

HOW TO DEAL WITH A NATIONAL CRISIS - 2020

A WHITE PAPER



***“We’re All In
This Together”***

Created and Written by



ROLAND NAIRNSEY
New Home Sales +

Educate • Motivate • Inspire



[Roland Nairnsey](#) grew up in Great Britain just north of London. He moved to the states as a young man in 1983, selling vacation homes to Brits moving to Florida. He became a licensed Realtor® in 1984 and started working for his first homebuilder in 1987. He has successfully sold homes for numerous builders ever since, as both a salesperson and a selling Sales Manager and Director of Sales. He is responsible for almost a billion dollars' worth of new home sales.

Roland became a national sales trainer in 2002 and spent a decade training thousands of salespeople all across North America to replicate his sales success. His clients love his refreshing "Real World" approach, teaching processes honed from his own experience and that are proven to increase sales. They find it easy to connect with his easygoing, caring manner, and occasional oddball British humor. The feedback is that they laugh while they learn.

Taking a sabbatical from training, Roland managed sales for a luxury home builder in Southwest Florida for three-and-a-half years. This allowed him to understand today's buyers as well as update his approach and training material to suit the new contemporary market.

Roland formed his own training company, [New Home Sales Plus](#), a few years ago and has very quickly gained a loyal following of clients all over North America, with combined yearly sales in the many billions. He delivers his training both in person and via interactive live Video Conferencing which he conducts weekly. He is also an avid blog writer, posts free videos on his YouTube page, and is finishing his book, "Mastery of Closing".

Roland has personally experienced four economic downturns. Therefore, his clients are finding that Roland is uniquely qualified to share his experiences and processes that were crafted in those tough selling times, to help today's salespeople navigate through today's uncertain market.



ROLAND NAIRNSEY
 Phone: (561) 236-2400
 Email: Roland@NewHomeSalesPlus.com
 Website: www.newhomesalesplus.com



INTRODUCTION

I am neither a professional economist nor a licensed health expert. I am just someone who has had [a lifetime of experience successfully selling real estate](#) through many tough markets. As this crisis unravels and has become exponentially more alarming by the day, it occurred to me that a large percentage of salespeople have never been through an economic downturn, and mainly entered new home sales AFTER the Great Recession.

With that in mind, I thought it would be helpful to create a FREE WHITE PAPER that teaches us the essentials of how to deal with the business side of this situation. This White Paper is divided into three parts:

- 1) Simple Macro Economic History for the Last 40 Years: Perspective is a wonderful thing, so to help equip ourselves with facts, we explore what causes a recession, how long they typically last, what governments do to help us move through them, and then, most importantly, what happens immediately afterwards.
- 2) Clients' Fears: This economic data is helpful for us to know, but your average clients couldn't care less; they need to know what's in it for them. Like the rest of us, they are watching the news and probably experiencing a combination of anxiety and confusion over how they should react. We look at the two main categories of their fears which are Health and the Economy. Fear is an irrational enemy and, for many people, this conflation of negative emotions overlap, creating a paralysis in their thinking and decision making. We will look inside these fears and help narrow it down, so that we can begin to guide them with empathy and confidence.
- 3) Solutions and How to Manage Their Objections: Last, we look at real solutions to assuage our clients' fears, learn how we can guide them through these turbulent times, and help them make a decision with which they are happy. We have to lean into this crisis and show true consideration for our clients' fears and needs, and then remember to question as we always do, to find out what their underlying concerns are. Once we have subtly unearthed our clients' real fears, then we can offer them practical solutions, based upon facts, that we hope will give them comfort and empower them to make the decisions that are best for them.

Please enjoy this white paper and, if you find it helpful, please share with workmates and friends. Let's stay calm and carry on as they say, and remember that no matter what, we are all in this together.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

PART I

SIMPLE MACRO ECONOMICS AND US ECONOMIC HISTORY

A Little Perspective

Objective

The current crisis is alarming and stressful for most people. We need to be highly sensitive to our clients' feelings and ensure that we help them through these confusing times. Having said that, there are still people that are looking for "shelter", especially those who were nearing the end of their natural buyer's looking cycle and, with the appropriate encouragement, will still move forward with purchasing their brand-new dream home.

Let's look at the how the current crisis compares to previous ones and ensure that we are equipped to help our clients navigate successfully and harmoniously through this challenging environment.

SIMPLE MACRO ECONOMICS

DEFINITIONS:

What is a Recession - "Technically"?

Recessions are downturns in business activity, triggering a reduction in spending. The technical measurement of a recession are two consecutive quarters of negative Gross Domestic Product or GDP. Most recessions are brought about by economic conditions, usually at the end of a long bull run in the economy and may be started by an unexpected external catalyst such as 9/11 in 2001. This current external crisis is unique in that it is stemming from a worldwide health crisis.

What is GDP?

Gross Domestic Product (GDP) is the total monetary or market value of all the finished goods and services produced within a country's borders in a specific time period. As a broad measure of overall domestic production, it functions as a comprehensive scorecard of the country's economic health.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

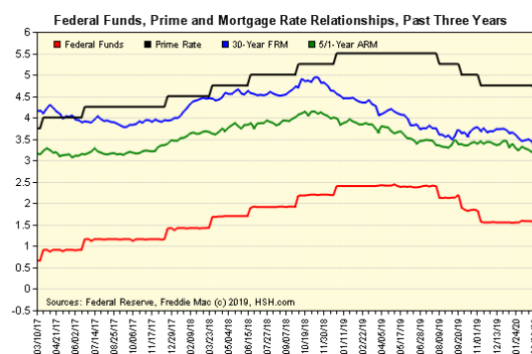
[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

GDP includes all private and public consumption, government outlays, investments, additions to private inventories, paid-in construction costs, and the foreign balance of trade. Exports are added and imports are subtracted. GDP increases when the total value of goods and services that domestic producers sell to foreigners exceeds the total value of foreign goods and services that domestic consumers buy, otherwise known as a trade surplus. If domestic consumers spend more on foreign products than domestic producers sell to foreign consumers, this creates a trade deficit, then GDP decreases.

The Federal Funds Rate is Different Than the Prime Mortgage Rate

While it is wonderful news for homebuyers that the Fed just cut its rates to help stimulate the economy and borrowing, many buyers may be confused by their interest rate. It is important to understand what the Fed Rate is versus the Prime Mortgage Rate. The Fed doesn't actually set mortgage rates. Instead, it determines the federal funds rate, which generally impacts short-term and variable (adjustable) interest rates. This is the rate at which banks and other financial institutions lend money to one another overnight to meet mandated reserve levels.

The **Prime Rate** is the interest rate that commercial banks charge their most creditworthy customers, generally large corporations. The prime rate is among the most widely used benchmark in setting home equity lines of credit, credit card rates, auto loans, and home loans.



Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

How Do Governments Counter Recessions?

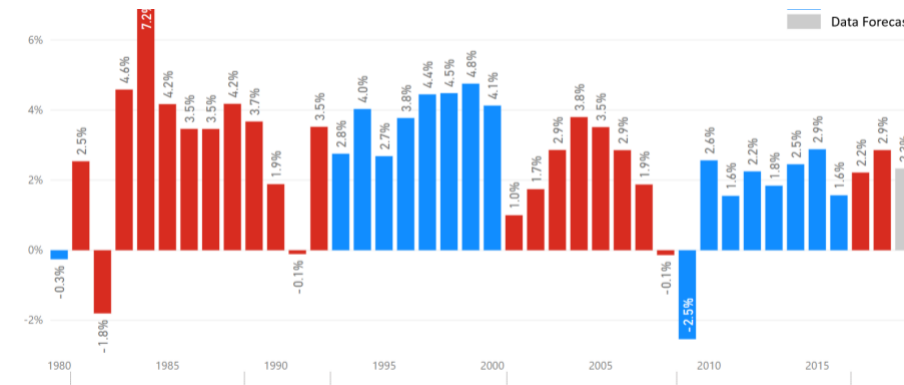
Governments usually respond to recessions by adopting expansionary macroeconomic policies, such as increasing money supply or increasing government spending and decreasing taxation or interest rates.

A Little Bit of U.S. Economic History

Since 1981, we have experienced four recessions.

Period Range	Duration	GDP Decline	Time Since Previous	Prime Rate %	Unemployment %
July 81 to Nov 82	1 year 4 months	-2.7%	1 year	20.39 16.84	8.5 10.8
July 1990 to Mar 1991	8 months	-1.4%	7 years 8 months	10.0 9.0	6.3 7.3
Mar 2001 to Nov 2001	8 months	-0.3%	10 years	8.32 5.1	5.7 5.7
Dec 2007 to June 2009	1 year 6 months	-5.1%	6 years 1 month	7.33 3.25	5.0 9.9

A Chart Showing GDP Annually Since 1980



Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!
[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

How Long Do Recessions Last?

If you include the "Great Recession" from 2007 to 2009, then the average length of an economic downturn is 12.5 months, and the severity is -2.375% GDP. However, if you exclude the "Great Recession", as this was the biggest economic collapse since The Great Depression of 1929 and was brought about by a perfect storm of negative events unlikely to be repeated, then the average length is 10.6 months and the average severity is -1.45% GDP.

CONCLUSION

Here is some factual data as it pertains to previous recessions and how they relate to this potential downturn.

Recessions Are Followed by Years of Growth:

The most important conclusion is that once the correction is over, it is usually followed by many years of positive growth. Many people have even built great wealth by investing when others are selling and prices are low. Warren Buffet famously said that he likes to buy "*When there is blood in the water*". We are not selling investments, but as [new home sales consultants](#), our job is to help clients think through this crisis intelligently, so that they can feel better about buying the home of their dreams.

Interest Rates:

Other conclusions that are reasonable to make are that, during each of these previous recessions, the Prime Interest Rate was anywhere from 8.32 % to 20.39%. Compare that to today, where on March 16, 2020, the Fed cut their rate to 0%. The prime mortgage rate is not set by the Fed and is officially 4.25%, however the average consumers are being offered mortgage rates somewhere in the mid to high threes.

Unemployment Rates:

During the beginning of each of the past recessions, unemployment rates ranged from 5.0 % to 8.7%, whereas our current unemployment rate was just 3.5% when this current crisis began, which for many experts is considered to be as close to full employment as possible. However, this crisis is rapidly changing and, as people adjust, this rate may become volatile quickly.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Supply of Homes

Third, in many home markets across the country, supply of homes is still very low. In some areas throughout the South, and regions of the Midwest, supply of existing homes is thirty days or less. This is incredibly low when you compare it to the Great Recession, where in some markets, the supply was anywhere from one year to eighteen months and became longer as the economy continued to crater.

Limited supply of any commodity bodes well for two reasons: It creates high demand creating authentic urgency and promotes potential appreciation.

Common sense could interpret this current downturn, while bad, as vastly different than previous downturns. Of course, there are still plenty of unknowns with the severity and length of the health crisis. However, from an economic viewpoint with the combination of low interest rates, limited supply, and the potential for coming out of a downturn with years of positive growth to follow, it is important to guide clients with this information.

One must be sensitive to clients' specific situations and be prepared to adjust what you say based upon their needs. However, analyzing recent history and the economic data, it's not unreasonable to suggest that (as long as they like your home and are financially qualified) that now could be an excellent time to buy to capitalize on these record low rates, favorable pricing, and limited supply in the markets where that is relevant.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)



PART II

UNDERSTANDING OUR CLIENTS' FEARS

What's in It for Our Home Buyers?

Let's be realistic; all of this economic data is very interesting, but our typical home buyer is not a savvy investor. They just want the comfort of buying a home that they love, and the assurance that they are not making a mistake buying at this potentially tumultuous time. Let's learn how to address our home buyers' concerns.

What Are Your Buyers' Concerns?

Since this crisis just started, we can't predict exactly where it is going, but common sense would prevail that we will come to terms with it, just like every other crisis, and that there will be a short-term period of adjustment, both emotionally and financially. Your buyers are no different, **especially clients who are at the end of their buyer's looking cycle and were getting ready emotionally to proceed with building a new home.**

Let's not make the assumption that your clients will not buy a home. Instead, let's give them the ammunition to feel good about buying the home in which they are interested.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Watch Our Tone - "Perception is Key"

Now is not the time to be overly pushy or make crass sales pitches that would be considered slick and uncaring. Instead, let's lean into this crisis and ensure that we do everything we can to give clients the assurance that [we care about them](#), are here to create the best experience for them, and, ultimately, to help them make the best possible decision that will be good for them in the long term.

For example, I sold a home to clients the morning of 9/11. It wasn't fun, but they needed a home and had set aside those few days to wrap up their business. After writing the agreement, we all went home and took care of our loved ones, but their needs for a new home had taken precedence.

Being Proactive

Let's consider what our clients' major concerns may be and be prepared to help them think through their concerns and feel more comfortable.

Health

- They don't want to come to a crowded place, such as our model homes or welcome centers, to select and purchase their new home.
- They are unwilling to enter into an agreement that requires multiple visits, such as making selections, builder review meetings, etc.

Economy

- Losing value in their new home.
- Losing their job.
- Can't sell their existing home, and therefore can't make the move.
- Can't qualify for a mortgage.
- It's just a bad time to buy with all of this discussion about a recession looming.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

PART III

SOLUTIONS AND MINIMIZING THEIR OBJECTIONS

Health

Let's explore what we can do proactively to show clients that we understand what their fears are and give them tangible options that will alleviate their very understandable fears.

For the record, many of the builders that we work with have already started implementing these ideas below, so this is not about taking credit. We are all in this together so the goal is to share some effective "Best Practices" that can help all of us.

1) NO CROWDED PLACES - BUYING THEIR NEW HOME

Appointments

We can assure clients that they can visit our model home or welcome center on an appointment basis, where they will be alone with just the salesperson. Some builders have closed down already and are working only on appointments. Others are still open, so practically speaking, this will mean you have to be prepared to work after hours, especially with welcome centers that may have many team members working there. We can't just send people away during the day every time we have a client appointment. Let clients know that "*We are in this with you*" and are happy to meet you after hours to allow for a private viewing. This extra commitment is vital.

Trained Salespeople

We can assure clients that while we are not medical professionals, we do care about them and, therefore, our salespeople are sensitive to their concerns. We understand this health issue and will take ALL known health precautions recommended by the CDC such as:

- ✓ No handshaking.
- ✓ Keeping a safe distance.
- ✓ Giving clients the option of the salesperson wearing a mask and disposable gloves, if they would feel more comfortable.
- ✓ Having hand sanitizer available throughout the home.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Sanitized Homes

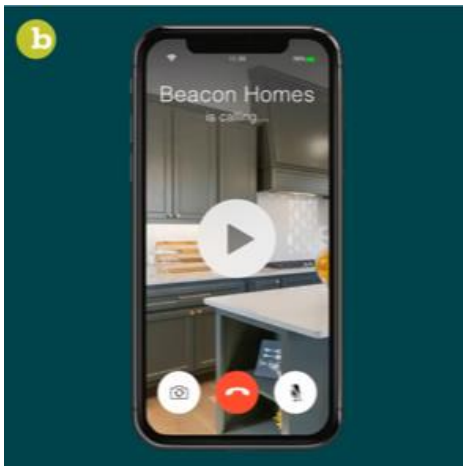
We can assure buyers that are models are cleaned and sanitized every day or that, before their planned evening appointment, the home will be fully cleaned and sanitized by our professional cleaners. If this is not financially viable for our smaller builders, then we are going to have to make the commitment to wipe down all of the major surfaces before these appointments.

Healthy Homes

Now more than ever, our homes need to be spotless, giving our clients the assurance that we have created a healthier environment.

We should make sure that we have ample supply of hand sanitizers in many locations in the home and sales office. Look closely at our working bathrooms and make sure there is liquid soap and disposable towelettes, not shared soap or towels.

Virtual Viewing Via FaceTime



While not ideal, as our preferences is always to be with the client in person, if coming back to visit the model is simply a nonstarter, then promoting a model tour via FaceTime is a great back up choice.

Beth Byrd, director of sales for Beacon Homes, came up with this idea within a few days of learning about this crisis and even promotes this via their digital advertising.

Set Expectations and Follow a Tangible Path:

Set the expectation with the clients that you are there to guide them through the home, and help them completely understand how this home would live for them, so at the end, they can make an educated decision that will work for them. Follow the same discovery path you would follow with all of your clients in person, so that you can understand their home needs, time frame, and value range, and demonstrate this home in the correct context with confidence.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

If you are going this route of virtual tours via FaceTime, then just like all training, practice the order in which you show the home. For example, those that have worked with me know that we start from the outside and point out the architectural style and at least five features and benefits, enter only through the front door, go to the brighter spaces most quickly, and end up with an emotional hot spot to close out the home.

Practice: This should be the same for your virtual tours: make your demonstration logical, emotional, and easy to follow. I would suggest practicing with a colleague who is on the FaceTime call with you, and make sure you perfect your process.

Email the Numbered Floor Plan in Advance: You should also email the floor plan to the clients in advance and you may even want to consider numbering it in advance, so the clients can follow along with you and understand exactly what you are showing them.

Involve and Close as You Go ©: As with all model demonstrations, make sure that you involve the client constantly and find out how they are feeling about all of the important spaces you are showing them. In other words, close out the front of the home, the family room, kitchen, owners' suite, each floor, and either backyard or view.

Ask for the Sale - Move the Sale Forward: Build your 'Yes' bank and, at the end, recap all of the agreements you have gained along the way. Don't be afraid to [ask for the sale](#), or at least move the sale forward to the next logical step in the process. It would be easy and perhaps comfortable to allow this crisis to become reasons for clients to delay their decision, maybe indefinitely. Instead, as long as we act kindly and compassionately, we need to explain that this may be the "New Normal" for a while and, based upon sound reasoning, they can feel comfortable with moving forward.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Digital Agreements:

Most of us have been using digital signing methods, such as Docu-Sign, for many years. Now is the perfect time to relieve clients fears about meeting in person and assure them that their agreement will be sent via a digital signing program, so that they can sign in the comfort of their own home. We would recommend that, for the clients that need more hand holding, you call them and walk them through the agreement. As with all aspects of the sales process, we believe that it is helpful to practice how to explain the basics of the agreement with your sales manager. When I was managing sales recently, we made a one page full of our own "Cliff Notes", with simple ways to explain the basics of the agreement, focusing on the commitments and time frames to give our clients peace of mind. Since you will be explaining the agreement virtually, you can even have this one page "cheat sheet" next to you as you walk the client through the agreement and show them how easy it is to move forward and begin the process so they can own one of your brand new homes.

We agree that buying is "emotion backed by logic", so make sure when you review the agreement virtually that the client has the home plan, rendering, or photo of the architectural style and, if practical, some photos of either some "Hot Spots" of the home they like the most or the finishes they are leaning towards.

Home Tours Without a Salesperson**NterNow**

In some markets where supply is very low and the demand has been heated up, it has become typical to allow clients to enter our "Move-In Ready Homes" by themselves with digital companies, such as "Nternow" and a few others.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Many of the managers with which we work in average markets are not comfortable with allowing the general public access to their homes without a sales executive. They recognize that, in their market, the clients need to be guided by a salesperson to help them navigate through the complicated buying process and find the perfect home.

Even if you are uncomfortable with this, it may be a temporary solution to experiment with to show that you are pitching in and helping your clients through this crisis.

The Future is Virtual



Clearly, the future is here now with so many choices of virtual mediums to communicate with each other. This crisis will possibly be the catalyst for us to learn [how to interact with our clients](#) virtually and help us get used to communicating in a way we that we should have been doing already. My friends, Mike Lyons and Kevin Oakley, owners of *Do You Convert*, have been preaching for many years that video conferencing is so much more effective than communicating via phone.

Just think about the differences in communicating via video, versus all of the other mediums that are open to so much misinterpretation. As a consultant and new home sales coach, I am fortunate that I have been hosting monthly video conferences for many years. Above is a screen shot from a video conference with Stevens Fines Homes, in Wilmington NC, on March 16, 2020.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Notice the big difference is that all of the salespeople are home with their families, as they have gone to appointment only showings of their homes. We were interrupted by children, pets, and spouses, and yet managed to accomplish our training goals while relaxing and having some fun. For the record, the kids were adorable.

Communication Medium Comparison

Communication Medium	Benefits	Negatives	Highest & Best Uses
Email	Communicate complicated ideas fully in writing. Paper trail to verify what has been communicated. Can compose and re-use beneficial emails easily.	Easy to misinterpret the written word, especially if being used in a negotiation. Takes a long time to compose a perfect email, versus seconds with a conversation. Often ends up in junk boxes or unread. Drivers (D) and Influencers (I) won't read them if they are too long.	<u>Long term follow-up</u> with B & C clients who we want to receive monthly info via our CRM. <u>Confirming details</u> in writing. <u>Sending attachments</u> and addendums that have already been agreed upon in person or virtually. <u>Analytics (C's)</u> love detail, so good way to communicate with them.
Text	Quick and easy way to check in with people. We know people will read texts on their phone. Easy to respond to.	Can also be misinterpreted if used for conversations. Especially bad for negotiations as there is no emotion.	<u>Confirming</u> appointments. <u>D's and I's</u> like faster communication methods, so good for simple yes and no questions after the agreement is written.
Phone Calls	You can communicate complicated ideas in depth, answer questions and have a real conversation. One phone call can replace a series of back and forth via email or text.	Discussing emotional ideas can still be misinterpreted as you are not seeing the other persons reactions. Many people don't answer their phone and will "Screen" our calls. You may be distracted when on the phone and could be multi-tasking.	<u>In lieu of email</u> to communicate complicated ideas that need to have a conversation. <u>Confirming</u> appointments with <u>Amiable</u> people (S's) where you need a more personal approach.
In Person at either: Model Home, Available Home or Design Studio	You can read people's emotions, be sensitive to them and adjust. Buying is "Emotion Backed by Logic" the most emotional places are either in one of your homes or at a Design Studio.	Not always convenient for people to return to your home. They may be out of town and unable to meet, delaying process and lowering their buying temperature. With this crisis concerned about personal contact.	<u>Showing</u> our homes initially. <u>Writing</u> an agreement or <u>negotiating</u> so that the buyers are reminded of the emotional impact of their home, and price objections become less relevant.
Misc.: Facebook Messenger, Wassap etc.	"Meet Clients where they want to be met", if this is the client's favorite medium then this may be best way to reach them. Also, may save them money if overseas.	Still impersonal and doesn't replace personal interactions. May be perceived as invasive of their personal space if overused.	When this is <u>client's favorite medium</u> it is a good way early on to reach them. Try to keep communication brief and move to virtual or in person meeting.
Virtual	Can communicate effectively and read clients emotions. Also ensure that we are fully focused and not multi-tasking. Ideal now with health concerns.	Have to ensure that it is also convenient for the client and they are comfortable. Don't ask to do this while they are driving.	<u>Model Tours</u> , salespeople are experimenting with face time tours of their homes. <u>Prospecting, & Follow Up</u> both before and after seeing the homes. <u>Writing an agreement</u> and <u>Negotiation</u> if allowed.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

I hope this chart helps you think differently about how you communicate both with prospects and existing clients. The goal is to connect, not just communicate. Remember that clients are making two distinct decisions about us: do they like us, and can they trust us to transact their business. The more we interact virtually, the better the likelihood of both being accomplished.

There are so many choices of popular phone apps, such as FaceTime, Facebook, and Whatsapp. For computers, we have had great success with "Zoom", and find it to be particularly glitch free. There is also Go to Meeting, Skype, and a whole host more. I invested a nominal sum to get a better quality camera for my laptop and am thrilled with it. Make sure that your sales teams' computers have the capability of video, and let's communicate and connect with our clients virtually.

2) NO MULTIPLE VISITS - DURING THE BUILDING PROCESS

Many builders are looking at their building process and identifying ways for the buyer to continue without the need for so much human interaction. A combination of reducing the number of meetings, combining meeting topics, and hosting the meetings virtually are proving reassuring for today's concerned buyers.

Help our Design Studio and Builder team move their meetings to a virtual forum. Then communicate this pro-actively to your clients as this may be a reason for their hesitation in embarking on the home building journey with you.

HOW WILL YOU COMMUNICATE YOUR MESSAGE AND NEW PROCESS TO THE PUBLIC?



[Whether you handle your own marketing in house or work with a marketing company](#), decide on your message and how you will share this with the general public. Your tone is key and showing empathy is essential. The early feedback from marketing experts is to show clients that you care about them and that you are making changes that will help give them peace of mind. Be careful of not going too far and using inappropriate humor or appearing glib. For example, the consensus is not to offer "Pandemic Incentives" or beat the drum too loudly about now being the perfect time to buy. We have to gain the public's trust first, have them fall in love with our homes, and then be prepared to share the benefits of moving forward once we understand their genuine concerns.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Above, is a digital ad I received from GL Homes in Florida. The message is clear and simple, which is we care about you and are moving all showings of their models and homes to appointment only. There are no attempts to sell too hard or appear pushy.

Like me, you are probably receiving emails every day from retail companies sharing how they are changing the way they do business because of the virus, at the same time showing the public how much they care.

Best Buy reassured me that they are still paying all of their employees through this crisis and will bring packages curbside. Federal Express emailed me that they will no longer require a signature for delivery to protect all of our safety, and Hertz has let me know that all of their cars are professionally cleaned for hygiene. The meta message from all of these companies seems to be:

"We understand your concerns and are in this with you."



Not only is this the right way to behave during a crisis, but also an exceptional way to build brand loyalty. I was very impressed with this email from Whole Foods. I am not in the age demographic mentioned, but it felt like a very intelligent way to think through this situation and come up with a solution that makes sense for everyone, and above all show that they care about us.

WHAT WILL YOU AND YOUR TEAM COMMIT TO DURING THIS CRISIS?

Discuss with your team, create an action plan and make commitments.

1) Showing Homes

- I. _____
- II. _____
- III. _____

2) Meetings during the Building Process

- I. _____
- II. _____
- III. _____

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

MINIMIZING OBJECTIONS

GOAL

"Their Perception, is Their Reality"

Remember that very rarely do we make the actual physical objection go away. We are working with our client's perception and emotions, impacting the way they think to allow them to feel more comfortable with a decision that they would like to make anyway.

With this current crisis, and health being at the root of it, we have to be especially sensitive. We need to be patient and make sure that we are "Comforting, yet Confident" at all times. Please listen carefully to all of their concerns before you cushion and then present solutions. If you make a crass statement such as "*Now is the perfect time to buy*", before you have addressed their legitimate concerns, they will believe you are a pushy salesperson and completely tune you out.

If you switch the order and flush out all to their concerns first, they will Connect with you and Trust you and when you make a similar bold statement, they will now be open to what you are suggesting.

Review of Managing Objections

Listen

Show the client that you are listening and simply say "*I hear you*".

Reflect

Cushion their concerns by repeating it and, if possible, change negative vocabulary. In some cases, the objection may have been the client just thinking out loud, and it may go away.

Question

If the objection persists, then the most important step in the process is to question their objection to find out what their specific concerns are. If you bypass this and go straight to the answer, you could actually exacerbate their concerns.

- I. Compliment Them - This lets them know that you respect them, and it begins to improve their emotional state.
- II. Ask for Help - Get them to verbalize their concerns.
- III. Open Ended Question - Use a question that will cause them to open up and share their thoughts as opposed to a close-ended question which could be answered with a "yes" or "no".

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Here is an example, regarding this current crisis and the economy.

Sales Genius

*"Thank you so much for mentioning this.
Please help me understand, what are your concerns?"*

Answer

Be prepared and make sure that your answer is credible and is free of exaggeration of obviously hyperbolic statements. Three of the most effective techniques are:

- a) Feel, Felt Founds / Third Party Testimonials
- b) Research Statements
- c) Experience

Option: Add a benefit(s), as long as it feels authentic and avoids exaggeration.

Confirm: Involve *"How does that sound?" "Do you feel more comfortable now?"*

Move On: Don't sell past the close.

Economy

Let's look at potential answers based upon the reason(s) the clients have the objection. For the record, the answers below are to guide you and give you an idea of what can be said to help minimize people's fears and help them move forward with investing in a home that they would like to own. As a successful salesperson, I only teach exactly what I have used in my own long career, but please feel free to develop the specific dialogue to find *"Your Own Voice"* so that you feel comfortable giving clients the factual reassurances and guidance they need.

- Losing value in their new home.
- Losing their job.
- Can't sell their existing home, and therefore can't make the move.
- Can't qualify for a mortgage.
- It's just a bad time to buy with all of this discussion about a recession looming.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Losing Value in Their New Home

Sales Genius

"I'm so glad you mentioned that, others have had similar concerns.

Research shows that after the last four economic downturns, the economy came back stronger than before, and that home prices appreciated accordingly. Would you like to see the data?"

(ADD BENEFIT) "When you add to this the record low interest rates many experts believe that your buying power will never be stronger than it is right now. Can I show you what I mean?"

We will review the buying power - Cost of Waiting Paradigm, in a few pages. Once you have shown this to them, then proceed with the involvement question.

(INVOLVEMENT) "Do you feel more comfortable now?"

Losing Their Job

It would make sense to probe and confirm what they do for a living to understand whether they are in a sector that is being most affected by this crisis, such as travel or oil, or this is just a general fear bought about by concerns over a downturn. Also, whether they are a dual income family, or the concerned person is the sole bread winner. Our answer would be subtly different based upon their reason for this concern. Clearly, we have to be sensitive, but still probe gently to get the complete picture. If it is a general concern about the economy affecting their job stability, then you could continue with an answer like the one below:

Sales Genius

"I hear you, that is a concern for so many people right now. Fortunately, the mortgage company will work with you and certainly wouldn't require you to proceed, if you were unable to qualify for your loan due to a hardship, such as losing your job. Do you feel more comfortable now?"

(ADD BENEFIT) "Many of our homeowners have gone ahead and moved quickly to lock in these record low interest rates. Also, they decided they would much rather be living in their brand-new home if there is going to be a downturn as opposed to living in their old house for many years to come.

(INVOLVEMENT) "What do you think?"

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

Can't Sell Their Existing Home, and Therefore Can't Make the Move

Again this is not a "one size fits all" answer and would depend upon which part of the country you are in, and the length of the average market time. In some markets, well priced resales (used houses) literally sell in two to three days, and others may be closer to a couple of months. Here is an answer for an average to good market:

Sales Genius

"Thanks for bringing this up, some of our other homeowners have felt the same way. So far, the resale market hasn't been affected and research shows that the average market time is _____ (weeks/months). Fortunately, when you receive your approval from the mortgage company, if it is required for your existing house to be sold to move forward and it doesn't sell, then you wouldn't be expected to be move forward. That relieves the pressure doesn't it?"

(ADD BENEFIT) *"Many of our homeowners who had a home to sell found that, due to these very low interest rates, they will be saving so much on their new home that they could afford to be more realistic and sell their existing house for a little less to make sure it sold quickly."*

(INVOLVEMENT) *"How does that sound?"*

Can't Qualify**Sales Genius**

"Thanks for bringing that up. That is common misconception. Fortunately, with interest rates at a record low thanks to the Fed reducing their rate, there is no better time for you to get approved for your new home loan. Why don't we go ahead and put you on the phone with one of our approved lenders and they can see where you are at and guide you through the process".

(ADD BENEFIT) *"With rates as low as they are, this means you can either enjoy more brand-new home for your money or save on your monthly investment."*

(INVOLVEMENT) *"Which one sounds better to you? "*

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

It's Just a Bad Time to Buy With All of The Discussion About a Recession

Looming

Sales Genius

"I can appreciate how you would feel that way, as all we hear about recently seems to be bad news. Interestingly, we have research for the last four economic downturns since the 1980's and what they all have in common is that when they were over the economy came back stronger and continued growing for many years to come."

(ADD BENEFIT) *"Many of our homeowners who, like you, were fed up with their old house, and love our brand-new homes, have found that, with these record low interest rates and great value, their buying power has never been stronger and, for them, this has been an ideal time to buy."*

(INVOLVEMENT) *"Does that make sense?"*

As mentioned before, these answers are just examples for you to follow and would vary in subtle ways based upon the client's own situation and reason for having the objection.

Also, these answers only make sense if the usual steps in the sales process have been followed and you have asked sufficient discovery questions to understand your client's needs, and then have narrowed down to a home and homesite (or view in multi-family homes) that they love.

Also, it is not appropriate to be pushy at any time, especially now with all of the external pressures we are all experiencing. Our roles as sales consultants is to guide our client's with empathy to help them make a decision that is good for them.

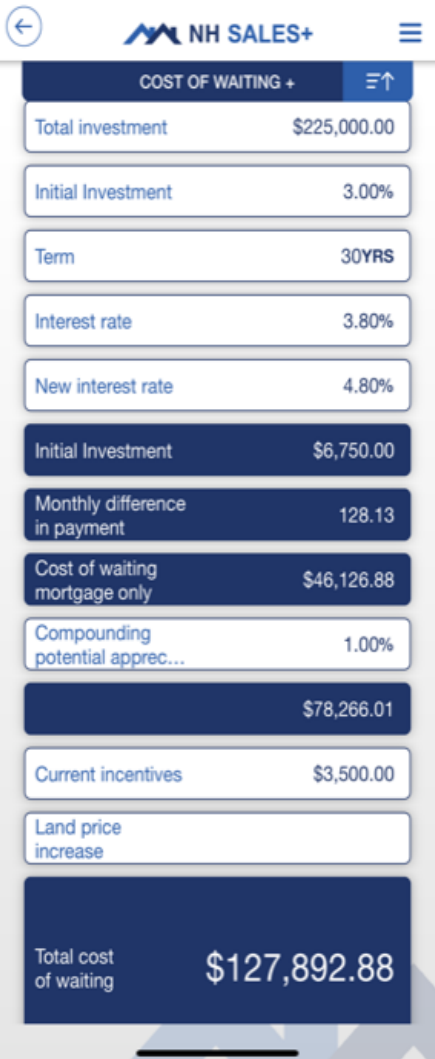
As Zig Ziglar said:

*"You can have anything in life you want,
if you just help enough other people get what they want."*

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

BUYING POWER - COST OF WAITING - Going Ahead Now VS Waiting



Having suggested to clients that *"their buying power will never be stronger"*, it is incumbent upon us to show them in as simple a format as possible. I developed an APP for new home salespeople a few years ago and *"The Cost of Waiting"* is one of its four functions. Below is a screen shot of the APP to show clients this in writing.

USE THE NHS APP - COST OF WAITING

Sit down and recap at the end, and show them, *how much money they will lose if the interest rate goes up by 1%*. First every month, and then over 30 years.

In this example of a home for just \$225,000, when the rate goes up by just 1% the monthly difference is \$128.13, but over thirty years the cost is \$46,126.88.

Also, as an option, you could show them *the loss of potential appreciation* using a low percentage range with which you are comfortable. In this example, with just 1% appreciation every year compounded over 30 years, that is \$78,266 in total appreciation. Adding those two figures together with a small builder limited incentive, the total cost of waiting is \$127,892.

Could this cause our buyers to think differently about waiting?

This example is for a home in the low two hundreds, imagine the cost as your dollar amount increases. Then discuss all of the other benefits of going ahead now, such as:

NOW BENEFITS

- ✓ Begin new lifestyle now
- ✓ Own brand-new home of their dreams now
- ✓ Let go of maintenance headaches and repairs with current house, etc.
- ✓ Save money on energy bills now.

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

WHITE PAPER CONCLUSION

We trust that this white paper has been helpful to you. Since so many salespeople have never experienced a downturn and have only know this last upward economic cycle that began at the end of the Great Recession, we thought it would be helpful to equip you with real data that can help instill confidence in both you and your clients.

These concepts are most helpful with clients who have been looking for a while and were at the end of their looking cycle, which on average, nationally, can be between seven to nine months. These clients were the ones that were getting mentally ready to make a buying decision, but the news has steadily become so bad that they are now confused and emotionally not sure which way to turn.

With the help of this white paper, you can now educate them with real facts and help guide them empathetically and confidently through this scariest of times, to make a decision that is well reasoned and carefully thought through.

I have personally been through four downturns and, while never fun, we always were able to get through them and learn so much. My own sales skills haven't come from the good economies, but the tougher times like this where we had to work much harder to follow the best processes and to hold clients' hands and help them make decisions that ultimately made them very happy.

Please feel free to contact me with questions or to share any thoughts. We are all in this together, and we will always be here to help.

Truly

Roland Nairnsey
President
New Home Sales Plus

Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)

WHITE PAPER

HOW TO DEAL WITH A NATIONAL CRISIS - 2020

"We're All In This Together"

Resources:

Wall Street Journal, Forbes, Investopedia, Wikipedia



ROLAND NAIRNSEY

Phone: (561) 236-2400

Email: Roland@NewHomeSalesPlus.com

Website: www.newhomesalesplus.com



Get lots of helpful information by visiting our Website, Blog, and YouTube Pages!

[Visit our Website](#) [Visit our Blog](#) [Visit our YouTube Page](#)



ROLAND NAIRNSEY
New Home Sales +

Educate • Motivate • Inspire