

Module 8: Handling Objections

Training Guide for Private Lending Sales

Vertex Sales Training Platform

Introduction

Objections are not roadblocks—they are opportunities. When a prospect raises an objection, they are engaging with you and your solution. They are telling you what concerns them, what they need to understand better, or what's preventing them from moving forward. The best salespeople welcome objections because they provide a roadmap to closing the deal.

In private lending, you will face objections about rates, fees, timelines, requirements, and more. How you handle these objections determines whether you close the deal or lose it to a competitor. This module will teach you proven frameworks for handling any objection with confidence and professionalism.

Understanding Objections

Before you can effectively handle objections, you must understand what they really are and why they occur.

What Objections Really Mean:

Objections are rarely about what they appear to be on the surface. When a prospect says “Your rates are too high,” they are not necessarily saying your rates are unaffordable. They may be saying “I don’t yet see enough value to justify this investment” or “I need reassurance that this is the right decision” or “I’m comparing you to other options and need help understanding the difference.”

The key to handling objections is understanding the underlying concern, not just the surface-level statement. Your job is to uncover what they are really saying and address the root cause, not just the symptom.

Common Types of Objections:

Price Objections: “Your rates are too high,” “Your fees are expensive,” “I can get cheaper financing elsewhere.” These objections are usually about perceived value, not actual affordability. They indicate you have not yet established enough value to justify your pricing.

Timing Objections: “I need to think about it,” “Now is not a good time,” “I want to wait until...” These objections often indicate uncertainty, fear, or lack of urgency. They may also indicate you have not created enough pain or desire to act now.

Authority Objections: “I need to talk to my partner,” “I have to run this by my business partner,” “My spouse needs to approve this.” These objections may be legitimate (they truly need approval) or may be a smokescreen for other concerns. Determine which it is before proceeding.

Need Objections: “I’m not sure I need this,” “I’m doing fine with my current lender,” “This doesn’t fit my situation.” These objections indicate you have not done adequate discovery or have not connected your solution to their needs effectively.

Trust Objections: “I’ve never heard of your company,” “How do I know you can deliver?,” “I’ve been burned before.” These objections indicate you have not established sufficient credibility, reliability, or intimacy. They need more proof before they will commit.

Product/Service Objections: “I don’t like this feature,” “Your terms don’t work for me,” “I need something different.” These objections may indicate a genuine mismatch or may indicate you have not explained the product clearly enough.

The Objection Handling Framework

Use this proven framework to handle any objection professionally and effectively.

Step 1: Listen Completely

When an objection arises, resist the urge to interrupt or immediately respond. Let them finish completely. Listen not just to their words, but to their tone and emotion. Are they frustrated? Confused? Genuinely concerned? Understanding the emotion behind the objection helps you respond appropriately.

Step 2: Acknowledge and Validate

Never dismiss or minimize an objection. Acknowledge it as legitimate and validate their concern. This builds trust and shows respect. Use phrases like “I understand why that’s important to you” or “That’s a fair concern” or “I appreciate you bringing that up.” This lowers their defenses and makes them more receptive to your response.

Step 3: Clarify the Objection

Before responding, make sure you understand the real objection. Ask clarifying questions to uncover the root cause. “Help me understand—when you say the rate is too high, what are you comparing it to?” or “What specifically concerns you about the timeline?” or “Tell me more about why you feel this doesn’t fit your situation.” This step is critical—you cannot effectively address an objection you do not fully understand.

Step 4: Isolate the Objection

Determine if this is the only objection or if there are others. “If we can address this concern about [objection], is there anything else that would prevent you from moving forward?” This prevents you from solving one objection only to discover there are three more. It also helps you understand if this is a real objection or a smokescreen.

Step 5: Respond with Value

Address the objection by reinforcing value, providing proof, or reframing the concern. Your response should be specific to their situation, not a generic script. Connect your response back to their needs and goals that you uncovered in discovery.

Step 6: Confirm Resolution

After responding, confirm that you have addressed their concern. “Does that address your concern about [objection]?” or “How does that sound?” Do not assume you have resolved the objection—get confirmation. If they are not satisfied, probe deeper to understand what is still bothering them.

Step 7: Advance the Sale

Once the objection is resolved, move forward. Do not linger on the objection or invite more concerns. “Great. So the next step is...” or “Perfect. Let’s move forward with...” Keep momentum going toward the close.

Handling Specific Objections in Private Lending

Let’s examine how to handle the most common objections you will face in private lending.

Objection: “Your rates are too high”

What They Are Really Saying: “I do not yet see enough value to justify this investment” or “I am comparing you to other options and need help understanding the difference.”

How to Handle It:

First, acknowledge and clarify. “I understand rate is important. Help me understand—what rate were you expecting?” or “What are you comparing our rate to?”

Second, reframe around value. “I appreciate that you are being cost-conscious. Let me put our rate in perspective. Our rate is [X]%, and here is what you get for that: [speed, reliability, service, expertise]. When you factor in the total cost of the loan—including the opportunity cost of losing a deal or waiting weeks for bank approval—our rate actually saves you money.”

Third, provide proof. “Our clients choose us not because we are the cheapest, but because we are the most reliable. Let me share an example...” [Tell story of client who chose you over cheaper option and why].

Fourth, confirm and advance. “Does that help you see the value in our rate?” “Great. So let’s move forward with the application.”

Objection: “I need to think about it”

What They Are Really Saying: “I am uncertain,” “I do not feel enough urgency,” or “I have concerns I have not voiced yet.”

How to Handle It:

First, acknowledge. “I completely understand. This is an important decision.”

Second, uncover the real concern. “I want to make sure you have everything you need to make a good decision. What specifically do you need to think about?” or “Is there something I have not explained clearly?” or “What concerns do you still have?”

Third, address the real objection. Once they tell you what they are really concerned about, address that specific concern using the framework above.

Fourth, create urgency. “I understand you want to think it over. Here is what I want to make sure you consider: [property may sell, rates may change, other buyer may get it, etc.]. When were you planning to make a decision?”

Fifth, schedule next step. Do not leave it open-ended. “How about this—let’s schedule a call for Thursday at 2pm. That gives you time to think, and we can discuss any questions you have. Does that work?”

Objection: “I can get cheaper financing elsewhere”

What They Are Really Saying: “I am shopping around” or “I do not understand why you are worth more.”

How to Handle It:

First, acknowledge. “I am glad you are doing your research. That is smart.”

Second, clarify. “Help me understand—what other options are you considering?” (This tells you what you are competing against.)

Third, differentiate. “Here is how we are different from [competitor/banks]: [speed, reliability, service, expertise, track record]. Our clients choose us because [specific value proposition]. Let me give you an example...” [Share case study of client who chose you over cheaper option].

Fourth, reframe on total cost. “When you are comparing financing options, I encourage you to look at total cost, not just rate. Total cost includes: the opportunity cost of lost deals, the time cost of slow approvals, the stress cost of unreliable funding. When you factor all of that in, we are often the best value.”

Fifth, confirm and advance. “Does that help you understand why our clients choose us even when there are cheaper options?” “Great. Let’s move forward.”

Objection: “I need to talk to my partner/spouse”

What They Are Really Saying: This could be legitimate (they truly need approval) or a smokescreen (they are not ready to commit and are using this as an excuse).

How to Handle It:

First, acknowledge. “That makes complete sense. This is an important decision to make together.”

Second, determine if it is real or smokescreen. “I completely understand. Just so I can be helpful—if your partner is on board, is there anything else that would prevent you from moving forward?” (If they say yes, there are other concerns, address those first. If they say no, it is likely legitimate.)

Third, offer to include partner. “I would be happy to have a call with both of you. That way, I can answer any questions your partner has directly. When would be a good time for the three of us to talk?”

Fourth, equip them to sell internally. If they prefer to discuss it privately first, equip them with what they need. “What questions do you think your partner will have?” “Let me send you a summary of everything we discussed, including the loan terms, so you have that to share.”

Fifth, schedule follow-up. “When do you think you will have had a chance to discuss this?” “Great. Let me call you on Friday to answer any questions that come up.”

Objection: “I am working with another lender”

What They Are Really Saying: “I have other options” or “I am not sure you are better than what I already have.”

How to Handle It:

First, acknowledge. “That is great that you have options. I want to make sure you choose the best one for your situation.”

Second, uncover their satisfaction. “How is that relationship working for you?” or “What do you like about working with them?” (Listen for pain points or dissatisfaction.)

Third, differentiate. “Here is what makes us different: [specific differentiators]. We specialize in [your niche], and our clients choose us because [value proposition].”

Fourth, position as backup or comparison. “I am not asking you to drop your current lender. I am just asking you to give us a shot to earn your business. Let us quote this deal, and you can compare. If we are not better, you have lost nothing. If we are better, you have gained a valuable resource. Fair enough?”

Fifth, prove yourself. “Let me show you what we can do. Give me the property address and loan amount, and I will have a quote to you in 24 hours. No obligation. You can compare us side-by-side with your current lender.”

Objection: “Your timeline is too long” or “I need faster approval”

What They Are Really Saying: “I have urgency” or “I am worried about losing this deal.”

How to Handle It:

First, acknowledge. “I understand speed is critical for this deal.”

Second, clarify their timeline. “Help me understand—when do you need to close?” or “What is driving the timeline?”

Third, explain your process. “Here is our typical timeline: [X days for approval, Y days for closing]. In your case, because [specific factors], we could potentially expedite to [faster timeline].”

Fourth, compare to alternatives. “I know you want fast approval. Here is what I want you to consider: banks typically take 30-45 days. Other private lenders may promise fast approval but often delay at closing. We have a track record of closing on time, every time. Let me share an example...” [Case study of fast closing].

Fifth, commit to their timeline. “If we commit to closing by [date], will you move forward with us?” Get their commitment in exchange for yours.

Objection: “I do not have the down payment you require”

What They Are Really Saying: “I do not have the cash” or “I was hoping for better terms.”

How to Handle It:

First, acknowledge. “I understand. Down payment is a significant investment.”

Second, clarify their situation. “Help me understand your situation. How much do you have available for down payment?” or “Where did you think the down payment would be?”

Third, explore options. “Let me see what options we have. We may be able to [lower LTV requirement, allow cross-collateralization, structure creatively]. Tell me more about your overall financial situation.”

Fourth, educate on why. “Here is why we require [X]% down payment: [risk mitigation, equity protection, industry standard]. This protects both you and us.”

Fifth, offer alternatives. “If the down payment is the only issue, here are some options: [bring in a partner, use another property as collateral, seller financing for part of down payment]. Would any of those work for your situation?”

Preventing Objections Through Discovery

The best way to handle objections is to prevent them from arising in the first place. Effective discovery prevents most objections.

How Discovery Prevents Objections:

When you conduct thorough discovery, you uncover concerns early and address them proactively. You learn their budget, timeline, priorities, and concerns before you present. This allows you to customize your presentation to address potential objections before they become objections.

Questions That Prevent Objections:

- “What is your budget for this loan?” (Prevents price objections)
- “What timeline are you working with?” (Prevents timeline objections)
- “Who else is involved in this decision?” (Prevents authority objections)
- “What has been your experience with lenders in the past?” (Prevents trust objections)
- “What is most important to you in a lender?” (Prevents need objections)
- “What concerns do you have about private lending?” (Uncovers objections early)

Addressing Concerns Proactively:

If you uncover concerns during discovery, address them during your presentation. “You mentioned you were concerned about [X]. Here is how we handle that...” This prevents the concern from becoming an objection later.

Advanced Objection Handling Techniques

Once you have mastered the basic framework, these advanced techniques will make you even more effective.

The Feel, Felt, Found Technique:

“I understand how you feel. Other clients have felt the same way. Here is what they found...” This technique validates their concern, shows they are not alone, and provides social proof of resolution.

Example: “I understand how you feel about the rate. Other investors have felt the same way initially. Here is what they found: when they factored in our speed and reliability, they actually saved money compared to cheaper options that delayed their deals.”

The Boomerang Technique:

Turn the objection into a reason to move forward.

Example: “You said you need to think about it. That is exactly why we should move forward with the application now. The application process gives you time to think while we are working on approval. If you decide not to proceed, you can always cancel. But if you wait to apply, you lose valuable time. Does that make sense?”

The Question Technique:

Respond to an objection with a question that reframes their thinking.

Example: “You mentioned the rate is high. Let me ask you this: if you lose this deal because you are waiting for bank approval, what does that cost you?” or “What is more important to you—saving \$500 on rate or closing on time and not losing the deal?”

The Comparison Technique:

Compare the objection to a larger cost or consequence.

Example: “I understand 2,000 in fees feel significant. Let me put that in perspective. If you lose this deal to another buyer, what is the opportunity cost? This X in rental income or Y in profit. Is \$2,000 worth protecting that opportunity?”

Objection Handling Mistakes to Avoid

Even experienced salespeople make these mistakes. Avoid them to increase your effectiveness.

Mistake 1: Arguing or Getting Defensive

Never argue with a prospect or get defensive about objections. This creates conflict and damages trust. Instead, stay calm, acknowledge their concern, and respond professionally.

Mistake 2: Dismissing the Objection

Never say “That is not a problem” or “You should not worry about that.” This invalidates their concern and makes them defensive. Instead, validate their concern and address it thoughtfully.

Mistake 3: Responding Too Quickly

Do not rush to respond before fully understanding the objection. Take time to listen, clarify, and think before responding. A thoughtful response is more effective than a fast response.

Mistake 4: Providing Too Much Information

Do not overwhelm them with information when responding to objections. Keep your response focused and concise. Address the specific concern, confirm resolution, and move forward.

Mistake 5: Not Confirming Resolution

Do not assume you have resolved the objection. Always confirm: “Does that address your concern?” If they are not satisfied, probe deeper.

Mistake 6: Creating New Objections

Be careful not to introduce new concerns while addressing an objection. Stay focused on the specific objection at hand.

Mistake 7: Giving Up Too Easily

Do not give up after the first objection. Prospects often need to voice multiple concerns before they feel comfortable moving forward. Persist professionally.

Building Objection Handling Confidence

Confidence comes from preparation and practice.

Preparation:

Create an objection handling guide for your team. List the top 10-15 objections you hear regularly. For each objection, document: what they are really saying, how to clarify, how to respond, and how to confirm resolution. Review this guide regularly and update it based on what works.

Practice:

Role play objection handling with your team. Practice until your responses feel natural, not scripted. Record yourself handling objections and review for improvement. The more you practice, the more confident you will become.

Mindset:

View objections as opportunities, not obstacles. Welcome objections as signs of engagement. Trust that you can handle any objection professionally. Confidence is contagious—when you are confident, prospects feel more confident in you.

Key Takeaways

Objections are not roadblocks—they are opportunities to address concerns, build trust, and move closer to the close. The key to handling objections is understanding the underlying concern, not just the surface-level statement. Use the seven-step framework: listen, acknowledge, clarify, isolate, respond, confirm, and advance.

The best way to handle objections is to prevent them through thorough discovery. When you uncover concerns early and address them proactively in your presentation, you minimize objections later.

Master the common objections in private lending: price, timing, authority, need, trust, and product objections. Have prepared responses for each, but customize them to the individual situation. Use advanced techniques like feel-felt-found, boomerang, question, and comparison to handle objections more effectively.

Finally, avoid common mistakes: do not argue, dismiss, rush, overwhelm, or give up. Instead, stay calm, validate concerns, respond thoughtfully, and persist professionally. With preparation and practice, you can handle any objection with confidence.

This training guide should be used in conjunction with the Module 8 Worksheet and Role-Specific Supplement. Effective objection handling is a skill that improves with practice—commit to mastering this critical sales competency.