

Millionaire Real Estate Agent

My Annual Business Plan

For _____

What do all these numbers mean?

Those Mystery Words	Explanation	Example
<u>Gross Closed Income (GCI)</u>	= Sales Price x % Commission	$\$500,000 \times 3\% = \$15,000$
- <u>Cost of Sales</u>	Money paid to Listing/Buyer specialists, referral fees, royalties and split to the office.	$\$15,000 - \$900 - \$4,500 = \$9,600$
- <u>Operating Expenses</u>	All the costs of doing business, including marketing, rent, salaries, escrow coordinator, equipments, supplies, MLS fees, Board fees, etc.	$\$9,600 - \$3,840$ (approx.40% of GCI)
= <u>Net Income</u>	Gross Income minus All Expenses	= \$5,760
- <u>Taxes</u>	State and Federal Income Taxes due (10% - 35% of your income depending on your tax bracket)	- \$1,440
= <u>Net Income after Taxes</u>	\$\$\$ you get to keep after all your hard work	= \$4,320

Business Plan Outline

Recap of 2006	
Total Income Earned (after Cost of Sales)	\$ _____
Total Closed Transactions	_____
Average # hours worked per week	_____
Average Sales Price	\$ _____
Total Listings Taken	_____
Total Listings Expired or Withdrawn	_____
Total Listings Sold	_____
Total Buyer Controlled Sales	_____
Existing Inventory	_____
Financial and Number Goals for 2007	
Income Goal (after Cost of Sales)	\$ _____
Total Expenses	\$ _____
Pretax Net Income	\$ _____
Average Sales Price	\$ _____
Total Closed Transactions	_____
Total Listings Taken	_____
Total Listings Sold	_____
Buyer Controlled Sales	_____
Your BIG Why: _____	

Economic Plan

for

Year _____

GOAL

1.	\$	Net Income (before taxes)
2.		Gross Closed Income (GCI) = Net Income ÷ Income % of GCI
3.		Cost of Sales
4.		Operating Expenses

Sellers		Buyers	
5.		Gross Revenue from Sellers	Gross Revenue from Buyers
6.	÷ %	Your Commission	÷ % Your Commission
7.	=	Seller Sold Volume	= Buyer Sold Volume
8.	÷	Your Average Sales Price	÷ Your Average Sales Price
9.	=	Sellers Sold (transactions)	= Buyers Sold (transactions)
10.	÷ %	Your Seller Trans. Conversion Rate	÷ % Your Buyer Trans. Conversion Rate
11.	=	Seller Listings Taken	= Buyer Listings Taken
12.	÷ %	Your Seller Appt. Conversion Rate	÷ % Your Buyer Appt. Conversion Rate
13.	=	Seller Listing Appointments	= Buyer Listing Appointments
14.	÷ 12	Seller Listing Appts per month	÷ 12 Buyer Listing Appts per month

Lead Generation Plan for _____

Year

GOAL: _____ Closed Sales (from Economic Model line 9—Sellers + Buyers)

My Options		
	MET	HAVEN'T MET
Option 1	_____ in database	0 in database
Option 2	0 in database	_____ in database
Option 3	% from met: _____ Met goal # _____ _____ in database	% from haven't met: _____ Haven't met goal # _____ _____ in database

My Option: _____

Contacts to be Generated		
	MET	HAVEN'T MET
Goal Numbers		
- Current Numbers		
= People I need to add		
Monthly Additions		

Organizational Plan for _____

Year

1. Have you hired anyone out of order? Yes No

If yes, what position?

2. Looking at the number of transactions, appointments and leads you need to generate for next year, do you need additional help to achieve these goals? Yes No

3. What is your next hire and when will you hire them?

4. What other hires will you need next year and when?

5. Use the table below to chart your hiring plan for the upcoming year.

Month	Hire	Month	Hire
Jan		July	
Feb		Aug	
Mar		Sep	
Apr		Oct	
May		Nov	
June		Dec	

6. What do you need to know in order to complete your hiring plan?

7. What do you need to have in order to complete your hiring plan?