



Staying warm in a cooling market
By Bob Corcoran

"Nothing endures but change."
Heraclitus

Bubble, schmubble.

There's been a lot of gabbing about a real estate bubble. Yes, the market has cooled. And yes, interest rates have risen. But honestly, I don't see a bubble. What I do see is a leveling in the market with a shift from a seller's market to a buyer's market.

But if we look at this change in context – the last two years have been scorching – a cooling is natural. Nevertheless, it is a change, and to stay warm in a cooling market, you must adjust to keep revenue flowing. Here are some tips to do just that.

1. Know your scripts. When change hits real estate, consumers look to the experts for guidance. That's you, so do your homework.

Be prepared to explain in layman's terms what a buyer's market is, how it differs from the seller's market, why the market has shifted to a buyer's market and what to expect in such a market. And don't sugar coat this – tell them exactly like it is and that they can expect picky buyers. They'll thank you later and you'll keep your reputation intact.

Also, examine your listing presentation and adjust it accordingly with specifics that reflect the current market.

2. Know your numbers. What are the listing prices versus the selling prices in your market area? What's the average selling price? Is that up or down from the same period last year? What are the days on the market? What is the current supply of homes on the market?

This will lead to a price that fits the current market. If you have 10 showings and no offers, the market is telling you the home is overpriced. Remember, the more realistic the price, the better chance you have of a sale. Yes, it's only natural to want to sell for the highest price possible but overpricing is a waste of time.



3. Know your “A B Cs.” Categorize your leads. “A” leads are ready to buy or sell now. “B” leads plan to buy or sell in the next month or two. And “C” leads might buy or sell in the next three to six months.

It’s easy to salivate over the “A” leads, especially in a slower market. But stay in touch with the “B”s and “C”s – they’re your future business. And remember, the evidence is clear, the agent who returns calls first will most likely get the sale or listing. Adopt a sense of urgency and make it your goal to respond within 15 minutes to any lead.

In fact, feel free to visit www.CorcoranCoaching.com/BrokerAgent for a free document that explains the ABC lead system in more detail.

4. Strengthen your marketing arsenal with technology. Design a Web site that helps you prospect electronically with a "drip" e-mail system that automatically sends helpful e-mails to prospective buyers and sellers regularly.

And consider an interactive voice response system (IVR). This technology captures phone numbers and even tracks how the person learned about you. We set up IVR systems for our clients and train them. Some of our clients get up to 2,000 leads a month!

5. Stage your listing properly. Recommend home improvement projects carefully to your sellers because returns on these improvements are relative. They’re less likely to recoup top dollar on a new master suite or third full bathroom if they're the only one on they’re block doing it. They should improve the home relative to other homes nearby.

They can typically recover just about all their costs on a minor kitchen remodel, bathroom remodel and siding. Your client should first choose cost-effective cosmetic improvements like paint and replacing outdated light fixtures and floor coverings.

Yes, change can be tough. But if you stay focused, concentrate on the basics and stay informed on the market, you can weather the storm. Best of luck to you and stay warm!

Bob Corcoran is a nationally recognized speaker who is founder and president of Corcoran Consulting & CoachingSM, (CorcoranCoaching.com), an international consulting and coaching company that specializes in performance coaching, and the implementation of sound business systems into the broker’s or agent’s existing practice. You can reach him at 800/957-8353 or Info@CorcoranCoaching.com. Sign up for his free “Tip of the Week. at http://www.CorcoranCoaching.com/tip_week.php”