

## Networking Exercise – August 2010 Meeting

### Challenging Objections

**Objection:** Offer to low (This was the #1 objection people wanted to tackle!)

**Answers:**

- Compare cost of fixing to holding cost
- Lower offer – Better Terms
- Go back to the last thing you *did* agree on, you want to sell, you don't want to foreclosure
- Counter other offers on property – condition of property
- "This is a cash offer that can close quickly and take this problem property off your hands now"
- "I'm ready to close, if someone wants to pay more then use my offer as a backup position and call me if it bombs"
- "What are you trying to accomplish?"
- "How much do you need to get out of the property?"
- "Would you rather be living in Wyoming enjoying the countryside and your retirement or staying here waiting for someone to buy your property?"
- "Back in 1967 how much would you have to pay for this house?"
- "If I can come up with a price you could agree with would you allow me to adjust the terms?"
- "How did you come to the price you want?"
- "If you still have your house in the market in 6 months, give me a call."
- "What do you need?" (Monthly payments)
- "We can pay cash or close to market value, but with terms."
- Follow up within a month, if it's still in the market, renegotiate.
- "Next!"
- "What will work for you?"
- "Why do you think it's too low? What are your alternatives?"
- "Good luck with your other offers, you have my number and my offer is good for 72 hours."
- "What are you looking for? This may not be for you."
- Blow them off and make more on the next deal.
- "What do you think it is worth?"
- Find motivation
- Close fast with cash, no contingencies
- Break down heads
- Justify offer based on repairs.
- Submit because higher offer might fall out
- Bring comps
- Offer terms of cash-flow rather than cash
- Give higher price but on favorable terms – owner financing

**Objection:** The Price is too high

**Answers:**

- “Great time to buy, real estate appreciates”
- “What do you think it should be and how did you get that?”
- “I have another property that you might think is a better deal”
- “Okay, I’ll have to move on to the next buyer.”
- Propose profit share vs. up front cost
- Focus on value vs. price
- Special service package
- “The cash-flow will overcome the initial investment” (price)
- “The tax advantage will offset the initial investment”
- “According to the comps, the price is a little above average”
- “I’d be willing to reduce the price if you pay all cash”

**Objection:** Why should I work with you? Why Should I trust you?”

**Answers:**

- “Finding a mentor/expert”
- “Because I am new, I do not have a negative track record”
- “Communication skills to put people together to do deals”
- “Team and experience”
- “We can solve your problems, we can help”
- “We have buyers”
- “Customer service, references, honesty and integrity”
- “I’m looking to buy in the area”
- Have a reference, testimonial, any business contact
- Creative solutions – terms or cash offers
- Quick closing
- No service charge for short sales services
- “I don’t take commission”
- “Finder’s fee is less than commission”
- “No listing agreement”
- “Trustworthy and Dependable”
- “Because I will work hard for you”
- Big support group
- Prove other professional experience
- Use character references
- RE clubs and education
- “I’m cute”
- I’m Trustworthy & Dependable

- Because I will work hard for you
- I have a big support group & network

**Objection:** Too Risky

**Answers:**

- “When is it not risky?”
- “What do you consider not risky?”
- “What are your concerns?”
- Cash deals only
- Set a team before you make the deals
- Find an expert
- “No guts, No glory” can start with small amount
- Escape clauses on contract
- Do more research

**Objection:** How much experience do you have?

**Answers:**

- “As long as I get the job done, it doesn’t matter”
- “I have a lot of partners with experience”

**Objection:** We reviewed your flyer and the property and decided that we are not interested for now.

**Answers:**

- “You really have to see the property to really appreciate it”
- “What is it about the property that doesn’t interest you?”
- Advertise heavily and do an auction

**Objection:** “It’s not your business” – when asked about neighborhood and house

**Answers:**

- “Start asking questions to get the answer rather than asking them why they want to move.  
Helps build trust

**Objection:** I’ve never heard of being able to do that, where did you learn that?

**Answers:**

- Give them an example of IRA investing not being announced by portfolio managers , yet it is legal and doable.
- Educate them on it, remain positive and give examples that are not REI related. i.e. medicines that they don’t know about either, yet they are out there.
- “I know! I hadn’t heard of it either, and that is why I’m so excited about it. Let me tell you more.”

**Objection:** I'll think it over, I don't make on the spot decisions. I'll have to talk to my lawyer.

**Answers:**

- "That's great. I can meet with you both and go over the deal" (wants me with lawyer alone)
- "Is there something in particular you want your lawyer to review?"

**Objection:** I don't know where I'll go if I sell

**Answers:**

- "Rent in the area"
- "You'll find a new place to live"
- "Where do you want to be? This is an opportunity to make a positive change."

**Objection:** I don't work with investors

**Answers:**

- "Here are the benefits: cash offer, close 10-14 days"
- "We are credible, we have closed many properties this month."
- "We help people directly dealing with real estate problems"

**Objection:** What if they stop making their payment?

**Answers:**

- We evict them and re-sell the property

**Objection:** Can you buy all my properties vs. just one or two I have to sell?

**Answers:**

- "No, Only selective properties"
- "How about I find other investors for other properties?"
- "Find a rehab company"

**Objection:** How do we get the deal done?

**Answers:**

- Financing. Available 80/20 and creative 90/10

**Objection:** I don't have regular income

**Answers:**

- Hard money
- Lease option
- Duplex – live in one and rent out the other

**Objection:** You're too expensive

**Answers:**

- Show them the value
- If you are low price, invite them to shop around

**Objection:** Buyers can never close when they say they can

**Answers:**

- Screen them more. Ask the scale question and ask them to number 1-10
- “Are there any other reasons why you won’t be able to close?”

**Objection:** The property does not support the comps for ARV

**Answers:**

- Make sure the comps are comparable

**Objection:** Why do you need to know my mortgage info?

**Answers:**

- “Some people are under water and need to do a short sale. Is that your situation?”
- Build rapport and trust