

Basic Real Estate Business Plan

Step 1: Set Your Income and Closed Sides Goals

Income Goal..... (A) _____

Average Sales Price..... (B) _____

Average Gross Commission Rate Per Side(%) (C) _____ %

Average Gross Commission Per Side (B times C) (D) _____

Sales Executive Commission Split (%) (E) _____ %

Sales Executive Commission Split before deductions (D times E)(F) _____

 Less Franchise Fee (D times X%) - \$ _____

 Less E & O/Other Deductions - \$ _____

Average Sales Executive Commission Per Side (F less deductions) (G) _____

Number of Closed Transactions Needed (A divided by G) (H) _____

Number of Sides Needed to Put in Escrow (H divided by 80%) (I) _____

Step 2: Calculate Prospects Needed Per Week

Listings Sold Needed (____ % of line I) (J) _____
Percentage of Listings Sold from total closings (I)

Listings That Must Be Taken (J divided by 70%) (K) _____

Listing Presentations Needed (3 times K) (L) _____

Number of Weeks Worked Per Year (M) _____

Listing Presentations Per Week (L divided by M) (N) _____

Buyer Escrows Needed (____ % of line I) (O) _____
Balance of (J) % to equal 100%

Buyer Prospects Needed (3 times O) (P) _____

Number of Weeks Worked Per Year (Q) _____

Buyers Needed Per Week (P divided by Q) (R) _____

Step 3: Calculate "People Contacts" Needed Per Week

Sellers

Total Listing Presentations Needed _____ (from line L)

Prospecting Source	Annual # of Presentations Per Source	Contacts to Produce a Presentation	Annual Contacts Needed	Weeks Worked Per Year	Weekly Contacts Needed
Cold Calls		150			
Door Knocking		100			
FSBO's		10			
Expireds		15			
SOI/Past Clients		50			
Just Listed/Sold		150			
Target Marketing		100			
Other					
Other					

Buyers

Total Buyers Needed _____ (from line P)

Prospecting Source	Annual # of Buyers Per Source	Contacts to Produce a Buyer	Annual Contacts Needed	Weeks Worked Per Year	Weekly Contacts Needed
Cold Calls		100			
SOI/Past Clients		30			
Open Houses		10			
Signs/Ads		10			
Internet		50			
Other					
Other					