ROLE PLAY CLIFF NOTES

AUGUST 30 2018

NEW CONSTRUCTION COMPETITION:
***Builders are offering $25,000+ in prepaids and upgrades instead of dropping sales price.***

Objection:
I want to list at $500K, like other (newer) homes selling in my subdivision
**Would you buy a two year old Mercedes or a new Mercedes for the same price?
Doesn’t it make sense that same rationalization carries over to your home sale and new construction? Your house is being offered by a builder, BRAND NEW, with $15,000 closing costs assistance and $10,000 upgrades for $510K for the exact same house that you have.
We need to be at a price point where new construction doesn’t look attractive! We have to match what the builder is doing. We can give them a $25000 redecorating allowance or closing cost assitance *OR* we can have a price reduction.**

**If you’re lucky enough to have a buyer that can’t wait on new construction, you need to be the logical choice on the available inventory.**

Objection:
We’ll just wait new construction sells out?
**Agent: When do you think the builder is going to stop? They’re half way done and they’ve been building there for 5 years…**

Note: When presenting comps, show New Construction sales vs Non-New Construction sales. Educate the seller on the incentives and pre-paids involved with buying new construction. Call the builders and ask about their incentives to make sure you are on top of the market and *BEFORE* you go on your resell appointment to have the correct ammunition for your appointment.

Note: Whenever you have new construction the appreciation of new construction…once it becomes a little bit more expensive, it makes resell look more attractive. It’s like the rubber band effect …you pull the rubber band it stretches and the bottom part comes up. It’s also the same way when new construction starts dropping the prices and offering incentives. Last thing the builder wants to do is to reduce the asking price so the tax record shows what the price is to keep the sales price in the neighborhood up.