

THE Sokol & O'Donnell LETTER

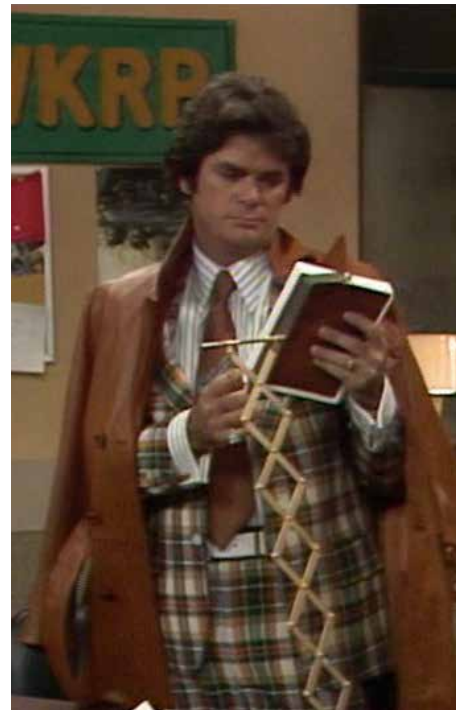
A monthly publication devoted to providing friends and clients with insight and knowledge of the real estate world based on three core pillars of my business; Philanthropy, Business and Growth.

PREDICTIONS AND PROOF

You know what the best part about the month of March is? Aside from St. Patrick's day for all of you Irish or Irish for a day types, it is the knowledge that spring and summer are just around the corner. With the onset of spring we get beautiful spring flowers, green grass and the sound of returning birds. Unfortunately, it also means we also get the return of blackflies and mosquitos and real estate agents.

Yes, I said real estate agents and unlike those furry marmots Punxsutawney Phil and Warton Willie who very inaccurately predict the timing of spring I predict that within the next 30-60 days you will start seeing scores of real estate agents and their various ads descend on your neighbourhoods, knocking on doors, leaving door hangers and flyers, sitting there with their headsets calling you at home day and night telemarketing and begging for that next lead. They will also be all over Facebook and social media. As a matter of fact, I can predict almost word for word the SCRIPT they will use. It goes something like this *"Do you have 2 minutes to HELP ME with a problem? I'm taking a class today and we are having a competition. I need to get at least 10 referrals in the next month in order to win! I was just curious, who do you know from church or work who wants to BUY A HOME...SELL A HOME...or INVEST IN REAL ESTATE...that I could call today?"*

The capitalized words are there to make sure the agent puts emphasis on those words to help them sink into the minds of their victim...whoops, I mean, friend and family member.



Now don't get me wrong there are good agents out there and I have a little fun with my phrases but there are a lot that aren't. Then there are those who are just doing what they have been told to do by their sales coaches (who always remind me of a cross between

Herb Tarlek from WKRP and do whatever it takes for the almighty dollar Jordan Belfort aka The Wolf of Wall Street), doing whatever it takes to get the deal.

PREDICTIONS AND PROOF CONT'D

I can only assume they do these things because they don't know a better way. These scripts and 'objection handlers' are fake, phony, unoriginal and demonstrates the lack of original ideas on how to get you the most value for your home. These scripts and tactics are not designed to get you the most profit. Is it a Value-Driven Approach? Is it centered on you? No, they are designed to get you to say 'yes'. In doing so, whose interests do they have front and center? Yours or theirs?

So, if those tactics and scripts that most real estate agents use make them look like either Herb Tarlek (and if you watched the show no one ever



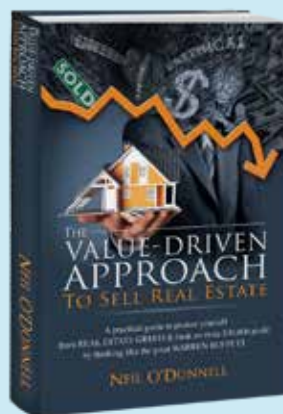
believed anything Herb said) OR like the nice suit, slick quick talking, sell ice to an Eskimo Wolf of Wall street (whose rampant corruption and fraud was responsible for his eventual arrest and hurting his "clients") why do it? It's because they are sales people.

Yes, those are sales people and those that know us and our team know we don't work that way. We don't harass our friends and family every time we see them. When we have been coaching the kids we're not hitting up every parent asking "if they know anyone looking to buy, sell or invest in real estate", no we're focused on coaching their kids or watching the game. People ask us all the time about the market or real estate and we will answer them but we never pounce on them with a scripted answer about "buying, selling or investing in real estate". That's not how we work. We put our clients interests first and foremost. In the early days

of Amazon, Jeff Bezos (founder and CEO of Amazon) and a handful of others would read and write the reviews for the books they were selling because there just wasn't any other staff in the early days. Of course, not all books are great so naturally there was some negative reviews. In the book "The Everything Store" by Brad Stone, Jeff Bezos recalls getting an angry letter from a couple publishers telling him he obviously didn't understand that his business was to sell books, not trash them. The funny thing was that Jeff saw it completely differently. Bezos said "When I read that letter, I thought we don't make money when we sell things. We make money when we help customers make purchase decisions." No slick scripts or marketing tactics designed to "sell". No pressure, just be honest and upfront to help people make a decision. Wow, what a concept!

We see real estate differently just like Jeff Bezos and Amazon saw book selling differently. By helping our clients make purchasing decisions and by leveraging our documented approach for superior results our clients don't get sold, they get helped.

If you want to see what we mean about maximizing value (its not the same as selling for above asking by the way) we think you will enjoy the case-study.



Grab your FREE COPY of the *The Value Driven Approach to Sell Real Estate* so that when the time comes for you to consider a home sale, you will know exactly what to look and listen for – in order to detect and protect your profit margin.

www.FreeBookPayitForward.ca

CASE STUDY: DWAYNE & NICOLE

Neil O'Donnell, author, creator: *The Value-Driven Approach To Sell Real Estate: A practical guide to protect yourself from Real Estate Greed & bank an extra \$30,000 by thinking like the great Warren Buffett.*

Case Study: Dwayne and Nicole Sold in Grimsby

For the past couple of years my husband, Dwayne and I have been on the search for our next home. The market was too crazy and we just kept putting it on the back burner. Then an opportunity arose through friends to finally get everything that we were looking for. Neil was the realtor that was involved and we decided to meet with him. We were a little apprehensive because of the way we and most others perceive Real Estate agents. Neil came into our home, sat down and immediately we were comfortable. It was very informal and we got to know each other. Dwayne said, 'normally I don't really like people but I didn't want to kick this guy out of my house!'. Neil was very helpful with recommendations on how to spruce up our house and was so considerate of our situation with our 3 little ones. We also both read his letters and book and really enjoyed the style of his writings as well as the great information. It was a crazy time but it paid off, our house sold in just over a day and we were all so excited and relieved. Neil got us a great price for our house and the closing date we wanted. Overall it was a great experience and we can't wait to be in our new home!

This is the story of Dwayne and Nicole. A great couple we had the privilege to help thanks to the referral from a past client and friend of mine and now a mutual friend of ours, Michelle.

Dwayne and Nicole have 3 great kids all pre-school age and as any parent knows little kids can definitely be a handful. They were living in a nice 3 bdrm semi in Grimsby but were looking for a bigger home for their growing family. Like most people though, to be able to move into a bigger home they also needed to sell their current one.

To fully understand what we faced and how com-

mitted to the approach that Dwayne and Nicole were you will need to know the timelines. We first met Dwayne and Nicole on December 6th at 7pm, 18 days before Christmas eve. We were fairly certain there would be an opportunity to find the house they were looking for in the coming days and we needed to begin the preparation. Turns out that opportunity did happen and we put the offer in on their new house and on Tuesday December 13th it was accepted. For those of you keeping track that is now 11 days until Christmas eve.

Now, as I mentioned earlier to be able to buy this new house they now had to sell their current home. Also, in the seller's market that we are in sellers are not accepting a "condition on the sale of your current property" type escape clause so that meant we needed to get this sold and closed quickly or Dwayne and Nicole would be in a really tight spot. Of course, our approach is focused on maximizing profit but in this case, we also had to do it quickly and there was no going back, no escape, no plan B.

Let me tell you a little about their current home. It is in a nice quiet area of Grimsby across from an elementary school, 1 minute from the QEW on ramp and close to parks and walking trails. All good. The furnace was 29 years old, the roof needed doing and the windows are all original at least 30 years old, with older laminate flooring and carpet, no garage. Not great. Replacing the furnace, roof and windows would be at least \$15k-\$20k.

To make it more interesting a similar home sold a few months earlier for \$318k. That home was a semi-detached as well but it had an attached garage and a brand new fully finished basement. To finish a basement in a semi is approximately \$10k and adding a single car garage is another \$20k. So, the last comparable home had \$30k more in 'additions' and ours needed \$15k in work.

CASE STUDY: DWAYNE & NICOLE CONT'D

For those that don't know me I'm not a skinny suit wearing, have a scripted slick answer, look like a Calvin Klein model, smooth talking sales guy. That's not me. I am a plain-speaking person who believes my job is to help my clients maximize the profit of their largest investment, not to sell them. So, I spelled out to Dwayne and Nicole exactly what our situation was.

We are tasked with selling your home, at Christmas, knowing it needs a new furnace, roof and windows. The basement is not newly finished and it doesn't have a garage. Basically a \$45k deficit. No way around it, we had our work cut out for us. Then again, it's no secret where we always start the process.

Step One: Execute "The Approach."

I called upon Colleen and Lynn (our awesome design team) to consult on staging and presentation. Knowing our timelines were tight we didn't bother dwelling on large-scale improvements. Instead, we shifted our focus toward doing everything in our control to minimize the subtle risks and accelerate the speed of sale. The, subtler, 1% adjustments, if you will. Keep in mind, this all played out over just a few short days before Christmas, with 3 little kids. In other words, they had access to every excuse in the book to justify doing the bare minimum to get the house ready. They could have said "NO" to painting the bathroom. They could have said "NO" to doing some trim work. They could have said "NO" to moving furniture out & around. To relocating their Christmas tree (yes, we had them move the tree). They could have said "NO" to replacing an outside electrical box. But they didn't. That's not who they are. Instead they said, "YES."

Dwayne and Nicole, in 8 days from Dec 12 to 20th, executed every single suggestion made to them. And in that light, they are no different than all of our most committed clients. However, where they are different is that they did it in record time and at a crazy time of year. We find that when presented with a clear path to success, most are more than happy to

do what they can to put themselves in a position to win. Dwayne and Nicole did just that.

Their diligent execution enabled us to schedule our photographer, Kate, to photo the interior of the home on Tuesday December 20th. Normally getting the photos turned around and the virtual tour and website built takes a week but Kate was so great and understood the pressure Dwayne and Nicole were under and she stayed up very late getting it done so we could list it the next day the 21st, 3 days before Christmas eve. Talk about an A+ team member.

We listed the home for \$329,000 (\$11k more than the similar home sold for) and on December 22nd we accepted an offer of \$320k. Now most agents brag about how much over asking they sold homes for. Don't be fooled by that, it's a scam. Undervaluing a home to try to get a bidding war only benefits the agent not the seller. Just because it sold for over list doesn't mean they had the right list price to start with. In this case, we didn't get over asking but we also didn't replace the furnace, windows or roof (\$15k-\$20k) We also didn't put in a brand-new basement or garage (\$30k). So, we saved \$45k on reno's and still got \$2k more than the similar home for a total of \$47k in extracted profit for our clients. Now that was a great Christmas present

We get a lot of questions and even the occasional snicker about The Value-Driven Approach to Sell Real Estate. What does that even mean, they ask? Well, it's surprisingly simple and yet utterly complex.

It's about knowing what to watch for and what to listen to, in order to detect and protect your profit margin.

Sometimes it's about uncovering a home's hidden value through extensive renovation work. In other instances, like this one, it's more covering all the bases, to ensure that not a single penny of equity falls through the cracks.