

### Getting Started

#### Anatomy of a Sale: Working With Sellers

BY MARK NASH

### Prospect and Find a Client

Just listed/sold postcards, friends, family, business associates, neighbors, market update newsletters, print ads, Web sites, floor duty, or public open houses are all good ways to find selling clients.

### Your First Contact With Your Home Sale Client

You have spent a lot of time and expense to receive the phone call or e-mail inviting you to your potential home sale client's property. Most sellers want to discuss in person the need to place their home on the market. In many cases, the sellers might invite several real estate professionals to interview them before selecting a practitioner to list their property. Competition is tough in most markets for listings of properties by sellers. List price, commission rates, marketing, and the real estate salesperson's experience and personality are all factors sellers consider when choosing which real estate salesperson to represent their property.

### Give a Listing Presentation

In a competitive situation, you may need to give a listing presentation to the potential selling clients. These presentations should cover your qualifications, the company you work for, information about the local housing market, how their home fits into that landscape, and how you would market the property if you were to get the listing. Check with your managing broker to see if there is a standard company presentation that you can tailor and use. Practice the presentation before giving it to sellers to be comfortable with everything you need to cover. Depending on your technical comfort level, the listing presentation can be done on your laptop or it can be in printed handouts.

### Sign a Listing Agreement

Congratulations on your first listing and client! Your new real estate sales business is off to a great start. The actual document for listing a home varies by state and real estate company. Before you go on a listing appointment, ask your mentor or managing broker to review your company's listing agreement; required federal, state, and local disclosures; and what makes a legal and enforceable listing agreement in your state.

### List the Property on the MLS

All MLSs have an approved format for the required sequence and fields that need to be inputted into the MLS system before a new listing is active. Your company also may have required procedures and documents that you need to complete before you or the administrative staff can start the input procedure. Know your MLS's rules on how long you can have a signed exclusive right to sell before you must input it into the MLS and how quickly you have to note status changes, such as "under contract." The rules vary widely from one MLS to another. Take a course with your local MLS to be updated on its rules and policies.

### **Market Your New Listing**

Once you've completed the listing agreement and disclosures, your new listing is ready for presentation on the market. Ask your mentor what steps are typical in your market to get your new listing into your company's marketing and what marketing you should consider on your own. Typically there are many systems and customs that affect how you market your listing.

### **Hold a Public Open House**

When you are new to the real estate sales business, public open houses are a great way to meet new buyers and sellers. Be prepared with sign-in sheets, community information, neighborhood comparables, other homes on public tour, and yard signs where allowed. Remember to bring required fair housing and disclosure documents. Security also is important for you when you are hosting a public open house. Ask another salesperson from your office to assist you, bring your cell phone with emergency numbers programmed in, and be aware of your environment at all times.

### **Hold a Brokers Open House**

Salespeople and brokers can have hectic schedules. Most markets have one day each week when new listings are open for several hours to all practitioners in the market. A "broker open" day is a great way for you to see many properties that might be of interest to your buyers or good comparables to a listing. Most broker open houses are listed in the MLS. Ask your office administrator or managing broker how your listing can be added to the MLS brokers' tour.

### **Receive a Contract Offer on Your Listing**

You may receive one or more offers on your listing. Your mentor or managing broker can advise you on what the steps are in your state and market for handling an offer. Talk with your mentor or managing broker in advance so that, when an offer comes in, you're aware of the steps you need to take in your state and market. This is particularly important in a multiple-offer situation.

### **Negotiate the Offer**

Most likely, the interested buyers will make an offer that is on the low end of a range they are willing to pay, and your sellers may want to counteroffer with a higher amount. Work closely with your clients to determine what the counteroffer should be and how low they are willing to go on the selling price. If you receive multiple offers, be sure to present all offers to your clients promptly and in the order they were submitted. Make buyers and their representatives aware of your procedure for handling multiple offers, and keep everyone informed at all stages of the process. The price is not the only aspect of the contract you should be negotiating on behalf of your sellers. Be sure to also negotiate other terms that are important to your clients, such as the earnest money, closing date, and contingencies. When they're considering multiple offers, sellers also should pay attention to which buyers are preapproved for the mortgage amount and are, therefore, less likely to have financing fall through in the end.

### **Your Clients Accept a Contract**

Bringing an offer to acceptance should be a rewarding experience to you. Once your sellers accept a contract offer, be sure that the contract contains all the negotiated terms. Have your sellers sign the final contract from the buyers. Send a copy to all parties, including the attorneys for both sides of the transaction.

### **The Time Between Contract and Closing**

The first seven to 10 days after acceptance are a busy period for all parties to a contract. The potential new purchasers should do a home inspection. If issues arise out of the inspection, you will need to communicate these to your selling clients or their legal representatives. This process varies by state and market; you need to ask your mentor or managing broker what is required in your state. The purchasers' mortgage company most likely will need to complete an appraisal on the property. Your managing broker or mentor can address what is customary in your state and market on the appraisal process for your listing.

This time can be busy or slow depending on the contract dynamic. Review your transaction file with your mentor or managing broker to make sure you are fulfilling your role in the transaction. Clients don't like surprises. Make sure you keep a list with timelines and deadlines and who is responsible for meeting them. If you feel that something is not moving along as it should be, do not assume that no news is good news. Call the transaction participants to be sure the transaction is being completed according to the terms of the contract. This follow-up is vital, and it's your responsibility. Check with your mentor or managing broker on the legal responsibilities you and your clients have in this phase of the transaction in your state.

### **The Closing**

All the administrative work is completed and the transaction is going to closing or escrow, depending on what is common in your market. Have a discussion with your mentor or managing broker before your first closing or escrow to determine what your role is in this final stage. Congratulations!

### **Follow-Up After the Closing**

After closing, call, e-mail, or visit your clients and thank them for their business and offer additional assistance. You can send, deliver, or bring to closing a closing gift if you like. Ask your mentor or managing broker what is customary. Following up with your closed clients on a regular basis by phone, e-mail, or mail is a good way to remind your clients that you are available to them or their referrals.

**(Editor's Note:** Be sure you abide by all the federal rules and regulations that govern telemarketing calls, e-mails, and faxes in your contacts with past clients. To learn more about these guidelines, to go the [Field Guide to Anti-Solicitation Laws: Do-Not-Call, Do-Not-Fax, and Do-Not-E-mail](#) at REALTOR.org.).

**Source:** Adapted from *The Original New Agent's Guide: Starting & Succeeding in Real Estate* by Mark Nash (South-Western Publishing, 2004)

*Mark Nash is the author of The Original New Agent's Guide to Starting & Succeeding in Real Estate (South-Western Publishing, 2004) and Reaching Out: The Financial Power of Niche Marketing (Dearborn Real Estate Education Publishing, 2003). He is a broker-associate with Coldwell Banker Residential, Central Street Office, in Evanston, Ill.*