

Blueprint To Success™

Session 2

Developing Your Business Plan



To your Achievement of Excellence in Life

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OBJECTIVES

During this session you will:

- Craft, create, and understand your business numbers.
- Design your strategy to align with seasonality.
- Execute your Quantifying Your Plan section

PRE-PLANNING AUDIT

ClientCare@RealEstateChampions.com OR Fax to: 541-383-8832

Name _____ Coach: _____ Date: _____

1. What was your gross commission income in the last 12 months? \$ _____

2. What was your commission split and/or “desk fee”? _____

3. What was your net income in the last 12 months? \$ _____

4. What is your personal income goal for the new year? \$ _____

5. Your total production for the last 12 months (if you have a team, it's you and your team)?

A. Listings taken: _____

B. Listings: _____ Expired _____ Withdrawn _____

C. Listings sold: _____

D. Buyer controlled sales: _____

E. Present listing inventory (# of listings): _____

6. What does your business look like in the future?

	5 years from now		10 years from now
A. Revenue		A. Revenue	
B. Team		B. Team	
C. Staff		C. Staff	
D. Units		D. Units	
E. Sales Volume		E. Sales Volume	
F. Gross Commission		F. Gross Commission	

7. What makes you stand out or shine in comparison to your competition?

8. Your personal production last year (what you did alone)

A. Listings taken: _____

B. Listings: _____ Expired _____ Withdrawn _____

C. Listings sold: _____

D. Buyer controlled sales: _____

E. Present listing inventory (# of listings): _____

9. Your "team's" (excluding you) production last year (your buyer's agents and listing agents)

A. Listings taken: _____

B. Listings: _____ Expired _____ Withdrawn _____

C. Listings sold: _____

D. Buyer controlled sales: _____

E. Present listing inventory (# of listings): _____

10. Your average sales price of listings and buyer controlled sales.

\$

11. List your primary sources of business and the percentage of your business from each source:

- A. _____ % income _____ % closed
- B. _____ % income _____ % closed
- C. _____ % income _____ % closed
- D. _____ % income _____ % closed

12. Your business mix of buyers and sellers represented:

Buyers: _____ % income _____ % units	Sellers: _____ % income _____ % units
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13. Percentage of listing presentations that resulted in a signed listing contract? _____ %

A. Percentage of buyer consultations that resulted in a sale? _____ %

14. What barriers do you foresee that may prohibit you from accomplishing your goals for the next year?

15. What is your average commission per transaction (total commission earned divided by number of transactions)?

16. What is your average cost per transaction (total expenses divided by number of transactions)?

17. What are you worth per hour (total commission divided by hours worked)?

BUSINESS PLANNING TOOL

ClientCare@RealEstateChampions.com OR Fax to: 541-383-8832

Name _____ Coach: _____ Date: _____

- A. Gross Commission Income for prior 12 months \$ _____
- B. Number of closed transactions in last 12 months _____
- C. Number of buyer represented sales in last 12 months _____
- D. Number of listings sold in last 12 months _____
- E. Total Dollar volume closed in the last 12 months \$ _____
- F. Average commission per closing for prior 12 months
*Calculate by $A \div B$. \$ _____
- G. Average sale price over the past 12 months
*Calculate by $E \div B$ \$ _____
- H. Number of listings taken in the last 12 months _____
- I. Number of exclusive buyer representation contracts written in the last 12 months _____
- J. Number of listing presentation appointments for the last 12 months _____
- K. Number of buyer consultative appointments for the last 12 months _____
- L. Listings closed to listings taken % (# of listing sold for the past 12 months ÷ # of listings taken for the past 12 months)
 $D \div H$ _____ %
- M. Buyers closed to buyer representative contracts % (# of buyers closed for the past 12 months ÷ # of buyer representative contracts for the past 12 months) $C \div I$ _____ %
- N. Conversion ratios % (# of listings taken for the past 12 months ÷ # of listing presentation appointments taken for the past 12 months) $H \div J$ _____ %
- O. Conversion ratios % (# of buyer clients created (i.e. signed buyer agency agreement or committed to work with you) for the past 12 months ÷ # of buyer consultative appointments for the past 12 months) _____ %

SAMPLE BUSINESS PLANNING TOOL

A. Gross Commission Income for prior 12 months	\$1,000,000	
B. Number of closed transactions in last 12 months	190	
C. Number of buyer represented sales in last 12 months	100	
D. Number of listings sold in last 12 months	90	
E. Total Dollar volume closed in the last 12 months	\$35,000,000	
F. Average commission per closing for prior 12 months *Calculate by $A \div B$.	\$5,263.15	
G. Average sale price over the past 12 months *Calculate by $E \div B$	\$184,210.53	
H. Number of listings taken in the last 12 months	120	
I. Number of exclusive buyer representation contracts written in the last 12 months	130	
J. Number of listing presentation appointments for the last 12 months	190	
K. Number of buyer consultative appointments for the last 12 months	150	
L. Listings closed to listings taken % (# of listing sold for the past 12 months \div # of listings taken for the past 12 months) $D \div H$		75%
M. Buyers closed to buyer representative contracts % (# of buyers closed for the past 12 months \div # of buyer representative contracts for the past 12 months) $C \div I$		77%
N. Conversion ratios % (# of listings taken for the past 12 months \div # of listing presentation appointments taken for the past 12 months)		63%
O. Conversion ratios % (# of buyer clients created (i.e. signed buyer agency agreement or committed to work with you) for the past 12 months \div # of buyer consultative appointments for the past 12 months)		87%

SEASONALITY TOOL

ClientCare@RealEstateChampions.com OR Fax to: 541-330-7449

Name _____ Coach: _____ Date: _____

1. PRODUCTION SEASONALITY

My market averages

% of business produced in 1st calendar quarter _____ %
% of business produced in 2nd calendar quarter _____ %
% of business produced in 3rd calendar quarter _____ %
% of business produced in 4th calendar quarter _____ %

My personal averages

% of business produced in 1st calendar quarter _____ %
% of business produced in 2nd calendar quarter _____ %
% of business produced in 3rd calendar quarter _____ %
% of business produced in 4th calendar quarter _____ %

2. Seasonality Response Strategies

1st calendar quarter _____ %
2nd calendar quarter _____ %
3rd calendar quarter _____ %
4th calendar quarter _____ %

BUSINESS PLAN – STEP 1: QUANTIFY YOUR PLAN

ClientCare@RealEstateChampions.com OR Fax to: 541-330-7449

Name _____ Coach: _____ Date: _____

Production Seasonality: _____% _____% _____% _____%

	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
1. What is my desired income level?	\$_____	\$_____	\$_____	\$_____	\$_____
2. Average commission per closing for the last 12 months (F. from prior page)	\$_____				
3. Number of closed transactions required (#1 ÷ #2)	_____	_____	_____	_____	_____
4. Number of closed transactions in last 12 months (B. from prior page)	_____	_____	_____	_____	_____
5. Percentage increase required ([#3 - #4] divided by #4)	_____%				
6. What is my average sale price? (G. from prior page)	\$_____				
7. What is my dollar volume closing goal? (#3 x #5)	\$_____	\$_____	\$_____	\$_____	\$_____
8. % of closed transactions that are buyer controlled sales. (C from prior page ÷ #4.)	_____%				
9. % of closed transactions that are listings sold. (D. from prior page ÷ #4.)	_____%				
10. Number of listings closed goal. (#3 x #8)	_____	_____	_____	_____	_____

BLUEPRINT TO SUCCESS SESSION 2 – DEVELOPING YOUR BUSINESS PLAN

	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
11. Number of buyer controlled sales closed goal. (#3 x #7)	_____	_____	_____	_____	_____
12. % (M. from prior page)	_____ %				
13. % (L. from prior page). This should be a minimum of 80% - target of 95%.	_____ %				
14. Calculate the number of buyer broker agreements or clients created I will need to meet my buyers unit closing goal. (#10 ÷ #11)	_____	_____	_____	_____	_____
15. Calculate the number of listings taken needed to meet listings closed goal. (#9 ÷ #12)	_____	_____	_____	_____	_____
16. Conversion percentage (# of listings taken ÷ listing appointments) (N. from prior page) This should be a minimum of 60% - target 80%	_____ %				
17. Conversion percentage (# of buyer clients created ÷ # buyer appointments) (O. from prior page)	_____ %				
18. Number of listing appointments needed (#14 ÷ #15)	_____	_____	_____	_____	_____
19. Number of buyers appointments needed (#13 ÷ #16)	_____	_____	_____	_____	_____

SAMPLE BUSINESS PLAN

		Production Seasonality:			
		<u>15%</u>	<u>30%</u>	<u>35%</u>	<u>20%</u>
1. What is my desired income level?	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	\$ <u>1,250,000</u>	\$ <u>187,500</u>	\$ <u>375,000</u>	\$ <u>437,500</u>	\$ <u>250,000</u>
2. Average commission per closing for the last 12 months (F. from prior page)	<u>Year</u>				
	\$ <u>5,263</u>				
3. Number of closed transactions required (#1 ÷ #2)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>237</u>	<u>36</u>	<u>72</u>	<u>83</u>	<u>46</u>
4. Number of closed transactions in last 12 months (B. from prior page)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>190</u>	<u>29</u>	<u>57</u>	<u>66</u>	<u>38</u>
5. Percentage increase required ((#3 - #4) divided by #4)	<u>Year</u>				
	<u>24%</u>				
6. What is my average sale price? (G. from prior page)	<u>Year</u>				
	\$ <u>184,211</u>				
7. What is my dollar volume closing goal? (#3 x #5)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	\$ <u>43,658,007</u>	\$ <u>6,548,701</u>	\$ <u>13,097,402</u>	\$ <u>15,280,302</u>	\$ <u>8,731,602</u>
8. % of closed transactions that are buyer controlled sales. (C from prior page ÷ #4.)	<u>Year</u>				
	<u>53%</u>				
9. % of closed transactions that are listings sold. (D. from prior page ÷ #4.)	<u>Year</u>				
	<u>47%</u>				
10. Number of listings closed goal. (#3 x #8)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>111</u>	<u>17</u>	<u>34</u>	<u>39</u>	<u>21</u>

BLUEPRINT TO SUCCESS SESSION 2 – DEVELOPING YOUR BUSINESS PLAN

11. Number of buyer controlled sales closed goal. (#3 x #7)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>125</u>	<u>19</u>	<u>38</u>	<u>44</u>	<u>24</u>
12. % (M. from prior page)	<u>Year</u>				
	<u>77%</u>				
13. % (L. from prior page). This should be a minimum of 80% - target of 95%.	<u>Year</u>				
	<u>75%</u>				
14. Calculate the number of buyer broker agreements or clients created I will need to meet my buyers unit closing goal. (#10 ÷ #11)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>162</u>	<u>24</u>	<u>48</u>	<u>57</u>	<u>33</u>
15. Calculate the number of listings taken needed to meet listings closed goal. (#9 ÷ #12)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>148</u>	<u>22</u>	<u>44</u>	<u>52</u>	<u>30</u>
16. Conversion percentage (# of listings taken ÷ listing appointments) (N. from prior page) This should be a minimum of 60% - target 80%	<u>Year</u>				
	<u>63%</u>				
17. Conversion percentage (# of buyer clients created ÷ # buyer appointments) (O. from prior page)	<u>Year</u>				
	<u>87%</u>				
18. Number of listing appointments needed (#14 ÷ #15)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>235</u>	<u>35</u>	<u>70</u>	<u>82</u>	<u>48</u>
19. Number of buyers appointments needed (#13 ÷ #16)	<u>Year</u>	<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>	<u>4th Quarter</u>
	<u>186</u>	<u>28</u>	<u>56</u>	<u>65</u>	<u>37</u>

BUSINESS PLAN – STEP 2: QUANTIFY YOUR PRODUCTION NEEDS

ClientCare@RealEstateChampions.com OR Fax to: 541-330-7449

Name _____ Coach: _____ Date: _____

20. Number of listing appointments needed (#18) Year Month Week

21. Number of listings close goal (#10) Year Month Week

22. Where did listings come from last year?

_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____

EXAMPLE

	<u>No.</u>	<u>% of Bus</u>
EXPIREDS	5	20%
PAST CLIENTS	2	8%
REFERRALS	10	40%

BUSINESS PLAN – STEP 2: QUANTIFY YOUR PRODUCTION NEEDS

ClientCare@RealEstateChampions.com OR Fax to: 541-330-7449

Name _____ Coach: _____ Date: _____

23. Number of buyer appointments needed (#19) Year Month Week

24. Number of buyer controlled sales closed goal (#11) Year Month Week

25. Where did buyers come from last year?

_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____
_____	<u>Number</u>	<u>% of Business</u>
_____	_____	_____

EXAMPLE

	<u>No.</u>	<u>% of Bus</u>
SIGN CALLS	5	20%
PAST CLIENTS	2	8%
REFERRALS	10	40%

