

The Action Pack for Successful Selling



**SERVICING &
MARKETING
THE LISTING**

Module 9

INTRODUCTION

Once you obtain a signed listing, your job falls into two categories: **Servicing** and **Marketing**. Servicing describes the activities carried out directly with the seller of the property. Marketing is the activity you and your company carry out with the public and other sales professional in order to generate a prospect.

There are two approaches to these tasks: **Active** and **Passive**. The unprofessional way is the passive approach. It implies that the sales professional merely hopes that someone else will provide the buyers. At Prudential Real Estate, we take an **Active** approach. We recognize that the listing associate and the listing company are accountable for generating prospects.

OBJECTIVES

At the conclusion of this module you will be able to:

1. Explain the importance of taking an active role in the marketing process.
2. Describe the marketing process.
3. Plan a strategy for servicing and marketing a listing.

PREPARE THE SELLERS FOR THE MARKETING PROCESS

Prepare your sellers for the marketing process by discussing the 30-Day Marketing Plan during the listing presentation. If the sellers can understand the complete process of selling a property they can help facilitate a sale. When sellers understand the process and when you communicate weekly, you help to eliminate the unknown. This helps the sellers to see that the marketing of their house is a team effort. Confirm dates and activities. (See Figure 1)

VACATIONS & SEMINARS

Notify the sellers of your plans to be out of town or in any training programs. Leave them the name and telephone number of the associate or assistant who will be covering your business. You also need to know when the sellers will be away and any special plans that need to be made regarding showings and care of the property.

COPIES OF DOCUMENTS

If you were unable to complete your listing file prior to the listing, do so now. Verify, in writing, the **mortgage balance, mortgage rate, principal and interest payments** and **assumability of the loan**. Make copies of any warranties, condominium disclosures, homeowner association documents, party wall agreements, inspection reports, surveys and any other important papers. Know the location of any title documents.

MARKETABILITY SUGGESTIONS

During the initial tour of the home, you made notes on the condition of the property and noticed things that need to be done to increase the marketability of the home. Now you must communicate this to the sellers. Suggest to the sellers that you tour the home again, but this time from the perspective of a buyer.

Mr. and Mrs. Seller, now that your home is to be on the market, we must take a different perspective as we look at it. Let's take another tour of your home, now as though we're buyers, and see if there is anything that might be a marketing distraction.

Tour the home slowly and when you arrive at a "distraction," stop and take a long look. The sellers will follow your glance and will usually tell you that they will do something about it. Just agree and write it down. If they don't take your lead and suggest fixing the problem, you must do it. Use whatever tact you need, but you must speak frankly. For example:

Mr. and Mrs. Seller, there's a way to make your closets look really bigger! What you do is take out all the things you don't absolutely need now and leave the rest hanging in a neat, even row. It makes it look like there's a lot more room!

The importance of having a neat, clean, fresh home and yard cannot be stressed enough. Although it is sometimes difficult to be frank with sellers, pre-printed information is available with hints for preparing a house for sale.

If the home is to be sold FHA/VA, and the roof or paint needs attention (which could result in work orders and delays in selling and closing), this should be taken care of immediately after securing the listing.

Spending money for repairs and painting will hasten a sale and result in a better price. One way to explain this is with the “300/2,000” rule:

By not spending \$300 in minor repairs, the buyers may perceive \$2,000 that they’ll have to spend and may offer that much less.

OPEN-HOUSE

If this is a productive marketing tool in your area, schedule one promptly. It is important to explain in advance the purpose, process, and scheduling of Open Houses, so that the sellers can arrange their weekend plans. The owners should be absent during all Open Houses. A diplomatic way to ask them to leave is:

Mr. and Mrs. Seller, we’ve found that buyers are hesitant to speak their minds in the presence of owners. You would do us a great service if we could have the privacy of your home during open houses. Would you be able to make some alternate plans for that time?

OFFICE TOUR

Explain to the sellers how your office conducts its in-office property tour. A flexible time schedule is important, since the office may be looking at several new listings on that day. In addition, the sellers should understand that the office sales force will not make a lengthy inspection during this tour. They will take notes on the floor plan, decorating, and condition of the home. Through office tours sales professionals are able to explain the highlights from personal inspection. They will be able to bring buyers back for a more detailed showing. They may also, on request, provide the sales professional with feedback evaluations. (See Figure 2.)

<u>Listing Evaluation</u>		
Address _____		
<u>Rating Schedule</u>	<u>Pts</u>	<u>Comments</u>
5 = Excellent	_____	Curb Appeal _____
4 = Above average	_____	1 st impression _____
3 = Average	_____	Floor Plan _____
2 = Below average	_____	Condition _____
1 = Needs Improvement	_____	Other _____
	_____	Other _____
Marketing Suggestions _____		

Sales Professional _____		Price Opinion _____

Figure 2. Listing Evaluation

BROKER HOUSE

Every home has to be sold twice – the first sale is to the other sales professionals so they can help you with the second sale to the available buyer in the marketplace. Some areas hold Multiple Listing Service or Broker Open Houses once a week for new listings. The listing associate holds the newly listed property open for inspection by sales professionals from other companies.

Even if Broker Open Houses are not typical in your area, special cases may warrant them. In properties or areas where there are security systems or other complications, it may be advantageous to have a special open house for cooperating brokers to facilitate their being able to view the property firsthand, and to receive a detailed explanation of the home from you.

SHOWINGS

Explain the difference between a “preview” and a “showing” appointment. Previews are usually done prior to a showing by the real estate sales professional that will be conducting the showing. At times however, a sales professional may want to preview just to become more familiar with the property. A showing appointment is done with qualified buyers whose buying needs could be met by the sellers’ house.

Encourage the sellers to maintain the home in a “Ready-To-Show” condition so that prospective buyers can view the home in **privacy** with the sales professional (sometimes on short notice). The sales professional knows the customers’ needs best and will show the home in a manner which is comfortable and effective for each particular buyer.

Copies of information fact sheets with photos will provide the detailed and visual information, which the buyers can take along with them and study more carefully at a later time. Assure the sellers that you will review with them any feedback, which you are able to obtain from buyers and sales professionals viewing the property.

APPOINTMENTS

The method of scheduling appointments for showing or previewing differs from area to area. In some areas the showing sales professional will call the sellers for an appointment. In other areas, all showings will be coordinated by the listing sales professional or office. In either case you will need to explain the process used by your office. Sellers need to understand how security can be maintained by the use of a key or a lock box. There is also the added convenience of being able to show their property while they are away or at work.

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Take care that all showing instructions are made clear to other sales professionals. This includes information about special precautions regarding pets, location of key or lock box, renters, security systems, etc.

*****Check with your coach** on procedures regarding appointments.

FOR SALE SIGN

Many of the calls on a property will come from the sign. Potential buyers usually drive through communities and areas they like in order to look for desirable home styles in that area. Also, sales professionals and neighbors who see the sign will contact their customers and friends who wish to live in the area. Buyers will contact the associate or office on the sign, or their own sales professional, for a showing. The timing and details of sign installation and removal need to be explained as well. Check for any regulations preventing For Sale signs.

*****Check with your coach** regarding sign procedures.

ASK TWENTY-FIVE

In some cases, the sellers will want to tell their neighboring friends about the listing before the listing sales professional. This is fine, but it needs to be done right away. Explain the "Ask Twenty-Five" program and the importance of getting the word out as quickly as possible. Let the sellers know that you will also be contacting several other potential buyers using the mail, telephone, flyers/brochures, and personal contact. (Refer to "Prospecting," Module #3 for more information.)

MARKETING TOOLS

Show the sellers examples of the marketing tools (flyers, cards, or brochures) you will be using to promote their house. Explain how people who might not be actively looking might become serious buyers after seeing that the home is available. Let the sellers know approximately how many will receive this information. Using the 30-Day Marketing Plan, indicate the dates you will distribute the information. Be certain to include the sellers on your mailing lists so they will receive actual copies of the tools you are distributing on their behalf. Personalize theirs with a short "For your information" note.

ADVERTISING

The effectiveness of classified advertising needs to be explained in advance to the sellers so that they understand that usually on 3% to 5% of sales come from classified ads. Advertising policies and results may vary in different areas so you

will need to make your sellers aware of your local statistics. These ads are generally a source of prospects, not a direct source of buyers for their home.

Explain the frequency, size and style of ads, which you plan to write. Explain how institutional advertising brings buyers.

To get assistance in writing the ad, ask the sellers what attracted them to the area and their home. Then, when you do your "Ask Twenty-five" prospecting in the neighborhood, ask the neighbors, too. Ads sometimes "write themselves" with the dominant motivation words supplied by the people who have purchased there.

PREPARATION FOR OFFER PRESENTATION

It will facilitate the presentation of an offer to purchase if your sellers have seen and studied possible examples of purchase agreements that might be presented by the selling sales professional. First time sellers particularly need to have the procedure explained to them in detail. Also, sellers who have been out of the market for some time will appreciate a review of the present financing market.

Explain that ALL proposals will be presented regardless of the proposed price or terms. Many INITIALLY unacceptable offers can become closings if the sales professionals and sellers will give serious attention to each offer. The sellers will have the opportunity of accepting or countering all proposals. Also inform the sellers that in some instances the selling sales professional will also be present during the presentation of the proposal.

*****Check with your coach** for local customs regarding the selling sales professional attending the offer presentation.

SERVICING ABSENTEE-OWNER LISTINGS

- **Vacant Homes.** If the sellers will be moving out before the home is sold or closed, it should be their responsibility to arrange, contract, and pay for any lawn care, pool or tennis court maintenance, snow removal, dead tree and interior and exterior debris removal. The sellers should notify their insurance company for possible special coverage for an empty house. The sellers should leave the electricity and heat on, but make arrangements to have the plumbing system 'winterized' well in advance of the first frost, if the heat is to be turned down. If there are neighbors who have keys and area designated to watch the house, they should be given your name and numbers. Make arrangements with the sellers for their out-of-town address and telephone and the frequency and method of contact they desire.
- **Corporate Owned Homes.** It is essential at the time of listing a house, which may become a Corporate Transfer listing, to include on

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the listing any statement required by the sellers' company. It is important to understand and have in writing the information regarding the timing and special marketing required of the listing and whether you will continue as the listing sales professional, or if it will be turned over to another company and sales professional.

*****Check with your coach** on Third party corporate policy regarding offer presentations, policies, and special requirements.

- **Rental Property.** If an absentee-owner's home is occupied by renters learn the terms of the lease and rental agreement and possible possession arrangements. It is even more important to know the attitude of the renters and whether they will be willingly or unhappily moving out when the house is sold. It may be necessary to be more flexible in giving them more notice for showings, but check with the owners regarding expectations for the renters. If there are reports of difficulty in setting up showings, or if sales professionals report extremely negative conditions, the owners should be contacted immediately to work out any problems.

PROCESS THE LISTING

NOTE: Policies vary on how new listings are handled. Check with your coach on the procedures for your office.

The following steps are typical:

- Label a manila file folder with the sellers' names, address and phone numbers for all the paperwork on the listing.
- Prepare two newspaper ads for your listing. Turn both listings and ads into your broker or manager for their authorization.
- Make arrangements for the "For Sale" sign installation, if you did not install it when you left the listing. If you install your own "For Sale" signs it is a good practice to get the owner involved helping you.
- Complete all necessary paper work.
- Arrange the office tour and confirm the date and approximate time with the sellers.
- Prepare "Just Listed" brochures for your Ask 25 contacts.
- Let your office sales staff know about the new listing and the showing procedures (lock box, office key, pets, etc.)

- Check your listing paperwork for accuracy and complete any incomplete portions. Arrange for this to be sent promptly to the Multiple Listing Service. Send a copy to the seller with a thank you note. If there are any supplements, addendum or special documents, be sure that copies are in your file and sent to all appropriate people

*****Check with your coach** on MLS requirements in your area.

COMMUNICATE WITH THE SELLERS

THANK YOU NOTE

The sellers have placed great confidence in you and have provided you with an opportunity to earn your income. Express your gratitude in a letter or note to them:

Dear Mr. and Mrs. Seller,

Thank you very much for placing your confidence in me. I place great value in receiving the opportunity to assist with your housing needs and intend to fulfill my commitment to you. Because our mutual objective is having your home sold quickly, I will contact you at least once a week to provide you with progress reports. If you need to talk to me at any other time, please feel to call me.

Sincerely,

*(Your Name)
(Company Name)*

FOLLOW-UP

It is absolutely critical that you initiate at least one contact per week with your sellers until the home is sold and closed. Set aside a morning each week to call or write each of your sellers. Promise this to your sellers, schedule it on your 30-Day Marketing Plan, and write it in your appointment book.

Below is a list of things to keep the seller informed about:

- Response from fellow sales professionals after the tour.
- Feedback from all showings about the buyers' responses to the home, its price and financing terms.
- Updated market and financing information.

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- Your marketing activities to date, number of showings, number of Open Houses, response to ads, sign calls, personal contacts you've made and any canvassing you've done.
- Your marketing plans for the coming week.

30-DAY MARKETING PLAN REVIEW

A meeting time should be scheduled on your 30 Day Marketing Plan for reviewing the past marketing activities and to review the next 30 day plan with the seller.

Also, review any new sales and new listings of comparable properties at this meeting. It is useful to update the CMA (Competitive Market Analysis) and its accompany graph for the sellers. With these visuals, they are able to see more clearly their current market position.

This meeting will be in addition to the regular contacts.

See Appendix A for the checklist of "Strategies for Communicating with the Seller."

MARKETING THE LISTING

PERSONAL CONTACT

Contact potential buyers from who you have met at previous open houses. Notify your personal Sphere of Influence and the Territory that you manage of your new listing. They might have neighbors, business associates, or friends looking for such a home. Talk up your listing in the office and notify sales professionals in other brokers' offices.

TARGET YOUR MARKETING EFFORTS

Study the profile of the potential buyers. Ask yourself about the potential buyers:

- What are their marital status, income, and age likely to be?
- Do they have any children and how many?
- What are their hobbies and lifestyles?
- Where do they live now?
- Where might they work?

Once the potential buyers for the listing have been identified, you need to determine how to notify them that the property is available.

For example:

You have secured a "horse property" listing. Potential buyers will probably come from people that own horses. Therefore, promote the property at Horse Shows, Rodeos, Feed Stores and Tack shops.

Other Target Marketing Contacts

- When you list income-producing property like a duplex, check ownership records and announce your listing to other owners in the area. Investors are very likely to purchase other properties in the same area.
- When your listing has a special interest appeal such as dockage, tennis courts, stables, landing strip access, etc., send promotional brochures to clubs and organizations with those special interests.
- When your listing is in a resort area, check other resort owners for names of friends who also want to own resort property.
- Check local merchants and businesses for prospects.

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- Call past Open House visitors and let them know you have a new listing in the same area.
- Call people in your Sphere of Influence who may live in the area.
- Contact apartment dwellers in the area. Many of them end up buying in the same area.
- Provide promotional flyers to local churches, clubs, industries, and organizations.

PHOTO FACT SHEETS

Take pictures that will show of the sellers' home to its best advantage. Include rear and interior shots, if applicable. If the seller has some good seasonal photographs, ask to use them for the brochures and to allow them to be displayed in the home during showings.

HOME INFORMATION SHEETS

A brochure or flyer with details and photographs can be prepared with highlights and benefits of the home. This can be used at Open Houses, mailed to your Sphere of Influence, distributed in the neighborhood or sent to other brokers. Copies should be given to the sellers to leave out on a special table where they will always be available for showings. Ask the sellers to let you know when they need more.

KEEP RECORDS

Keep track of the work you do on a listing. A written record of your activities serves as a reminder for you, your manager, and your sellers of the work you have done, and it reminds you of activities you still need to do. Figure 3 is an example of a filled-in Listing Checklist. (A blank copy is provided in Appendix B.)

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LISTING CHECKLIST

Addresses	Activities														
	Listing Signed	Ask 25 Just Listed	MLS Submitted	MLS Proofed	Sign Installed	Ask 25 Open	Open House	Office Tour	Broker Open	Ads Written	Special Mailing	Call Sphere of Influence	Fliers Made	Fliers Distributed	Call Prospects
5201 Maple	2/1	2/5	2/2	2/8	2/1	2/3	2/21	2/4	N/A	2/20			2/9		2/4
706 Elm	2/6	2/10	2/8	2/16	2/6	2/5	N/A	2/8	2/16	N/A		2/8			
211 Main	2/7	2/8	2/8	2/16	2/7	2/9	N/A	2/8	2/16	N/A			2/9		

Figure 3

SUMMARY

Once you have obtained the listing, the job you have been hired for has just begun. Ultimately your responsibility is to find a ready, willing, and able buyer for your listing, always maintaining the sellers' interests first.

APPENDICES

APPENDIX A

Strategies for Communicating with the Seller	
Date: _____	
_____	Send "thank you" note to the seller for selecting you to market their house.
_____	Following office tour, present sales associates' comments to sellers.
_____	Monitor showings by other sales associates, and give feedback to seller.
_____	Follow-up with the seller about any repairs/improvements to be done.
_____	Update seller regarding new listings and new sales in area. Check with seller on any drop-ins; pick up business cards of sales associates who have previewed or shown the house.
_____	Provide seller copy of all advertising on their house.
_____	Keep seller informed of any changes in financing availability (FHA, VA, etc.)
_____	Periodically check condition of sign and availability of cards and brochures.
_____	Follow-up immediately every Open House with a status report to seller.
_____	Provide copies of brochures, mailings, etc., that have been distributed.
(continued)	

Strategies for Communicating with the Seller (continued)	
Date: _____	
_____	Review results and obtain seller's opinion of the marketing effort.
_____	Schedule meeting to visit with seller on any price/term changes to consider.
_____	Send a "thank you" note to the sellers for their cooperation during showings, Open Houses, etc.
_____	Provide the seller a copy of the financial fact sheet being distributed.
_____	Provide the seller a copy of MLS submission.
_____	Inform the seller of "Just Listed" and "Open House" campaigns conducted.
_____	Inform the seller of other contacts made, Sphere of Influence, mail campaigns, etc.
_____	Follow-up with the seller after conducting the Open House for real estate community.
_____	Inform the seller of Board of REALTORS®/MLS meeting promoting the listing.
_____	Other: _____
_____	Other: _____
_____	Other: _____

SUMMARY QUESTIONS

1. Part of the servicing process is to contact the sellers once a month to update them on your marketing activities.
 True False
2. The most important mortgage information together from the seller is the due on sale clause.
 True False
3. After you secure the listing it is a good idea to tour the home again to look for marketing distractions.
 True False
4. One way of encouraging the sellers to improve the condition of marketing distractions is to refer to the "300/2000" rule.
 True False
5. Describe the "300/2000" rule.
6. Broker Open Houses are only for the brokers and owners of real estate companies to make them aware of the properties that are being listed in the market.
 True False
7. It will be helpful to have the sellers present during an Open House in case you get several visitors at one time.
 True False
8. Explain the difference between a "Preview" and a "Showing".
9. When you list a resort property, a good way to target market buyers is:
10. When you list an income producing property you should check ownership records and talk to other income producing property owners in the immediate area.
 True False

11. A good reason to explain the marketing process to the sellers is to get them to participate.

True False

12. As long as the property can be shown by calling the owners directly or by lock box access it is not necessary to notify the sellers when you will be out of town for a weekend.

True False

13. Name the two types of approaches in marketing property.

a. _____

b. _____

ANSWER KEY

1. Part of the servicing process is to contact the sellers once a month to update them on your marketing activities.

True False

2. The most important mortgage information together from the seller is the due on sale clause.

True False

3. After you secure the listing it is a good idea to tour the home again to look for marketing distractions.

True False

4. One way of encouraging the sellers to improve the condition of marketing distractions is to refer to the "300/2000" rule.

True False

5. Describe the "300/2000" rule.

By not spending \$300 in minor repairs, the buyers may perceive \$2000 that they will have to spend and may offer that much less.

6. Broker Open Houses are only for the brokers and owners of real estate companies to make them aware of the properties that are being listed in the market.

True False

7. It will be helpful to have the sellers present during an Open House in case you get several visitors at one time.

True False

8. Explain the difference between a "Preview" and a "Showing".

**Preview = sales professional along
Showing = with buyers**

9. When you list a resort property, a good way to target market buyers is:

Ask other resort owners the names of friends who also want to own a resort.

10. When you list an income producing property you should check ownership records and talk to other income producing property owners in the immediate area.

True False

11. A good reason to explain the marketing process to the sellers is to get them to participate.

True False

12. As long as the property can be shown by calling the owners directly or by lock box access it is not necessary to notify the sellers when you will be out of town for a weekend.

True False

13. Name the two types of approaches in marketing property.

- a. Active
- b. Passive

The Action Pack for Successful Selling!

#8

The Listing Presentation

Sales Professional Activities

The following activities are to be checked off as you complete them. Schedule an appointment with your coach as soon as **all** activities are finished.

1. Servicing and Marketing the Listing

- Implement your 30-Day Marketing Plan.
- Record your activities on the Listing Checklist (use a copy of the blank form in Appendix B of this Module).
- Record your communications with the seller (using a copy of “Strategies for Communicating with the Seller,” Appendix A).

2. Previewing

- Schedule previews of at least three company listings that you have not seen.

3. Open House

- Arrange through your coach to be an observer at an Open House being held by another sales professional in your office.

4. Prospecting

- Ask at least 10 people daily the Magic Question (***Who do you know who is planning to buy or sell a house?***)

Contacts: _____

Results: _____