

ANTI Objection FrameWork

10

Seller Call Objections and How to Handle Them



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Introduction



Welcome!

***Thank you for downloading this guide!
It's the first step to the next level!***

My name is Pace Morby. If I can give you one piece of life-changing advice, it would be to TAKE ACTION!

Don't just download and consume. Read, study, formulate your own plan — but then APPLY. That's the only way to grow, expand, scale or...even get started!

My goal is not just to create amazing content but to create actionable content. This guide has informative steps but it's up to you to create consistent action.

I look forward to hearing about your momentum. We'll see you on the other side!



Why would anyone break the mold and sell to you in a non-traditional manner?

Well, real estate investing is often better than the traditional model, as long as the seller understands how it works. It's your job to educate the seller, answer their questions, and make sure they understand everything they're potentially giving up with the traditional model. Here are some of the top questions you'll get as you try to explain non-traditional real estate...

“How did you get my information?”

Answer this question honestly. You probably got their information from either door knocking or using county records. Explain that you are a business and explain how you got their information in an honest way. If they're in foreclosure, they know it. If they own the property, it's public record. You're not on the phone or in person to sell them anything. You're there to give them money or help them make money. It's a service not a solicitation. Treat it as such.

“Make me an offer...”

I generally ignore this initial comment, because it's the first type of objection you hear every single time. You need to move forward here to see if they are truly motivated or not. See if they meet the four pillars. If not, know it in the beginning, not on your seventh phone call with someone. Then, you can figure out if a cash offer will work or if you need to come up with something else. Wholesale offers are always lower, so if they take a wholesale deal, it's often because they really need the money.

“I want a large down payment.”

“Want” and “need” are two different things. Most buyers will take anywhere from 0 to 5 percent down and we can generally put the down payment into the purchase price on the backend. This might include making payments at six month increments, but it’s creative, so do what works for you and the seller. Give them a few options if you need to as you gather more information. Whether or not they know it, they have a reason for every objection. Try to get to the heart of this objection in order to alter it.

“What is the interest rate?”

As you move through the conversation, they’re going to ask about interest rates, especially if they’re open to seller financing. I generally explain that that is something the “bank” would come up with, meaning I would like for them to make me an offer. I might give an example or talk about the national average, but I want the seller to come up with their own number first so I can negotiate with them. If we’re doing a subject to deal, I just take over whatever is currently in place until the loan is paid off in full.

“I don’t want to be tied up for 30 years...”

There are a handful of options to this objection based on your circumstances. You can amortize the payment for 30 years and then do balloon payments of 20 years or 15 years or 10 years. If the seller is older, find out if you need to set up a trust or anything else for the seller’s children to inherit payments after death. Like any situation, figure out what their problems are in order to solve their problems.

“What if I want to buy another house?”

This question is really about having more than one mortgage open at a time during subject to or seller finance. We have something called a DTI or Declaration Form that informs the lender about the situation. Generally speaking, the seller gets 75 percent of the total mortgage removed and after one year and 100 percent of the mortgage removed the following year. Essentially, it doesn't affect their next loan if they want to buy another house in a traditional manner.

“What if you don't pay the mortgage?”

Again, this is about the Performance Deed we put in place. We use a third party company to alert the seller of any missed payments and to confirm all made payments. If we miss a payment, this document explains that the servicing company should automatically deed the house back to the seller. This takes away the fear of having the seller take anyone to court. It's built with their safety or peace of mind right there in the contract.

“How do we handle the paperwork?”

We use a title company and escrow officer. Some states use a lawyer rather than a title company, but the idea is to set up everything legally like a traditional sale. This protects both parties and makes sure everything is explained on paper in specific details. Essentially you always want to have up-to-date paperwork and work with title agents or attorneys who understand creative finance and your business model. All paperwork should protect you and the seller.

“What will you do with the house?”

Personally, in my business we have eight exit strategies. In any given call, I explain the one that makes the most sense to the seller, but I may also list some other options if we’re truly not sure what we’re going to do with the house. In a nutshell, our strategies include wholesale, wraps, lease options, SRRR, subtail, vacation rentals, group homes, assisted living, and corporate rentals. Explain a few of these that make the most sense for you and for the deal. If the seller has a personal connection to the house, I’m careful what phrasing I use as I give an explanation. Be empathetic, especially if they’re sentimentally attached to the property.

“How will I get paid?”

We use a servicing company to ensure all parties and accounts are paid on time. Here, you can repeat the idea of the Performance Deed so they understand what happens if a payment is ever missed. Basically, we don’t miss payments, and it’s not good business to miss payments. The same answer is true for “how will the mortgage get paid?” Be honest and figure out a reliable payment method based on the deal.

So you’ve learned the top 10 most common objections to close a seller, but now what? Take this information and go make some deals! Our Facebook Group is one of the best places online to connect, learn how to find leads, uncover hidden deals, and everything else you need to become a deal-maker. Log on, reach out to other real estate investors in your area, and get started today!

