

Associate Level
businessPlanning



Creating your Bulletproof Business Plan

A Bulletproof business plan is mostly about balance. Getting the most out of yourself is possible only when you get the most out of your market.

Every marketplace is unique. Every marketplace presents specific opportunities.

Every Realtor associate has his/her own talents and attributes to bring to the table.

Every Realtor has weaknesses and limitations they have built for themselves.



Your business plan for residential real estate must test your comfort zone to produce worthwhile results. "If it is your intention to keep doing what you are doing. You will certainly keep getting what you are getting." Choose today what type of Realtor you will become!

Your business plan will determine your income. Your work load. Your hours.

Make your business decisions around the vision of balance in your life.

Build a model which you can aspire to. How many hours in a week? How many days off? How many dollars in savings? How many listings? How many families will you serve? What is your end result? What are you willing to do for it?



If balance is the focus of your business plan, you will never spend a sleepless night on any one transaction. No one source of business will control your fate.

The confidence you feel will translate into better decisions for you and your client.

Every activity in your business plan should answer a few specific questions. Every question can be answered in a well conceived plan.

Ask Yourself...

Can I do this? ***Will I do this?***

Do I believe the results are attainable? ***Am I being to conservative?***

Am I being to optimistic? ***What could prevent me from achieving this specific result?*** What will I get by achieving this result?

What will I miss if I don't follow through?

How can I guarantee this result to myself?

Every Market Shares Several Common Sources



1. Farming
2. Floor time
3. Door hangers
4. Direct mail
5. Telemarketing
6. Networking
7. Sphere of Influence
8. Absentee Owners
9. For Sale By Owners
10. Lis Pendants
11. Expired Listings
12. Just Listed
13. Just Sold
14. Open Houses
15. Niche' Demographic
16. Niche' Professionals
17. Probate Cases
18. Garage/Estate Sales
19. Past Customers
20. R.E.O's

These common sources of business share common tools...

- | | |
|----------------------|-----------------------------------|
| 1. Postcards | 8. Information |
| 2. Handwritten notes | 9. Packages |
| 3. Letters | 10. Telephone |
| 4. Door hangers | 11. Personal Contact |
| 5. Door knocking | 12. Unique Proposals |
| 6. Handouts | 13. Objection handling Techniques |
| 7. Giveaways | 14. Standard Responses |

Let's begin with the most obvious question...

The answer you give will explain a lot about yourself. It will reveal a "poverty consciousness" or a "prosperity consciousness". It will tell the world what your self image is. It will tell the world what you expect from yourself. It will let you in on the secret of who has what and why!

The answer to this question will dictate how you act, speak, learn, work and serve your valuable clientele.

The answer to this question will dictate what you are willing to do and what you are still uncomfortable doing.

The answer to this question will predict how hard you work and how hard you will be on yourself.

You alone control the answer. You alone make the vital decision. You created your own comfort zone.

How much money do you need to make during the next 12 months? _____

How much money would be the minimum level of acceptable production in net commission income? _____

Now we can begin...

_____ in net income!
calculate the gross income based on 70% of the initial \$100,000

You must calculate the net income based on 70% of the initial \$100,000
90% of every dollar over \$100,000 gross per calendar year.

So you will need to generate _____ G.C.I. (Gross Commission Income) **(X)**

To achieve _____ associate net income.

Check your math. Get clear about your first important business decision. Do not rush. Do not underestimate the importance of this process. You are making decisions about your career that only you can make!

Next you need to...

Calculate the number of transactions necessary in your marketplace.

_____ is the average transaction in your office! (ask your broker or manager)
(or pull all closed sales for your brokerage this year and do the math)

_____ average price X _____% your average commission earned= _____

Average commission earned per transaction _____

Subtract discounts/referral fees/conservative equation - **25%** _____ (conservative planning)

Adjusted Gross Commission Average per transaction for business planning purposes = _____ **(Y)**

Now let's figure...

Average gross commission per transaction for business planning purposes = _____ **(Y)**

Minimum Gross Commission required to achieve Associate Level Net = _____ **(X)**

X divided by Y = _____

This figure dictates the number of closings you will need to have to ensure your successful year.

Number of closings plus 15% = _____ number of transactions!

So You need to write _____ transactions to achieve _____ closings. This will earn a gross commission

total of _____ and an associate level net of _____!!!

What is probable and what is likely?

Today you decided that you need to execute _____ transactions to succeed between now and _____.

How does that compare to what has been true for you in the past?

How does that compare to what is true for specific role models in your marketplace?

What are those successful role models doing to achieve this desired result?

If you are not sure you will need to ask.

If you are not clear you will need to get clear.

What specifically will you need to do to create this specific result?

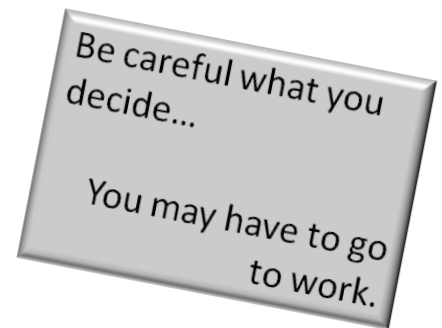
What sources of business are you willing to participate in fully?

What sources of business are you willing to execute without procrastination?

What areas will you expand to in order to guarantee your desired result?

How many transactions from each source?

- | | |
|--------------------------|-----------|
| 1. Farming | 1. _____ |
| 2. Floor time | 2. _____ |
| 3. Door hangers | 3. _____ |
| 4. Direct mail | 4. _____ |
| 5. Telemarketing | 5. _____ |
| 6. Networking | 6. _____ |
| 7. Sphere of Influence | 7. _____ |
| 8. Absentee Owners | 8. _____ |
| 9. For Sale By Owners | 9. _____ |
| 10. Lis Pendens | 10. _____ |
| 11. Expired Listings | 11. _____ |
| 12. Just Listed | 12. _____ |
| 13. Just Sold | 13. _____ |
| 14. Open Houses | 14. _____ |
| 15. Niche' Demographic | 15. _____ |
| 16. Niche' Professionals | 16. _____ |
| 17. Probate Cases | 17. _____ |
| 18. Garage/Estate Sales | 18. _____ |



If all of the above come through as planned you will do

_____ transactions

Now what?

***This is a Twelve Month Source of Business Chart!
Be Conservative and Exercise Good Judgment.***

***Once you are clear about what you need to do.
You can forget about everything you do not need to do!***

Source #6 _____
General plan overview

Minimum Number of transactions = _____
Gross Commission Income _____

Source #5 _____
General plan overview

Minimum Number of transactions = _____
Gross Commission Income _____

Source #4 _____
General plan overview

Minimum Number of transactions = _____
Gross Commission Income _____

Source #3 _____
General plan overview

Minimum Number of transactions = _____
Gross Commission Income _____

Source #2 _____
General plan overview

Minimum Number of transactions = _____
Gross Commission Income _____

Source #1 _____
General plan overview

Minimum Number of transactions = _____ Gross Commission Income _____

Source #1 Farming

General plan overview

Minimum Number of transactions = _____ Gross Commission Income _____

My Farm Area is: _____ There are _____ homes in it.
 There are currently _____ homes for sale. The tax folio # is _____
 Y.T.D. closed sales = _____ homes sold in _____ months. Therefore annual projection would be _____
 Y.T.D. projections _____ homes sold. Gross Volume _____. 3% listing Commission = _____
 Last year _____ homes sold. Gross Volume _____. 3% listing Commission = _____
 Year before _____ homes sold. Gross Volume _____. 3% listing Commission = _____

The average annual listing side commission for this subdivision is _____

My income projections for a first year Farm Area will be based on 10% of the annual listing side commission _____

Therefore I will not spend more than 10% of projected income _____ on this farm area.

With a maximum farming budget of _____ I will execute these 24 events in this farm during the next 12 months.

- | | Total invested
dollar |
|---|--------------------------|
| 1. Postcards sent to _____ homes Per post card cost = ____ = _____ per mailing. I will commit to a complete mailing every _____ days (we recommend 15 days if budget allows) So I commit to _____ complete mailings during the next 12 months. | _____ |
| 2. Miracle Letters sent to _____ homes each letter cost = ____ = _____ per mailing. I will commit to a complete miracle letter mailing every _____ days (we recommend 90 –120 days if budget allows) So I will commit to _____ complete miracle letter mailings during the next 12 months. | _____ |
| 3. Telemarketing surveys taken of _____ homeowners in the subdivision. Minimum requirement is an annual inventory call at the beginning of the year. Aggressive strategy would call for market update or just listed just sold call every 120 days to every home in the subdivision.. | _____ |
| 4. Open House in your farm. Door knock 100 surrounding homes before the open house and invite neighbors to visit. Give them a flyer and let them know where you will be and when. | _____ |
| 5. Doorhanger (not recommended in higher end neighborhoods but extremely effective in middle and lower end subdivisions) Cost per printed doorhanger _____ (.2 –.5 printed and die cut) You deliver to meet the neighbors and save money. Delivery costs average .10 per piece with kids in the neighborhood. \$100 per 1000 delivered. I will commit to a complete doorhanger delivery every _____ days . So I will commit to _____ complete doorhanger canvassing (s) during the next 12 months. | _____ |
| 6. Advertising listed properties from my farm area at _____ per ad. I will commit to _____ ads | _____ |
| 7. Advertising in the HOA newsletter if available. Cost I will commit to advertising _____ times. | _____ |
| 8. Creating an informative HOA or neighborhood newsletter can be paid for by local service providers advertising revenue. Make sure to include local schools calendars and events. Neighborhood news. Babysitters and pet sitters from the neighborhood. Write an article regarding real estate conditions effecting your farm. Allow a lender or attorney to write one effecting refi or estate planning. Allow a roofer to write an article about current issues effecting your farm. Get your exclusive Real Estate ad on the back cover. A little labor and creativity can save you thousands of dollars per year | _____ |

Source #2 Past Customers/ Sphere of Influence

Source of Business Mission Statement:

To be the first Real Estate professional to come to mind for this valuable group of friends and past clients. Serve their needs in a manner that creates loyalty and trust.

Minimum Number of transactions = _____

Gross Commission Income _____

I have committed to building a database with the pertinent information of my entire sphere of influence. My sphere of influence includes all individuals who qualify as follows...

"We would recognize each other by name if we bumped into each other on the street and we would stop briefly and say Hi." YES or NO

If YES... They belong in my database under sphere of influence.

Remember your High School and college Alumni who live locally.

Remember your favorite restaurateurs, hairstylists, bartenders, teachers, friends and family.

Family of friends and friends of families that you may be acquainted with.

Your mother and fathers friends and coworkers or fellow retirees if available and applicable.

Mommy and me, young Republicans, Kiwanis, Jaycees, Expand your Sphere of influence through networking relationships. Get involved volunteer. Be seen Be active be friendly. *A more committed Realtor may bring Niche' Demographic farming to another level requiring it's own source of business plan.

Build your database to include fields for **Name, Address, Phone #(s), e-mail address** at minimum. Depending on your business plan you may include birthdays anniversaries, special events, children's names, pet names, gift ideas, notes of past conversations and the like. Many contact management software packages can build in to do lists or reminder notices of upcoming events.

Every single closing you have you must follow a **POST CLOSING DRILL** this process is attached to every closed file before commissions are received to ensure it's completion. The post closing drill will assure your past customers are part of your business plan. Always get your coop agents client information into your database too. It is good business to steal your competitions clients away from them. So mail and write to them as well. Thank them for their business because their Realtor probably won't.

How many times will you mail to your sphere of influence during the next 12 months _____ Cost per post-card _____ x contacts in database

<p style="text-align: center;">Source #3 _____</p> <p>Source of business mission statement:</p> <p style="text-align: center;">Minimum Number of transactions = _____</p> <p style="text-align: center;">Gross Commission Income _____</p>
--

Well defined plan and timeline for this source...

**#1 & 2 Were Samples!
Now Continue The Process**

Source #4 _____

General plan overview

Minimum Number of transactions = _____

Gross Commission Income _____

Well defined plan and timeline for this source...

Source #5 _____

General plan overview

Minimum Number of transactions = _____

Gross Commission Income _____

Well defined plan and timeline for this source...

Source #6 _____

General plan overview

Minimum Number of transactions = _____

Gross Commission Income _____

Well defined plan and timeline for this source...

Income Projections

Page 18 is a year round tool to hold you accountable to your business plan! Follow these simple instructions to monitor you business plan on an ongoing basis.

1. Complete your source of business bar graph (page 18) in this Microsoft publisher 20 page training module.
2. Match each sources production projections with it's corresponding volume of business on the left.
3. Print page 18 of this document.
4. Post the document above your workspace and give one to your sales manager or broker owner. Many of our students create accountability partnerships. If you have formed one make sure and give this vital document to your accountability partner.
5. Whenever you have a closing. Use a highlighter or marker and fill in the appropriate production volume in the corresponding source of business bar graph.*
6. As you fill in the appropriate volume on the appropriate source of business bar graph you will know where you stand on your business plan in a glance. So will your Broker and your sales manager and your wife and your accountability partner.
7. You will see trends develop. Laziness will shine like a beacon calling you to work harder on the source of business you are failing in and you will take pride in your results.

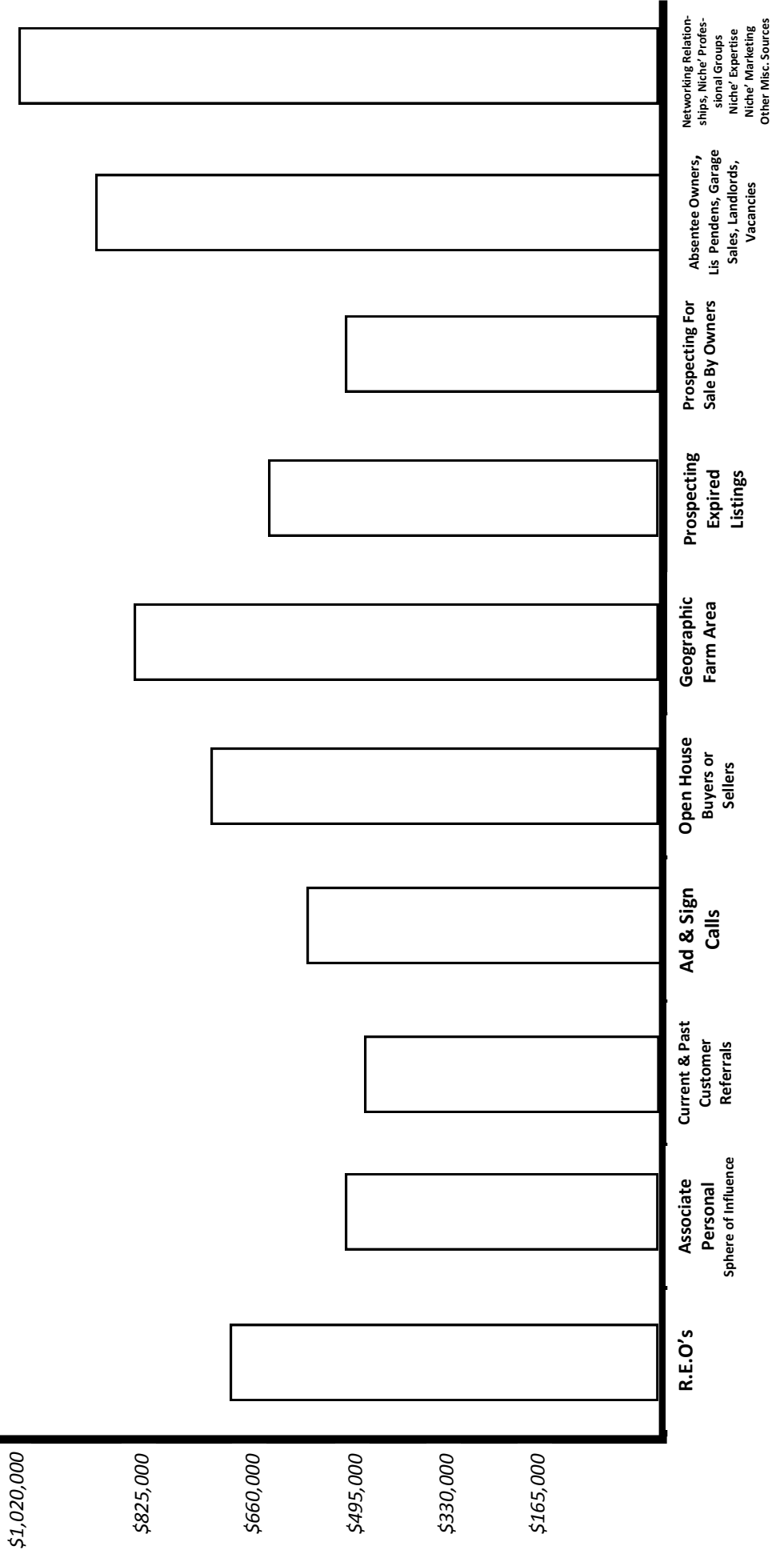
****Remember if you used a 3% gross commission figure for projections you must only fill in the production volume equal to the commission you received by 3%. I.E. \$6000 gross commission received equals \$200,000 in volume even if the property was \$230,000 remember this is all about the income.***

December 5, 2010

December 5, 2011

Annual Business Plan
Marketing and Production Source Chart
Income Projection Analysis
Individual Associate Predetermined Accomplishment Accountability Monitor

Total Transaction Sides = _____ Average Commission = _____ Gross Income = _____ Associate Net = _____



Now That you have made a commitment....

Your commitment sets in to motion several new and exciting events. You will need to master each of your selected sources of business. Now that you have made a decision all of your other decisions have been made for you. Your real estate life just got much more simple! No more wondering what you are going to do or earn. No more guessing what your day, week or month will hold!

You are now the captain of your own ship the master of your own destiny and most assuredly the Chief Operating Officer, Chief Executive Officer, Chief Financial Officer and President of your own residential real estate marketing and sales operation functioning within the independent contractor relationship with Exit Realty.

Fortunately....

Each source of business on your source chart is taught over and over again at Exit Realty. In addition there is video available on www.eexitfloridaworx.com. The book store and public library offer specialty books that can build your knowledge and efficiency within your chosen sources of business.

No matter which sources of business you have chosen you will be inundated with opportunities to learn from some of the best in the business.

Certain things are mandatory in residential real estate. Basic contracts and addendums. MLS and Tax Role. Inner office documentation.

Mostly real estate is about sales and people. If you are a relationship salesperson who generally wants to help people and do the right thing you can build a tremendous and loyal following in residential real estate.

Begin Immediately....

You have all of the tools to start right now! Write out your plans and ideas for each source that you selected compare your notes with your peers, your sales manager, your sponsor, your broker owner. Attend only the classes that meet your source of business chart and work diligently to ensure your requirements in your plan are adhered to.

Success in real estate is more about rigor than luck. Success in real estate is more about discipline than market conditions. Success in real estate is more about you than your company. More about you than your competition. More about you following through than about anything else.

Expect more from yourself than you do your consumer!

Listen More!

Prepare more!

Learn More!

Be a better Realtor and you will earn a better wage!

Work harder!

Try harder!

During the next several weeks you will be offered an opportunity to attend classes and workshops to help you excel in your chosen sources of business.

If you attend the classes and workshops you will understand why Exit Realty is dominating our marketplace!

Source Of Business Charting

Expense Projections

2010

Jan Feb Mar Apr May June July Aug Sept Oct Nov Dec Gross

Farming

Floor Time

Door Hangers

Telemarketing

Networking

Sphere of Influence

Absentee Owners

For Sale By Owners

Lis Pendens

Expired Listings

Just Listed

Just Sold

Open Houses

Niche' Demographic

Niche' Professionals

Probate Cases

Garage/Estate Sales

Past Customers

Sponsorship Bonuses

Outbound Referrals

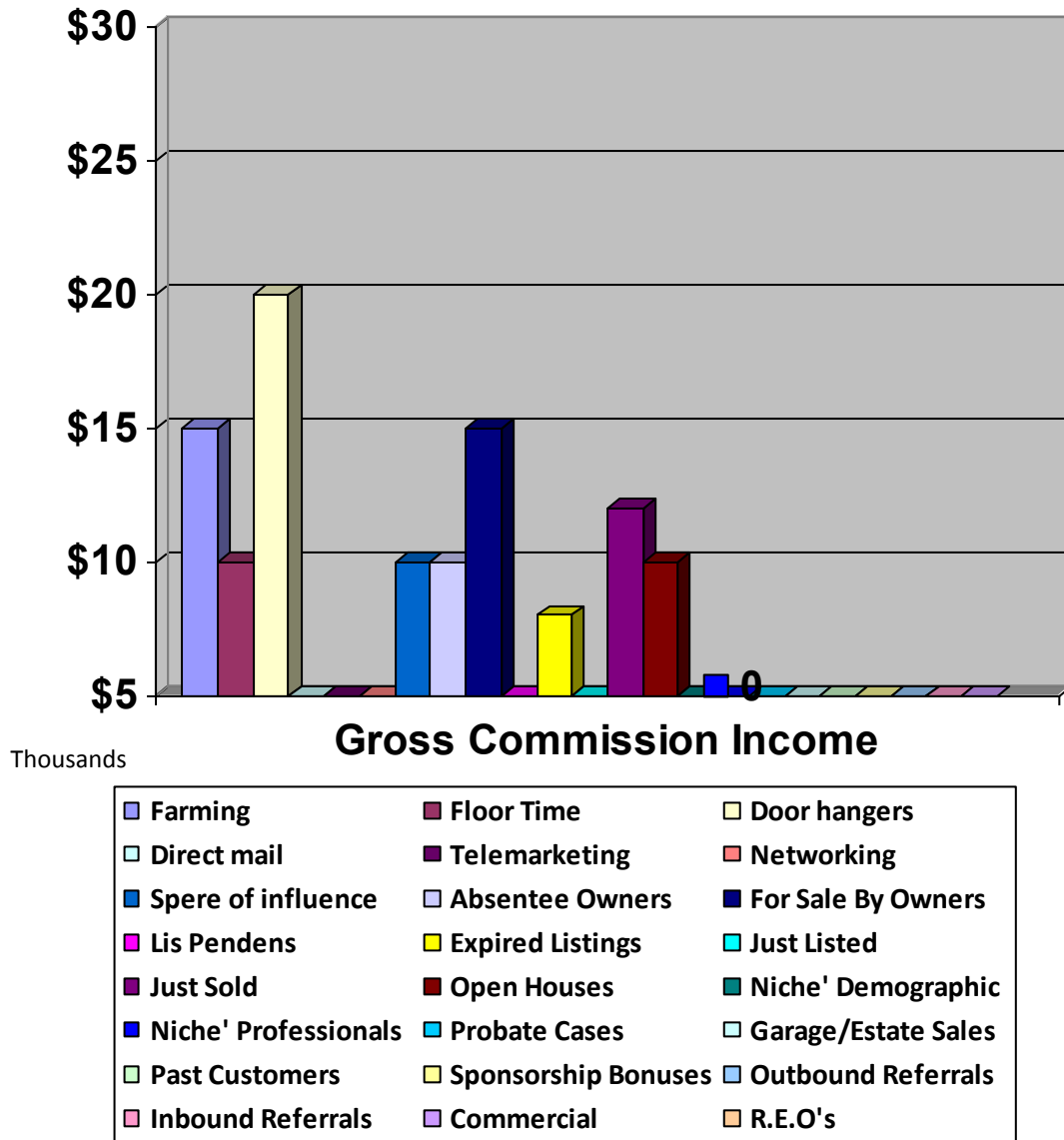
Inbound Referrals

Rental Department

R.E.O.'s

Commercial Real Estate

What does 2010 Look Like?

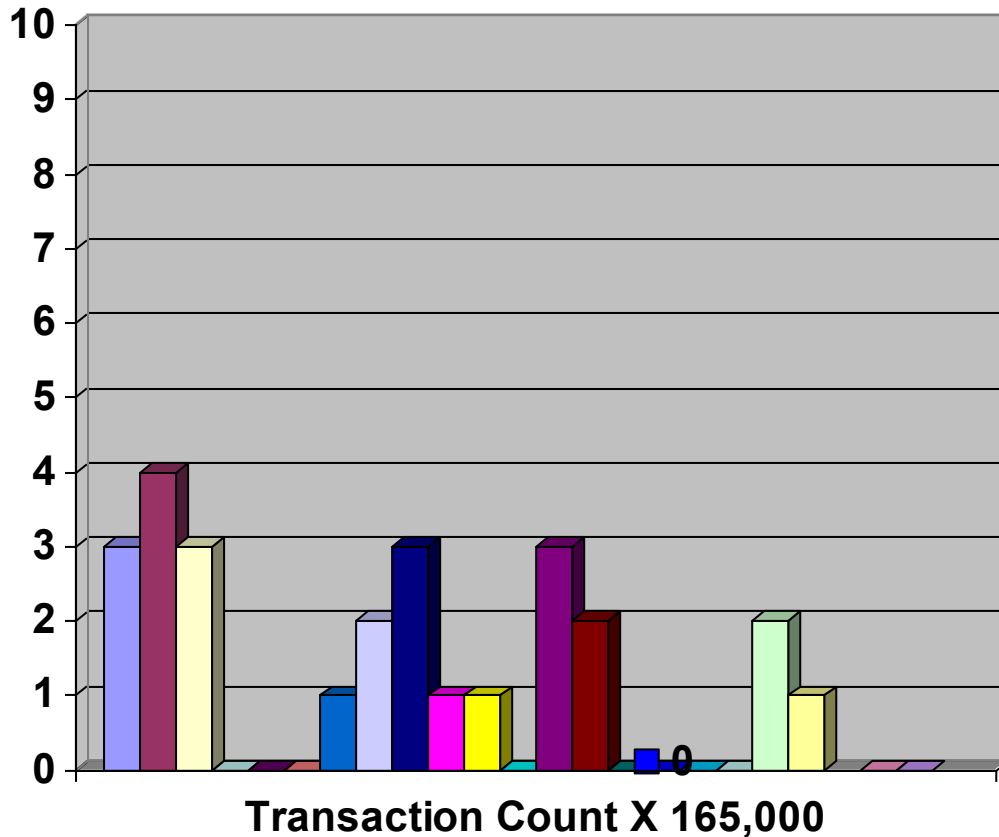


If you have the software just click on the grid to adjust totals for your Gross Income Marketing Source Chart. If you do not own Microsoft excel and publisher we recommend that you buy it and learn it!

Otherwise just draw yourself a graph and hold yourself accountable to the work it takes to make the projections come to fruition.

Another graph on page 9 could help you with marketing source chart. Take time with your business plan and work work work your plan.

Where will your Deals Come From?



- | | | |
|----------------------|---------------------|---------------------|
| Farming | Floor Time | Door hangers |
| Direct mail | Telemarketing | Networking |
| Spere of influence | Absentee Owners | For Sale By Owners |
| Lis Pendens | Expired Listings | Just Listed |
| Just Sold | Open Houses | Niche' Demographic |
| Niche' Professionals | Probate Cases | Garage/Estate Sales |
| Past Customers | Sponsorship Bonuses | Outbound Referrals |
| Inbound Referrals | Commercial | R.E.O.'s |

Remember just double click on the grid to change your totals! Make sure your transaction count is based on your average sale. Be conservative in your average transaction and your average commission and you will always be pleasantly surprised.

Take a look at each source as an intricate part of a comprehensive business plan. Do not judge the results just do the labor!

“When Riches come they come in such great abundance that you will wonder where they have been all of those lean years”

Napoleon Hill

Important Notes...