



RE - PRICING

Workbook

How to Thrive in a Changing Market

INTRODUCTION

As the market changes, you need to change the way you run your business, or you will be left behind. In a difficult market, you can still make money, in fact, if you change your strategies, there is a better way to make money. In a difficult market, it's harder to sell, so those that can't keep up, leave. There is more work to do, sure, but if you put in the effort and use my simple strategies, you are poised to succeed.

In this 2 hr workshop, I am going to teach you simple, not smart alec, strategies to thrive in a changing market, negotiate better deals and re-price vendors properties so that they sell in a more difficult market.

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2 THINGS YOU NEED TO KEEP DOING

1. Stay obsessed with Listing

2. Re-price

HOW DOES THE MARKET CHANGE?

Buyers stop coming

Gap appears

Stalling effect

Buyers get stubborn and confused

Can have a dead spot

Weird space

DO NOT DO THIS!

Kid yourself – be real

Media bash – the blame game

Start worrying about buyers

Do not double back to get stuff sold – keep listing

Do not focus on selling...

Always go back to re-price – when you get the price right, you sell!

Contract at a certain number of listings –

You have a number of listings you are comfortable with – do not contract there! Open into a new level of volume / listings carried

DO MOVE

The quicker you move, the quicker your listings will go back up. We blame the media, then we blame vendors, then we blame buyers- we need to move, as soon as you see a change!!!

THINGS YOU NEED TO NOTE

Look at the changes in the market

Take note when this happens

Average time on market goes out

One of the first things that happens – rethink your systems, your checklists, the way you do things...

Auction clearance drops

Watch out for this, even a 0.5% drop, heading for a drop, be real. Setting expectations with vendor and yourself – it MIGHT NOT SELL!!! Watch out for the drops!

Market driven deal

It's all about supply and demand!!! It is all driven by the market.

More listings will be on market

There has to be, as auctions are not selling – buyers have more choice – drives the buyers to work slow

Longer clearance times

Takes longer to clear listings

YOUR STRATEGY NEEDS TO CHANGE

Your market will change when you do – change your strategy!

4 things make up a good listing – how we measure a good listing:

- 1. Motivation**
- 2. Price**
- 3. Demand**
- 4. Competition**

Your numbers need to change

In a good market you will sell 20-25% of your listings. When the market changes it halves down to 12%, so be real – what does that mean? Take the cut or get more listings – but your mindset needs to open to more listings! Market change means there are more listings, you need to open into that and take it on!!!

2nd wave prospecting will give you double your listings.

You need to approach listings that are on for 90 days or more. Need 120 days in a new market.

Approach – vendors with a house you have – then go into question mode – how is it going? DO NOT VOMIT ALL OVER THEM...

Standard questions:

- **How many through?**
- **Starting again, what would you do differently?**
- **Why are you selling?**
- **Keep asking - have you had any offers?**
- **Where did the price come from?**

Soften your energy – how many homes are sold through a 2nd agent – as a market gets tighter, what happens is you get to end of a listing, haven't done this right and then move.

After 90 days everything changes – way the market, agent, buyer, seller views your property changes – you need to reboot, reenergise, remarket the property. This has happened to me, right now, let me look around, tell you what I see that might help, but keep me in mind if you think of changing – start the conversation

Repricing becomes the skill you need to have!!!

Take the listing first – stop talking about the price first!!!

- I'm missing listings because I am being too tight on pricing
- You can be right or you can get paid
- Stop talking about the price and start talking about the process

Stay obsessed with listings!!!

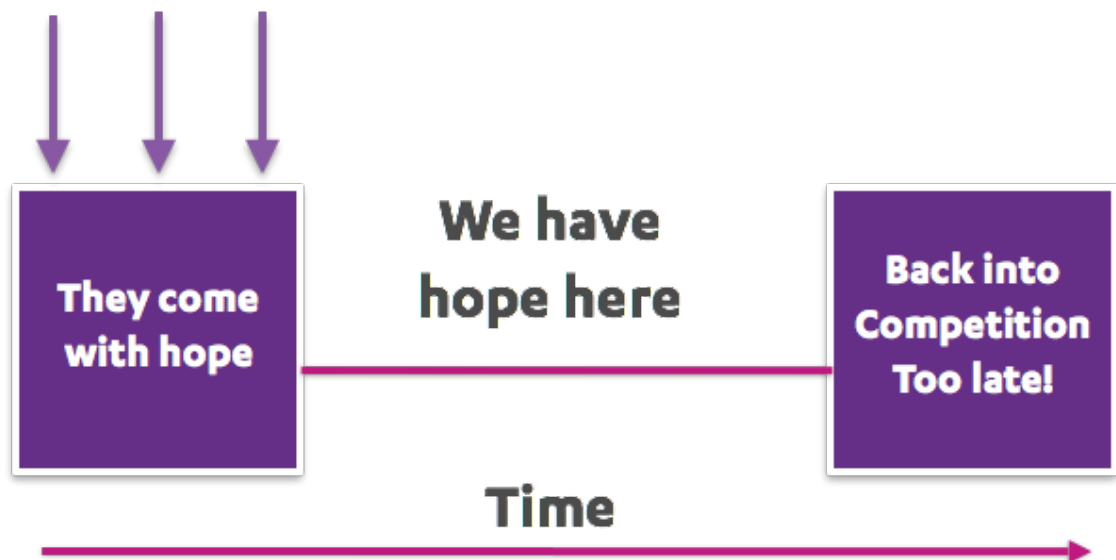
HOPE

People come to you with one thing – **hope** – what if we could get more than what the market says.

We listed with someone who got us and got our house!!!!

When we get listings, then we have hope

Competition with other agents



RE-PRICING

When it comes to re-pricing, people just want to move on!

it isn't about you, it's about them moving on – stop second guessing and manipulating the sale.

Stop the jibber jabber

Stop manipulating, you are good people, buyers and sellers are not dumb! Leave it with them – tell it like it is!!!

Take the listing

Then go back and tell them what you can get off them.

The more you earn, the blunter you are

Don't mess around!!!

Go into a state of – I know what needs to happen here!

They will go with you – go in, tell it like it is and get the job done.

It's all down to scripts!

THE RE-PRICING STRATEGY

1. Prove the price

2. State the price – over and over again!!!! No price drop – it is a price correction!

3. Restate it at all times possible!!!

4. State the price in terms of their objectives

QUESTIONS AROUND THE PROPERTY

6 questions – you will know what needs to happen around every listing

1. Why are you selling???? Motivation
2. How long on market?
3. How many through?
4. Offers made?
5. On at?
6. What's it actually worth? – ask all agents in the office – the true price will come out

Do this exercise on every one of your properties now!!!

RE-PRICING MODEL

- This is a meeting between you, the vendor and your manager
- Get out your 7 day planner – schedule in the midas touch meeting – 30 minutes per meeting (this is the midas touch meeting)

This is identical every time – scripted and practised

- You can have your manager running this if you want... The manager should be fashionably late – do it formally, don't do it at the usual time you check in, after open days, break the cycle, do it on a wed, for example

The script to vendors:

This comes back to your state – back to the way you operate.

Call to vendor:

“Your listing is up for review.... I need you in our office at 4pm, our manager xxx would like to meet with you. Bring your partner”

Manager comes late, “there he is, he is coming.” They get ready.

Manager walks in – “welcome, we are doing everything we can to get your home sold. Jack is doing everything he can. I have reviewed your file, I need to clarify a few things.”

The manager goes through the marketing, the actual house, etc

Marketing

- Time on market
- How many ads placed, show me, were you happy mr vendor
- Numbers through – 43 people through over 10 weeks – be specific and accurate
- Web activity – 1500 people clicked on
- Well done Jack – good campaign
- What needs to change – I don't need to change anything, it's not the marketing... ask the vendor

The House

- Give feedback from people.
- Some comments – vendor needs to change, some can't do anything about it – cut tree down.

The price

- Accurate feedback from people through the house on the price – accurate, specific, don't embellish – tell it like it is
- CMA – show the original CMA – how much did we say? We need to fix this.
- New info – in the last 3 months???

What has been listed / sold / Change in the Market speech

What has happened to the market specifically e.g. in the month of August we had 450 people every weekend, now we have 150 people through – be specific!!!)

What has happened in the last 3 months that affects the price of this property – size, price, position, etc... show similar properties – listen to vendor objections, but just listen and move on – keep going..

- Offers and interest – on the house – need the detail – who, where from, what happened?
- Is there anybody interested now – NO!!
- Your market indication – what is the market indication JACK? He then has to say what the actual market is?

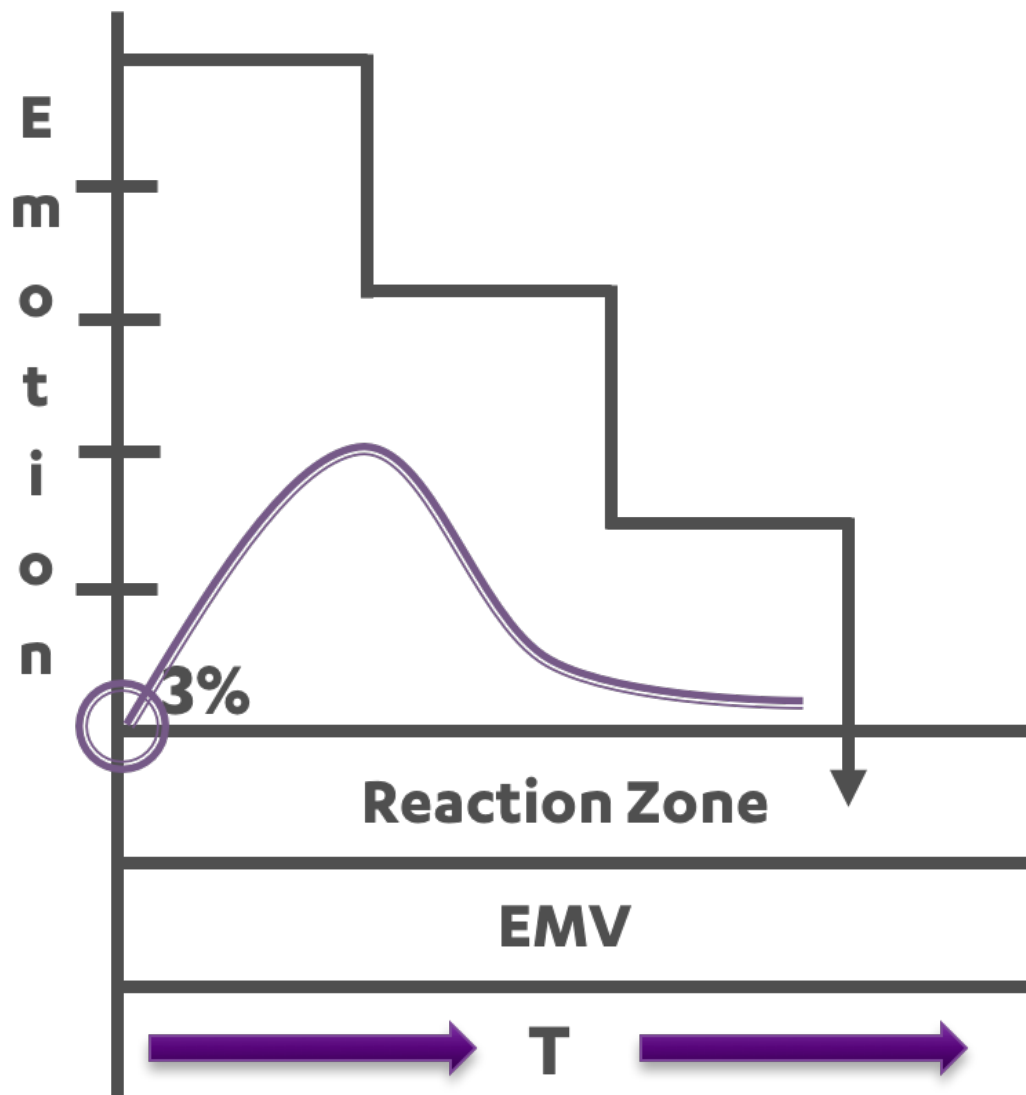
Manager then asks: how do you feel about that?

Vendor will give their speech.

Then manager goes on – Jack shuts up.

State the price

- **Objections:**
 1. You have an authority, so they cannot leave.
 2. But Jack said \$850 – answer is – Jack has tried really hard, he has tried to get you what you want, but the price is not there



- Here are our sales – we are selling properties,
- here are our other listings, which is your competition.
- Last 15 listings sold – listing price, sales price and % difference.
- Fact is most of them have sold at less than 5% of asking.
- Buyers do not engage with asking price, they want a good deal, they sell within 5% of asking price.

- When people see value, they pay it, you need to get the price right!
- If they don't see value, they don't offer, respond to value, not asking price
- I need you as close to market value as possible!!!

State the price in terms of their objective

- Go into the "we need"... You need to change that
- Look at the issue behind the price – that is the problem – eg, can you afford to build at \$750000?
Keep stating the price. If they say no, why not?
- Then go into the gap – what is the price gap and how do we fix that?
- The re-price doesn't change, you need to stay
- You need to get over yourself – you do not set the price, the market does.
- What are my options to close the deal – call the broker, get a loan, close the gap – find the way!!!

Fix the issue behind the price – close that gap!!!

Another technique – if they are still not budging use this!

You have 3 options:

1. Don't move
2. Keep the house
3. The money has gone – you cannot keep it at the price
4. As good as our rental department is, it must go down
5. One other option – meet the market – paint them into their future

Take me through the scenario if you take it off the market and keep it? Let them rationalise it.

Now if we re-price and we sell, what does that look like – take me through the scenario now...

NEGOTIATIONS

Here is how negotiation works:

1. The property is on at one price
2. You get an offer, under the price

This is how you negotiate it:

To the buyer:

“Let me be clear on what you want me to do? You want me to offer this?”

The Vendor:

“We won’t take this!”

Agent:

“So what would you like to do? if you take 750, we sell tonight, or we can negotiate?”

They will say let’s negotiate.

Agent:

“What do you want to go back at?”

Let me be clear, you want me to go back with this offer?”

Give them options, make it about them

A negotiation is not over until both parties have said no twice...

To the buyer:

“You can’t have it – lets go look for something else...”

The buyer will come back – emotionally invested.

When you are \$10000 apart, this is when you can do something...

To the Buyer

“Give them something, even if it is \$500”

To the Vendor:

“Please don’t forget your original objective when you put your house on the market, let’s not let \$10000 get in the way...”

Do not present properties with commission at the end. Do not move on your commission.

To the vendor:

“Do not make this a 3 way negotiation – if you want more, I will go back.”

Comes back to your state of mind!

At what stage in a listing do you do repricing?


- **Don't blow the whole marketing budget.**
- **Do it a month in – give loads of feedback, not a few days before end of exclusive.**
- **Up for review 2 months into a 90 day listing!!!**

Get in touch

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+61 418 538 551

support@petergilchrist.com.au



**A mind that is
stretched by a new
experience can never
go back to its old
dimensions**