

Listing Presentation Questions

RESIDENTIAL

Did you invite me here today to list your property?
Do you absolutely have to sell your home?
Have you had an opportunity to review my pre-list package?
Do you feel I'm qualified to handle the transaction for you?
Are you ready to put me to work?
When are you planning on moving?
Where are you moving?
Do you want the family to move all together?
Do you have a job that you need to get to or is this a move up?
Are you working with a Realtor in the area you're moving to?
Would it be helpful if I connected you with the best Realtor in that market and have an informational package about the area delivered to you day after tomorrow?
Do you have any other properties that you need to buy or sell?
When did you buy your home?
What did you pay for the home?
What capital improvements you've made?
When did you make these improvements?
If a buyer offered you cash today, including disposition costs what would you accept?
What was your best experience with a Realtor?
What was your worst experience with a Realtor?
If you hire me, what do you expect me to do as your Realtor?
Are you ready to put me to work?
Is it important to find out exactly how I'm going to sell your property, or just that I can get it sold?
What do you like best about living in this neighborhood?
What are the things that you think a buyer would enjoy most about this home?
What do you like least about this area and your home?
What is more important to you, commission or performance?
Have you met with any other Realtors?
What did you like about the other Realtors?
Why didn't you hire one of them?
Have you thought about selling this property by owner?
Are we ready to get started?

COMMERCIAL PROPERTY – INDUSTRIAL - OFFICE

When did you buy this property?
What are you planning on doing with the proceeds from this sale?
Are you familiar with the impact of a 1031 tax deferred exchange?
How would you like to sell this property and not pay the government income taxes?
What is your adjusted tax basis after depreciation?
How much depreciation are you going to have to recapture at ordinary income rates if you just sell the property and pay the taxes?
How much do you owe on the property now and where is your financing?
Are there any prepayment or lockout or defeasance penalties related to that financing?
Is there a possibility that the financing that exists on the property right now is assumable?
If a qualified buyer was very strong financially, you would consider some owner financing?
What is your mortgage interest rate?
What is your motivation for selling the property?
If you purchased a property like this for cash, what return on investment would you like 8, 10,12%?
What is your last 3 years net operating income excluding depreciation and debt service?
Do you have a paid property manager or are you managing the property yourself?
Are all of the spaces under lease and how long are your leases?
Are the leases gross, net or triple net?
Do the leases have cost of living index escalators?
What capital improvements that you have made to the property?
Is there any maintenance the property needs right now?
Would you be able to get me copies of either the last three years tax returns, or audited/verifiable/certified financial statements?
Do you know of any buyers who are interested in the property?
How many square feet is this building?
How much of that square footage is leaseable?
How much acreage do you have?
Is expansion a possibility?
Is this property in conforming use?
Is the property in compliance with all zoning ordinances?
Are you familiar with cap rates and what buyers are looking for when they invest in real estate?
In this industrial building what electrical amperage is available?
Is natural gas available?
Is cable available?
What are your monthly utility bills?
How old is the roofing?
How many truck loading areas are there and are they wells or loading docks?
Are you one of the tenants and if so how long would you need before you gave occupancy to the buyer?
How far is broadband fiber access?
Do you know of any changes in the neighborhood that might affect this property?
Is there any rezoning planned or installation of any additional utilities?
Do you know of any environmental problems with the property?
Have you ever done a Phase One, Two, Three or Baseline Environmental Assessment (BEA)?

Commercial/Industrial/Office continued

How many spaces are in the parking lot?

When did you last have the parking lot seal coated or covered with asphalt?

How many of your management and maintenance people would continue with the new owner?

An 8x8 For Sale Sign would be very helpful is that acceptable or is the sale confidential?

Can your employees know that the property is for sale or do we need confidentiality agreements?

Have you considered the fact that with full occupancy, you're more likely to get more money?

Then isn't it reasonable to lower your per square foot rental rate right now to get full occupancy?

Are you aware that the lender will require the buyer to set aside reserves for vacancy, capital improvements, and management fees that will effect the amount borrowed?

Do you realize that in addition to the down payment the borrower is going to have to come up with about an additional 5% in closing costs?

Considering the tax issues, what is your desired end result and what are your plans for the money?

Is the current sign at maximum size or can it be large to increase visibility?

Is the road into the property public or private, and if private is there a road maintenance agreement?

Do you have any sense the traffic count? How many people are driving by on a daily basis?

How many employees do you currently have in the building?

What percentage of the building is office space vs. production and warehouse space?

Is the nearest highway an "A" classified road...are there weight restrictions on it during the winter?

What are your yearly utility costs and how are you billing back the tenants; monthly or quarterly?

What is the shortest remaining lease?

What is the longest remaining lease?

If a buyer offered you cash today, including disposition costs what would you accept?

Have you interviewed any other brokers?

Why didn't you hire one of them?

Have you ever thought about selling the property yourself?

COMMERCIAL APARTMENTS

If a buyer offered you cash today, including disposition costs what would you accept?
When was the last time that rents were raised?
Were they all raised at once, or incrementally over time?
Are your leases month-to-month or longer?
If mixed terms, what are the percentage of each?
The last time you raised your rents, did you do a rent survey to determine the market?
How do you maintain and turn over these units?
How long does it take you to turn over a unit?
Where are you getting your tenants?
Where are you advertising for tenants? What magazines or newspapers?
Do you have a website?
How much security deposit do you require?
Are there any hookers, drug dealers or drug users in these apartments?
Do you have a policy about drug use on the premises?
When was the last time you had this property appraised?
Do you have a mortgage on the property, who is it with and what do you owe?
Are there any prepayment penalties, lockout fees or defeasance penalties in your loan?
Are all these units keyed with a master key or are they individually keyed?
What does it cost to turn an apartment over after a 1 to 3 year tenant leaves?
What have you spent each of the last 3 years in capital improvements, repairs and maintenance?
How old are the roofs?
Are your maintenance people repairing and replacing roofs or are you contracting it out?
What is your policy of replacing appliances?
How often do you replace them?
How old are your oldest appliances and what percentage have been replaced in the last 3 years?
Do these units have disposals and are disposals required by the city or township?
Are your parking lots in compliance with the local zoning regulations?
How many parking spaces do you have?
When did you last resurface or seal the parking lot?
Are you familiar with the handicap parking regulation and are you in compliance?
Since these units are 2-story levels, have you had an ADA inspection and are you in compliance?
When were your elevators last inspected?
Tell me about your non-discrimination policies and have you ever had any discrimination lawsuits?
Were all the buildings built at once, or were they built over a period of time, and if so, how many were built in each year?
Are you paying a manager or are you involved, and if so, are you paying yourself?
What is the percentage of rents going towards management?
How long has your management team been with you?
Do you have any type of retirement plan or health insurance for these people?
What other benefits are there?
Give me a salary history of the employees from a maintenance and management perspective?
Do any of your maintenance people have plumbing or electric licenses?
If you were to sell this property tomorrow, what would you do with the money?
Do you have a maintenance schedule for air conditioners and furnaces or are they serviced as needed?

Commercial Apartments continued

Do you have a maintenance log on each unit?

Are there central furnaces or does each unit have it's own furnace?

Are all the apartments separately metered and who pays the utilities?

Are the apartments carpeted or do they have hardwood?

What is the average age of the carpet?

Do any apartments have hardwood under the carpet?

Are the kitchens and bathroom floor ceramic or vinyl?

Do you have a pest control company that takes care of the property on a monthly basis?

Do you have a newsletter or any other communication with your tenants monthly or quarterly?

Do you keep track of vacancies on a daily basis?

What has your vacancy averaged on a pure economic basis over the last three years?

What is the average length of tenancy?

How many tenants have been here longer than 3 years and how many have been here 1-3 years?

Do you have a computer and apartment specific software that works well and the staff is happy with?

Do you have an office procedure manual?

What kind of daily and key indicators do you like to know about?

Is your staff accountable to you on a daily basis? What kind of accountability system are you using?

How much of your own time do you dedicate here on a daily or weekly basis?

Who is in charge of your maintenance and administrative staff, do you have one person in charge of both areas or one person for each?

Who patrols the parking lot checking for inoperable and abandoned vehicles?

Do you have a security force that patrols the premises?

Do you have much trouble with disruptive children or teens, especially during the summer?

Do you have any contests to promote a good looking complex like flowers and shrubs in the spring or Christmas decorations during that time of year?

Do you still have the original plans for these units and who was the builder?

Did you build them as the general or did you contract the building out?

What percentage of income are your expenses excluding depreciation and debt service?

Does that percentage include a management fee?

If you were the buyer of this complex with no emotional attachments to the tenants, what 2 or 3 things do you believe could be done to best improve the bottom line in this operation?

Do you have a capital account where you've been collecting funds for eventual repairs and do you need to place or invest those funds too?

Are you familiar with the 1031 tax deferred exchange?

How would you like to sell this property and pay no taxes?

If you were buying this property for cash, what rate of return would you find acceptable?

VACANT LAND

How long have you owned this property?
Do you have any soil type or perkability data, on this property or the adjacent land?
What is this property currently zoned for in terms of both density and lot frontage requirements?
Would you like to sell this property in one complete piece, or would you like to maximize your return by putting money into breaking it into parcels and/or developing it?
Is this property currently enrolled in Public Act 116?
Have you ever had a boundary survey done?
Do you have a preliminary lot layout?
What kind of crop lease is in effect on this property now?
Have you had any appraisals done on this property?
Do you understand the benefit of a 1031 tax deferred exchange?
What are you planning on doing with the money from the sale of this property?
Have you thought about where you're going to invest it?
Would it be helpful to you if I shared some investment opportunities with you as I find them?
Are you familiar with the zoning and subdivision regulations, and the road ordinances?
Do you know about subdividing land and how long it takes to receive an approval?
Are you familiar with the vast quantity of information require to get to the end of the process?
Do you want to handle the entire process of rezoning, engineering, and getting a plat or sight condo approval or would you prefer that somebody else supervise that process for you?
Do you know about the road requirements and how much it costs per linear foot to install a road?
Are you prepared to handle the cost of installing a road?
Is natural gas available to the site?
Does the township require underground electric?
Is cable available to the site?
Have you considered the site distance requirements to install a public road or to get driveway permits?
Have there ever been underground fuel tanks buried on the property?
Have you thought about combining some vacant property with your house take advantage of the \$500,000 exemption on homeowner's taxes for you and your wife?
If you chose to subdivide this property would you consider holding some paper to get builders started which may maximize your profit?
How much do you owe on this property and who is your lender?
Do you have any tax loss carried forwards from farming that could be used to offset gains?
Are you the sole owner of this property?
Are there any other decision makers or advisors assiting you in the disposition of this property?
Have you reviewed my prelisting package and observe the number of times we've divided properties in this area?
Do you feel I'm qualified to handle this transaction for you?
Are you ready to put me to work yet?
If a buyer offered you cash today, including disposition costs what would you accept?
Do you have any other properties you need to buy or sell?
If you sell your home, will you be relocating and if so where?
What school district are we in?
Where do the school buses stop?
Are there any farms active or inactive that have now or in the past drained onto your property?

Vacant Land continued

Do you have any county or public drains going across your property?

Are there easements of any kind on this property?

Is it possible that there is a “deer yard” anywhere on the property?

Have you ever had a forester evaluate the standing timber on the property?

If so, have you ever gotten any quotes to harvest the timber?

Do you know of any ancient or Indian artifacts or burial ground on the property?

Do you know of any gravesites that might be here?

What pesticides, herbicides or other chemicals have been used in farming for the last three years?

Are you aware of any environmental problems on any of the properties in this immediate area?

Have you ever had a Phase One done on this property?

Do you know of any area on the property where there might be rock formations or buried stonewalls?

Have you ever had the wetlands flagged?

Do you understand what the perk test means and what is required of the perk test?

Is there 3 feet of sand someplace in the top 20 feet of the soil so that a septic field can be installed?

Do you have a sense of how expensive it is to install a mound septic system or highly engineered systems and how that could effect the value of the property?

Are you familiar with installment sales and it's reduced tax impact?

When we divide this property do you expect to be cashed out, or do you want to maximize your capital gains tax benefit?

Would you prefer to spread out your tax liability over numerous years and create interest income via an installment sale or would you prefer that 100% of your sale be capital gains at a lower tax rate?

When was the last time you had livestock in your buildings?

Would you be willing to tear the fences down prior to selling the property?

How much of your personal time do you have to invest in rezoning?

BUSINESS OPPORTUNITIES

When was the business first incorporated?
Do you have a copy of the last three years tax returns?
Do you have a Profit and Loss statement?
Do you publish statements monthly, quarterly or annual?
If you were going to divide your business income into categories, what percentage of it comes from category A, category B, or category C?
Do the employees know you are considering selling the business?
Would you prefer we use a confidentiality agreement before showing a buyer your business?
What is the value of your inventory?
What are your lease terms for this building?
How many years are remaining on the lease?
Do you have the right to sublet?
Do you know the value of your equipment and what do you think it's worth in an auction?
Do you have an equipment schedule and has it been appraised recently by an equipment appraiser?
Do you expect the inventory to go with the business?
What business licenses, copyrights, or trademarks do you have that would transfer to a new owner?
Will your employees continue with a new owner?
Tell me about the employee benefit package – do they have retirement, healthcare, etc.?
What were your gross sales last year and what was your cost of sales?
What were your expenses and what was your net operating income before taxes?
Does that include your salary or did you not take a salary?
What is the net book value of the company?
How have you been promoting your business?
Where do your customers come from?
Do you have an Internet site?
Do you have a sense of how much business comes to you as a percentage from each area of marketing?
What percent of income is spent each year on marketing, advertising and promoting your business?
Are there any special agreements you've signed with vendors creating an obligation beyond the sale?
Of the coupons that you sold last December, what percentage of those have been redeemed and what liability do you show in your books for those coupons?
Who are your key employees and what would happen to the business if they left after the sale?
Are you planning to retire or would you consider becoming a Realtor?
What are you going to be doing with the funds that come out of the sale?
Do you have any net operating loss carry forward to apply against the proceeds of the sale?
Do you realize that the most difficult portion of selling any business is finding a buyer who has the money to purchase, since business are extremely difficult to lender finance?
Are you willing to accept owner financing?
How do you find people to hire?
Where do most of your employees come from and how far do they drive to work?
If you were going to purchase this business what kind of return on your own capital you would want?
What is a fair salary for you as an employee working in the business?
Have you had a chance to review the prelisting package we dropped off and see how much involvement we've had in disposing of business opportunities as a firm over the past 10 years?

Business Opportunities continued

Have you borrowed any money from institutions, relatives or friends that you need to pay back upon the sale of this business?

Do you have a complete list of assets and liabilities that we can review?

Have you approached creditors regarding taking a discount on your outstanding bills?

Tell me about the software you are using to manage your business? Is it up to date, are the employees familiar with it, or would you replace it if you had the opportunity?

In terms of furniture, fixtures and equipment, how much have you spent each of the last 5 years? How much do you think a new owner would need to spend to update those items?

Are you operating as a DBA, a partnership, a corporation or an LLC?

Are you interested in an asset sale or a stock sale?

Are there any contingent liabilities, lawsuits or pending litigation?

Has there been any litigation threatened?

Are your taxes paid in full in all categories; employees, business and personal?

If you were a buyer of this business, what key daily indicators would be important to you?

How seasonal is this business?

What has your strongest/weakest month and strongest/weakest quarter traditionally been and why?

What do you think the future is for this business, the internet has had an effect on big boxes what effect has it had on you?

Who are your biggest competitors? Who do you have to fight with the hardest for market share?

If you can't sell this business, what will you do with it?

What is your market share in this field, locally and in the state of Michigan?

Are you under a franchise agreement and are there any franchise issues we need to talk about?

If a buyer offered you cash today, what is the least amount you would accept for this business?

Do you think your existing bank would allow an assumption of your loan?

Are you willing to take a second or wrap around mortgage if necessary to close the deal?

Some people get stuck on price which prevents a sale. If this happens to you are you willing to have a liquidation sale and what do you think you would get out of a liquidation sale?

Have you ever thought about auctioning the inventory and equipment and just closing down the business and walking?

Do you have any renewal terms in your lease, are they 3 years, 5 years?

Is it possible to get a copy of your lease?

What have you liked best about this business and what have you liked least?

Why are you selling?

How motivated are you to sell?

Do you absolutely have to sell?

Have any family members been working in the business and are they decision makers too?

Who do you think the best candidates are to buy this business?

Has anyone in the past ever expressed interest in buying your business? May I have their names and phone numbers?

Would you be willing to stay on as a consultant to the new buyer on some basis for maybe 2-6 months so the new owner could be more comfortable with the business?

If a buyer offered you cash today including disposition costs, what would you accept?

BUILDER QUESTIONS

How much money do you have invested in this project?
How much are your monthly payments?
How many houses did you build last year?
How many do you plan to build this year?
How many lots do you have?
What is your gross/margin?
What is your net/margin?
How can I help maximize your margin?
What is the price range of the lots?
What is the price range of the homes?
Do you plan to build specs?
Do you plan to build custom?
Can you afford more than one?
Do you prefer scattered lots or subs?
How do you track buyer calls?
Are they pre-qualified?
Who does the negotiating?
What types/terms of financing do you offer?
What is your inventory now?
If I provided you with a copy of last years inventory analysis would that be helpful?
How do you advertise?
What is your advertising budget?
Where do your leads come from?
How/who tracks your leads?
What did you like about your last agent?
What didn't you like?
Describe the perfect agent?
Do you work with buyers after the P/A is signed?
Can I do that for you?
Are you ready to put me to work for you?

BUYER QUESTIONS

Phone Questions

So, you intend to purchase a new home?
How soon do you plan to buy?
Are you working with a Realtor or a Relocation Company?
Have you been pre-qualified or pre-approved?
How much do you have to invest in your new home?
How's your credit on a scale of 1 to 10, a 10 being perfect credit?
Do you have a home to sell first or do you rent?
Can you break your lease or is it over soon?
So, if we found the perfect home today, what would you do about it?
That means you'll be bringing your checkbook right?
Can you come to the office today? Would X or X be better for you?
Will all decision makers be present?
May I please have your name and phone number?

Appointment Questions

What are your hobbies and interests?
Do you have any pets?
Explain agency relationships.
On a scale of 1 to 10, a 10 being that you need to buy a home today and a 1 being that you do not intend to buy at all, where would you rate yourself?
How long have you been looking?
Have you seen any homes that you liked?
Why didn't you buy one?
What is the purpose of your move?
What do you need to accomplish by moving, what's most important?
How soon do you need to be in your new home?
How would it be if you found the right house today?
Would you buy it today?
What happens if it takes 6-12 months for you to find something?
What happens if you can't find a home you really like?
How many bedrooms, bathrooms, etc.... do you absolutely need? (Find out why?)
What are the most important "desires" you need in your new home. (Order these from most important to least important) and tell them that they may only get 2-4 wants in one home.)
Is there any oversized furniture that we need to consider?
Can you do so maintenance yourself? To what level?
Would you consider new construction?
Do you want to spend as much as you are qualified/approved for?
How much weekday time do you have to finding your new home?
If necessary can you look at a fresh listing with very little notice?
What is the best and easiest way for me to reach you?
Is there anything I should have asked that I didn't that will help me to better understand your situation?

INVESTOR QUESTIONS

What is your minimum IRR or Cash on Cash return?
Are you interested in vacant land, commercial buildings, residential rentals, what kind of real estate investment?
Will you examine investment categories where you have no prior experience?
Are you a pure investor or do you want to participate in management?
Where will you consider investments, will you consider out of state properties?
Do you currently have someone supplying you with investment opportunities?
Are you familiar with APOD's and other forms of investment analysis?
What is the minimum and maximum property value you will consider?
How much total cash is available?
What is the maximum cash you will put into one deal?
How long do you like to hold properties?
How many other investment properties do you own?
Are they in state outside the state or both?
Do you have an aggressive or conservative accountant?
Do you prefer aggressive or conservative investments?
Have you ever done a 1031 exchange?
Do you have any properties that you would like sell in a 1031 exchange?
Do you have retirement funds from a Keogh, SEP, IRA, or Roth that you can use for investments?
Do you currently have a lender you work with?
What loan to value is required?
Would it be helpful if I assisted you in getting financing?
Would it help to have other financing alternatives?
Do you want only properties that have positive cash flow or will you consider properties requiring additional cash?
Do the properties have to be fully or mostly occupied?
Will you consider writing an offer contingent upon obtaining tenants?
Is there any time frame to consider?
When and where do you plan on retiring?
Do you want to own investment properties in your retirement location?
Do you invest by yourself or with others in an LLC?
Do you have any friends, family members, business associates or acquaintances that would like to know about investment opportunities that you decline?
What is the best investment you have made?
What is the worst investment you have made?
Do you feel I am qualified to bring you investment opportunities?
If I brought you an investment opportunity that met your requirements, are you prepared to take action within 30 days?
Do you have any questions about me or my company?
Would this afternoon be a good time to show you this opportunity?