GENSTONE
REALTY

Making the Open House an Event Workshop Summary

The Open House Event

If you are having an Open House, make it an event worth doing. When you create the "event," your success rate in getting many leads increases.

There are two reasons to have an open house for a listing. The first reason is the most important one:

1. Use an Open House to establish **a temporary "branch office" in a neighborhood location to get "walk-in" traffic** to find new buyer and seller leads. To increase the potential of securing leads, the "host" needs to get as many people as possible to the event.
    - Invite the neighbors – as many as you have time to do – using in-person and flyer distribution.
    - Advertise in any media that would attract attention and make the open house event appealing.
    - Place as many open house directional signs as necessary *(from 10-20)* to get traffic from significant roads all the way in by directing every turn to a street on the way to the open house.

      If the significant roads leading into the area are at higher traffic speeds, use larger signs
2. Pleasing sellers so they feel the listing company is doing its best to market their property and representing their best interests. Making sellers happy is a good thing. The event may even bring the buyer for it, but that's not why you have an Open House Event.

   It's for you to get many leads in a few hour span to work with for months! The Open House doesn't need to be just your listing if you have other agents who would like to please their sellers but don't want to do one.

Selecting the Right Property

The key to a successful event starts with selecting just the right property. Only do an Event Open House with this mix of property characteristics:

- Priced right
- Shows well
- In a good neighborhood with many close neighbors
- Easy to get to from main roads.

Understanding and Working with Open House Guests

Before starting all the steps necessary to make this Event worthwhile, first understand the concept of what an open house should be and your role in it as the host when the guests arrive.

People attending open houses are generally either serious about buying a property in the area or thinking about selling one sometime in the future. Most won't admit to either of those possibilities upfront, but just by being there, they say that they are thinking about moving sometime in the future.

A few might be interested in considering this house, but most who come are potential buyers for other properties or potential sellers. Since you created a temporary neighborhood location for the purpose of getting walk-in traffic, treat them as if they are walking into your office asking for information about buying or selling a house.

Statistics show that more than 90% of the people who come to an open house do not buy that house. Don't hard sell the property to any guest. If they love it, you readily find out. If you try to sell that particular house, they reject you as someone who could help them find the right property when they reject the house. This is why the typical approach by many real estate agents of attempting to sell the house they are holding open doesn't result in many buyers interested in working with that agent.

Most people want something else. Your responsibility is to find out what they want by asking questions and listening to what they want. After getting a good idea of their wants and needs, it is easier to suggest you could find other properties that may fit better. Some are soon-to-be sellers comparing this property with theirs. Pick up on the clues as they ask about features – most likely, they are comparing and not wanting to buy. Ask about their current property.

Four Types of People Attend Open Houses

1. Serious buyers who will not love the house who say they're just looking
2. Future sellers, sometimes called nosy neighbors, who are comparing this house with theirs when they put it on the market.
3. Serious buyers who love the house who might make an offer.
4. Non-serious future buyers or sellers who are just curious or getting ideas.

During the open house event, your responsibility is to ask guests questions about their situation to determine which one of the four types they are.

The Issue of Representation

Are we doing a disservice to the seller by not selling the house to everyone that comes in? If it doesn't fit the buyer, they won't buy it anyway, so it doesn't help the seller. If it does fit, we don't need to "sell" all the features because the house will sell itself to the buyer who loves it. Attempting to sell the house to three of the four types will not help you or the seller.

As the host of this open house event, whether you are the listing agent or assisting one, you are considered representing the seller in most states. While representing the seller, respect confidential seller information and say nothing that interferes with this property's sale. However, by asking all open house guests questions, you determine their interests, whether for this property or another.

Times and Durations

The typical open house is Saturday or Sunday afternoon for two or three hours, starting at 1:00 pm. If that works perfectly for the host, the sellers, and the area, continue that course. However, our Open House Events can be any day, any time, or any duration. There does not need to be the same pattern for every situation. It can depend on seller requirements, the host's timetable, seasonal conditions, or area norms. It can be shorter than three hours. It could even be a late afternoon during longer sunlight months. It could even be a late afternoon during longer sunlight months or in more metro areas due to afternoon traffic, start before noon.

Location

The location of the property is critical. Having a temporary "branch office" neighborhood location far from main roads and more isolated is not the right choice. The primary purpose is to generate traffic to the event. Having it too far away and not many neighbors are counter to the reasons for having an event.

If it's in a hot market area and it's priced right, have the event close to when it hits the market with coming soon marketing in advance. In that situation, it's a perfect way to get competitive offers.

Who is Hosting the Open House Event

An Open House Event takes some work that pays off in securing workable buyer and seller leads. That extra work that might take up to three hours before is often more productive than sitting in an empty house wasting three hours.

Some listing agents are so busy managing multiple listings they don't have time to hold every listing open and might welcome an associate volunteering to do one. It could take off the pressure from sellers insisting on having an open house. However, some agents would like something in return, so be willing to negotiate if they ask.

We are assuming for this training, an associate other than the listing agent is managing the event. If you are doing your own listing, make the adjustments of working directly with the seller.

Event Step One – Arranging with the Owners

The property owners (or renters in certain situations) are essential to the event's success. Ask the listing agent if the owners have completed or will complete home enhancements or repairs.

- Determine the date and time
- Explain why the owners should not be at home

- Discuss owner duties before the open house time:
    - Declutter and clean as best possible the day or immediate time before the event
    - Have the landscaping well-maintained
    - Inspect the front and back yard for items to remove or reposition
    - Put away valuables like cash, jewelry, prescription drugs, and easily breakables
    - Pets need to be out of the way or preferably not home
- Obtain permission to serve food or refreshments
- Tour the property with the owner to point out non-obvious features
- Get permission & instructions to use a gas or electric fireplace
- Arrange with the owner or the listing agent your ability to enter the property that day
- Confirm how you will secure the property in their absence
- Get the owners' contact number if a need arises to contact them during the event
- Explain you will report the success of the event and any guest feedback through the listing agent

Event Step Two – Execute Your Event Marketing to Drive Traffic

A significant event needs effective marketing to bring many guests for you to get leads. Create an invitation flyer using professional-looking photos and attention-getting text to convey both the home's physical and emotional aspects. Be sure to have clear directions to the property. Use some of the text and photos to create a basic ad to post in selected advertising venues and social media. Suggestions of where to place notices:

- MLS, which feeds to realtor.com, Zillow, Trulia *(preferably at least a week before)*
- Company and personal websites *(NAR found 93% of home buyers use the internet in their open house search in 2020)*
- Social media using #openhouse and other hashtags
- Facebook Events and Marketplace
- Instagram Stories
- Craigslist
- Nextdoor.com – private local network for "word of mouth"
- Targeted local, lower-cost media ads

Suggestions of who and where to invite guests:

- Invitations to local SOI contacts
- Deliver flyers 2-3 days before to the expanded neighborhood inviting them in-person, or if not home, leave at the door *(recommend 150-200 invitations)*
- Deliver a flyer to area FSBO's and Expired Listings
- Days before, when delivering flyers, place a magnetic banner on the yard sign, or a separate sign – "Open (Day) (Time) " *Example:* OPEN SATURDAY 12-2 PM

Event Step Three – Preparation for the Day

Be prepared in advance physically and emotionally on the day of the event so you won't be scrambling at the last minute, not feeling in control when the first guest arrives.

- Consider having another associate or non-licensed person assist you at the event.
- Verify all open house ads and announcements are in place.
- Update your cell phone message with the address and directions.
- Bring sufficient copies of the property flyer, reasonable-looking copies of the MLS client sheet with a footer or header with your information, your business card, and your personal brochure, if you have one.
- Bring a writing pad or other way for you to take notes during conversations with guests.
- Load the required number of directional signs to get guests from main roads and at every turn. If it requires 20 or more signs, preferably with your name on each, it's one of the best investments in your business. *(Review local sign ordinances.)*
- Load balloons and banner flags to add to signs or at the property if you are using them.
- Bring the photo(s) of the property with its display stand or photo frame.
- Bring multiple copies of the Guest Registry with two already completed entries on the first page as a model for guests to follow. *(Put each in different handwriting.)* Include columns for name, email address, phone.
- Bring multiple pens for the Guest Registry.
- For marketing feedback for you, "How did you hear about this Open House."
- Bring buyer representation agreements
- Bring any required state-mandated disclosures and notices for guests.
- Bring flowers to be at the display table if you want to add that touch.
- Prepare and bring food or refreshments and appropriate beverages – coffee, lemonade, water. For some situations, just bottles of water are enough.
- Prepare "Special Feature" tent cards to distribute throughout the property.
- Bring the CMA the listing agent has prepared.
- Prepare a list and be familiar with all active listings in the area.
- Bring your laptop with the MLS website pre-loaded.
- Bring some cleaning products, including glass cleaner and paper towels.
- Bring a wastebasket and trash bags.

Event Step Four – Setting the Stage

With all your preparation, it's time to put it all in place at the property.

- Dress professionally.
- Arrive at least 60 minutes early.
- Inspect the exterior and interior for readiness and clean or rearrange, as necessary.
- Secure pets if necessary.
- Set up balloons, streamers, and other decorations.
- Prepare refreshments.
- Place all "Special Feature" tent cards throughout the property.
- Create the experiential atmosphere:
    - Set up an impressive display area with flowers or some other item bringing warmth.
    - Bake some chocolate chip cookies using a roll of refrigerated cookie dough, or more conveniently, put two capfuls of vanilla extract in a cup in the oven at 300 degrees for one hour. *(Set an alarm to remind you to turn off the oven.)*
    - Another option is to have one or more candles burning.
    - Turn on all lights, open shades, and blinds.
    - Set a comfortable temperature.
    - Have appropriate background music to create a relaxing mood.
- Consider shoe covers and a sign inside the door asking guests to put them on.
- Do a final walk-through.
- When the property is ready, place all directional signs unless it is necessary to do it before.
- If you have enough time, get permission to place a sign on someone's property, and give them your card. They might be surprised someone asked permission and may give you a lead.
- Park your car out of the way of guests.
- Place an open house sign and any balloons or flags in front.
- You are ready for the first guest!

Event Step Five – Showtime!

Prepare yourself mentally and physically to be the cheerful and involved host to greet each arriving guest and put them at ease as you direct them to the display area. At times, you may be in other parts of the property with other guests. Attempt to greet everyone wherever they may be on the property and give them your card. If your marketing produces a significant number of guests, you will probably ask for another person to assist next time. If the other person is not licensed, as long as s/he only greets guests and helps at the display table, that is legal in most states.

Guest Registry is a critical aspect to manage. Part of the greeting is to request the guest signs the Guest Registry. If they see others have compiled because you started the pattern with the first two, they usually sign and give a name, email, and

phone number. If some are hesitant, tell them the owner has requested all guests register for security purposes, making the owner the requester, and you are asking for the owner. **"For security reasons, the owner has requested me to have all guests register as they enter."**

Remember, you are not selling this property, only letting the property and your feature tent cards sell itself when it fits the potential buyer. You don't need to tour the property with them and allow them to go around independently. But all this preparation work now enables you to begin conversations with guests somewhere on the property. Whether they let you know or not, many of the guests will buy or sell in the coming months. You want to be the one who establishes a relationship with them through your asking questions about them and their situation.

Suggested conversation starter after the greeting and Guest Register sign in:

- **What brings you here today?**
  (Respond appropriately to answer.)
- **Here is an information sheet about this home. Please feel free to take a look.**

Here is where you make a judgment call. If the guest seems at ease with you and it is private enough to continue the conversation to find out more about the guest, ask these suggested questions. If not, have them tour the property independently, but ask them to come back to you because you have a few questions for them. Remember, you are not trying to sell the property; it will sell itself. You are working to create a relationship with the guest to assist them with their needs. For a few, it might be wanting to make an offer on the property. For most, it will be the opportunity to establish a relationship as you discover needs. Listen carefully to each answer before continuing to another question. You don't have to ask every question, but these may guide your conversation to find out what they want.

- **Do you live in the area?**
- **Are you looking for a home in this area?** *(Clue if they are buyers or sellers)*
- **How long have you been looking?**
- **How soon do you want to move?**
- **Is an agent helping you so far?**

If they say "yes," then ask, **"Have you signed a representation agreement with that agent?"**
If yes, **"Good for you. If you have any questions or thoughts about this property, please let me know."**

If they say "no," continue the conversation to find out more. Sometimes using this property as a comparison, you may learn more details of what they want:

- **"How does this** (room name) **fit what you are looking for?** OR **"What would you change in this room if you could?"**

Other questions for buyers:

- **How does this house compare to your current one?**
- **What do you like about your current house, and what don't you like?**
- **How long have you lived there?**
- **How many are in your household?**
- **How does your family feel about moving?**
- **Of the houses you have seen, which ones do you like and why?**
- **Have you decided on a price range?**
- A possible question here: **Have you been pre-approved for a mortgage?** *If no,* **Would you like me to arrange that for you?**

When you feel you have gained some trust and the guest's interests are broader than this property:

- **Would it be helpful in your search to provide information about new properties as soon as they come on the market? GenStone Realty has a feature that automatically sends you email notices whenever new properties that fit your search criteria come on the market. Just let me know a little more about what you are looking for, and I'll set that up for free for you. What is the best email address to use for these notices?** *(Get or confirm email address.)* **How often would you like those notices – weekly or daily?**

You also could discuss the comparable properties in the area for those who are looking in this area:

- **If you are interested, I know of a few other properties in the area that might fit you.** *(If you know them well enough, discuss them.)* **May I send you an email with the details of each of them? What is the best email address I may use?**

When you feel they are responding well to you and you have a good idea of what is wanted, then ask for an appointment:

- **Based on what you have told me, I believe I can find the right home for you. Could we get together this evening after I close here, or would tomorrow be better?**

Questions for sellers: *(We use the term "house" with sellers. It attaches less emotion than "home.")*

- **How long have you lived at your current house?**
- **Are you thinking of selling it?**
- **Where are you planning to move to when you sell your house?**
- **Do you have an idea of what it might sell for in the current market?**
- **Would you like me to research how much it could be in today's market?**
- *If yes,* **When may I come to view your house so I can start that research? Could we make it this evening after I close here, or would tomorrow be better?**

Questions for those very interested in this property:

- **How does this property compare with others you have seen?**
- **What do you like best about it?**
- **Do you think this one is the right one for you?**
- *If yes,* ***Let*** **me get your contact information, and I will alert the listing agent right now you want to discuss an offer.**

As Guests Leave

Be sure all have your business card for future reference.
Thank them for coming.
Provide information for any who want it.
Consider giving each guest a treat bag.

Event Step Six – Closing the Show

- If possible, stay 30 minutes after for any latecomers or returning guests.
- Leave a brief note for the owners, letting them know it was a pleasure to show their property and the number of guests who attended. Let them know the listing agent let them know of any guest comments.
- Unless they are fake, consider leaving the flowers.
- Pack up all materials
- Turn off the lights you turned on and close the blinds and curtains.
- Set the temperature where it was when you came.
- Remove all open house signs.
- Be sure all doors are locked.

Event Step Seven – Follow Up

What you do after the event determines its success more than the number of attendees. Getting with each interested guest right away is critical. Reporting to the listing agent is also essential.

- Prepare a report for the listing agent to present to the owner. It includes how many people attended, any potential buyers the listing agent needs to follow up with, and guest reactions and comments, including price.
- Call, text, or email guests as soon as possible – even that evening:
    - Thanks for attending
    - Ask if they have questions
    - Include any information you promised
    - Ask for an appointment to discuss their needs
- For those who were very responsive to you, impress them with a handwritten note card.
- If you had the chance to ask permission of a neighbor to place your sign on their yard, send a thank you note with your card. If you didn't get the name, send it to the address and ask if they know anyone who might be thinking of buying or selling.

Option – Exclusive Neighborhood Preview

An interesting touch that produces results is giving the expanded neighbors an additional invitation. When you are at the door giving them the open house flyer, invite them to an exclusive preview of the open house 30 minutes before -- just for the neighbors.

"**I promised the owners I would let everyone in the neighborhood know it was for sale. We have an exclusive preview 30 minutes before** (time). **Please come. I would love to show you the interior.**" Neighbors are always curious and want to compare it with their property. If it seems appropriate, you could add, **"Have you ever thought about selling your house?"** If you have food, let them know to increase your attendance! When they arrive, ask, "**Are you one of the neighbors I invited to the exclusive preview?"** You may get some future sellers.

Option – Use a Printed 5x7 Card for Guest Sign-in

Instead of the typical sign-in sheet at the registration desk, have a stack of separate 5x7 cards you have printed requesting their information. Have them give you the card so when conversing with them, you can make your notes on the back of the card to remember the details.

Option – Have a Drawing

For two reasons, you could announce a drawing. In the invitation, explain a drawing for something of value will take place after the open house for those who come. It could be a Visa gift card or upscale restaurant gift card of whatever value you think sounds exciting or innovative product. The first reason is to get more guests to come. The second is you get valid phone numbers and email addresses in the sign-in sheet so you may contact the winner.