

BUSINESS SUCCESS PLAN

2024

MBG

MIKE BROWN GROUP
REAL ESTATE

Silvercreek
REALTY GROUP



Mortgage/Rent	<input type="text"/>
Car Payment	<input type="text"/>
Second Car Payment	<input type="text"/>
<input type="checkbox"/>	<input type="text"/>
Car Maintenance	<input type="text"/>
Car Insurance	<input type="text"/>
Electric	<input type="text"/>
Water	<input type="text"/>
<input type="checkbox"/>	<input type="text"/>
Cable	<input type="text"/>
Internet	<input type="text"/>
Phone	<input type="text"/>
Cell Phone	<input type="text"/>
Food/Entertainment	<input type="text"/>
Travel	<input type="text"/>
Child Care	<input type="text"/>
Savings	<input type="text"/>
Health Insurance	<input type="text"/>
Credit Card	<input type="text"/>
Misc.	<input type="text"/>
Other	<input type="text"/>
Other	<input type="text"/>
Other	<input type="text"/>

EXAMPLE: Your average monthly expense are \$7,000

$$\boxed{\$7,000} \times 12 = \boxed{\$84,000}$$

Now plug in your own monthly expenses from the previous section.

$$\boxed{} \times 12 = \boxed{}$$



1

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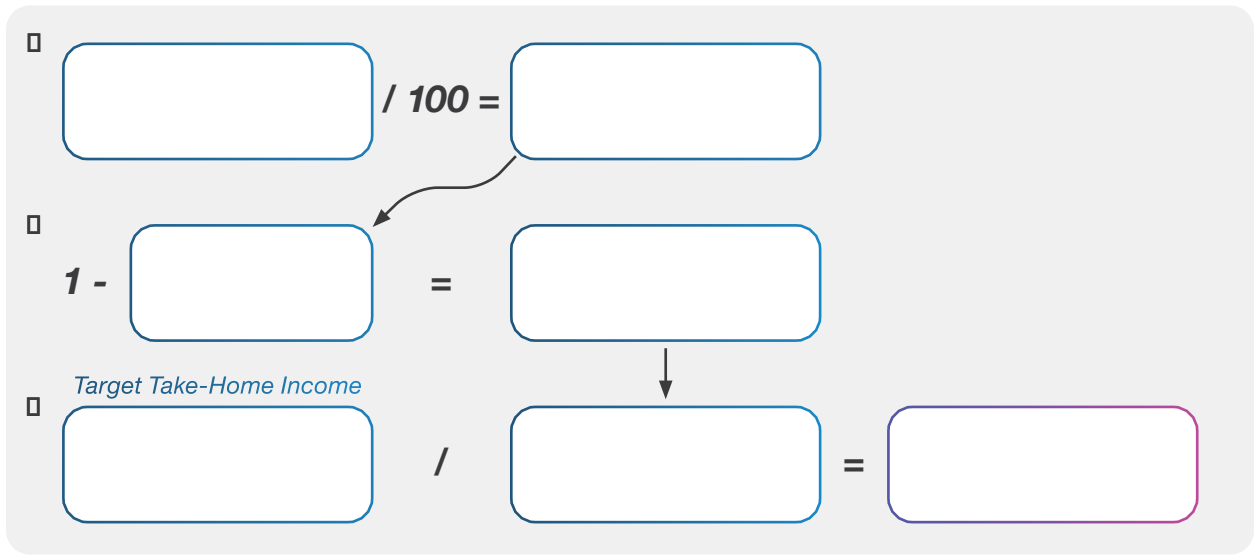
30 / 100 = 0.30

1 - 0.30 = 0.70

Target Take-Home Income

\$120,000 / 0.70 = \$171,429

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Part II

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-

567891011

- 12345
- 67890
- 1234567890
- 12345678901
- 12345678901234567890

\$172,000
section) is about \$172,000. Your broker gets 20% of your Gross Commission Income.

A Commission Split Percentage

$$20 / 100 = 0.20$$

B

$$1 - 0.20 = 0.80$$

C

Taxable Income

$$\$172,000 / 0.80 = \$215,000$$

You'd need to earn \$215,000 to have \$172,000 in taxable income after a 20% commission split. But what if the broker has a cap, such as \$10,000?

Taxable Income

$$\$172,000 + \text{Capped Commission Split } \$10,000 = \$182,000$$

An agent would have to earn \$182,000 in order to have \$172,000 in taxable income after his/her broker takes a \$10,000 capped commission split. Now turn the page and use your own numbers (and remember, only use one of the described methods.)

5041W/PP/ID/MPGE BGE

- Board Dues
- Board Application MLS Fees
- MLS Application Desk Fees
- License Application
- License Renewal E&O
- Insurance Education
- Other
- Other

Board Dues	<input type="text"/>
Board Application MLS Fees	<input type="text"/>
MLS Application Desk Fees	<input type="text"/>
License Application	<input type="text"/>
License Renewal E&O	<input type="text"/>
Insurance Education	<input type="text"/>
Other	<input type="text"/>
Other	<input type="text"/>
<input type="checkbox"/> <input type="checkbox"/>	<input type="text"/>

- Board Dues
- Board Application MLS Fees
- MLS Application Desk Fees
- License Application
- License Renewal E&O
- Insurance Education
- Other
- Other

EXAMPLE: Your target income before commission split is \$215,000, and your estimated business expenses are \$4,000.

<i>Income Before Commission Split</i>		<i>Annual Business Expenses</i>		<i>Targeted GCI</i>
\$215,000	+	\$4,000	=	\$219,000

WHAT IT MEANS: If you have \$4,000 a year in annual expenses and you want to earn \$215,000 before your broker takes a commission split, you'll need to earn \$219,000 in Gross Commission Income. Now plug in your own numbers.

<i>Income Before Commission Split</i>		<i>Annual Business Expenses</i>		<i>Targeted GCI</i>
<input type="text"/>	+	<input type="text"/>	=	<input type="text"/>



EXAMPLE: Your target GCI is \$219,000, and your average commission is 3%.

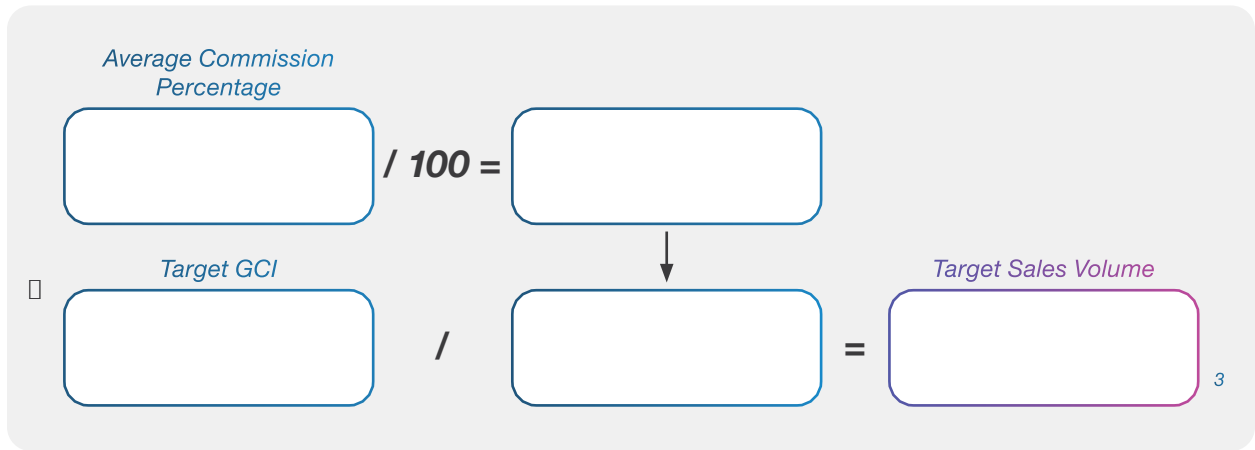
Average Commission Percentage

$$\boxed{3} / 100 = \boxed{0.03}$$

Target GCI

$$\boxed{\$219,000} / \boxed{0.03} = \boxed{\$7,300,000}$$

WHAT IT MEANS: If you want to earn \$219,000 in GCI and your average commission is 3%, you'll need to earn about \$7.3 million in total sales volume. Now give your own numbers a try, and then add your target sales volume to the One-Page Success Plan.



5/6/2021

- 1/1/2021
- 2/1/2021
- 3/1/2021
- 4/1/2021
- 5/1/2021

EXAMPLE: Your targeted sales volume is \$7,300,000 and the average sales price of homes in your market is \$300,000.

Target Sales Volume		Average Sales Price		Target Transactions
\$7,300,000	/	\$300,000	=	24.3

WHAT IT MEANS: In order to achieve \$7,300,000 in Total Sales volume in a market with an average sales price of \$300,000, an agent would have to sell about 25 homes. Give it a try, then add your target transactions to the One-Page Success Plan.

Target Sales Volume		Average Sales Price		Target Transactions
<input type="text"/>	/	<input type="text"/>	=	<input type="text"/>

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EXAMPLE: You need to close 25 transactions to meet your income goals. You estimate that 60% of your closings will be sellers, and 40% will be buyers.

<i>Percent Sellers</i>		<i>Transactions Required</i>		<i>Seller Side Transactions Closed</i>
0.60	x	25	=	15
<i>Percent Buyers</i>		<i>Transactions Required</i>		<i>Buyer Side Transactions Closed</i>
0.40	x	25	=	10

WHAT IT MEANS: The agent will need to close 15 seller-side transactions and 10 buyer-side transactions to achieve their goals. You know the drill by now. Use your own numbers to determine how many transactions you'll have to close on each side. Then transfer those goals to the One-Page Success Plan.

<i>Percent Sellers</i>		<i>Transactions Required</i>		<i>Seller Side Transactions Closed</i>
	x		=	
<i>Percent Buyers</i>		<i>Transactions Required</i>		<i>Buyer Side Transactions Closed</i>
	x		=	

EXAMPLE: An agent needs to close 15 seller-side transactions, and estimates he'll close 80% of his listings.

<i>Seller-side Transactions</i>		<i>Estimated Success Rate</i>		<i>Listings Required</i>
15	/	0.80	=	18.75

WHAT IT MEANS: If an agent wants to close 15 seller-side transactions and estimates that 80% of his listings sell, he'll need to list 19 homes. Your turn.

<i>Seller-side Transactions</i>		<i>Estimated Success Rate</i>		<i>Listings Required</i>
	/		=	

EXAMPLE: You want to list 19 homes, and you estimate that you'll win 80% of your listing appointments.

<i>Listings Required</i>		<i>Estimated Success Rate</i>		<i>Target Listing Appointments</i>
19	/	0.80	=	23.75

WHAT IT MEANS: If you win 80% of your listings and want to list 19 homes, you'll have to go on about 24 listing appointments. Now give your own estimates a shot, and then transfer your estimated listings to the One-Page Success Plan.

<i>Listings Required</i>		<i>Estimated Success Rate</i>		<i>Target Listing Appointments</i>
	/		=	

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EXAMPLE: You need to close 10 buyer-side transactions to meet your income goals, and you estimate that 90% of your

<i>Buyer Side Transactions Required</i>		<i>Estimated Success Rate</i>		<i>Targeted Buyer Side Clients</i>
10	/	0.90	=	11.1

WHAT IT MEANS: If you need to close 10 buyer-side transactions and you estimate your success rate at 90%, you'll need to work with about 11 buyers. Use your own numbers, and then add them to the One-Page Success Plan.

<i>Buyer Side Transactions Required</i>		<i>Estimated Success Rate</i>		<i>Targeted Buyer Side Clients</i>
	/		=	

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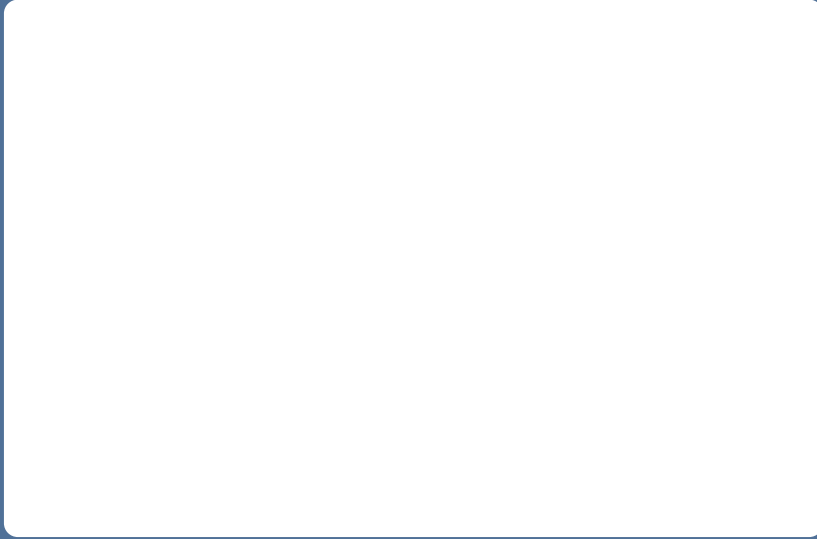
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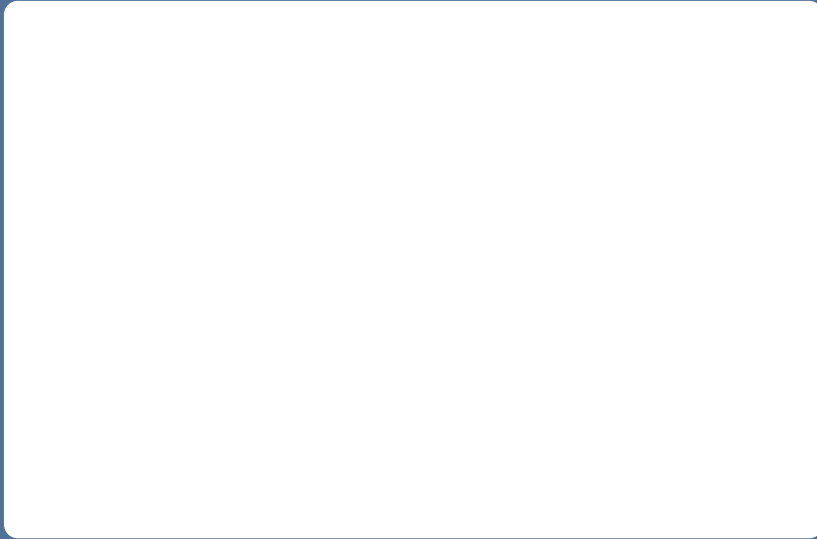
Buyer Lead Generation Activities



Seller-Side

*Direct Mail
Open Houses
Call Capture
Craigslist
Special Letters
Special Incentives
Social Media
Withdrawn and Expired
For Sale By Owners
Mass Media Advertising
Floor Duty
Referral
Relocation*

Seller Lead Generation Activities



Buyer-Side

*Renter's Direct Mail
Craigslist
Referrals
Mass Media Advertising
Open Houses
Social Media
Call Capture*

