10 tried-and-true closing techniques: How to seal the deal in 2023

These are the top closing techniques well-versed agents worth memorizing to handle potential objections from buyers and sellers



Image by Dani Vanderboegh

BY CARL MEDFORD

As the market continues to morph and transactional opportunities decline, one thing is clear: Agents need to sharpen their skills to be able to close. The problem is that real estate agents have not really had to learn <u>closing techniques</u> for the past 10 years as the real estate market has been on an unprecedented romp.

Couple this with the fact that a high percentage of agents have been licensed for fewer than 10 years, and a startling fact emerges: Many agents lack the fundamental sales skills they will need to make it through the current downturn.

Assuming that a good number of buyers and sellers talk to a few different agents before selecting the one who will represent them, here are the top 10 closing techniques well-versed agents should have memorized, so they are equipped to handle any potential objections.

Because every client and their circumstances are different, agents should not only have the entire range of closings at their disposal; they need to understand which one to use at any given time.

Here are our top 10 closes

1. The assumptive close

This close "assumes" that you will be working with the prospective client. It is a non-pushy, relationally based, future-focused technique that intimates a positive future relationship with a positive outcome. Rather than ask if they want to move forward with you, you "assume" they are going to and begin detailing future steps as if they have already committed to you. The key is to not be pushy to not alienate or scare off the clients.

With buyers: "Since you are already preapproved and have detailed what type of home you are looking for, let's set up a time to start touring homes together. Will this coming Saturday at 2 p.m. work, or do you prefer Sunday at 1 p.m.?"

With sellers: "Since you want to be on the market in three weeks and we've agreed upon the list price, the next step is to have the painter come through and do touch up — which would work better for you — next Monday or Tuesday?"

2. The trial close

In this close, open-ended questions are asked to gauge the potential client's willingness to proceed. It gives the client an opportunity to raise objections and provides agents with a chance to address potential issues and resolve them on the spot.

With buyers: "Based on our conversation today, how does what we've discussed sound to you?"

With sellers: "Based on our conversation, what questions do you have about proceeding?"

3. The empathic close

Most buyers and sellers make their final decisions based on emotions, not logic. <u>Emotions</u> influencing a person to purchase or sell a home are based on feelings of well-being, security, anxiety and even fear.

This close seeks to link the benefits of using you as their real estate agent with their perceived problem. To accomplish this, an agent must demonstrate that they understand their prospective client's problems and be able to provide meaningful solutions.

The prerequisite is that the agent has spent more time <u>listening</u> than talking and has a good grasp of the client's emotions accompanying the process of buying or selling. By demonstrating that you understand and validate your prospect's challenges, you can connect on an emotional level which can help them trust you as their advocate.

With buyers: "I understand the anxiety and fear that comes with a financial decision this large. My wife and I encountered the same feelings buying our first home but have discovered that the long-term benefits of homeownership have brought tremendous security."

With sellers: "I understand the anxiety and turmoil that comes from selling a home you have lived in for many years — I can imagine the many precious memories created here. I have encountered the same doubts but have also discovered the fulfillment of our dreams as we have relocated to a home that better fits our current needs."

4. The visual close

For some, especially younger generations who have a significant pushback to classic sales techniques, it is helpful to paint a picture of a better future that aligns with their desires or dreams because of working with you. This approach also leverages emotions instead of just providing them with facts.

With buyers: "Imagine what it will be like doing your income taxes a year from now and writing in the Mortgage Interest Deduction for the first time! What do you think you might do with the refund? Maybe a vacation?"

With sellers: "Imagine next Christmas being able to hop in the car and drive a few minutes to your grandkids' home instead of spending hours in a crowded airport and on planes!"

5. The hard close

In some cases, the prospective client may seem to have a hard time making up their mind. In this case, asking direct questions that require "yes" or "no" answers may be the way to go. Once they provide the answer, you can then steer them in the right direction. Keep in mind that many object to a hard close, and it may, in fact, alienate them.

With buyers: "Other than your questions about which lender to use, is there anything else you would like to discuss before finalizing our relationship?"

With sellers: "Has anyone else provided you with any benefits of listing with them that you would like to discuss before finalizing our relationship?"

6. The summary close

This closing technique is used near the end of a call and summarizes the benefits of working with you in a clear and simple format. The summary does not include any new facts or details; it simply lists, in a simple and clear way, the things you have discussed to that point.

For prospective clients who are talking to several other agents and might be confused by all the data they are receiving, this helps distill everything and connects the dots to you being the most logical choice.

With buyers: "We've gone through the critical steps of buying a home, discussed the current market and have your list of preferences. We also seem to be connecting and communicating well. It sounds like partnering together to help you buy your first home is the next logical step."

With sellers: "We've listed the services we provide, have discussed the things you need to do to your home to get it ready for the market, discussed our fees and agreed on a listing price. It sounds like partnering together to help you sell your home is the next logical step."

7. The scarcity close

This closing technique creates a subtle sense of urgency to encourage the prospective client to actively make a decision. This can also be entitled the "now-or-never" close and leverages a person's fear of missing out on an opportunity. The key is to be truthful in communicating scarcity; otherwise, you risk being viewed as dishonest.

With buyers: "As you probably know, there is currently a shortage of available homes. Let's go ahead now and get our agreement docs signed and your loan preapproval completed, so you are ready to act the instant a home you love comes on the market. It would be a shame to find your perfect home and not be ready to act."

With sellers: "As you know, the market has been quite volatile. Let's get your home on the market now before prices go any lower. It would be a shame to wait and then discover you've lost thousands of dollars because you delayed."

8. The analytics close

Also known as the Benjamin Franklin close, this approach lists the pros and cons of moving forward. It is best used when working with analytical people. This assumes you are trained in identifying client personalities using tools such as the <u>DISC assessment</u>.

The way you approach any given client differs depending on whether they are predominantly a D, I, S or C. Effective training will help you identify what type of personality you are facing and help you respond accordingly.

With buyers: "I understand you may have some questions about the benefits of working with us to buy your home. Since this represents the most significant financial decision you will be making this year, it's wise to be diligent in selecting the agent you will be working with. Let's make a list of the pros and cons of working with our team."

With sellers: "I understand you may have some questions about the benefits of working with us to sell your home. Since this represents the most significant financial decision you will be making this year, it's wise to be diligent in selecting the agent you will be working with. Let's make a list of the pros and cons of working with our team."

9. The objection close

Once you have explained your <u>value proposition</u> to the prospective client and are certain they understand, simply ask them, "Do you have any objections?"

With buyers: "Can you think of any reasons we should not be working together? Should I write up the agreement?"

With sellers: "Can you think of any reasons you should not use our team to list your home for sale? Should I write up the listing agreement?"

10. The sharp angle close

There are times you will encounter prospective clients who want to get certain concessions before they sign. In these cases, the sharp angle close can be used to counter their question with a question of your own that leads to a close.

With buyers: "I understand that you will need a closing credit from a seller to buy down your interest rate. If I can ensure that you get that item written into any offer to purchase that we write, are you willing to sign our agreement today?"

With sellers: "I understand that you are concerned about a one-year listing agreement. If I reduce the listing time period to six months, are you willing to sign our listing agreement today?"

Agents who take the time to sharpen their skills will be the ones who will succeed in 2023. Our recommendation is to take this list of closing scripts, find a partner and start practicing.

The adage "practice makes perfect" definitely applies here — the last thing you want when meeting with a prospective client is to know you have a script to close but cannot remember it because you failed to adequately prepare. Practice, practice, practice — and make 2023 your best year ever.

Carl Medford is CEO of <u>The Medford Team</u>.