

Mark Ramey – Navigating New NAR Rules Scripts

Agents should expect to be asked...

Seller: *What's going on with the settlement?*

Agent: *There certainly has been a lot of information provided out there. What have you been hearing?*

Or, if they have interviewed other agents

What have the other agents said?

Seller: *Well, I have just heard that commissions are coming down. (Which is what they are hoping for.)*

Agent: *For right now, we really don't know, what's going to happen because it isn't final yet. And so, if it happens in July, and we think it will. But if it happens, there's really only two things we know.*

Number one, we will no longer be able to publish the commission **you're gonna offer** Mr. Seller in the MLS. We're not going to promote the commission and tell all those great salespeople out there that we're counting on to bring you offers. Ideally multiple offers. Hey, come show Aaron's house and you're gonna get a 3% commission, which is what we need to offer to motivate and incentivize all those salespeople out there to come and bring offers on your home, to get **you** the highest possible net amount of money in **your** pocket. Which is what you want, isn't it?

The other thing we know is that if this goes through in July, the buyers before they come through your door are gonna have to sign a buyer agreement, **The same way you're gonna sign the listing agreement** with me right now, that says they can come and view your home and this is, my agent representing me, if I make an offer. In other words, the buyer representation is gonna be clear from the get-go. They're gonna sign a buyer agreement just like you're signing a seller agreement. And that's all we know. We don't know if commissions are gonna go up or down or stay the same. We don't know exactly how we're gonna promote your commission to the agents out there yet. We'll be told what we're allowed to do, but that is what we know. And all the rest at this point is just noise and conjecture.

Seller: *What if I don't want to pay a commission?*

Agent: *Yeah, of course, it's totally an option because you're the boss. My job is to help **you**, its never to talk **you** into doing anything. So, what I'm gonna do now is I'm gonna go over with **you** the different options that we have in terms of what we offer out for compensation or if we do it at all, and the pros and cons of doing so. That way you can decide what makes the most sense for **you** and **your** family and whatever **you** decide, I'll support **you** 100%.*

1. Perhaps we offer nothing.

AGENT: *And I guess the question is, how would that affect **you** and **your** family? Because that's really what I'm focused on here, right? To help you guys net the most and do it quickly and efficiently. So, let's imagine that you were a buyer, and there were 10 homes that were available for sale in your geographic area. Seven of them are offering out compensation to your buyer's agent and three of them are offering out something very small or nothing at all. Now, honestly, as a buyer, which properties do you think you would instruct your agent to show you? The ones that will compensate your agent or the ones where you would have to compensate your agent?*

(THEN BE QUIET - LISTEN. VERY LIKELY HUMAN NATURE WILL BRING YOU A RESPONSE LIKE THIS)

Seller: *The ones where they are compensating my buyer's agent.
(FOLLOW UP WITH ANOTHER QUESTION TO DRILL IT DOWN)*

Agent: *Well, why is that?*

Seller: *Well, because then I don't have to come out of pocket.*

Agent: *Exactly, don't you think most buyers will feel pretty similar to you?*

Seller: *Well yeah, I do.*

Agent: *Ok. Well, just by you saying that, it really seems as though you're beginning to recognize that the professional fee is in fact a tool that we use to market the home, and by offering out something, we increase the exposure, which ultimately is gonna mean that we get you the most possible. Now you do want the most, don't you?*

Seller: *Yes*

Agent: *So, does it seem like this option of offering out nothing would really serve you best?*

Seller: *No, I don't want to do that.*

NEXT OPTION

2. **AGENT: *Perhaps we offer a concession of some sort.***

(We still will be able to offer a concession in the MLS.)

AGENT: *And what I'm seeing Mr. Seller as we work through this in real time is a concession of somewhere around (whatever you want, the concession to be \$10,000 \$12,000, \$15,000).*

And in doing so what we're doing is we're providing the buyer money they can compensate their agent with or they can use it for closing costs which frees up capital and they can compensate their agent.

THIRD OPTION

3. ***We just offer out compensation.***

Like we have been doing for the past 120 plus years, and in doing so, that broadens the exposure the most. We won't put it in the multi listing service, because of the new rule, but we have different places that we can put it, including when they reach out to us, which the buyer's agents will do and we'll let them know, that we'll compensate them and we'll have increased exposure, which means you get the most amount and in the quickest amount of time. So, either one of these options are ok. Based on what you're looking to do and why, also based on the time frame you'd like to make this happen in, I know you shared with me, you wanted to get to Indianapolis in time for your grandchild's birth. Which one of these options do you think would serve you and your family best?

(BE QUIET WAIT FOR RESPONSE)

Format for Simple Buyer Listing Presentation

EVERY AGENT MUST HAVE A BULLET POINT LIST OF THEIR VALUE PROPOSITION

THE VALUE OF WORKING WITH THE MARK RAMEY GROUP

1. **Multiple offers** - All buyers are concerned about it. I want my offer accepted over another one.
 - a. **Strong Relationships** with other agents, brokers, and builders
 - b. **Reputation** of bringing deals to a smooth close through escrow process
 - c. **90%** offer to acceptance ratio
2. **Access to inventory** I want an agent who can tell me about homes before they hit the market.
 - a. **Full-time listing agent** who is constantly searching for inventory for you.
 - b. **Access to Pre-Market Inventory**
 - i. **EXP Workplace** - Thousands of agents post homes daily that are not yet on the MLS
 - ii. **The Mark Ramey Group preliminary market listings** - currently have 8 homes listed that have not yet hit the market
3. **Experience and knowledge** Orlando area - I want an agent who understands the area, so I buy the right property in the right area.
 - a. 79 years of experience in the Orlando area
 - b. Over 120 FIVE-star reviews
 - c. 8 years new home construction experience
 - d. Knowledge of neighborhoods, floorplans, taxes, and schools
 - e. Insurance requirements for coverage in Florida
4. **Team of People** hire dedicated to support **you**
 - a. Dedicated person to hold your hand, monitor and communicate with you.
 - b. Trained people who see problems before they happen as time is of the essence.
 - c. A+ Vetted Vendor list - great service providers lenders, insurance specialists, inspectors, contractors

Value Proposition Script

Agent: Aaron you are going to have choices about who you have representing you, ok? Just like sellers do. Sellers have always interviewed agents to sell their home. Now, buyers are interviewing agents also, to help them buy a home and they're gonna sign a contract probably for three months or so that says that Mark is my exclusive buyer broker, right? Or whomever you choose to represent you. So, you are going to have to compare services because at the end of the day, you may have to pay for them. So, can I explain to you the services that we offer?

Buyer: Yes

Agent: The Mark Ramey Group's relationships, both with all the other top agents in town and our reputation in the community, mean that in a multiple offer situation, you're gonna have a decided advantage over an agent they don't know, or one who doesn't have the reputation for being good to be in escrow with and getting your deal closed smoothly and efficiently. Meaning if our name is on your offer, it's gonna be looked at favorably, versus an agent they've never heard of or done business with. Does that make sense?

Buyer: Yes

Agent: We have a full-time listing agent whose only focus is on bringing in new inventory for our buyers, and we have access to EXP workplace where thousands of EXP agents in 24 countries worldwide are posting their coming soon inventory. So, what that means to you is, I'm gonna be able to tell you about homes that are coming up before they even hit the market. Which of course is what you want with a tight inventory market, right?

Buyer: Yes

Agent: We know the area really well, my sales team has over 79 year's experience helping buyers. We know the builders. We know which are the good ones and which are the bad ones. We know how the taxes and schools change from one neighborhood to the next. We know which homes and floor plans sell for more than others. Which locations are going to be the best so that whatever home you invest in, you've got a better opportunity for appreciation over other homes. In other words, we're going to guide **you** because **you're** gonna be our client for the next 10-15-20 years and we want to help **you** make the best possible decision. So, is this the type of insight and experience that would make you "feel comfortable" and bring you confidence?

Buyer: Yes

Agent: You have an entire team of people here dedicated to support you. Once we're in escrow, there's a dedicated person holding your hand through the whole process keeping you informed and making sure all your timelines and deadlines in the contract are adhered to. Our vetted list of great service providers, lenders, insurance specialists, inspectors, real estate attorneys and contractors are all people you can count on to serve you at the highest level. We have a history

of quality representation. Were you able to check out the link I sent you with over 120 FIVE-star reviews?

Buyer: *Yes*

Agent: *Our intention is to always put **you** our buyer first. So, you're never have to worry, "hey, are these guys just trying to sell me something for a commission or are they really trying to help me buy the right home for me?"*

Now, that's what we offer. Would you like us to be your agent to find you your ideal home for the next 90 days?

There likely will be more Q & A and at some point, they will likely say.

Buyer: *Can you explain to me what this agreement says, and what we are committing to?*

Compensation Conversation Script

Agent: *I'm really glad you brought that up, Aaron because this is a little bit different. See, traditionally, it's always been that a buyer, like you might say, well, how do you get compensated for all this great stuff you do. And I would say our services are free! The seller pays us. And now that probably will be the case a lot of the time, but it won't necessarily always be the case. So let me tell you what you're signing up for. Would that be, OK?*

Buyer: Yes

Agent: *First, we're gonna show you all the homes that meet your needs. We're not gonna waste your time with any that don't. We're gonna show them to you regardless of the compensation being offered, ok? Because this is about you. Now, most of the time the seller is gonna offer compensation just like they've always done. We don't expect that's gonna change fundamentally, at least not in the short term while you're buying a home, ok? So, you'll see the commission we're getting, and everybody will be happy. You'll buy a great house. The Mark Ramey group will get compensated, and off we go just like we've always done.*

Number 2, the seller **may be** willing to credit us **for the right offer**, for the compensation that this buyer brokerage agreement says that you're responsible for. In other words, they may not be offering any commission or a reduced commission, and we may go to them and say, hey, I'm representing Aaron and Aaron is a great buyer and here's his lender and we can perform. You're only offering 1.5% our buyer is committed to paying 3% Would you be willing to credit the 1.5% difference? Because the buyer frankly doesn't want to pay it. The seller says, "Well, you know what at that price I'll do it." Ok, great.

So, let's review. **Number one**, the seller will compensate us, it won't even come up. **Number two**, they'll partially compensate us and we're gonna ask them to make up the difference, so you don't have to come out of pocket. Ok?

Side note - this can only work if this is not a VA buyer. If they are VA, they could not do this, but with a conventional or cash buyer this can be done.

Number three, the seller is not gonna pay anything and will not credit you. They are just like, "This is my price and that's it." And now Aaron, now we're at the situation where it's a little different than it's ever been. One of two things is gonna happen. I'm either gonna cut you loose and let you deal directly with the listing agent. If you're comfortable doing that, I'll do that. I'm not gonna hold your feet to the fire.

Now, this is my decision. Not maybe any of yours, my decision. OK? Until I sort this out, back to the script.

Seller won't pay anything, and I'll let you go direct to the listing agent or you'll say Mark, I love you guys. I don't wanna negotiate on my own. I don't wanna be thrown to the wolves. I don't wanna be at the mercy of the seller's agent to tell me what's right and wrong about an inspection, or what's right or wrong about removing an appraisal contingency or all these things that I thought were good for me. I want my agent!

In that case Aaron, you're gonna be responsible for compensating us what it says here on the buyer brokerage agreement, which is 3%, now like any good attorney or other professional that's how we would be compensated if the traditional means are not available to us. Make sense? Great do you want us to represent you?