

Agent B-Plan Summit

How to Write a Business Plan for a Real Estate Agent

Top Agent B-Plan Review



**Stephanie
Gasparovic**

2010

57 closings

\$10 million

The Lead Generation Model

There are two parts to the MREA Lead Generation Model:

1. Identifying the proportion of leads from your Met vs. your Haven't Met databases.
2. Determining the number you need in each database.

Identifying the Proportion

Based on the ratios identified earlier (12:2 for Met; 50:1 for Haven't Met), you have three options for meeting your closed sales goals:

- Option 1: Meet your Closed Sales goal people in your **Met** database.
- Option 2: Meet your Closed Sales goal people in your **Haven't Met** database.
- Option 3: Meet your Closed Sales goal a **combination** of people from your **Met and Haven't Met** database. This is recommended.

In the exercise below, use the Closed Sales goal of 320 sales.

Option 1

Closed Sales Goal 174 x ~~12~~⁶ = 1,044 Contacts in your Met Database

Option 2

Closed Sales Goal 174 x 50 = 8,700 Contacts in your Haven't Met Database

Option 3 (as an initial calculation, use 50% for each source)

Closed Sales Goal 174 x 50% from Met database = 87 Sales from Met database
Met

Closed Sales Goal 174 - 87 Sales from Met database = 87 Sales from Haven't Met database
Haven't Met

87 Sales x 12/2 = 522 Contacts in your Met Database
Met

87 Sales x 50 = 4,350 Contacts in your Haven't Met Database
Haven't Met

The Organizational Model

My Someday Organizational Model

**SALES AND
MARKETING**

**ADMINISTRATION AND
PROCESSING**

YOU

1st
Level

YOU

YOU

2nd
Level

1st Assistant

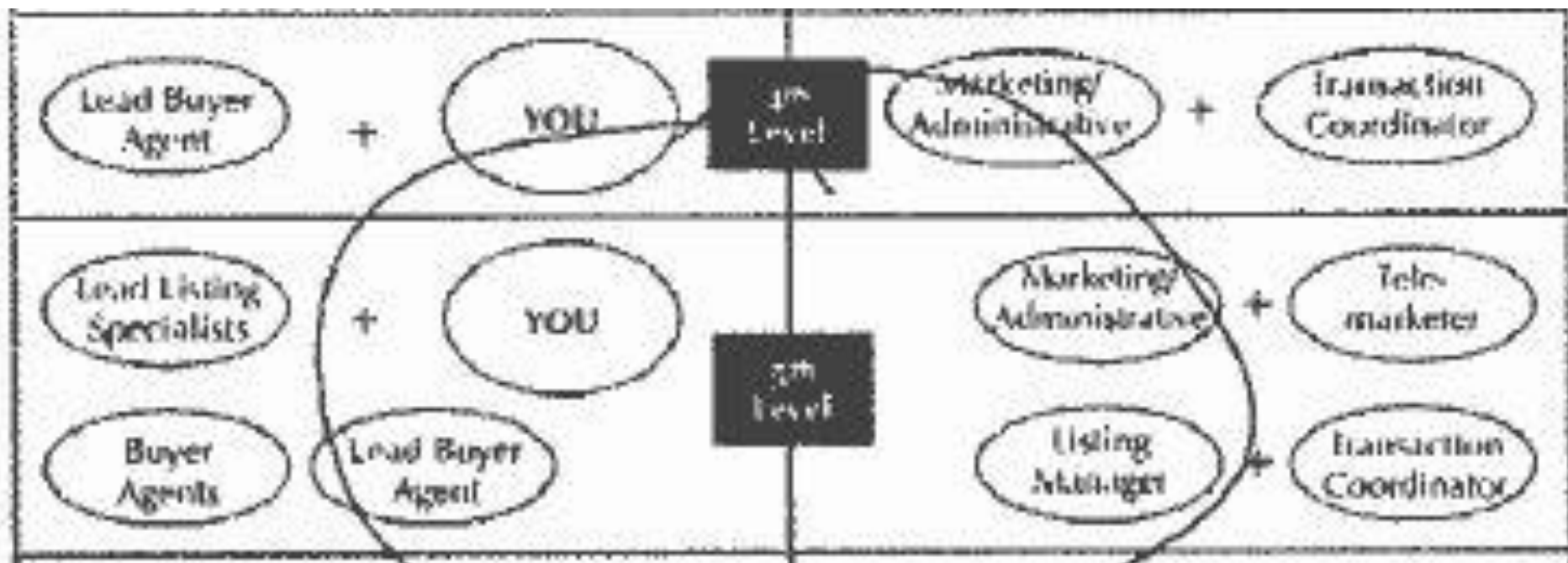
YOU

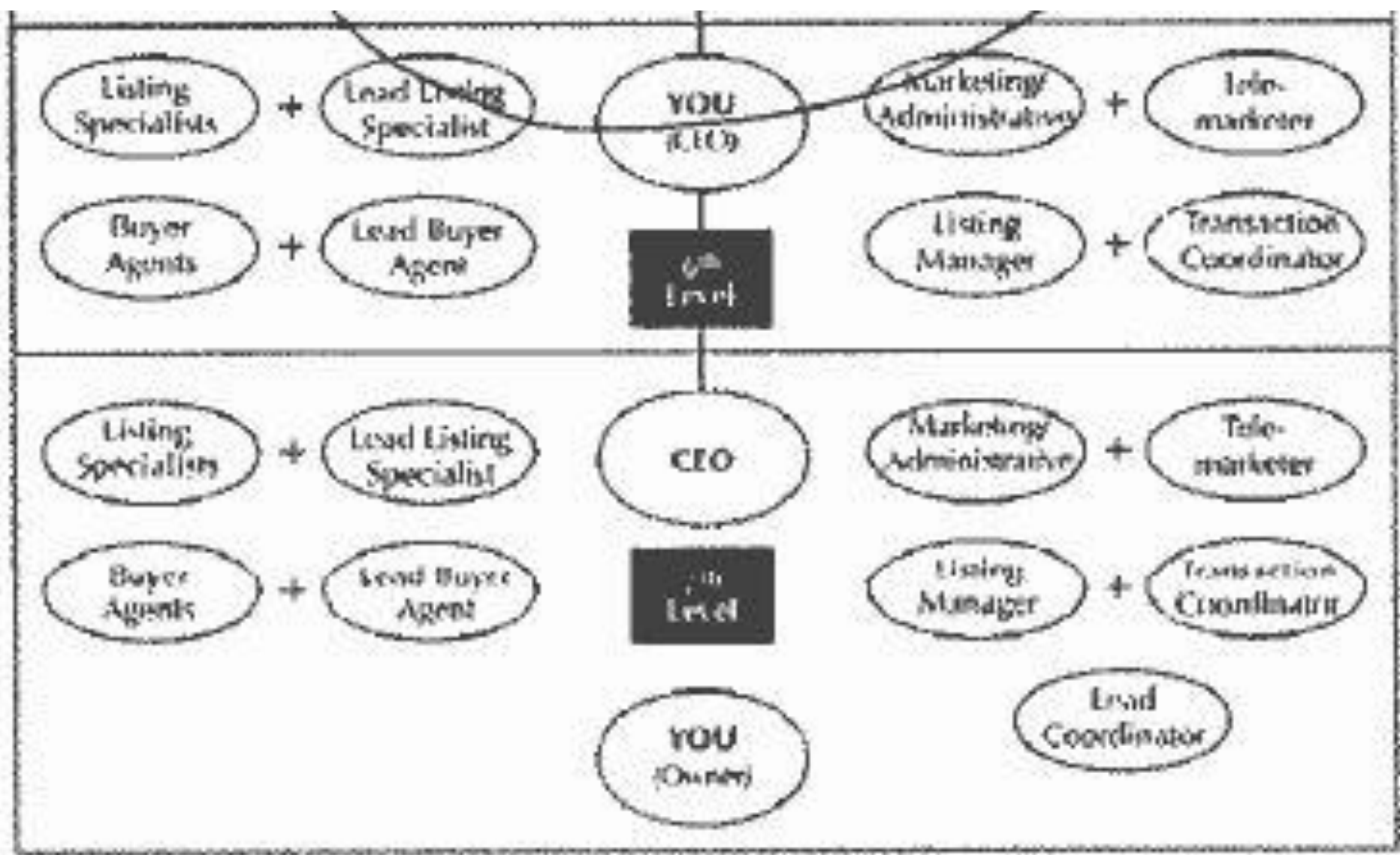
3rd
Level

Marketing/
Administrative

+

Transaction
Coordinator





- 1.** Where are you on the path to the 7th level?
Mark your level on the diagram.
- 2.** Where do you want to end up?
(Hint: it's ok not to go to the 7th level, but your goal will determine your organizational tasks.)
- 3.** Who do you have on your team that is talent capable of taking you your goal level?

4. Do you have anyone on your team that isn't talented enough to go to your goal level?
5. What is your biggest issue about getting to your goal level?

The Economic Model

My Someday Economic Model (continued)

GOAL

\$ 500,000	Net Income (before taxes)
1,201,923	Gross Closed Income (GCI)—divide net by .416
350,961	Cost of Sales (29.2% of GCI)
350,961	Operating Expenses (29.2% of GCI)

Fill in the first line from the calculated GCI: 50% Sellers, 50% Buyers

On the lines where your numbers are required, use what you entered on the previous page.

If you do not know your numbers, use the MREA numbers on page 27

600,000	Gross Revenue from Sellers	400,000	Gross Revenue from Buyers
÷ % .275	Your Commission	÷ % .275	Your Commission
= 21.818.182	Seller Sold Volume	= 21.818.182	Buyer Sold Volume
÷ 250,000	Your Average Sales Price	÷ 250,000	Your Average Sales Price
= 87	Sellers Sold	= 87	Buyers Sold

=	87	Sellers Sold	=	87	Buyers Sold
÷	% .80	Your Seller Trans. Conversion Rate	÷	% .80	Your Buyer Trans. Conversion Rate
=	87 108	Seller Listings Taken	=	108	Buyer Listings Taken
÷	% 80	Your Seller Appt. Conversion Rate	÷	% 80	Your Buyer Appt. Conversion Rate
=	135	Seller Listing Appointments	=	135	Buyer Listing Appointments

= 135

Seller Listing Appointments

= 135

Buyer Listing Appointments

~~12 MONTH~~

Your Someday Annual Appointments!

270

12 MONTH

3 WEEK

3 WEEK

30

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6 listings week

The Budget Model

In the following table, you will be able to compare your current budget with the MREA budget numbers.

Multiply the percentages in the **% of GCI** column with Your GCI. Enter the result in the column **\$\$ based on model**. This provides a picture of what you would be spending if your expenses followed the model.

Your Someday GCI: 1.2

Cost of Sales

	MREA		\$\$ based on model
	\$\$	% of GCI	
1. Listing Specialist(s)	100,000	4.2%	50,400
2. Buyer Specialist(s)	600,000	25.0%	300,000
3. Other COS	minimal		
Total COS	700,000	29.2%	350,400

Operating Expenses

1. Salaries	288,000	12.0%	144,000
2. Lead Generation	220,800	9.2%	110,400
3. Occupancy	48,000	2.0%	24,000
4. Technology	36,000	1.5%	18,000
5. Phone	24,000	1.0%	12,000
6. Supplies	24,000	1.0%	12,000

7. Education	24,000	1.0%	12,000
8. Equipment	24,000	1.0%	12,000
9. Auto/Insurance	12,000	0.5%	6,000
Total Operating Expenses	700,000	29.2%	350,400
Total Expenses	1,400,000	58.4%	.

499,200

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Q&A

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