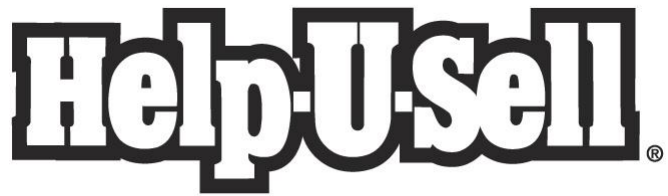


Facilitator Guide

Training and Operations Manual



HELP-U-SELL[®]
SMART BUY
CERTIFICATION



1

Training and Operations Manual



INTRODUCTION

Introduction



Think back to 1976 and Don Taylor's innovation on the listing side. That's where we are right now with buyers. We're changing the face of real estate.

Maurine Grisso
Broker Owner
Help-U-Sell Santa Rosa, CA

A New Paradigm For Buyers

Welcome to the Help-U-Sell® Smart BuySM Certification Seminar! The Help-U-Sell Smart Buy Buyer Services program is:

- A deliberate expansion of our system to the buyer side
- A way to increase revenue opportunities and profit for broker/owners
- A proactive move to the changing market
- A shift to a business model that provides a long-term competitive advantage
- A innovative and advantageous transaction for the consumer
- A bold statement by Help-U-Sell® management about our place in the real estate industry

Training Agenda

Day 1

The Help-U-Sell® Smart BuySM Program: An Overview

The Help-U-Sell Smart Buy Program in Action

The Management Model

The Buyer Inquiry

The Buyer Consultation

Day 2

The Technology Platform

The New Role of Manager

Transition

The Continuing Vision

Send-off

Agenda

Day 1

- The Help-U-Sell® Smart Buy SM Program - An Overview
- The Help-U-Sell Smart Buy Program in Action
- The Management Model
- The Buyer Inquiry
- The Buyer Consultation

Day 2

- The Technology Platform
- The New Role of Manager
- Transition
- The Continuing Vision
- Send-off

Review Agenda for the two days.

Review class logistics:

- Cell phones off
- Restrooms
- Morning / Afternoon break
- Other?

Help-U-Sell[®]

2

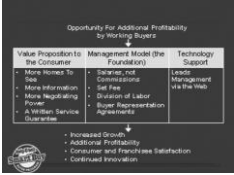
Training and Operations Manual



An Overview

2

An Overview

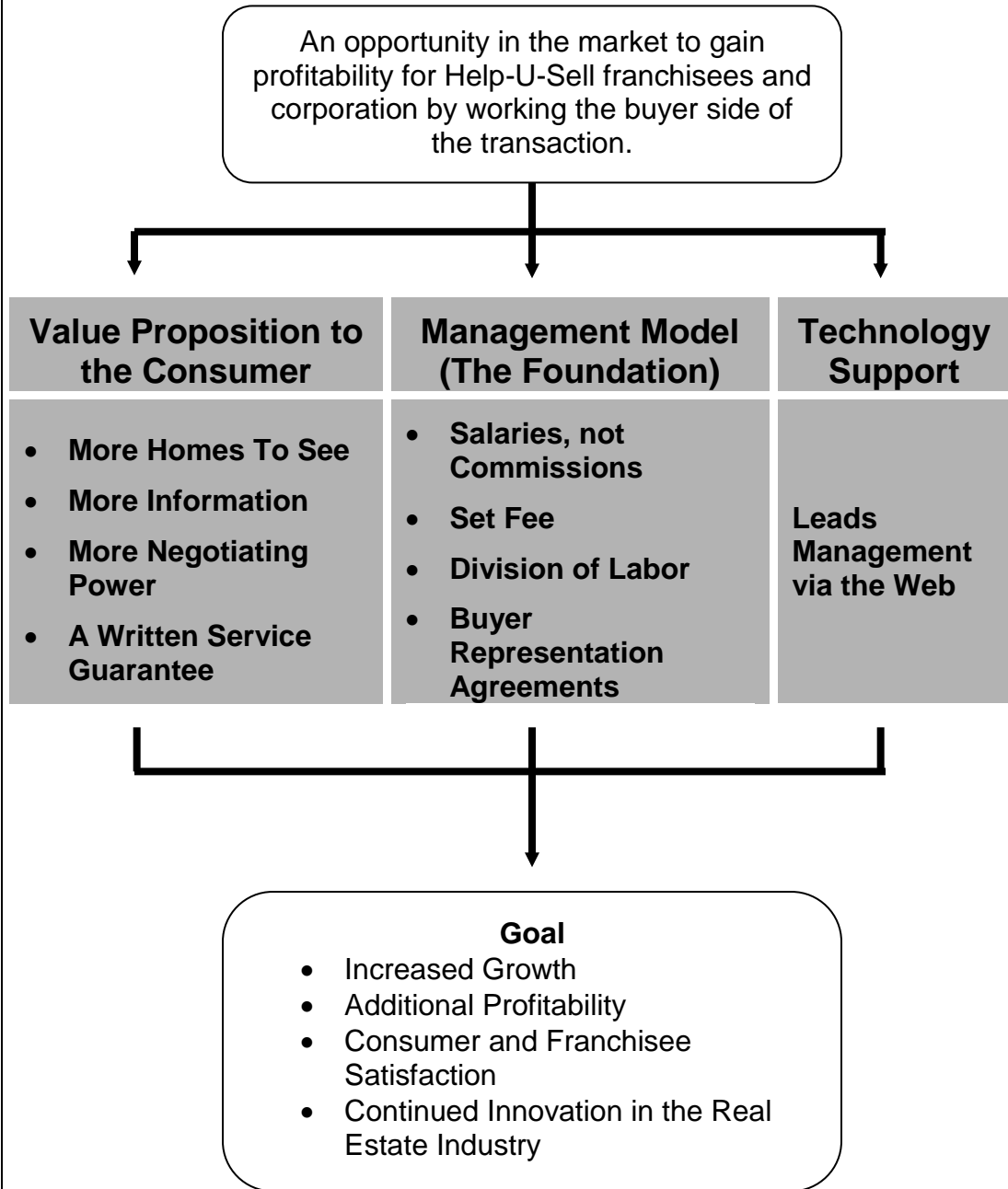


Provide an overview of the opportunity, components, and goal.

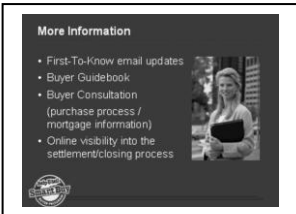
Explain to participants that we are only at the **overview** stage with this slide and this module. We will go into each of these areas in depth in the training.

Note: This slide serves as an overview and the structure we will return to through the training to re-orient ourselves to the big picture.

The Components



Return to the first component — the Consumer Value Proposition.



Briefly showcase the Buyer Guidebook and Visa.

Explain that the Table of Contents for the Guidebook is in the Participant Guide.



The Consumer Value Proposition

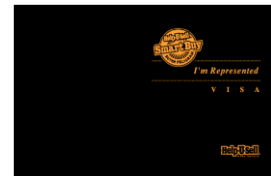
More Homes to See

- Help-U-Sell[®] homes
- MLS homes
- FSBOs
- Homes not yet on the market [Private Buyer Program]



More Information

- First To Know Email updates
- Buyer Consultation
- The Buyer Guidebook
A notebook designed to inform and educate buyers about the buying process and the Help-U-Sell Smart BuySM program, along with community information and moving tips
 - ✓ Quality Look
 - ✓ Pockets for important documents
 - ✓ Table of contents in Participant Guide
- Buyer Visa
A pocket-sized version of the Buyer Guidebook for use when viewing properties. Contains page for property details and instructions on dealing with sellers and agents.

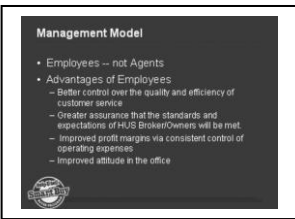


More Negotiating Power

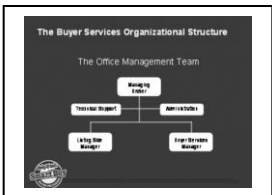
- Set Fee (optional)
 - ✓ Any commission above the set fee returned to the transaction on MLS properties.
 - ✓ Set fee recommended to be 120% of seller fee. [Seller fee already based on market research. Added in a percentage to accommodate salaries and additional time and costs associated with working with buyers.]

A Written Service Guarantee

The real key to success is how they are managed. Hold them accountable. Did you show houses today? Why? Why not? You can do this if you are paying them a salary.
 – Bill Ouellette
 Help-U-Sell
 Guardian Realty,
 MN



Explain that the second component to the system is a management model that underlies the program.



Review the Office Structure.

Acknowledge that the shift to employees rather than agents may be uncomfortable for some participants.

Remind participants to keep an open mind. Explain that how to transition

A Corresponding Management Model

Employees Rather than Agents

The Help-U-Sell® Smart BuySM Management Model relies on employees, not independent contractors (agents).

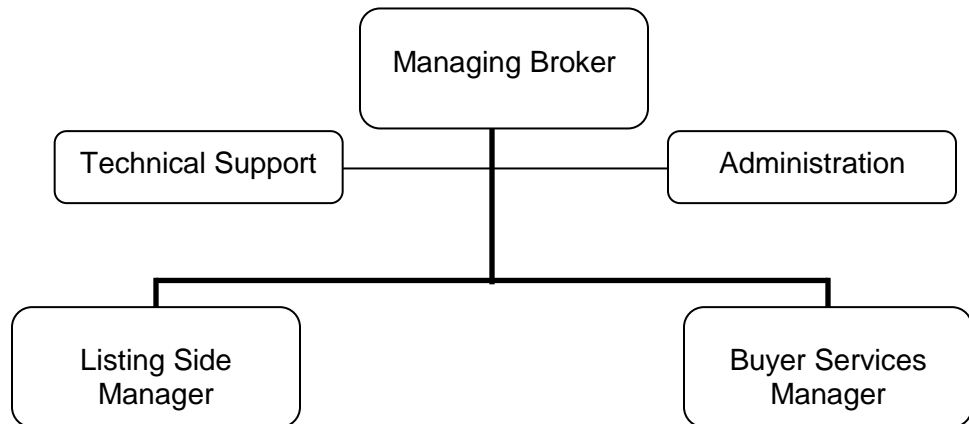
The advantages of employees include:

- Better control over the quality and efficiency of customer service
- Greater assurance that the standards and expectations of HUS Broker/Owners will be met.
- Improved profit margins via consistent control of operating expenses
- Improved attitude in the office

A Buyer Division



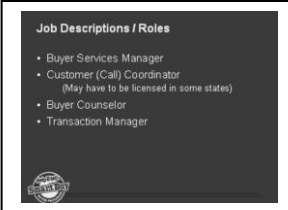
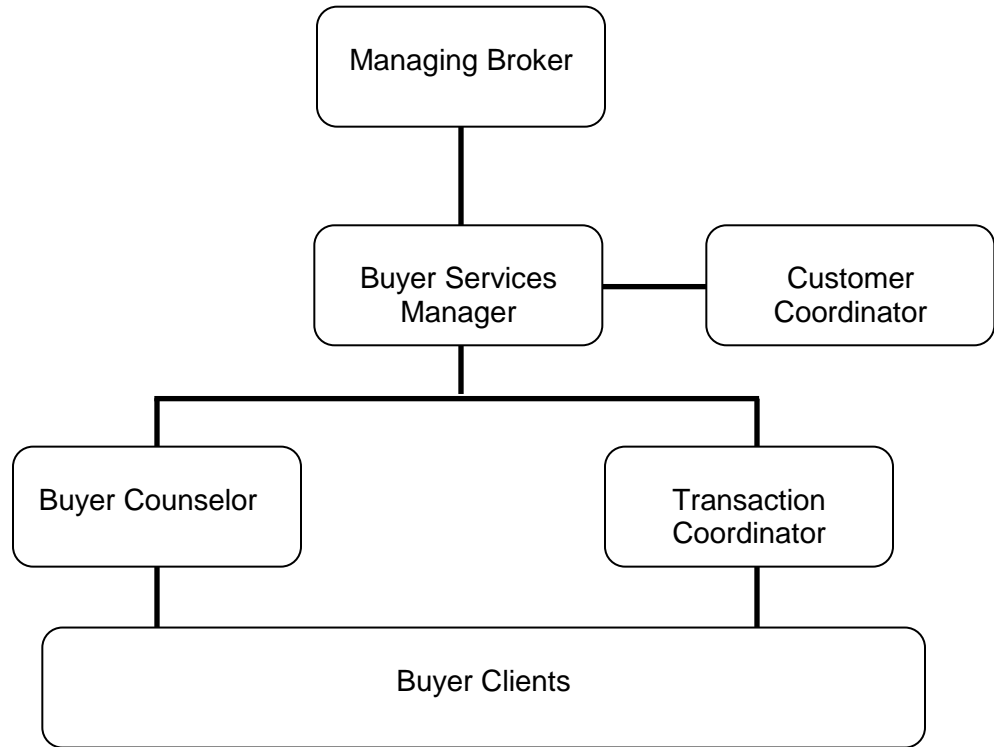
The Office Management Team





The Buyer Services Team

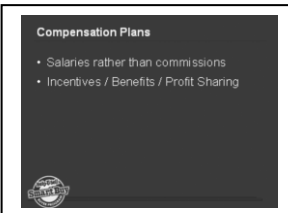
Review the structure of the Buyer Services Team.



Job Description / Roles

Review the job positions that are essential and for which there are job descriptions.

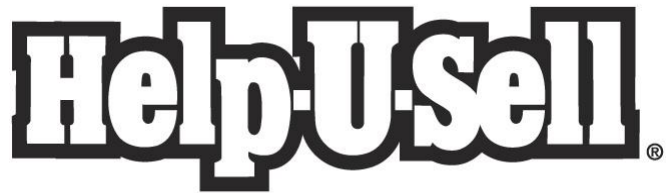
- Buyer Services Manager
- Customer Coordinator (May have to be licensed in some states)
- Buyer Counselors
- Transaction Manager



Explain that compensation plans that involve salaries, incentives, benefits, and profit sharing are also part of the management model.

Compensation Plans

- Salaries rather than commissions
- Incentives / Benefits / Profit Sharing



3

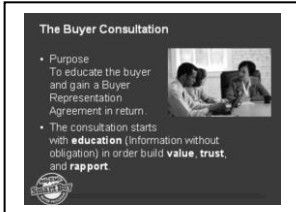
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The Buyer Consultation

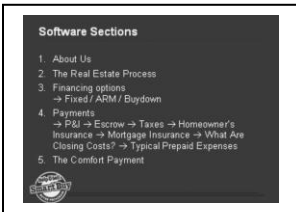
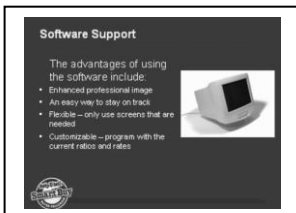
3

The Buyer Consultation



Transition to the Buyer Consultation — this is what we're shooting for! Here's our value.

Emphasize the purpose is to gain a buyer representation agreement



Explain that the Consultation is:

- Modeled after one done by Jack Bailey (Help-U-Sell Greensboro, NC), who had had over a 90% conversion rate using this method
- Supported by software, which provides a professional edge and serves as a prompt.

About the Consultation

Purpose

The purpose of the Buyer Consultation is to educate the buyer and gain a Buyer Representation Agreement in return. To achieve this goal, the consultation is laid out in a deliberate manner.

The consultation starts with **education** (Information without obligation) in order to build **value, trust, and rapport**.

Software Support:

The Help-U-Sell® Smart BuySM Buyer Consultation

To guide you through the Buyer Consultation, the Help-U-Sell Smart Buy program provides software support. The advantages of using the software include:

- Enhanced professional image
- Easy to stay on track
- Flexible – only use screens that are needed
- Customizable – program with the current ratios and rates

Software Sequence

1. About Us
2. The Real Estate Process
3. Financing options
→ Fixed / ARM / Buydown
4. Payments
→ P&I → Escrow → Taxes → Homeowner's Insurance → Mortgage Insurance → What Are Closing Costs? → Typical Prepaid Expenses
5. The Comfort Payment

7 Parts of the Buyer Consultation

1. Consulting vs. Selling
2. The Real Estate Process
3. Financing Options
4. Payments
5. Closing for Representation
6. Closing with the Help-U-Sell® Smart BuySM Program
7. Coming Up With A Real Estate Plan

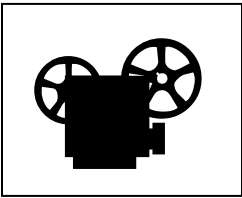
Review the 7 parts of the Consultation.

The Buyer Consultation: Overview

The Buyer Consultation has 7 parts

1. Consulting vs. Selling
2. The Real Estate Process
3. Financing Options
4. Payments
5. Closing for Representation
6. Closing with the Help-U-Sell® Smart BuySM Program
7. Coming Up With A Real Estate Plan



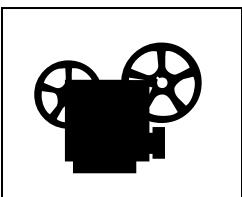


Play each video segment and ask participants to take notes of what worked well and key dialog and phrases.

Debrief after each segment:

- What did you think?
- What worked well?
- Why?
- What key phrases did you pick up on?

[Repeat process for each video segment.]



The Dialog

1. Consulting Vs. Selling

What worked well in this scenario? Why?

Key Points / Key Words

- Tell me about your real estate experience — where are you in the process?
- I think the most important thing we can do is let me teach you some about the terminology and the process and about negotiating through what I call a Buyer Consultation.
- I think most of my clients find the value of my services is not in locating the property, though I can help, but in negotiating the property.
- I'm not a salesperson; I'm a consultant. A salesperson is going to tell you what **they** think you want to hear; a consultant is going to tell you what you **need** to hear.



2. The Real Estate Process

What worked well in this scenario? Why?

Key Points / Key Words

- I want to start to create a **real estate plan** for you.
- When it comes time for this, I'm going to research the property for you.
- Instead of focusing on price for my clients, I focus on terms.
- Because I focus on terms and not price, one of your questions may be, "Am I paying too much for the property?" Well that's not going to

happen for two reasons. One, I'm going to share research with you and I'll show you exactly how I came up with the numbers. And two, we have a safety net, and that's the appraisal.

- What I do is I take the research and combine it with the real estate plan and come up with a negotiating strategy.

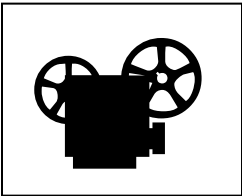


3. Financing Options

What worked well in this scenario? Why?

Key Points / Key Words

- The two main things I want to stress is this — when you sit down with a lender, they're going to look at two ratios: your income ratio and your debt ratio.
- There's three situations when I advise a client they should consider an adjustable rate mortgage: 1) short term situation; 2) expecting an increase in salary; or 3) debt (mortgage) retirement
- Let's say that someone borrows \$150,000. In the course of the year they're capable of putting down an extra \$20,000, at the end of the year their balance is \$130,000. If that individual is on a fixed rate you know what changes? Nothing. However, if that individual has an adjustable rate mortgage, then the rate is adjusted for the balance. You'll be amortized on the \$130,000 and you're rewarded instantly for that \$20,000 that you put down.
- Most people will tell you to buy as much house as you can possibly qualify for. I don't agree with that. I think you should buy as much house as you're comfortable with



4. Payments

What worked well in this scenario? Why?

Key Points / Key Words

- [Explanation of escrow account, property taxes, homeowner's insurance, mortgage insurance]
- [Explanation of closing costs, including loan origination fees, title search, recording fees, inspections, property survey, credit report, appraisal, points, and prepaid expenses]
- Caution against "junk" fees

5. Closing For Representation

What worked well in this scenario? Why?

Key Points / Key Words

Emphasize the need to localize the presentation at this point to accommodate agency.

- First of all I can actually represent the seller, which means that I can still show you properties and provide certain information; however I represent the seller, which means that I'm willing to be negotiating against you.
- Or I can be what's called a buyer's agent. A buyer agent says this, "I represent you. I work for you. I'll look after your interest."
- You need to choose someone to represent you. You're making the largest financial decision in your life and you need someone to watch out for your interests. You need to have trust and confidence in that person.
- For me to give you my experience, loyalty and time, I ask for something back from you — and that is your loyalty. That means that you don't call other real estate agents. If you see a sign or an ad, call one of my assistants or me. We'll help you with that. Also, don't call "For Sale By Owners". If you're interested in checking the property out, call us and we'll call the seller to see if they're willing to work with us.

Types of Representation

Although the video showcases two kinds of representation, you need to adjust your presentation here to talk about the types of agency applicable in your state.

Sign Buyer
Representation
Agreement here!

Explaining to buyers and sellers that all members of our office are on salary positioned us as a more professional business.

– Chari Scott
Help-U-Sell
Independence, CA

6. Closing With the Help-U-Sell® Smart BuySM Program

What worked well in this scenario? Why?

Key Points / Key Words

- I understand. You're early in the process and need to consider carefully what may be the biggest financial decision in your life. Before we finish, I need to extend to you more information about how we work.
- The buyers we work with get quite a few additional benefits:
 - Access to MLS properties
 - The Help-U-Sell® exclusive "Private Buyer" Program
 - "First To Know" Email notification
 - Private access to a Help-U-Sell web portal
 - The Help-U-Sell Buyer's Guidebook and Visa
- We don't work on commissions; we work on salaries. And the benefit to you is that you can be sure that we're not steering you in one direction or another to make a sale.
- Something else unique about us is the way we're paid. We're paid with a set fee. So what happens to the remainder of the commission check at closing? Well, you tell me.



Sign Buyer
Representation
Agreement here!

7. Coming Up With a Real Estate Plan

What worked well in this scenario? Why?

Key Points / Key Words

- Now I can start customizing your real estate plan.
- What are you comfortable with? What would you like to keep your payment around?
- [Review of down payment, loan amount, gross income, debts, available cash, and loan pre-approval.]
- Let's do the fun stuff — let's start looking for a home for you!
- Let me introduce you to our Buyer Counselor who is going to help you locate properties, help you with the website, and show you any properties you are interested in.
- Would you like to ride by the properties first or have our Buyer Counselor show you each one?

Note: Be cautious about showing property until you know the buyer's credit is good. Schedule time to show property AFTER the buyer has been pre-approved for a loan.

Participants should be excited about the Buyer Consultation.

Build upon their excitement:

- This activity sets us apart from other agents
- It's value-added service
- It's the core of the program — NOT the savings.

The Buyer Guidebook, Visa, and the Real Estate Plan

The recommended time to give the buyer client the Buyer Guidebook, Visa, and their Real Estate Plan is when the buyer comes back to go looking at properties.

This timeframe should allow enough time for you to customize the guidebook and create the plan. Put the plan inside the front cover.