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Put It On the Line For - True Growth



True growth in life happens when we are willing to risk and stretch our abilities; when we are willing to put it on the line for change.

It is easy to get comfortable being around the same crowd, doing the same thing we have always done.

We can often get attached to a system of activities that will only lead us to the same result we have always gotten.

We have to be willing to **risk where we are today to get to where we truly want to be.** By venturing out, we develop skills of strength that will build us up and make us stronger. Napoleon Hill said, "The strongest oak tree of the forest is not the one that is protected from the storm and hidden from the sun. It's the one that stands in the open where it is compelled to struggle for its existence against the winds and rain and scorching sun."

The challenges you are facing right now will make you stronger. Move forward and take them head on. Step up to the challenges. Step up to the opportunities that lie just beyond the challenges. **You may be in darkness, but the light is right around the bend.** When you overcome the obstacles facing you, you will then be able to drink in the sunlight of accomplishment to recharge your battery.

You are truly like that oak tree. The only difference is that you can **replant yourself regularly** out in the open. If that tree

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Coming Up

takes root in the forest, it will live its whole existence there. You can continue to move out into the open. If the forest grows out to you and tries to bring you in, you can move again. You have a tremendous advantage; are you using it? **Resolve to move out into the open today!!**

To your Success,

Dirk Zeller

CEO

Real Estate Champions, Inc

P.S. For more information my new book, the one with all my advanced tactics, will begin shipping November 5th. Click [here](#).

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Developing Your Pricing Philosophy - **Breakout**

Ask a dozen agents to explain their home pricing philosophy, and you'll hear a dozen different approaches. And if the talk reveals frank responses, you'll also learn that the **most common pricing strategy is no strategy at all.**

Here's my advice: **Break out of the ranks by** establishing and following a specific strategy for arriving at the ideal selling price for each home.

Adopt the philosophy that, in real estate sales, price is KING. Price trumps all other factors – including marketing approaches, home condition, market competitiveness, and sales approach. I believe that, in the end, marketing and condition of the property are *controlled* by the price.

The alternative, advocated by many agents, most sellers, and even some sales trainers, is to emphasize marketing over pricing. Rather than working to set the ideal price, they believe success will come from optimizing the home's condition and presentation and then marketing it with skill and savvy.

I take the opposite belief, based on years of experience working with sellers who wanted unrealistic prices for their homes and who experienced first-time sales failures as a result.

Over my sales career, I resurrected and re-listed more than

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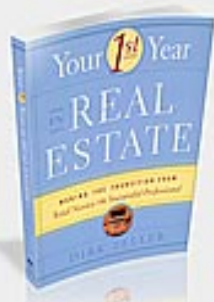
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[Jump Start Your Production: The key to success and having a strategically strong year.](#)



[Blueprint for Success: Reach peak](#)

600 expired listings – nearly 75 a year. Among all those transactions, I never met an owner with an expired listing who thought that an unreasonable price had anything to do with the home's failure to sell. **They all blamed the previous agent and that person's approach to marketing.** Each sought some magic marketing strategy to change the reality of the law of supply and demand. There is a magic strategy: Price the home correctly.

Price is the only factor that can overcome sales obstacles, compensate for a home's deficiencies, and motivate a purchaser even if the condition of the property and your marketing approach is less than perfect.

Getting the listing at any cost


Does this scenario sound familiar? An agent (usually a newer agent) is short on business or maybe even desperate for the chance to stake a sign in someone's yard. The agent wants a listing at any price – even if the chance to seal a deal erodes the likelihood of selling the property. To gain a seller's nod of approval, the agent makes a flatteringly high pricing recommendation, **throwing out a number the client wants to hear and then hoping something good will result from the bad situation.**

I can think of few examples, if any, where this philosophy works. Hope isn't a successful pricing strategy. Worse, the please-the-client mindset is a hard one to abandon. Agents who achieve listings with unrealistic prices find it hard to later counsel their clients honestly.

The pitfalls of a "please the buyer" approach are many and significant. **By overpricing, you can practically count on a reduction in your productivity, profitability, and salability, and here's why:**

- **It's impossible to keep your productivity high when your time is spent in conversations with an unsuccessful seller who lacks motivation to take corrective action.** The seller's negativity, concerns, and phone calls will only increase with each week or month the house remains on the market. As time goes on, you'll devote more and more time unsuccessfully trying to create a sale not only for your seller but also for yourself. This will pull you away from activities that are more likely to deliver income. The ensuing frustration will de-motivate you and stunt your ability to secure better appointments that create other income opportunities.

[performance in your life.](#)

 **[Successful Selling in Tough Times and Tough Markets: Skills, mindsets and concepts that allow you to close sales even in difficult circumstances.](#)**


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- An unsold, overpriced listing negatively impacts your profitability because **it costs you time and money to service** while it delivers no revenue to your business. And the situation only gets worse the longer the listing languishes on the market. You'll end up deducting the expenses of this in-limbo listing from the proceeds generated by any revenue-producing deals you manage to close in the meantime, reducing your net profit and business success.
- **Unsold homes** that linger on the market seriously **diminish your salability**, which is the term that describes your sales success track. Your salability is based on such key statistics as your average ratio of listing price compared to sale price and the average number of days your listings are on the market. Obviously, these statistics, which prospects rely on when choosing one agent over another, can be crushed by a "get the listings at any cost" philosophy. They're also harmed by the "start high and reduce later" tactic.

If you take and price a good listing competitively, it will sell.
You can't keep a good price a secret!

For more information on how to get the listing on the 1st appointment... [Click Here](#)

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Business Plan - Backbone of Your Business

The business plan is a foreign tool to most REALTORS®. After studying, observing, interviewing, and coaching hundreds of Agents, I have concluded that **very few have taken the time to create a quality business plan.** Fewer still review their business plan on a regular basis. The few who have good business plans often make them so complicated that they possess little value. Those Agents create such a complex business plan that they will never carry it out. What kind of value does this complex business plan have to them? . . . Zero!

A well-written, concise business plan can provide an exceptional road map to guide your quarter, year, or next five years. **Most well-run companies have well-developed business plans.** You, as an Agent, are the President of your own real estate sales company. You have to view yourself as the head of a corporation that needs direction, vision, and a well-conceived road map to follow. The business plan can provide all these tools that lead to success.

To create a quality business plan, you have to **know where you are today** – right now – in your business. You have to ask some basic questions about your business.

- **How much do I want to earn in gross commission?**
- Where does my business come from?
- **What is my average commission check?**
- What is my average cost per transaction?
- **How many days am I going to work this year?**
- How many hours per day am I going to work?
- **What things do I need to implement to take my business to the next level?**

The best place to start is at the top. Ask yourself, "How much do I want to earn?" You can **have total control of your income.** You can make as much or as little as you desire. The only person or thing that determines your income is you. The market, other Agents, and other outside factors have very little control over your income. You alone have absolute and complete control.

Once you determine the amount you want to earn, break it down to quarterly, monthly, and weekly amounts. For example, if you **decide to earn** \$500,000 next year, you need to earn \$125,000 per quarter, \$41,666 per month, or \$9,615 per week. Secondly, you need to determine where your business comes from. Figure out the percentage of transactions that are done in every category. Let's say you closed seventy-five deals last year. The break down was thirty from referrals, fifteen from open houses, eighteen from sign calls, and twelve from expireds.

Here is the breakdown in percentages:

- 40% Referrals
- 24% Sign calls
- 20% Open houses
- 16% Expireds

You should also know the ratio or percentage of listings sold versus buyer controlled sales.

The next exercise is to determine your average commission check. Take your gross commission and divide by the number of transactions. For the purpose of our example, we will use \$5,500 as the average commission check. You want to earn \$500,000 next year. In order to do that, you divide \$500,000 by \$5,500 which equals 91 transactions. You will need to close an additional 16 transactions next year to reach your goal.

Then figure out the number of transactions you need in each category.

- 40% of 91 = 37 transactions from referrals
- 24% of 91 = 22 transactions from sign calls
- 20% of 91 = 18 transactions from open houses
- 15% of 91 = 14 transactions from expireds

You can break these numbers down to a quarterly, monthly, and weekly number of transactions from each category. **This break down will give you a clear path to achieve your income goal.** If you do the number of transactions you need weekly, by year's end, you will achieve your goal.

Then you need to break down each category of business: referrals, sign calls, open houses, and expireds. You need to figure out exactly what you need to do to create the results you desire. The further you can break your business down,

the easier the overall goal is to achieve. It is easier to achieve your goals if you can break them down to daily activities. All you have to do is the daily activities to achieve the desired results.

Another important factor is **profitability**. You determine your profitability by subtracting your gross expenses from your gross commission dollar. The critical point is to not forget any of your expenses. Organize all of your expenses into categories such as automobile, staff, mailings, marketing, office supplies, etc. You are only fooling yourself if you are not accurate. Take your gross expenses and divide them by the number of transactions. For example, gross expenses of $\$95,000 / 75 = \$1,267$, which is what it costs you to close one transaction in our example. You can see how profitable you really are in your business if you follow this example.

To answer questions five and six, you need to address your work days and hours. You need to factor them in against the work that needs to be done. Then allocate the work that needs to be completed to the number of days worked. This process will give you a schedule of what needs to be accomplished daily.

The last section of a well-planned business plan is **implementing new ideas or systems**. Determine the weaknesses in your business and devise a plan to overcome them. Do not overdo in this area because, often, when Agents over implement, they slow their business down to a crawl. Since everyone is different and all staffs are different, a good rule of thumb is: **Do not implement more than two major changes in a month**. Determine what needs to be completed. Prioritize your list, and then devise a plan to implement changes at specific times.

A business plan can be the backbone of your successful business. The backbone will weaken if not checked on a regular basis. You must review your business plan daily for the first few months; then you will need to review it regularly after that. Do not make the mistake of writing a fantastic business plan and then never look at it again. That mistake would be almost as bad as if you had never written it in the first place.

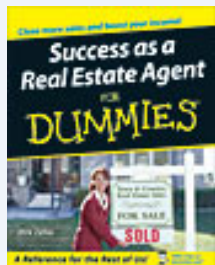
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Dirk Zeller

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