---------------------------------------|-------|
| ■ Prepare to Work with Buyers | 8:09 |
| ■ Buyer Consultation – Nikki Ubaldini | 20:53 |
| ■ Finding First Time Homebuyers | 3:30 |

Use Tools

Buyer Lead Sheet

Buyer Needs Analysis

Open House Job Aid

Connect on Social Media

Keller Williams Facebook Page -

<https://www.facebook.com/KellerWilliamsRealty>

KW Blog - <http://blog.kw.com>

Inman - <http://www.inman.com>

Your Market Centre Facebook Page

Scripts

Average Days on the Market

SCRIPT

The reality is, we have to evaluate each home you like and decide if it is the home for you, whether it has been on the market for a day or a year. A great home always sells, and it usually sells fast. So while the average days on market is (_____) that number does not represent all the homes, because some of them sit on the market for 365 days and some of them sell in 1.

List Price to Sales Price – When your buyer wants to make a low offer

SCRIPT

The average list price in (_____) is (_____), but the average sales price is (_____). That means that sellers are coming down / going up approximately (_____ dollars). The reason I share this information is that I would prefer to turn you down now rather than disappoint you later, if you think you could offer \$25,000 less than the list price and actually expect to get it.

So let me ask you a very direct question. If we found you the perfect home and the seller is only willing to come down about (_____ dollars), how would you feel about that?

If your list-price-to-sales-price ratio is better than the average sales representative's.

SCRIPT

So, you are looking for a \$350,000 home, aren't you? The average list-price-to-sales-price ratio is (____), and mine is (_____). I am going to save you (_____%) over and beyond what the average sales representative is doing right now. Let's do the math (take out calculator), on a \$350,000 home I am going to save you (_____ dollars). Can you see the benefit of that?

Home is out of the buyers' price range

SCRIPT

Well, that home is a tad above/below your price range, but I have three other properties right here in front of me that are in your price range that I would love to share with you.

Objection 1:

I don't have time to come to the office; can't you just meet me at the house?

SCRIPT

Because your time is so valuable, that's exactly why we need to get together at the office. See, the 25 minutes we're going to spend at the office is literally going to save you 5 to 10 hours of looking at houses. When we get together at the office, I'll be able to pull up every property that matches your specific criteria, we'll be able to view the photos and virtual tours in my office before taking your time to drive by them or' even better than that, spending your gas to drive by them. So when is the best time to come to the office—is it weekends or weekdays?

We will also be able to see if there are any contingencies or other issues that will not be apparent by just doing a tour. If there is something that would eliminate the home, better to know upfront.

Objection 2:

Let me talk to my spouse and I will call you back.

SCRIPT

I understand that, let me ask you this. Let's do this: let's go ahead and pencil in a time that works best for both of you and then I am going to call you back the day before the appointment to simply confirm. If it works, fantastic; if it doesn't, then we just need to reschedule the appointment. When do you think it is going to work best, is it weekdays or weekends? Great, I'll call you Friday. What time specifically would you like me to call you? Two o'clock. Great, what number would I have the best chance of catching you on?

Objection 3:

I've already seen the house online. I just need to see it to know if I want to buy it.

SCRIPT

I completely understand. The home you are calling about is amazing. However, the sellers request that I meet with all buyers prior to showing them the property. This will allow me to cover any financing issues in case you need a loan, and to give you further information about the property and also the neighbourhood. Would you be able to come to my office today at 5:00 p.m. or would tomorrow morning at 9:00 a.m. work better?

A note on “no”

All is not lost if the buyers say no to the appointment. As long as they are not committed to another sales representative, “no” in this case really means “not yet.” You still have a good chance to ultimately capture their business by setting them up on a BINS (Buyer Instant Notification System) which would prompt them to do their search from the IDX search tool on your website.

Offer Online Access

SCRIPT

Would you like online access to every home on the market that matches your criteria? You'd also receive instant notifications every time a home that matches your criteria comes on the market. I'd be happy to sign you up for free on my Buyer Instant Notification System.

Make Follow-up Calls

SCRIPT

Over the last week, we have sent you 5 listings. I am just calling to update my files and see if you are still in the market to buy a home, if you have already purchased a home, or if not, to review the 5 homes I sent you to see if you would like to go tour the inside of any of them.

Present the eEdge advantage — online transactions**SCRIPT**

When you work with me, you'll have the opportunity to conduct your entire real estate transaction online. I use a paperless transaction management system called dotloop.

You'll reduce your environmental impact because online transactions are 100% paperless. Negotiations and Date of Completions can happen faster because signatures can be obtained without having to meet in person. Online transactions are also more convenient because no travel is required.

If they are not sure what online transactions mean, use this script:**SCRIPT**

When you conduct your transaction online, it means no more faxing papers back and forth or driving across town for missed signatures. No more initialed changes to smudged contracts, illegible handwriting, over faxed contracts, or lost documents. With dotloop, the traditional paper trail is online, and all parties to a transaction can collaborate in one space. You can be out of town and still keep the negotiation or Date of Completion process moving as long as you have Internet access.

If they are concerned about the security of online transactions, use this script:**SCRIPT**

Do you bank online? Do you file your taxes online? Dotloop offers the same level of security with your confidential real estate transaction documents. Every change, initial, and signature is stored and available for up to 7 years.

Establish your showing process:

To make the showing process as efficient as possible, set the expectation with the buyer before looking at homes. Use the script below.

SCRIPT

Mr./Ms. Buyer, we'll be looking at about 5–6 homes when we go out. After you see each home, I'll ask you if you want to buy it. If the answer is “no,” I'll ask you to tell me what it was that didn't work for you, so that I can refine our search and provide a better customer experience for you. Does that strategy work for you?

As we view homes, there are two things I want you to keep in mind. One, that the 100% house does not exist. A 90%–95% house is really a 100% house. And two, I want you to keep your five must-haves in mind, because these will be your determining factors.

Benefits of preapproval:**SCRIPT**

Let's just assume for a moment that you are the seller.

You have been transferred by your company and need to sell your home in 3 weeks. The first thing you do is call your real estate sales representative and let them know that you need to sell this home and you need to sell it now. You end up listing it below fair market value because you are under time pressure, so of course the first day you receive two offers. The first offer is for cash, and it is \$2,000 less than your request price. The second offer is for full asking price because those buyers really want it—however, they haven't been preapproved, so you do not know if they can qualify, even their sales representative doesn't know if they can qualify! Knowing you are under time pressure, which offer are you going to take? Are you really going to take a chance for an extra \$2,000?

When you are preapproved for financing, you essentially become that cash buyer. Can you see the benefit of that? So when is the best time for one of my lenders to call you? Is it weekends, weekdays, or in the next 15 minutes?

