

## **Today's Deep Dive: Getting to Yes with Baby Boomers in Owner Financing**

"Today we're stepping into the world of owner financing, with a magnified lens on a demographic that's been at the heart of major societal shifts - the Baby Boomers.

### **Why Are the Boomers So Important?**

The significance of the Baby Boomers transcends mere numbers; they represent a transformative societal force. Born between 1946 and 1964, this post-World War II generation constitutes one of the largest demographic cohorts. In 2019, the U.S. was home to approximately 71.6 million Boomers. Their economic imprint is deep, holding nearly 54% of U.S. household wealth, wielding an annual spending power of about \$2.6 trillion, and dominating the housing market with over 75% owning homes. Beyond tangible assets, their socio-cultural impact has been monumental, driving major movements from civil rights to technological revolutions. Now, as they approach retirement, their decisions continue to mold economic and societal landscapes.

Why is this important to me specifically?

50% of small businesses are owned by those in this generation and in Niche fields like RV Parks it's at 80%.

30% of homes are owned by this generation and The average Baby Boomer homeowner, has more than 50% equity in their home, with many owning their homes outright. So Statistically speaking. Boomers have 15% of the value of all of the homes in America tied up in equity. That is the amount of money that is changing hands over the next 5-10 years. That's something like 7 Trillion Dollars.

## **Understanding Boomers: A Comprehensive Snapshot**

### **Who are the Boomers?**

Born between '46 and '64, Boomers have lived through eras that reshaped societies, both culturally and economically. Imagine a world where evenings were spent around the radio or TV, with everyone tuned into the same show. This created a distinct, shared societal experience that's hard for younger generations to fathom. As we dive deeper, remember this: it's their shared experiences that make them unique. Their collective journey, which saw fewer media distractions and more unified discussions, has ingrained in them values of resilience, hard work, and stability.

### **1. Trust: The Foundation of Every Relationship**

For the Boomer generation, trust isn't just a buzzword. It's the foundation of every interaction. Remember, they come from an era when a person's word was their bond. Before the instant gratification of online reviews, trust was cultivated over time and through genuine interpersonal

connections. When you sit down with them, go beyond the transactional details. Share your journey, your successes, your lessons. By cultivating genuine trust, you're laying the foundation for a relationship that's built to last, far beyond a single transaction.

## **2. The Art and Nuance of Communication**

Communication has evolved rapidly in the last few decades. For many of us, digital interactions are second nature. But for Boomers, the value of a direct conversation, the nuance in voice, and the sincerity in face-to-face interactions holds immeasurable value. While they've adapted to emails and texts, there's an unparalleled warmth in traditional communication methods for them. Recognizing and adapting to this preference isn't just about courtesy; it's about showing them respect and understanding.

## **3. Stability and Security: The Cornerstones of Their Financial Decisions**

Boom times, economic challenges, technological revolutions – the Boomers have witnessed fluctuations like no other generation. Their desire for stability and security in investments stems from these experiences. In owner financing discussions, it's crucial to emphasize the predictability and reliability it offers. But more than presenting statistics, engage them with scenarios. Address their potential concerns proactively and highlight the steady nature of such an investment.

## **4. Crafting Mutual Wins: The Power of Shared Success**

**Remember you are doing the favor because they will make so much more.**

Successful negotiations aren't about tipping the scale in one's favor but about balancing it. In your interactions, ensure that the benefits of owner financing aren't just listed but vividly illustrated. Paint scenarios where both parties benefit, delve into tangible advantages like tax benefits, and link them to their broader life goals and aspirations.

## **5. Nostalgia: The Invisible Thread of Connection**

Historical tales, anecdotes, stories of yesteryears – these aren't just stories for Boomers; they're memories. When discussing properties, intertwine facts with tales of the past. Maybe the property witnessed a significant event or the neighborhood has a charming story. This not only adds value but also forms an emotional connection.

## **6. Patience & Persistence: The Delicate Dance**

Every significant decision requires time, especially when it concerns assets like property. Recognize and respect their need for reflection. However, while patience is essential, so is gentle persistence. Timely reminders, soft follow-ups, and ensuring they have all the information they need can steer the conversation toward a fruitful conclusion.

## **7. Technology: Bridging the Gap**

Technology is an enhancer, but it's essential to recognize comfort levels. While many Boomers are technologically adept, others might prefer the traditional. Be prepared to pivot, ensuring they are comfortable, whether it's using digital tools or paper charts.

## **8. Crystal-Clear Terms: Simplifying the Complex**

When delving into contracts and terms, clarity is the beacon to follow. Avoid legal jargon and intricate terminology. Instead, break down terms into simple, understandable language, ensuring they are confident in every decision they make.

Give them 3 simple options.

1 If I pay you all cash at the price I say

2 If I pay you half now and owner finance half for 10 yrs balloon 20yr am

3 If I pay you less than half (negotiate) and owner finance the rest for 10 yr balloon 30yr am

We will have another training in a few weeks about how to include this in an LOI.

If you want to be invited to that free class do this.

Or if you just want to help me out for this free training.

Post this link in your Social Media and tag me. <https://bit.ly/45AKJdQ>

## **9. The Closing Act: Ensuring a Memorable Conclusion**

Personally for me I advise you to don't do anything you don't want to do for at least 5 years and likely 10 yrs. So being in Real estate investing is not fast in and out.

As negotiations wrap up, re-emphasize the core pillars of trust, stability, and mutual benefit. After sealing the deal, let gratitude take center stage. Remember, in the realm of real estate, many fruitful relationships span decades. Aim to foster that longevity from the very start.