



GUIDE TO PREPARING A PERSONAL BUSINESS PLAN

Written by Rita Santamaria, CEO & Founder
Champions School of Real Estate

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How to Prepare Your Personal Business Plan



It doesn't matter the direction of the real estate market or the pushes and pulls of competing business priorities, you are in charge of staying on top of your game.

As an agent, you must know your market as your reputation depends on having your finger on the pulse of the current market and expectations of the coming year(s).

Setting Goals

Identify your Strengths:

What are they?

Know where to focus based on your strengths:

Step 1: Performance and Production Analysis

To go forward we need to look back “where did your business come from in the last 12 months?”

<u>Buyer or Seller</u>	<u>Address</u>	<u>Referral Source</u>	<u>Property Type</u>
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1.

2.

3.

Etc.

Sources of Business

Real estate sales come from many sources. It takes all sources to make the total year a success. Here are some examples on this checklist below you can put together to see if a pattern occurs which shows an overwhelming source of where your business is derived. It will also show you some areas you can have better success in driving business to yourself that you have not been using.

- | | Yes | No | How Many? |
|--|-----|----|-----------|
| • Personal referral from existing client: | | | |
| • Personal referral from family or friend: | | | |
| • Repeat customers or investors: | | | |
| • Farming: | | | |
| • Open houses: | | | |
| • Relocation referrals: | | | |
| • For Sale by Owners: | | | |
| • Expired listings: | | | |
| • Flyer or Mailer you sent out: | | | |
| • Floor duty or Property time Call: | | | |
| • Event or Seminar: | | | |
| • Networking a community group: | | | |
| • Networking a real estate industry group: | | | |
| • Cold calling: | | | |
| • Social media(s): | | | |

(Which social media is working best for you?) _____

- Your Personal Website:
- Other:

Accountability Questions

Question: What prevented you from reaching your personal production goal last year?

Question: What specific activity had the most production impact on your annual business?

Question: In order of most income realized for last year what lead generations were most successful for you?

1. _____
2. _____
3. _____

Step 2: Your Average Sales Price

Every Success Plan Has the Mathematics Behind the Plan, Let's Do Yours:

1. # of closed transactions: _____
2. Total price of all properties sold: \$_____
3. Divide # of closed transactions by total price of all properties to obtain average sales price per transaction: \$_____

Your Average Earned Commission

1. Total Commissions earned: \$_____
2. # of listings: _____
3. # of sales through buyers: _____
4. Total # of listings and buyers: _____
5. Divide total commissions by # of listings and buyer sales to obtain your average commission per transaction: \$_____

Note: A new agent should obtain the median sales price for the office and the average number of closings for agents at their brokerage office to use for projections for the coming year.

Step 3: Now Set Your New Year Goals

The secret to success for a person is to set goals by creating a realistic plan based on historical data as we did in Step 1 & 2. Now the most important step is creating an action plan.

My Goals and Plans for the Coming Year:

1. My income goal for this year is: \$_____
2. My average commission per transaction last year was: \$_____
3. Number of transactions needed to reach my New Year's income goal (divide 1 by 2): _____
4. My % of closed sales that were listings last year: _____
5. # of listings needed this year to reach my goals: _____
(apply the % in #4 to #3)
6. # of buyer closings needed next year to reach my goal: _____
(subtract listings from total transactions needed)

Step 4: Prospecting Action Plan

What is prospecting?

You are actively obtaining a new source of business through generating the leads **yourself**.

You are marketing when you do things that make the leads come to you. It's you making contact with people.

When people are making contact with you that is called a referral. Sales people who wait for referrals to generate their annual income will never make the income they have set for their annual goals. It takes active daily prospecting for the success of your business and your referrals are the icing on the cake.

Your Prospecting Action Plan:

1. # of closings needed per year: _____
2. # of prospects needed this year: _____
(Prospect to sale ratio is 25 prospects to 1 sale; therefore multiply #1 by 25)*
Industry standard as stated in *30 Days to Success* by Rita Santamaria and *The Real Estate Rainmaker* by Dan Rickard

You know that "An inch is a cinch but a mile is a trial." You have also heard, "How do you eat an elephant? One bite at a time."

Let's break this down for you in bite size pieces so it is easy to achieve.

1. Annual prospects needed: _____
2. Total number of prospects needed monthly: _____
(divide #1 by 12 months)
3. Total number of prospects needed daily: _____
(divide #2 by the number of days you work per month – focused prospecting, not casual meeting and greeting)



Rita Santamaria is the owner and founder of Champions School of Real Estate founded in 1983. For more information go to www.ChampionsSchool.com for real estate, mortgage, appraisal, inspection, business etiquette license and continuing education needs in classroom and for on-line students.