



*Welcome!!
Lets talk about easily
chatting with FSBO's &
Expireds*



- Hosted By
- Mike Stott

Are you willing to believe?

- 40% to 50% of the FSBOs will list even in this market
- Half the Expireds will relist with about half of those relisting with a NEW Agent
- They Do Not know WHEN
- They Do Not know WHY they should list with YOU
- Your JOB is to stay in touch and let them know!

Don't be like Most Agents

- Come from a Spirit of Contribution instead of Fear, Desperation, & Condescension
- Show them you respect them and offer them more information, options, and solutions than anyone else



I held A FSBO Intensive

- ✓ 20 People Worked FSBOs for 22 days (Equaling 360 work days)
- ✓ We Contacted 1297 FSBO's (3 tries a day)
- ✓ We talked to 423 FSBO's (1 out of 3)
- ✓ We visited 179 of them
- ✓ We went on 48 appointments (1 out of 4)
- ✓ We listed 32 of them (1 out of 6 we visited) for over \$8,000,000 in Volume

**How Much \$\$ Would You Make If
You Sold An Additional 6 to 15
Houses Next Year?**

The Mindset

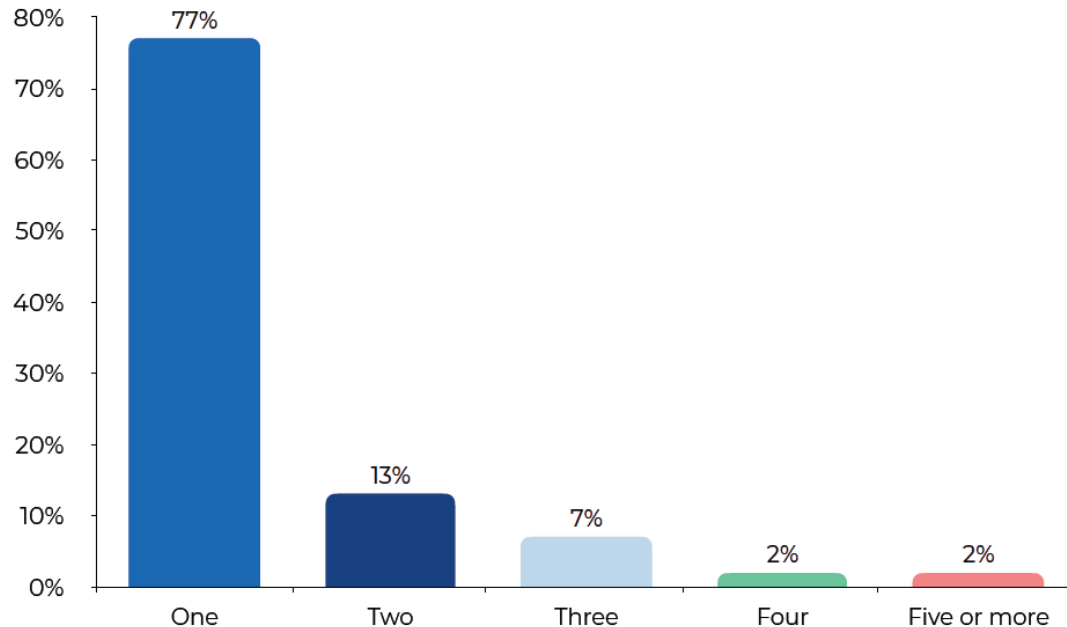
- ✓ They need to sell
- ✓ They need to talk with me
- ✓ They'll thank me for calling

**How Much \$\$ Would You Make If
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Getting in the Door is Vital in This Market

Exhibit 7-3 Number of Agents Contacted Before Selecting One To Assist With Sale of Home

(Percentage Distribution)



*Source: 2020
NAR Profile of Home
Buyers and Sellers*

We use a FSBO's own belief that "all agents are the same" to work in your favor by getting you in the door. Once you show them you care about them and offer great service YOU earn the listing!

The GOAL

- Simply to set an appointment to meet – preferably face-to-face but by zoom



Historical	FSBO vs Realtor			
Year	Realtor	FSBO	Difference	% Less
2020	\$295,000	\$255,000	\$40,000	15.69%
2019	\$275,000	\$251,000	\$24,000	9.56%
2018	\$264,900	\$200,000	\$64,900	32.45%
2017	\$250,000	\$190,000	\$60,000	31.58%
2016	\$245,000	\$185,000	\$60,000	32.43%
2015	\$245,000	\$210,000	\$35,000	16.67%
2014	\$235,000	\$208,700	\$26,300	12.60%
2013	\$230,000	\$184,000	\$46,000	25.00%
2012	\$215,000	\$174,000	\$41,000	23.56%
2011	\$215,000	\$150,000	\$65,000	43.33%
2010	\$199,300	\$140,000	\$59,300	42.36%
2009	\$215,000	\$172,000	\$43,000	25.00%
2008	\$211,000	\$153,000	\$58,000	37.91%
2007	\$240,000	\$180,000	\$60,000	33.33%
2006	\$240,000	\$180,000	\$60,000	33.33%
15	# years	Average	\$49,500	27.65%

NOTE: in 2020 FSBO's who tried & then listed sold for an average of 5.5% more! If they sold on their own they averaged \$255,000, those who listed sold for \$269,000!

Other Points to Consider:

More Expensive Homes are less likely to go FSBO

All Banks list their properties with an agent and pay a full commission

Only 3% to 4% of all sales are By Owner to a Buyer not known previously



Conclusions

This results from this study suggest that successful FSBO sellers achieve prices significantly below those from similar properties sold more traditionally by REALTORS via the MLS. The data used for this study came from a rather normal housing market, not one in rapid rise or decline, and covered all of 2016 and the first half of 2017. Some 15.6% of the sales transactions in this study are from successful FSBO sales. It is not known what percentage of all sales are initially FSBO attempts, but it is certainly higher than the 15.6%. This percentage of successful FSBOs seems not unlike those from a few decades ago, despite the proliferation of public internet listing sites, but further study is needed to identify if FSBO success is increasing or decreasing.

Using three different sorts of the data and methodologies, we find that the differential in selling prices for FSBOs when compared to MLS sales is remarkably close to average commission rates. Here we find an average difference of about 5.5% lower prices achieved for FSBO sales compared to MLS sales for similar property, using the most accurate method ever used to control for property differences. Our aggregate analysis for the data during 2017 suggested even larger differentials. In some markets, the differences based on regression models are slightly higher or lower and while they seem to vary over time, the average was near 6% lower for FSBO sales. Prior studies often focused on one metro, much smaller samples, and used fewer controls for property attribute differences.



Assuming that both buyers and sellers pay the commission, one might have expected something less than this average - 5.5% result. It appears that many sellers are avoiding commissions while netting home prices less than they would with an agent-represented MLS sale. They are avoiding commissions at any price, even one that exceeds the commission rate. Perhaps buyers do make low-ball offers to FSBO sellers deducting the entire commission, not just the seller's portion, in their offers? That would explain the results observed here.

The Initial FSBO Conversation

- Hi - saw your ad on Zillow and the place looks (great interesting, etc)
- I was wondering if I could stop by and see it?
- *Yes No Or Maybe*
HOT DOG!
- Yes - Would today at 4:00 or tomorrow at 5:00 be better
- No – That's fine – might I ask why not
- Maybe – *Do you have a buyer?* I work with investor buyers that have asked me to see potential properties I promise no sales pitch
- *I don't want to pay a commission!* I don't want you too either its a lot of money isn't it seeing your property helps in 4 ways (Might have a buyer, help for other sales, can tell other agents, give you marketing tips)

The Initial Expired Conversation

- Hi - saw your home went off market this morning)
- I was wondering if I would still be willing to sell if we brought you a full price offer?
- *Yes No Or Maybe*
HOT DOG!
- Yes - Would today at 4:00 or tomorrow at 5:00 be better
- No – That's fine – might I ask what changed?
- Maybe – You see I noticed some red flags from your previous listing that may have hindered the sale. **Or** What did you do with the potential buyers who saw your home?

It's a win if they

- Hang up – you can take them off your list
- Give you an Appointment
- They agree to allow you to stay in touch
- They agree for you to send them some more information
- Allow you to Add them to your database
- Refer someone else to you
- Send them a hand-written card

FSBO Specific:

- Find the Lead
- Attract Them
- Get Into Conversation
- Preview Appointment
- Follow-Through
- Listing Appointment
- Secure the Listing
- Leverage

