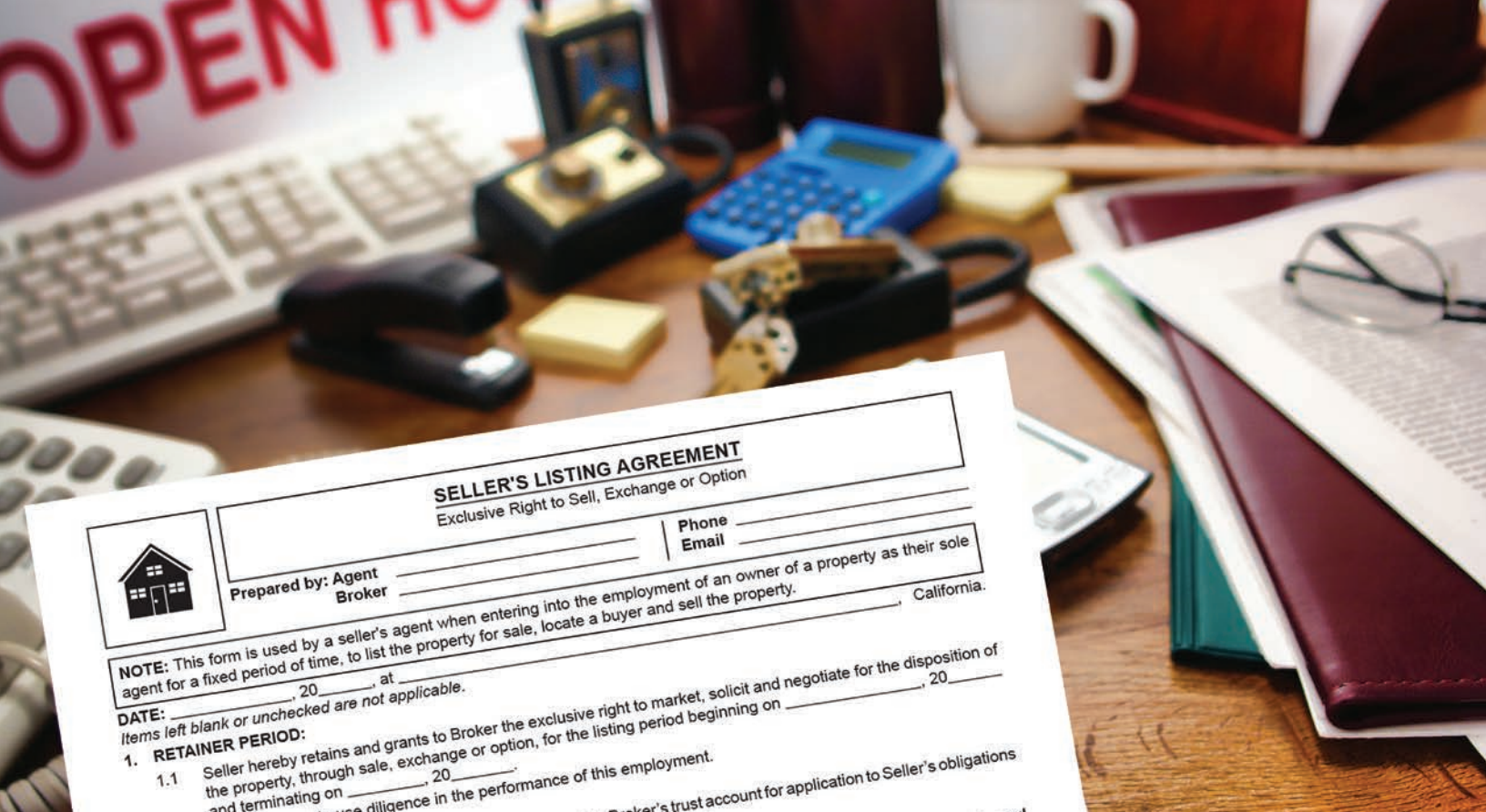


Career Manual

Your Guide to Personal Branding and Income Enhancement



Getting started: laying the groundwork of your real estate career

Congratulations! You passed the California Bureau of Real Estate (CalBRE) Salesperson Exam.

As a new real estate licensee, you face the task of building a sustainable real estate career. This checklist will guide you on the activities necessary to be successful.

Step 1: Decide on a field of expertise

A **CalBRE Salesperson License** opens up opportunities for you to perform various real estate professional services as your chosen livelihood. Categories of real estate services include:

- **single family residential (SFR) sales**, a low-, mid- or high-tier price range;

- **multi-family residential sales;**
- **commercial sales and leasing:**
 - o retail space;
 - o office space;
 - o industrial and warehouse;
- **property management;**
- **mortgage loan brokering** (Mortgage Loan Originator (MLO) endorsement for consumer mortgage lending is required); and
- **business opportunities.**

When deciding on which professional service you will provide, research what each of these real estate fields require a licensee to do. Although these services all involve some type of sales and client relations, the routine tasks of analyzing and marketing property, and yourself, are different for each path.

Step 2: Find a broker to train and employ you

As a salesperson engaged in rendering services for a fee in real estate transactions, you need to be formally employed by a **real estate broker**. Thus, you “hang” your license with your broker and represent clients on their behalf. [See Page 19]

Interview numerous brokers to make a comparison.

In the selection of a broker, distinguish between those offering hands-on training and those providing little more than brand-name recognition. Some coach and help groom their agents; others leave you to independently determine how you best deliver real estate services. [See Page 19]

One method for locating a broker is available at <http://journal.firsttuesday.us/broker-search>.

Interview numerous brokers to make a comparison between the services and training they offer. During the interviews, consider asking:

- What level of mentoring programs or training do they offer?
- What is the price range of the properties you will work with?
- How many sales will you likely close in your first year?
- What cash reserves will you need before your first sale closes?
- What business equipment and supplies will you need to provide?



- Is the model of your car sufficient for showing properties?
- What special knowledge is needed to handle the class of sales the office handles?
- What initial fee split can you expect to receive?
- What are the office charges you will pay? Are the charges paid per transaction or on a monthly basis? [See Page 19]

When employed by a broker as an **independent contractor**, you are not paid a salary or wages. The compensation you receive from your broker is based on a percentage split of the fees you generate for the broker on closed transactions. The share of the fee your broker retains covers the costs of their administrative support, training, time they commit to you, office overhead and advertising and a profit for their efforts.

Brokerage offices that offer you more **training and assistance** will typically offer you a lower fee split during your first year with them, with percentage adjustments based on production.

Further, be aware of possible deductions your employing broker may take from your split of the fee. Common deductions for transaction-related expenses include:

- a monthly or per-transaction errors and omissions (E&O) insurance premium, approximately \$25-\$100;
- a monthly desk or cubicle rent to cover the office overhead on a per-desk or cubical basis (in lieu of a lower split), typically \$50-\$100; and
- a transaction coordinator (TC) charge per transaction for administrative staff support.

Further, when the brokerage office you work for is a **franchised operation** (e.g., Century 21, Coldwell Banker, etc.), there are additional franchise and advertising charges, typically between 5%-8% of the fee received. Franchise charges are deducted from the total fee received by the brokerage office before the split is applied to set the dollar amount of the fee you will receive as your share.

Most brokerage office charges are on a per-transaction basis. However, you need to verify whether any monthly charges are accumulating that will be deducted from future fees you earn, or billed to you whether or not you close a transaction.

Step 3: Develop a business operating plan

Goals are personal objectives to be set before you begin work. Goals are not left to evolve after you start working as a salesperson. Goals need to be realistic when set, the result of inquiry and forethought. Once set, you know what you expect of yourself and your broker.

To set goals for your first year as an active licensee, first consult with the brokers you interview and agents you know. Your first year's objectives include:

- your **income expectations**;
- the number of **closed transactions** needed to obtain your income goal;
- the number of **prospective clients** you need to contact weekly to meet these goals;
- prospecting and **marketing methods** you will use to attract a sufficient number of prospective clients;
- **daily activities** required to meet prospecting and marketing goals; and
- a routine **monthly schedule** allocating days for:
 - o client prospecting and professional services promotion;
 - o office meetings;
 - o real estate marketing sessions;
 - o market data search and analysis;
 - o education and training;
 - o civic and social involvement; and
 - o personal time.



A detailed **business plan** specifies the various tasks you need to complete daily in order to achieve the goals you expect to meet.

Evaluate your activities and production achievements at the end of every month. Make necessary adjustments to your business plan to keep it on track.



Step 4: Know your market area

Familiarize yourself with the **market you intend to work**. Fully immerse yourself in market information and data:

- study **multiple listing service (MLS) activity** in your market area and become fully conversant with market data;
- **preview** all properties in your chosen market;
- attend **open houses** and caravans; and
- **go on appointments** with other agents:
 - shadow an agent on their appointment with their client; and/or
 - have another experienced agent accompany you on your client appointments.

Step 5: Create and market your personal brand

Create a **unique brand** to stand out from your competitors when you promote and market yourself to clients. Your identification as a specialist within your expertise also separates you from the crowd. It defines for others what marketing you do and how you assist clients. [See Page 32]

To create your unique brand:

- develop your **personal logo/slogan** to convey a message about your expertise;
- decide on the **style and content** of your personal promotion; and
- use your logo/slogan on:
 - personalized "For Sale" signs;
 - business cards and stationary;
 - geographic farm direct mail campaign materials; and
 - advertising and marketing materials, both in print and online.