

GRI Designation Core Course

# Today's REALTOR®

**SESSION ONE**

*Lesson One*

Welcome to the GRI online platform.

### **Congratulations!**

By choosing this course, you have taken the first step to becoming a better a realtor. You will see results immediately – and so will others!

Many people “talk” about building a successful business and a prosperous new life. But talk is cheap. This is your initial move toward the successful future others just talk about. Throughout this course, we will encourage you to excel at a level you never thought possible. We guide you through new concepts which will improve your business – and advance you toward your new, professional goals.

At the end of this session you will be able to:

- Understand why you are in the real estate business and what is it that motivates you to do what you do.
- Explain the importance of goal setting and discussed the attributes to consider before setting your goals and objectives.
- Determine your own goals and ways to achieve them.
- Discover ways to use time management to build a business all the while creating a better quality of life.
- Explain the three important aspects in achieving time management: systems, leverage, and organization; and implement those aspects into your business.
- Determine how to make education and continuing education habit for your business and your professional development.
- Compare those agents that do not have professional development with the income with those agents who do earn a designation or continue their professional development.
- Identify the realtor pathways to professionalism and state the ways REALTORS® have respect for the public, respect for property, and respect for their peers.
- Understand that the real estate business is based on reputation. What REALTORS® do today affects their reputation and their

business for years to come.

- Discuss how to create and sustain likability by building a solid reputation.
- Explain the keys to building a successful real estate business.
- Understand the key members of a business team and be able to build one for your own business.
- Realize a business plan is essential for an agent. Determine where the business is going and choose the best path to get there.
- Create a business plan specific to your business using a formula consisting of gross income minus expenses to achieve a net profit.
- Discuss ways realtors can generate momentum and leads to grow or sustain a business.
- Identify ways to generate leads with little or no money.
- Determine the keys to building a brand and intentionally influencing how the world sees you and your business.
- Build a brand that fits your personality and your business model that is unique to you.
- Compare owned media, earned media and paid media; and how they relate to your real estate business.
- Discuss advertising techniques and choose the types of advertising to use in your real estate business.
- Identify the difference between clients and customers in an agency relationship.
- Clearly defined ministerial acts and how they relate to a REALTORS® behavior towards a customer.
- Identify the mandated agency disclosures agents need when dealing with clients and customers.
- Clearly define and explain the different types of agency relationships and the problems that can be caused with conflicting arrangements.
- Identify the four main generations of home buyers and sellers in today's real estate marketplace.

- Discuss how to communicate as well as market to different generations based on their thinking, feelings and spending habits.

## **Get Motivated**

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It takes dedication and discipline to accomplish the goals you set in order to achieve the success you desire. However, even with hard work, success doesn't come without adversity.

Whatever reason you have embarked on this career, finding a purpose is paramount to success. Without a purpose, over time agents lose motivation and the chances of failure greatly increase. It is often referred to as the "**Big Why.**"

### **STOP HERE!**

Before going ahead, answer the following questions in one sentence or less.

*Why do you do what you do?*

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*Why did you get into the real estate business?*

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*What inspires you to get out of bed in the morning?*

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## **Today's REALTOR®**

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In order to improve, agents must know what others in the industry are doing - or not doing.

Here's the facts.

The average REALTOR® is a 56-year-old woman. She has been in the business 11 years, has been with her current firm for six years and specializes in residential real estate.

"Mrs. Average Realtor" has a college education. However, real estate is her second career. Her background is in management, business or sales. Her median income is \$34,900, based on a 40-hour work week.

**Notes:**

GRI Designation Core Course

# Goal Setting

**SESSION ONE**

*Lesson Two*

## Attitude

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Attitude is the key to success in every aspect of life, whether it's personal or professional. A positive approach to a situation will determine the outcome, most especially in business.

Listed here are vital aspects for sustaining a positive attitude:

- **DISCIPLINE and FOCUS.** Adversity doesn't build character, it reveals it. Having the discipline and focus to move forward in tough times is an attribute many people do not possess.
- **Life is not FAIR.** When an agent has a deal that fails or are passed over for a listing, it can be difficult to accept – especially when the project was one greatly desired. Life isn't always fair. Accept it and move forward.
- **LEARN from mistakes.** Mistakes are part of business. However, those setbacks almost always lead to success somewhere down the road. When those victories are achieved, keep moving forward. But when a mistake is made, assess the damage, change direction and keep your eye on the ball.
- **Just because everyone else is doing it, DOES NOT mean you should too.** It's easy to get distracted by the latest trend that is sworn to bring immediate results, most notably the recent popularity of social media, digital marketing or sales automation. Research these tactics, take them out for a spin, but don't change your overall approach. Stick to what has worked for you in the past. You can't go wrong with what you already have mastered.
- **Be TOUGH.** Unexpected obstacles will arise on the path to success – often times when you least expect it. True success is attained by shouldering the blow, weathering the storm, regrouping and get back in the race. One setback will not define who you are and what lies ahead for you. It's simply one incident. Move past the occurrence, but make sure lessons are learned – and applied down the road.



## Setting Goals

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It's easy to set goals for yourself and what direction you want your business to move toward. However, you must assemble a plan for these aspirations before you begin. Unattainable goals can lead to ultimate when adversity arises later on.

Listed below are three attributes to consider before setting your objectives:

**Aim high. Be realistic.** It's all right to set lofty goals, in fact, it is encouraged. Goals are designed to motivate you to strive for the next level. However, be prudent forecasting your next move after achieving previous goals. For example, you exceeded last year's goals selling \$3 million in real estate. It would be ill-advised to aim for \$100 million in sales the next year. Raise your expectations, but don't set yourself up for failure.

**Be specific.** Setting a concise level of achievement is easier to attain. Saying "I want to do better" is a vague statement. A specific goal forces agents to create a plan to follow.

**Measure and review.** Track your progress and measuring levels of achievement along the way. Occasionally, a goal may need to be adjusted. Perhaps the standard was set too low and the benchmark needs to be raised. Tracking success is the only way to determine if an agent is headed toward accomplishing a stated goal.

**Accountability.** It is crucial. Goals should be written down. An agent should post written goals in multiple places (home, office, car) so they remain on their radar at all times.

## Transactions Goal Worksheet

I want to close \_\_\_\_\_ transactions this year.

\_\_\_\_\_ annual goal / 12 = \_\_\_\_\_ transactions per month

My conversion rate is: \_\_\_\_\_

\_\_\_\_\_ conversion ratio / \_\_\_\_\_ transactions per month =

\_\_\_\_\_ appointments I need to go on per month.

## Income Goal Worksheet

I want to make \$ \_\_\_\_\_ this year.

\$ \_\_\_\_\_ annual goal / 12 = \$ \_\_\_\_\_ per month.

My average commission check is \$ \_\_\_\_\_.

\$ \_\_\_\_\_ per month / \_\_\_\_\_ average commission check = \_\_\_\_\_ number of transactions needed to close each month.

My conversion rate is: \_\_\_\_\_

\_\_\_\_\_ conversion rate / \_\_\_\_\_ transactions per month =

\_\_\_\_\_ appointments I need to go on per month.

\_\_\_\_\_ monthly appointments / 4 weeks =

\_\_\_\_\_ of appointments per week I need to go on to reach my goal.

**Notes:**

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# Time Management

**SESSION ONE**

*Lesson Three*

Every agent has experienced working all day and accomplishing little. In real estate business, time management is critical.

This chapter is designed to help eliminate distractions and direct agents to grow into experts at prioritizing opportunity.

The only limitation that exists is the number of hours in the workday. A limitation on the number of houses to list or sell does not exist - the market is full of those.

Moving forward, you will discover ways to build a business all the while creating a better quality of life. An agent must run their business, not allow the business to run the agent.

The difference between being proactive and reactive is control. Developing the ability to manage your time while running your business is what we hope to accomplish.

## **Time Management**

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There three important aspects in achieving effective time management:

1. Systems
2. Leverage
3. Organization

### **Systems**

A system is a nothing more than a method. Systems are put in place to help you remain organized, consistent and on track.

### **Leverage**

REALTORS® tend to be short-sighted. They think they have the capacity to do everything themselves. In some cases, this is possible. In other situations, however, the focus needs to be centered on the most effective use of an agent's time.

**Suggestion for Success:** Avoid doing things that do not require a real estate license. Is a license necessary to install a yard sign?

Agents just entering the field *must* do everything in order to gain experience and learn the business. However, if an experienced agent wants to take their business to the next level, the inability to delegate authority will distract you completing from necessary duties and quality of work will suffer.

**Suggestion for Success:** Successful agents leverage their time by delegating tasks which allows them to focus on revenue generation. Focus on becoming a project manager and avoid becoming a slave to your own success.

## Organization

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Studies have shown people are less productive when trying to multitask. Steve Uzzell says in his book *The ONE Thing*, “multitasking is merely the opportunity to screw up more than one thing at a time.”

The problem with multitasking is people are unable to filter out irrelevant tasks from important ones. If people simply focus on and complete tasks of the highest priority, their time is spent being far more productive. This is where the implementation of task lists and time blocks become important.

## Task Lists and Time Blocks

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**Task Lists.** The key to setting up a proper tasks list (or to-do list) is not compiling 20 different tasks to complete during the day. Too many tasks on one day’s list is setting you up for failure. The intention is to tackle as many projects as possible in one day. In essence, you become overwhelmed with the amount of items on your list. You then try to delegate time to each assignment and the completion of a single undertaking is not likely.

Narrow your task list to five projects per day. This a much more realistic and attainable goal.

**Time Blocking.** Take control of your workday by implementing the time blocking technique. Time blocking is reserving one portion of your day to complete a task. Your day is full of distractions. Time blocking allows you to set a deadline for one task in a particular, in an allotted amount of time.





## Burn Out

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Burn out occurs when people try to tackle too many tasks at once. Burn out can heighten stress levels, which not only negatively affect your work, but negatively affects your quality of life (family, relationships, hobbies, etc.).

Prevent burn out by creating an outlet to relieve this tension following a stressful situation. Find something you enjoy and do it. Take a walk. Ride a bike. Go to a movie. No excuses. Just do it.

## How to Handle Clients

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All agents have encountered clients who monopolize their time. It is sometimes difficult to tell them no. Agents are afraid of losing a client and potential sale.

Many clients are unaware of an agent's busy schedule and do not intentionally monopolize an agent's time.

You can prepare clients during the initial consultation by comparing schedules and setting boundaries. This helps alleviate the problem without making a client feel neglected or the need to search out a different REALTOR®.

### Quotes to Consider

**“I know your time is important to you and I want to be sure to protect your time. Is there a particular time that you do not want me contacting you?”**

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# Education

**SESSION ONE**

*Lesson Four*

Quotes to Consider

**“Give me six hours to chop down a tree and I will spend the first four sharpening the axe.”**

-Abraham Lincoln

**Education Is a Habit of Successful Agents.** Education is the way to build your business, get to the top and stay there. By enrolling in this class alone, you have an advantage over most of the practitioners in this industry.

## **Be Learning Based**

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Education seminars, conferences and conventions are an investment in an agents business. Attend conferences with the purpose of getting a return on that investment. Conference success should be measured when something is learned at the event that makes agents money.

**Suggestion for Success:** How much are you willing to commit over the next 12 months for conferences and/or conventions? What is your education budget? If you do not have an education budget, now is the time to make one.

Agent Education Expenses	
None	9%
Less than \$500	36
\$500 to \$999	26
\$1,000 to \$1,499	15
\$1,500 to \$2,499	9
\$2,500 to \$4,999	4
\$5,000 to \$9,999	1
\$10,000 to \$14,999	*
\$15,000 or more	*
Median	\$600
<b>*Less than 1 percent</b>	

Having a budget for conferences, books, coaches, etc., is imperative for the growth of your business.

**Suggestion for Success:** Do not attend an educational event or conference without determining what it is you want to learn from the experience. Will you receive a return on your investment? What is this going to do for my business? How is this conference/class going to impact my business?"

When attending a conference, agents should pay added attention to the conference agenda and the subjects being offered. It can be tempting to explore non-real estate related activities. But planning a day ahead can motivate you to attend sessions that are more beneficial.

**Free Education is Always Good**

Find out which classes are being offered by the local board. Mortgage and title companies as well as other related real estate institutions offer education on specific topics quite often.

Be mindful that education is not always about what is learned but more about what *needs* to be unlearned.



**Notes:**

GRI Designation Core Course

# Pathways to Professionalism

**SESSION ONE**

*Lesson Five*

While the Code of Ethics and Standards of Practice of the National Association of REALTORS® establishes objective, enforceable ethical standards governing the professional conduct of REALTORS®, it does not address issues of courtesy or etiquette.

Based on input from many sources, the Professional Conduct Working Group of the Professional Standards Committee developed the following list of professional courtesies for use by REALTORS® on a voluntary basis. This list is not all-inclusive, and may be supplemented by local custom and practice.

## **Respect for the Public**

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1. Follow the “Golden Rule” – Do unto others as you would have them do unto you.
2. Respond promptly to inquiries and requests for information.
3. Schedule appointments and showings as far in advance as possible.
4. Call if you are delayed or must cancel an appointment or showing.
5. If a prospective buyer decides not to view an occupied home, promptly explain the situation to the listing broker or the occupant.
6. Communicate with all parties in a timely fashion.
7. When entering a property, ensure that unexpected situations, such as pets, are handled appropriately.
8. Leave your business card if not prohibited by local rules.
9. Never criticize property in the presence of the occupant.
10. Inform occupants that you are leaving after showings.
11. When showing an occupied home, always ring the doorbell or knock – and announce yourself loudly – before entering. Knock and announce yourself loudly before entering any closed room.
12. Present a professional appearance at all times; dress appropriately and drive a clean car.
13. If occupants are home during showings, ask their permission before using the telephone or bathroom.



14. Encourage the clients of other brokers to direct questions to their agent or representative.
15. Communicate clearly; don't use jargon or slang that may not be readily understood.
16. Be aware of and respect cultural differences.
17. Show courtesy and respect to everyone.
18. Be aware of – and meet – all deadlines.
19. Promise only what you can deliver – and keep your promises.
20. Identify your REALTOR® and your professional status in contacts with the public.
21. Do not tell people what you think – tell them what you know.

## **Respect for Property**

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1. Be responsible for everyone you allow to enter listed property.
2. Never allow buyers to enter listed property unaccompanied.
3. When showing property, keep all members of the group together.
4. Never allow unaccompanied access to property without permission.
5. Enter property only with permission even if you have a lockbox key or combination.
6. When the occupant is absent, leave the property as you found it (lights, heating, cooling, drapes, etc.). If you think something is amiss (e.g. vandalism) contact the listing broker immediately.
7. Be considerate of the seller's property. Do not allow anyone to eat, drink, smoke, dispose of trash, use bathing or sleeping facilities, or bring pets. Leave the house as you found it unless instructed otherwise.
8. Use sidewalks; if weather is bad, take off shoes and boots inside property.

## Respect for Peers

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1. Identify your REALTOR<sup>®</sup> and professional status in all contacts with other REALTORS<sup>®</sup>.
2. Respond to other agents' calls, faxes, and e-mails promptly and courteously.
3. Be aware that large electronic files with attachments or lengthy faxes may be a burden on recipients.
4. Notify the listing broker if there appears to be inaccurate information on the listing. Nobody is perfect.
5. Share important information about a property, including the presence of pets; security systems; and whether sellers will be present during the showing.
6. Show courtesy, trust and respect to other real estate professionals.
7. Avoid the inappropriate use of endearments or other denigrating language.
8. Do not prospect at other REALTORS<sup>®</sup>' open houses or similar events.
9. Return keys promptly.
10. Carefully replace keys in the lockbox after showings.
11. To be successful in the business, mutual respect is essential.
12. Real estate is a reputation business. What you do today may affect your reputation – and business – for years to come.

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# Reputation Management

**SESSION ONE**

*Lesson Six*

Consumers often make choices based on likability, not always on ability itself. If life were fair, the most qualified person would always get the job. The world, unfortunately, doesn't work that way. Many people fail to make decisions based on logic. They make decisions largely based on emotions. Agents can use this method of thinking to help them become more successful.

**Suggestion for Success:** Real estate is a business based on reputation. What you do today may affect your reputation – and business – for years to come.

People often choose a REALTOR® with which they might have personal bond, even though that person may not be as qualified as other agents in the same market.

In this chapter, we will discuss how to create and sustain likeability by building a solid reputation.

## **How Does the Public View You?**

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**Control Your Reputation.** Anything can be said about a real estate agent at any time, whether it is factual or false. Unfortunately, one negative comment made online can severely damage your professional reputation.

**Suggestion for Success:** GOOGLE YOURSELF. Type your name into Google and see what the world sees when your name comes up. Is it good or bad? This is how everyone you do not know will first meet you and form an impression of you. Sign up for an email alert when a new entry containing your name appears in Google's search.

## Setting up a Google Alert

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A Google Alert is a free service offered by Google that automatically notifies a person when new content matches a set of search terms selected by the user.

Notifications are sent by email. A person can determine the frequency (once a day, once a week, or as it happens) as to when the alerts are sent. Alerts are sent only if new content matches the user-selected search terms.

If you are a broker, set a Google alert for each of your agents.

## Be Proactive

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Do not allow the first online comment about your business be a negative one. Agents can begin by asking clients to leave positive feedback and provide good online comments. Positive online feedback is like having money in the bank for a rainy day. If a negative one arises, there are plenty of positive ones to offset its relevance.

### Quotes to Consider

**“You will be the same person in five years as you are today except for the people you meet and the books you read.”**

– Charlie “Tremendous” Jones

## **Leverage Your Connections**

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Every person we encounter either personally or professionally can affect or life our life positively or negatively.

As the relationship grows, both positive and negative effects will occur. One key to being a successful agent is surrounding yourself with people who add more value than they subtract. Do not hesitate to ask for advice from your broker or find a mentor.

GRI Designation Core Course

# Business

## **SESSION ONE**

### *Lesson Seven*

There is no secret formula for running a successful real estate business. All agents are in the business to make money. But often, they make decisions that negatively impact the future of their business. Being a successful agent is not the ability to make money; it is the capability to retain what they make.

There are two simple keys to a building a successful business.

1. Stay in the black. Don't spend everything you make.
2. Pay attention to the numbers – always! Monitor your books at least once a month. In doing so, this helps agents keep track of goals and adjust them if necessary.

### **Numbers You Should Be Tracking**

- **Conversion Ratio** – How many appointments, number of listings or buyers did you get?
- **The number of units you closed last year**
- **The average sales price**
- **Your average commission**
- **Your numbers against the MLS** – Sales, average days on market, average sales price and percentage listing price to sales price.
- **The number of website hits you logged**

## **What are Profit & Loss Statements and Balance Sheets?**

### **Profit & Loss Statement (P&L Statement)**

As the name indicates, a profit and loss statement simply measures the profit or loss of a business during a specific period of time. It summarizes the income and subtracts the expenses to calculate the profits or losses during that time.



The key components of a Profit and Loss Statement are:

- Income
- Cost of goods sold (In this case the cost of doing business.)
- Gross profit
- Expenses
- Net profit

P&L will be addressed in detail in the next chapter.

### **Balance Sheet**

A balance sheet is a snapshot of where a business stands financially at a particular time. It shows what a business owns (assets) and what a business owes (liabilities). The difference between the assets and liabilities is called **Owner's Equity**. Owner's Equity is a company's net worth. The equity must equal the assets minus the liabilities, hence the name **Balance Sheet**.

Understanding these figures is an essential skill for a successful small business owner. Agents should understand and periodically track the current financial health of their business without relying solely on their accountant.

## **The Business Team**

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***NOTICE:** This publication is not for the purpose of rendering legal or other professional service. The services of a competent professional person should be sought if legal advice or other professional assistance is required.*

### **CPA**

The accountant plays a vital role in any corporation, especially a small business. They serve as a trusted advisor allowing business owners to maximize profits.

### **Ask Your Accountant**

**Do I need to incorporate?**

- **If no, when should I incorporate?**
- **If yes, how should I proceed? Do I register as a “C” corporation, as a “S” corporation, or as an LLC (Limited Liability Corporation)?**

**Do I need a Federal Tax ID number?**

**Can you help me set up an accounting and record-keeping system?**

**What is the best way to track the following expenses?**

- Mileage and automobile deductions
- Office space (Do I work from a home office?)
- Meals and entertainment

**What other expenses can I deduct? What is the best way to keep track of those?**

**What do you suggest about retirement?** There is no 401k, perhaps look into an IRA or SEP.

**How much do you recommend I set aside for my quarterly payments?**

### **Insurance Agent**

An insurance agent provides protection for unexpected and unfortunate losses or events. An insurance professional is vital in helping keep agents informed on what coverages and limits are necessary for their particular type of business model.

### **Lawyer**

A business lawyer can offer a different perspective on the same questions you ask an accountant or insurance agent. Significant tax advantages and operating your business in a certain manner are topics on which you can gain advice from an attorney. However, there may also be serious personal liability as well. An attorney can advise accordingly.

### **Mentor/Advisor**

While the three previously-stated individuals are important to any small business owner, a mentor is the most significant person (or people) for a real estate agent just getting started. This is the most important catalyst for a REALTOR® to jump start his/her business.

#### **Finding a Mentor**

**Compile a list of people whose skills, experience, drive or talent you admire. Age should not be a factor in doing so.**

**Make an appointment with each potential mentor. It can be as formal as a lunch or as casual as a cup of coffee. Most people are happy to give you an hour of their time, particularly if you are clear in your intentions for the meeting. The most important thing to remember when preparing for this meeting, the more specific your questions, the more value you will receive.**

**When utilizing the advice gleaned from your mentor, provide them with feedback on the results. A mentor is happy to invest time in someone who actively seeks their advice and who works out the best solution by applying their input. These people do not appreciate being ignored.**

**Notes:**

GRI Designation Core Course

# Creating A Business Plan

**SESSION ONE**

*Lesson Eight*

If you are a relator that does not have a business plan, you are not in business. A business plan is essential for an agent to know where the business is going and choosing the best path to get there.

## **Business Planning Tips**

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- **A business plan should be a living document.** The plan should be evolving growing along with the business.
- **Focus on meeting top goals.** Everything in the plan should be geared toward achieving the REALTORS® primary objectives.
- **Don't sweat the small stuff.** Every small business has obstacles to overcome. Take on the big issues and avoid getting caught up in the little things.
- **Measure progress.** Knowing where your business stands. Measuring success will keep the business on track or allow for adjustment.
- **Expect changes.** No plan is perfect. Changes are coming. Avoiding frustration during these periods of adjustment are important.

## **The Business Plan**

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**The financial part of the business plan will consist of the following:**

- **Gross Income** – Checks received from the title company.
- **Cost of Goods Sold (CODB)** – the Cost of Doing Business (splits, referrals, desk fees, etc.)
- **Gross Profit** – The gross income minus the cost of doing business.

- **Expenses** – What is spent in the business. Tracking your expenses is critical in business.

**There are three types of expenses:**

- **Mandatory Expenses:** Expenses required to maintain your business.
- **Next Level Expenses:** Spending money to make money.
- **Heated Seat (Comfort) Expenses:** Expenses incurred to polish your brand

**Net Profit** – Your goal of how much money you wish to take home each year.

	Last year	This Year
Gross Income:	\$_____	\$_____
(minus) COGS:	\$_____	\$_____
Gross Profit:	\$_____	\$_____
(minus)Total Expenses:	\$_____	\$_____
Net Profit:	\$_____	\$_____

**Notes:**



GRI Designation Core Course

# Getting Started and Staying Strong

**SESSION ONE**

*Lesson Nine*

Starting any new business can be difficult. When starting your real estate company, your primary goal should be generating momentum. This momentum is initiated by the generation of leads.

New agents should concentrate their efforts using two primary methods with which to create leads:

1. Cultivation of existing relationships (Business Retention)
2. Infusion of New Contacts (Growing Your Database)

**On average, how much time do  
you spending generating leads each day?**

**What can you do today to generate revenue? Your preliminary target should be the contacts with which you have a favorable relationship, including friends, family and long-time business contacts. These are individuals with whom you feel comfortable enough to inquire about potential leads.**

**If it goes against your professional beliefs to intermingle your personal life with business, reassess your views on this subject. Why wouldn't I ask these individuals for help? It is beneficial to focus on these people when opening a new business.**

**Remember, everyone you encounter is a potential source for referrals.**

**When asking someone for a referral, proceed in a cautious and courteous manner. Make sure they feel comfortable giving you someone's information. The following is a preferred method of generating a lead. "If you know of any other people looking to buy or sell, feel free to pass along my name. Or if you have anyone in mind, I could drop them a line myself and save you the trouble."**

## **Lead Generation Ideas with Little or No Money**

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**Hand Written Notes** – These are the most effective tools in sales. Most agents do not take the time to write a personal note. Handwritten notes are powerful and memorable to a client or potential client. By taking the time to show this manner of personal attention, agents can set themselves apart from others.

**Speak to Small Groups** – Offer to speak to any group willing to learn about real estate such as homeowners associations, social clubs, fraternal organizations, etc. Compose a 15-minute presentation on the state of the market in the nation, state, city and neighborhood.

Some agents are hesitant to speak in public. To develop or refine public speaking skills, take a Dale Carnegie or Toast Masters course. A less costly approach is to record or film yourself giving a speech.

### **Must Haves**

- ✓ A memorable answer to the question “What do you do?” Agents are frequently asked this question. In fact, it is one of the first questions asked when people meet someone new.
- ✓ 30-second “Elevator Talk” – What can you say in 30 seconds that will make you memorable?
- ✓ 15-minute real estate talk – As discussed above, this can focus on the state of the real estate market. It can be given – formally or in a relaxed setting – to any group at any time.

**Notes:**

GRI Designation Core Course

# Branding

**SESSION ONE**

*Lesson Ten*

**Personal Branding:  
Intentionally influencing how the world sees you**

## **Brand Building 101**

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### **Be Recognizable.**

For any brand, it is imperative for people to recognize who you are and what you do.

Donald Trump is one of the most notable personal brands in the world. If his goal was to brand himself as "humble" or "kind," he failed. He isn't worried, however, if you do not like him. Trump only wants to communicate "wealth" and "superiority" in all aspects.

**GET PERSONAL.** People relate to other people. They do not, however, relate to companies. Your clients are investing in *you*. Emphasize the human factor. Your authentic voice is vital to creating your brand. People relate to a face they know, not to a company logo or corporate slogan.

**A personal brand is important for your small business because your company is *you*. If you are not taking care of your personal brand, it will negatively affect the brand of your company.**

### **Be Relevant.**

How does your business benefit the consumer? Anticipate a client's needs. Giving customers what they want is predicting what those desires might be.

**Amazon.com is one of the best examples of anticipating a consumer's needs. Amazon has built a business focused on offering intuitive purchasing suggestions. Not only does the concept of an online retail site drive sales, at the same time it enhances the user experience. However, not all anticipatory products are a hit. It's likely you don't remember the Apple Newton. In the early 1990s, the Apple Newton was a mobile device that included many features of today's smartphones and tablets. But it was introduced way well before its time and was a total failure.**

**Be Different.**

How is your business different from the others in the industry? Many agents are using the same messages and methods. Top producers find a way to separate themselves from others.

**Be Authentic.**

A successful personal brand is not artificial; it is genuine. An effective personal brand is synonymous with a great reputation. A first-rate reputation is built by providing exceptional service and consistently delivering a quality product.

Creating a good reputation by delivering a quality product builds trust. If a client can trust you and believes you are genuine, they will do business with you.

**Don't be afraid to be yourself. Let it show in your advertising.**

**Be Consistent.**

Brand loyalty is created by consistency. A memorable brand sends a consistent message. It takes careful planning and steady action to position a brand ahead of the competition.

Becoming a lasting brand with a loyal following starts early and takes a lot of time and effort. Maintaining a consistent brand requires setting a schedule for advertisements, mailers and social media posts.

**You will know you have a great brand when people immediately associate a positive term with that brand. What terms do you want associated with yourself?**

**Be Aware.**

Sustainable brands track what people are saying about them. They monitor and track online conversations to protect their brand identity.

**In the next chapter we will discuss in detail how to manage your reputation.**

## **Branding-Exercise**

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**STEP 1: Make a list of words that describes the most positive features of your personality.** You can create a successful brand when people can immediately associate a positive term with that brand. Answer these questions:

What is one positive characteristic people often use to describe me?

\_\_\_\_\_

How do I make people feel? \_\_\_\_\_

\_\_\_\_\_

How do people benefit by working with me? \_\_\_\_\_

\_\_\_\_\_

Pick the term(s) you want people to associate with your brand.

\_\_\_\_\_



**STEP 2: Identify for what or to who your brand will be applied.** Identify your ideal client. These are the potential clients you and your brand’s message are attracting to your business. The following questions will help you understand better define the target for my brand.

What are the words I would use to describe the services I am offering?

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What type of people or businesses would benefit from my services??

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**Step 3 – Pinpointing the nature of your business. What exactly do you do?** The following questions should help you determine the nature of your business.

What service do I have to offer people? \_\_\_\_\_

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What makes me stand out from everyone else? \_\_\_\_\_

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**Step 4 – Create your brand and your brand’s message.**

Look at your list of words and combine them into a short sentence or phrase — the shorter the better. It should be simple, memorable, and feel inspiring to you. If you aren’t inspired believe in how you describe your business, no one else will be. The end result will communicate to the client exactly who you are.

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**Notes:**

GRI Designation Core Course

# Advertising

## **SESSION ONE**

### *Lesson Eleven*

Advertising is one way communication. Agents are essentially being interviewed for a potential job without even knowing it. First impressions are critical.



### Louisiana Law

LA Rules and Regulations - In all advertising, the salesperson or associate broker must include the name and telephone number of the sponsoring broker. The broker's name and telephone number must be conspicuous, discernible, and easily recognized by the public. (LREC Rules and Regulations §2501:F)

## Owned, Earned, and Paid

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**Owned media** is that which is within your control. There are forms of media (like a personal website) and partially-owned media (like a Facebook fan page or Twitter account) of which you have complete control. Owned media creates brand portability, which is the ability to extend your brand's presence beyond a personal website. This provides a platform for your brand to exist in many places across the web – specifically through social media sites and unique, online communities.

**Earned media** is an old public relations concept essentially meaning to insert your brand into free media rather such as television or newspaper interviews. Earned media is also spread by word-of-mouth through social media.

**Paid media** is media purchased and placed in the form of television commercials or newspaper advertisements. Paid media offers a vehicle for reaching large groups of people. While other forms of media generally cannot offer such reach (owned and earned media), the clear disadvantage of paid media is the cost incurred, which, in some cases, can be costly.

## Headshots and Photos

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A headshot (or mug shot) should be much more than just a flattering photograph. A mug shot must be memorable; a striking representation of you (and your personal brand). When a head shot is placed on an advertisement, website or social media page, you are selling an image by giving the potential client a face to place with a name. This is important to any small business, most notable real estate.

### What makes a good headshot photo?

- The focus is on the face.
- The arms are not crossed.
- The clothing is simple. Avoid all-white outfits which can tend to wash out the face. Also, avoid distracting patterns. You want them to notice you, not your plaid necktie.
- Avoid alluring or provocative images. Criminals have targeted victims because of their appearance in photographs.
- Get plenty of sleep the night before and eat a healthy, light meal the day of the shoot. You want to avoid feeling bloated or hungry.
- Most importantly, SMILE! The appearance of a positive attitude transmits a successful agent.

A mug shot must look professional to be effective. It takes a professional photographer with the skill and talent to get the correct lighting, focus, and composition. Choose a photographer with a portfolio that demonstrates the skills and talent needed to deliver a great headshot. DO NOT use a personal photograph snapped with a digital camera.

The photograph must also capture an agent's personality. You should talk to the photographer about what sort of response you want to generate. Agents should think about what message they want to send. Is it sharp intellect? Good humor? A conservative, trustworthy business mind? Style? Warmth? The lighting and composition techniques will be different for each.

## Use an updated headshot.

It is important for the mug shot to look like the agent. When your appearance changes significantly, an agent must update their headshot. A change could mean a new hairstyle, gaining or losing weight or aging.

Even if noticeable changes aren't overt, it can be good to update a headshot every other year to keep it fresh and in style. A great headshot should feel timeless, but hair and clothing styles do change.



### Louisiana Law

**LA Rules and Regulations - All real estate advertising shall include the business name, which means the name on record with the commission. If using a trade name, that name must be registered with the Secretary of State and on record with the Commission. (LREC Rules and Regulations §2501:D)**

If the name you advertise under is not the name on record with the commission then you need to fill out a DBA form and submit it to the LREC. There is no charge for submitting a DBA form. Example: A licensee advertises his name on his signs as John Smith but the name on record with the LREC is Jonathan Smith. He is in violation if he did not submit a DBA for to the LREC.

## Social

Social media allows agents to immediately interact with their sphere. Engage the audience by mixing personal messages with business messages. And stay active. Do not allow your social media page to contain stale content. Even if the post seems insignificant, it shows a client that you are engaged.



## Newsletters

One of the main reasons obstacles to overcome in maintaining a current newsletter is generating content. Agents are unsure what should be included in the newsletter. Consumers clamor for information on real estate listings and sales. Agents can always include a market update, which will give them a reason to keep the mailer in their inbox. Recipe cards and checklists are always effective to for the consumer to refer to at a later time.

### Monthly Mailer Ideas

**January:** New Year's resolutions, tax preparation

**February:** Valentines cookies; Mardi Gras schedule

**March:** University/Major League baseball schedule

**April:** Spring cleaning tips; outdoor/lawn care tips

**May:** Summer is coming; Vacation guide

**June:** Vacation safety tips

**July:** Fourth of July schedule of events in your area

**August:** Air Conditioning and energy saving tips; hurricane guide

**September:** Football season gift bags

**October:** Halloween

**November:** Thanksgiving recipes/Hunting season

**December:** Christmas safety tips; Toy drive

### **Post cards**

Postcards are easy and inexpensive. They can be sent on birthdays and anniversaries of your clients.

**Send an “anniversary” card to your past clients on the “anniversary” date of the purchase of their current home. Include a personal note for the client to call and obtain a current market update.**

Just listed / just sold post cards are great for getting exposure in neighborhoods in which you have recently listed or sold homes.

### **Calendars**

Personal appointment calendars are a great idea, but only if people use it. Make them unique and memorable. If they end up throwing them the trash, this is a wasted expense. Be mindful that REALTORS®, insurance agents and other professionals send calendars as well.

### **Magnets**

Magnets can be wonderful promotional pieces. Be aware, however, that stainless steel appliances aren't receptive to magnets. Due to the rise in popularity of these types of appliances, this is a promotion that is rapidly becoming obsolete.

### **Brochures**

People are interested in what you can do for them. Make sure the brochure has something of value such as market updates, current listings or real estate tips.



#### **Louisiana Law**

**LA License Law Licensees may get their license censured, suspended or revoked for using advertising that is misleading or inaccurate. LA RS 37:1455:35**



## **Advertising Safety**

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Be aware of the amount of personal information you share. Placing too many personal details can make agents a target.

You should promote your specialized expertise instead of personal information in newspapers, résumés and business cards. Never use a personal address on any advertising material.

Agents should also be mindful of how much personal information they provide during a conversation with a client. Getting to know a client does not need to include your family, personal relationships or your address and/or phone numbers.

**Notes:**

GRI Designation Core Course

# Agency Relations in Real Estate Transactions

**SESSION ONE**

*Lesson Twelve*

## **Clients vs. Customers**

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**Agency** - a relationship in which a real estate broker or licensee represents a client by the client's consent, whether express or implied, in an immovable property transaction. (LA RS 9:3891)

### **Clients**

**Client** - one who engages the professional advice and services of a licensee as his agent. (LA RS 9:3891)

### **Duties While Representing Clients**

Perform the terms of the brokerage agreement between a broker and the client.

Promote the best interests of the client by:

- Seeking a transaction at the price and terms stated in the brokerage agreement or at a price and upon terms otherwise acceptable to the client.
- Timely presenting all offers to and from the client, unless the client has waived this duty.
- Timely accounting for all money and property received in which the client has, may have, or should have had an interest.

Exercise reasonable skill and care in the performance of brokerage services.

### **Other Duties to Clients**

A licensee representing a client does not breach a duty or obligation to the client by showing alternative properties to prospective buyers or tenants or by showing properties in which the client is interested to other prospective buyers or tenants.

A licensee representing a buyer or tenant client does not breach a duty or obligation to that client by working on the basis that the licensee shall receive a higher fee or compensation based on a higher selling price.

A licensee shall not be liable to a client for providing false information to the client if the false information was provided to the licensee by a

customer unless the licensee knew or should have known the information was false. (LA RS 9:3893)

### **Compensation**

The payment or promise of payment of compensation to a broker is not determinative of whether an agency relationship has been created. (LA RS 9:3896)

### **Customers**

**Customer** - a person who is not being represented by a licensee but for whom the licensee is performing ministerial acts. (LA RS 9:3891)

**Ministerial Acts** -those acts that a licensee may perform for a person that are informative in nature.

Examples:

- ✓ Responding to phone inquiries by persons as to the availability and pricing of brokerage services.
- ✓ Responding to phone inquiries from a person concerning the price or location of property.
- ✓ Conducting an open house and responding to questions about the property from a person.
- ✓ Setting an appointment to view property.
- ✓ Responding to questions from persons walking into a licensee's office concerning brokerage services offered or particular properties.
- ✓ Accompanying an appraiser, inspector, contractor, or similar third party on a visit to a property.
- ✓ Describing a property or the property's condition in response to a person's inquiry.
- ✓ Completing business or factual information for a person represented by another licensee on an offer or contract to purchase.
- ✓ Showing a person through a property being sold by an owner on his or her own behalf.
- ✓ Referral to another broker or service provider. (LA RS 9:3891)

Agency law states licensees shall treat all customers honestly and fairly and when representing a client in a real estate transaction may provide assistance to a customer by performing ministerial acts.

Performing those ministerial acts shall not be construed in a manner that would violate the brokerage agreement with the client, and performing

those ministerial acts for the customer shall not be construed in a manner as to form a brokerage agreement with the customer.

## **Disclosure**

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### **Disclosure of Confidential Information**

**Confidential information** is that which is obtained by a licensee from a client during the term of a brokerage agreement that was made confidential by the written request or written instruction of the client or is information the disclosure of which could materially harm the position of the client, unless at any time any of the following occurs:

- ✓ The client permits the disclosure by word or conduct.
- ✓ The disclosure is required by law or would reveal serious defect.
- ✓ The information becomes public from a source other than the licensee.

Confidential information shall not be considered to include material information about the physical condition of the property.

Confidential information can be disclosed by a designated agent to his broker for the purpose of seeking advice or assistance for the benefit of the client. (LA RS 9:3891)

### **Termination of the Agency Relationship**

Except as may be provided in a written agreement between the broker and the client, neither a broker nor any licensee affiliated with the broker owes any further duties to the client after termination, expiration, or completion of performance of the brokerage agreement, except to account for all monies and property relating to the transaction and to keep confidential all confidential information received during the course of the brokerage agreement. (LA RS 9:3895)

### **Agency Disclosure Pamphlet**

Licensees shall provide the agency disclosure informational pamphlet or the agency disclosure form to all parties to a real estate transaction involving the sale or lease of real property.

Licensees shall ensure that the pamphlets and forms are the most current versions prescribed by the commission and that reproductions of the

pamphlet and form contain the identical language prescribed by the commission.

Licensees shall provide the agency disclosure informational pamphlet or the agency disclosure form to prospective sellers/lessors and buyers/lessees at the time when substantive contact is made between the licensee and customer, i.e. any specific financial qualifications of the customer or the motives or objectives in which the customer may divulge any confidential, personal or financial information, which, if disclosed to the other party to the transaction, could harm the party's bargaining position, when performing any real estate related activity involving the sale or lease of real property, other than a ministerial act.

**From Agency Law: Substantive contact - that point in any conversation where confidential information is solicited or received. This includes any specific financial qualifications of the consumer or the motives or objectives in which the consumer may divulge any confidential, personal, or financial information, which, if disclosed to the other party to the transaction, could harm the party's bargaining position. This includes any electronic contact, electronic mail, or any other form of electronic transmission. (LA RS 9:3891)**

Licensees providing agency disclosure informational pamphlets or agency disclosure forms to prospective sellers/lessors and buyers/lessees at the time when substantive contact is made shall ensure that the recipient signs and dates the pamphlet or form. The licensee providing the pamphlet or form shall sign as a witness to the signature of the recipient, and the licensee shall retain the signed pamphlet or a copy of the form for a period of five years.

Licensees providing agency disclosure informational pamphlets or agency disclosure forms to prospective sellers/lessors and buyers/lessees by email or other form of electronic transmission shall ensure that the recipient acknowledges receipt of the pamphlet or form by a document verifying the time and date of receipt. The licensee providing the pamphlet or form shall retain the signed pamphlet or a copy of the form for a period of five years.

In any circumstance in which a seller/lessor or a buyer/lessee refuses to sign the agency disclosure informational pamphlet receipt or the agency disclosure form, or refuses to provide a document verifying receipt of the pamphlet or form, the licensee shall prepare written documentation that

includes the nature of the proposed real estate transaction, the time and date the pamphlet or form was provided to the seller/lessor or buyer/lessee, and the reasons given by the seller/lessor or buyer/lessee for not signing the pamphlet or form, or providing a document verifying receipt of the pamphlet or form. This documentation shall be retained by the licensee for a period of five years. (LR 37:3008)

Agency disclosure is not required with a lease of fewer than **three years** if no sale of the subject property to the lessee is predicted. (LA RS 9:3893)

## Penalty

From the Louisiana Real Estate License Law: “The commission may censure a licensee, registrant, or certificate holder or conditionally or unconditionally suspend or revoke any license, registration, or certificate issued under this Chapter, levy fines or impose civil penalties not to exceed five thousand dollars, or impose continuing education requirements on licensees, registrants, or certificate holders if, in the opinion of the commission, a licensee, registrant, or certificate holder is performing or attempting to perform or has performed or has attempted to perform any of the following acts:

(21) Failure of a licensee to provide the parties to a real estate transaction with an agency disclosure informational pamphlet and, where applicable, a dual agency disclosure form.”

## Types of Agency

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**Designated Agency** - a contractual relationship between a broker and a client under which one or more licensees affiliated with the broker are designated as agents of the client the agency relationship that shall be presumed to exist when a licensee engaged in any real estate transaction, except as otherwise provided in this Chapter, is working with a client, unless there is a written agreement providing for a different relationship. (LA RS 9:3891)

**Designated Agent** - means a licensee named by a broker as who is the agent of a client. (LA RS 9:3891)

**Dual Agency** - an agency relationship in which a licensee is working with both buyer and seller or both landlord and tenant in the same transaction. However, such a relationship shall not constitute dual agency



if the licensee is the seller of property that he owns or if the property is owned by a real estate business of which the licensee is the sole proprietor and agent. A dual agency relationship shall not be construed to exist in a circumstance in which the licensee is working with both landlord and tenant as to a lease which does not exceed a term of three years and the licensee is the landlord. (LA RS 9:3891)

A licensee may act as a dual agent only with the **informed written consent of all clients**. Informed consent shall be presumed to have been given by any client who signs a dual agency disclosure form prepared by the commission pursuant to its rules and regulations.

The written consent shall be obtained by a licensee from the client at the time the brokerage agreement is entered into or at any time before the licensee acts as a dual agent.

**A licensee shall not disclose to clients when acting as a dual agent:**

- ✓ Confidential information that the licensee may know about either of the clients, without that client's permission.
- ✓ The price the seller or landlord will take other than the listing price without the permission of the seller or landlord.
- ✓ The price the buyer or tenant is willing to pay without the permission of the buyer or tenant.

In the case of dual agency, each client and licensee possesses only actual knowledge and information. There shall be no imputation of knowledge or information among or between the clients, brokers, or their affiliated licensees.

A licensee shall not be considered as acting as a dual agent if the licensee is working with both buyer and seller, if the licensee is the seller of property he owns, or if the property is owned by a real estate business of which the licensee is the sole proprietor and agent. A dual agency shall not be construed to exist in a circumstance in which the licensee is working with both landlord and tenant as to a lease which does not exceed a term of three years and the licensee is the landlord.

No cause of action shall arise on behalf of any person against a dual agent for making disclosures allowed or required by this Section, and the dual agent does not terminate any agency relationship by making the allowed or required disclosures. (LA RS 9:3897)

### **Withdrawing Dual Agency**

In any transaction, a licensee may without liability withdraw from representing a client who has not consented to a disclosed dual agency. The withdrawal shall not prejudice the ability of the licensee to continue to represent the other client in the transaction or limit the licensee from representing the client in other transactions.

When a withdrawal occurs, the licensee shall not receive a referral fee for referring a client to another licensee unless written disclosure is made to both the withdrawing client and the client that continues to be represented by the licensee. (LA RS 9:3897)

### **Dual Agency Disclosure Form**

The dual agency disclosure form is required by law to be used by licensees acting as a dual agent.

Licensees shall ensure that the form is the most current version prescribed by the commission and that reproductions of the form contain the identical language prescribed by the commission.

Licensees shall ensure that the dual agency disclosure form is signed by all clients at the time the brokerage agreement is entered into or at any time before the licensee acts as a dual agent. A copy of this documentation shall be retained by the licensee for a period of five years. (LR 37:3008)

### **Subagency**

The agent bringing the buyer is actually working for the seller as a subagent of the listing broker.

This is important, as the agent working with the buyer actually owes fiduciary duties to the seller, not the buyer. This is legal but is a dangerous relationship.

Subagency can only be created by a written agreement. A licensee is not considered to be a subagent of a client or another broker solely by reason of membership or other affiliation by the broker in a multiple listing service or other similar information source. (LA RS 9:3898)

### **Vicarious Liability**

A client shall not be liable for the acts or omissions of a licensee in providing brokerage services for or on behalf of the client. (LA RS 9:3899)

GRI Designation Core Course

# Minding The Generation Gap

**SESSION ONE**

*Lesson Thirteen*

## Your Average Joe

<b>Real Estate Agent</b>	<b>The Buyer</b>	<b>First Time Home Buyer</b>	<b>The Seller</b>
51 years old	41 years old	32 years old	46 years old
Female	Married	Married	Married
Attended college	No Children	Married	No Children
Married	Annual Income \$71,800	Annual Income: \$58,300	Annual Income: \$83,800
	In the market for a detached, single family home in a suburb or subdivision.		Selling a detached, single family home in a suburb or subdivision.

## Generational Labels Are Their Own Worst Enemy

We live in a diverse society, so broad labels fail to accurately describe large generations of consumers. Not everyone in a generation acts, thinks and spends the same way. The chief qualities to consider when identifying potential clients are sex, income, household size, occupation etc. Outliers will exist in every situation. However, similarities exist in how people in different generations act, think and spend. We will focus on pinpoint those groups and discuss their unique qualities this lesson.

## Generations Defined

### What do we consider to be a generation?

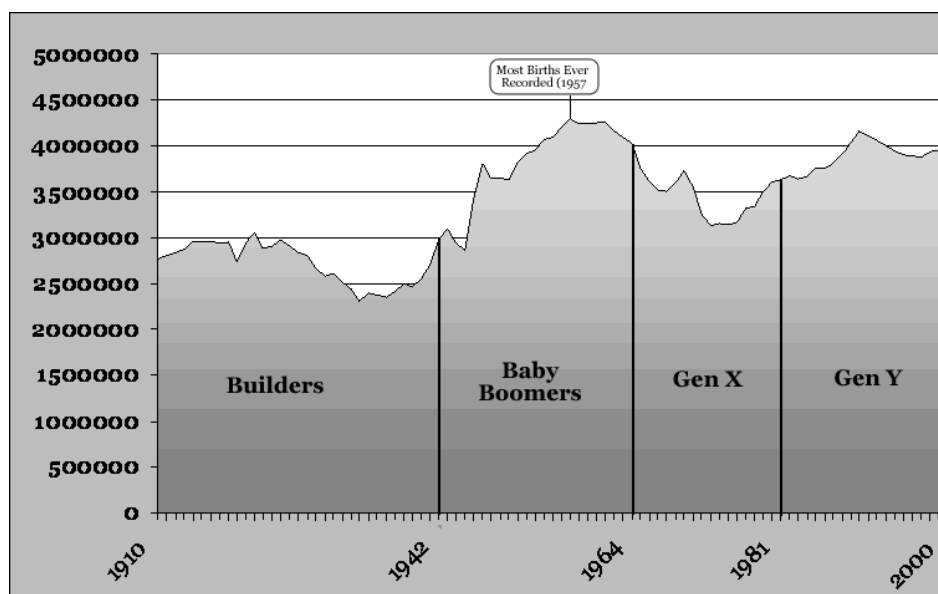
People within the same generation can be classified as having:

- The same life stage
- Lived through the same economic, educational and technological times
- Been shaped by the same social markers and events.

	Year	Current Age	Average Births	Most Births
Builders	1910-1942	66-100+	2.6 million	3 million (1921)
Baby Boomers	1943-1964	44-65	3.8 million	4.3 million (1957)
Generation X	1965-1981	27-43	3.4 million	3.7 million (1970)
Generation Y	1982-2002	4-26	3.9 million	4.1 million (1991)

## REALTORS®

Builders	12%
Boomers	58%
Gen X	27%
Gen Y	3%



## **Communication Between Generations Gaps**

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Communication is obviously a key component in the real estate business. However, the method of delivering the message is just as important as the message itself.

Sending an email to someone who doesn't utilize it is not effective communication. It is critical to understand how your clients choose to communicate with you.

## **Marketing to Generations**

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### **How can technology hinder or enhance communication?**

Marc Prensky, author of an article titled "Digital Natives, Digital Immigrants," has analyzed generational response to the technological world. He classified different age groups according to the following four categories:

**Digital Aliens (Builders):** These are latecomers to technology. They prefer interacting with people rather than machines. They may not have a computer in their home and get the bulk of their information from the newspaper and/or watching the evening news.

**Digital Immigrants (Baby Boomers):** They reached adulthood without current technology. Many embrace it now; however, some do so reluctantly to survive.

**Digital Adaptives (Generation X):** Technology began to emerge during the teenage years. These people willingly embrace technology and evolve with it.

**Digital Natives (Generation Y):** They have been immersed in modern technology since birth. Digital natives aren't aware of the time before digital communication and connect to others accordingly.

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	Telling It Builders	Selling It Baby Boomers	Questioning It Generation X	Protesting It Generation Y
What is Important In Marketing	Loyalty Sense of Duty	Rational, Factual Information	Dialogue, Visuals,  Pop culture	Interactive Multisensory,  User Generated Content
Slogans of Their Times	Ford: "Freedom for the woman who owns a Ford"	Volkswagon: A Volkswagon is never changed to make it look different, only to make it work better"	Nike: "Don't insult our intelligence...I am not a target market. I'm and athlete"	You Tube: "Broadcast yourself"

Who are you reaching with your marketing effort?

