

THE MAGIC WORDS OF RON LEGRAND

That Make Millions for the Real Estate Entrepreneur

Ron Legrand is the nation's foremost authority on Quick-Turning Real Estate for Fast Cash, and he is the #1 trainer in the U.S. for Real Estate Entrepreneurs.

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The Magic Words of Ron Legrand

Over the years I've accumulated a collection of magic words that have made me millions of dollars. You should learn them and use them daily.

Before giving you the magic words, I want you to know that if you're naming the price you'll pay before you ask what the seller wants, I'll have to take you out behind the woodshed because "Ye who speak first have big mouth & will pay handsome price for house".

So never never name the price you'll pay when buying or what you'll accept when selling.

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Here goes with the magic words!

"If I pay you all cash and close quickly, what's the least you would accept?"

And that's always followed by:

"Is that the best you can do?"

If you're not using these words to get to the bottom line quickly, you're making a mistake, not to mention wasting valuable time. These words cut to the chase and save you a lot of time otherwise spent beating around the bush.

Okay, if the seller says yes that's the best I can do, a good follow-up line is.....

"So you're saying if I don't give you \$_____ you won't sell the house?"

Now if the answer is still yes, you won't be buying today unless you're willing to

change the focus to a terms deal rather than a price deal.

A good ice breaker to use when you want to make it clear that you're not happy with the number you have been quoted is.....

"What's your second choice?"

I usually chuckle or use a hint of humor when I ask this. It's better than simply saying I won't pay the asking price.

Let's say your trying to get a seller to name the asking price and they won't. You know better than to pressure them, but you just can't get them to break. Try this.....

"How about a dollar?"

This will get through to them and probably produce an answer. If so, you're back in the screening process and you know where you stand. If not you can come back with.....

"I simply have too many prospects to work with to waste time on those I can't buy. If you'll tell me what you're asking, I'll know quickly if we can do business. Is that fair?"

By this time, they usually are in or out. You can't buy houses from uncooperative sellers.

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By the way did you notice the powerful words *"Is that fair?"* It's a way of following a statement with a question, which puts the responsibility to answer back on the

seller. It also softens the blow and makes me seem more warm and fuzzy. Following a statement with a question is so powerful you should use it whenever you are negotiating.

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If you're pre-screening a seller who has a house with a mortgage on it, you obviously want to know what's owed on it. So you ask "what do you owe on the house?" If they tell you it's none of your business, then you say.....

"I buy _____ houses a year and use many different methods. I'm probably the most serious buyer you've talked to yet. However, I'll need the facts to be able to present you with an intelligent offer. Will this be a problem for you?"

Again a statement followed by a question. Did I sock it to them on that one? Frankly, anyone who won't give you the facts is not ready to sell yet. You got your answer --- move on. You can't make an unmotivated seller motivated.

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Here's some magic words that can make you \$500,000 per year if you ask them on all your deals....

"Will you sell me the house for what you owe on it?"

With just these 12 little words you'll instantly know whether you'll be getting a free house by taking over the debt or an almost-free house with debt plus a little cash thrown in. Of course you may find that the seller wants full price and isn't flexible. You found out with just 12 words. Now you know whether to proceed with the deal or move on.

Here's a good one to break a stalemate and get you back in negotiations as well as collect more facts that might lead to different offers.

"If you and I can't do business today, what will you do with the house?"

This gets the seller thinking, particularly about all the ugly answers to that question. Their answer may be, "I'll list it with a Realtor until it sells. Your response should be by

"And what if it doesn't sell?"

When they answer, you'll get a good feel whether this seller is worthy of your follow-up list. I hope you know by now that "All sellers' minds will change with time and circumstances".

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Here is one you'll love if you are a beginner and are worried that the seller will find out that you don't exactly know what you're doing. So if you're asked if you've ever done this before, use these words.....

"Well actually, no. This is my first deal after graduating from some rather intense training. I was hoping you would help me do it right, OK?"

Asking for help helps bring you down to the seller's skill level and you've built trust by answering truthfully. If you seem sincere and excited you'll usually get the deal. In fact being too smart or seeming too confident will often turn off more people than if you appear to be a novice. They'll think you're too green to cheat them.

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Now let's say you're talking to a seller about carrying back a mortgage for you and the seller brings up the subject of "interest". Your goal is zero interest so if the seller doesn't mention interest, you certainly shouldn't either.

When presenting an installment offer, the magic words are.....

“I’ll pay you \$_____ per month until you’re paid in full?”

Of course this means you’ve divided the loan amount by the monthly principal payment you want to pay, excluding interest. If the seller comes back with “what interest rate is that?, you respond....

“Why do you need interest?”

If you get more arguments and it becomes a sticking issue, you could respond by saying

“What’s more important, your interest or getting the house sold now?”

If that doesn’t get the job done, it’s time for the powerful words (If I....., would you.....?) Here are some examples:

“If I give you interest, how much would you lower the price?”

“If I give you interest, would you sell to me with no down payment?”

“If I give you interest, would you wait six months (or a year) for your first payment?”

“If I agree to pay you off within _____ years, would you take 25% off the balance I owe you?”

Of course, these same tactics can be used if the seller is asking you to raise your offer

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Now lets look at the selling side and the magic words I use to find good buyers.

When wholesaling, I want to know my buyer will come to closing with the money and isn’t simply trying to jerk my chain. Here’s what I say...

“When do you want to close?”

If they need more than 10 days, they’re a time waster and I’m at risk. If they say “ASAP” I know they’re serious.

There are so many magic words to use when pre-screening retail buyers, it’s easier to use the whole script in the following order. Here we go....

“Do you want to buy or rent?”

If the answer is rent and you want to sell, the rest is worthless conversation. But before giving up, ask one more question.....

“If I can show you how to buy and get you financed, would you rather own than rent?”

If no, save your breath -- Next. If yes, continue.....

“Have you tried to buy before?”

If yes.. ***“what stopped you?”*** If no... ***“why not?”***

The answer to the question lets you immediately know what you’re dealing with. Next ask.....

“Is your credit good, fair, or poor?”

Don’t ask “how’s your credit? Some people are ashamed to tell you it’s ugly and will simply lie. Give them a multiple choice question so they know you won’t be shocked if they have poor credit.

“What’s on it a bank wouldn’t like?”

This breaks the ice and gets them to open up.

Now the big question....

How much money can you raise for a down payment?

Whatever the answer, say.....

“Can you get any more?”

“Can you borrow from relatives?”

“Do you have credit cards?”

“Do you have something you could sell or trade to me?”

“Can you repair houses or have other skills to earn more?”

Now let's assume you see someone you can work with and you want them to get excited and realize that you are their solution to home ownership. Here are the words that will glue them to you.....

"If you can convince me you want the house and make a commitment to buy, I'll get you financed one way or another. If I can't get you in a home of your own, no one in this city can."

These words have sold a lot of real estate for me. They really make an impact on your buyer's level of hope. The prospect will be putty in your hands if you follow up with assurance that you are easy to work

with and very flexible. Tell them.....

"We can do whatever you and I agree. I own the house and I'll do what it takes if you will. Is that fair?"

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This ought to be enough magic words to keep you practicing awhile. Of course, these words aren't really magical until you begin to actually use them and make them work.

For information about our training programs, go to our website at www.ronlegrand.com, or call toll-free to 888-840-8389.

Excerpts from the Article "The Magic Words that make millions for the Real Estate Entrepreneur" are included on CRC's website with the permission of Ron Legrand.