Scripts for when the buyer objects to having the initial meeting

Buyer: "I don't want to meet before we look at homes. I want to look at the houses I found right now."

Agent: "I understand that you're eager to jump right into the house-hunting process. I appreciate your enthusiasm! However, there are many factors involved in purchasing real estate outside of viewing properties. By taking the time to meet beforehand, we can discuss the house-hunting process and tailor it specifically to you! Don't worry, the meeting won't take up too much time and I know you'll see the value in the information I have for you. To save time, we can meet before we head out to look at the properties."

Buyer: "Can't we just look at the homes and figure these things out when I find the right home?"

Agent: "By taking the time to meet beforehand, we can streamline your house-hunting process and make it more efficient, which leads to a better outcome for you. I value your time and want to ensure we're prepared to make an offer when the right property comes along, and that means reviewing the paperwork ahead of time so we can move quickly. It's best to answer your questions before we start viewing properties. I assure you, it will give you peace of mind."

Buyer: "I don't have a lot of extra time for meetings. My schedule is busy"

Agent: "I understand that you have a busy schedule, and I respect your time. I assure you that our initial meeting will be brief and focused. It'll even help you save you time in the long run since you'll be prepared to make an offer quickly and in the most efficient way possible."

Buyer: "Do we have to actually meet in person first?"

Agent: "If there's any specific concern or constraint you have about meeting in person, I'm more than happy to accommodate your preferences. We can arrange the pre-meeting via phone call, video conference, or any other method that works best for you."

Buyer: "I've looked at homes before without having to meet with an agent first."

Agent: "My experience has shown that an initial meeting sets my buyers up for success in not only finding the perfect property, but also best prepares them to make an offer. In the end, it has saved time and has been extremely helpful to the buyers I've worked with."

Example Script to Respond to Buyer Questions and Concerns About Buyer Representation Agreements¹

This script comes from an <u>article that appeared in Inman</u>, written by Carl Medford. Use these scripts as a model and tailor them to fit your specific area.

Why do I have to sign an exclusive agreement to work with just you?

"I am committed to spending a significant amount of time and expertise to represent you as a real estate professional and help you achieve your real estate dreams. I cannot make that commitment to you unless I know that we have an exclusive mutual agreement to work together. Like all professionals — attorneys, accountants — even your auto mechanic — we require a signed agreement before we can begin."

What if I want to work with another Realtor at the same time?

"It's like being married – you can only be married to one person at a time. A buyer agreement is now required by brokers in our area — any other buyer's agent you may want to work with is going to ask for an exclusive agreement as well."

I really don't feel comfortable signing an agreement like this.

"I've discovered that if someone is uncertain about signing this agreement, it usually means either I haven't answered their questions to their satisfaction or there is something they haven't told me. Is there something that concerns you that I haven't covered today?"

What if I just want to work with the listing agent? (in states allowing dual agency)

"First of all, our team is highly trained and has extensive experience representing buyers. If you are looking to hire the best representation possible, you are rolling the dice by considering working with a listing agent you do not know and whose track record with buyers is uncertain.

Real estate transactions are full of land mines — the listing agent is there to represent the seller – so if you run into difficulties, it will not come down in your favor. Our goal is to prepare offers so they represent your goals, negotiate the best terms on your behalf, prepare all the necessary legal documentation and even help you get out of the transaction if something goes wrong.

If you think you will get all we offer by going to the listing agent, you are mistaken. The listing agent is legally and contractually bound to the seller. Let's say the house you are buying is one million dollars –

¹ Medford, Carl. "Objection-handling scripts for the buyer representation agreement", Inman. February 21, 2024 https://www.inman.com/2024/02/21/objection-handling-scripts-for-the-buyer-representation-agreement/. Scripts used with permission

that is a lot of liability. If for some reason something goes wrong and you need to go to court, would you and the seller use the same attorney?

Buyer: [RESPONDS]

If that is the case, can you see that using the same real estate agent as the seller is clearly not in your best interest? Many listing agents like working with both the buyer and the seller because they get more commission — that is an obvious conflict of interest. Do you agree?

What if I want out?

"If at any time you are unhappy with the service I am providing, all I ask is that you give me 10 days to correct things to your satisfaction. If, after that time you are still not satisfied, I will immediately release you from the agreement, up until we have a signed purchase agreement with a seller."

What if I do not want a lengthy contract?

"We are happy to sign an agreement with you for a time frame that works for you."

What if the seller does not pay any commission? Am I obliged to pay the commission?

"As a real estate professional, I have a set fee structure. In the event you wish to see a home where the compensation offered is less than my fee, I will alert you before we view the home that the compensation being offered is either low or none. I will then explain what your options are and ask you how you would like to proceed.

First, if you choose to write an offer, I will do my best to negotiate with the seller to have them cover my fee in its entirety.

In the event the seller refuses to negotiate, I will come back to you and ask how you would like to proceed. If you still wish to purchase that home, in that case, you would be responsible for paying my fee.

If the compensation paid by the seller ends up being less than my fee, then, if you still wish to buy the home, you would pay me the difference."

After you have dealt with their objections, all that is left is the close:

"After our discussion today, and based on what I've committed to, do you feel comfortable and confident that I am the agent to represent you?

If so, let's go ahead and get the agreement signed so I can begin to work for you. And, just remember, if you do not feel this is going the way you like, then you can fire me and we can go our separate ways."

If they disagree and do not wish to sign, then you say:

"OK. I can respect that. It means we will not be able to work together, but I wish you all the best. If, at some point, you change your mind, then please feel free to come back – we would love the opportunity to work with you."

In the event they do not wish to sign, leave the door open for them to return. Chances are the next agent they talk to is going to ask them to sign an agreement as well, causing them to rethink the process and potentially come back to you.

Scripts for when the buyer is apprehensive to enter into an agency agreement.

Buyer: "I'm not ready to sign any contracts with an agent. I can do this on my own."

Agent: "I completely understand your apprehension. It's natural to have reservations and it's up to you to decide to work with an agent or not. I want to emphasize that having representation has numerous benefits and protections. Without a representation agreement, an agent wouldn't be allowed to provide those benefits and protections to you. Knowing that someone is working on your behalf and has your best interests in mind is important and valuable. We will be in this together."

Buyer: I don't see the benefits of a buyer representation contract. What does it get me?"

Agent: "By signing a representation contract, I become committed and dedicated to providing you with the highest level of service and support. I can advocate for your interests during the entire process and provide significant fiduciary duties. The representation contract outlines my obligations and your rights. It makes clear what I'm able to offer you during what is one of the largest purchases you'll make in your lifetime."

Buyer: "I haven't had a chance to see what other agents offer before I commit to anything. I want to shop around."

Agent: "It's important to me that you fully understand what you're agreeing to and feel comfortable and confident working with me. I think it's wise to research things. Transparency is paramount to me and should be to you, too. If you do take the time to meet with other agents, and they don't offer you the same upfront transparency, it's not fair to you. The last thing you need when buying property is lack of transparency, confusion or surprises. Please keep that in mind when doing your research and know that I've done everything possible to avoid putting you in that position."

Buyer: "I'm not sure I'm comfortable with the terms of this representation contract."

Agent: "I want to assure you that there's flexibility in the contract, and we can tailor it to meet your needs and preferences. If there are any particular terms or conditions that you'd like to discuss or negotiate, I'm more than willing to try to accommodate your requests."

Buyer: "Am I required to use an agent when purchasing a home?"

Agent: "No. You can certainly purchase a home without the help of an agent. However, buying a home is a complex transaction and involves many legal requirements. Having an agent by your side will help you navigate the process and answer any questions you have. An agent will have your best interests in mind. An agent will provide insights on market conditions and can assist you in negotiating the best price and terms."

Buyer: "Is a buyer services/representation agreement required?"

Agent: "A buyer services/representation agreement [IS / IS NOT] legally required in this state.

If it IS:

• "Yes. A Buyer Services/Representation Agreement is required if you want the services of an agent. Without it, I wouldn't be able to provide all the services I've described."

If It IS NOT:

"No. A Buyer Services/Representation agreement is not required. The agreement is a
professional standard that outlines obligations and rights. It sets expectations for
everyone and makes it clear what you can expect from me. Without it, you would be
considered just a customer and I would not be able to provide all the services I've
described."

Scripts on compensation

Buyer: "When my friends purchased their home, they weren't asked to pay their agent. Their agent was free."

Agent: "Agents charge for their services; they don't work for free. When a property listing includes the offer to compensate a buyer's agent, it can offset the fee you would owe buyer agent services. If there is no offer of compensation to offset your fee, we can incorporate an amount for my services into your offer. This creates clear transparency to the amount of compensation and who's paying it. We will look at comparable sold properties and the concessions a seller made in that sale to help determine your purchase price."

Buyer: "Is your fee negotiable?"

Agent: "Yes. Commissions are always negotiable. However, I charge ______. I assure you my fee is competitive and based on what I offer based on my experience, knowledge, and expertise. When we enter into a compensation agreement, my fee will be completely transparent upfront."