

# RE/MAX<sup>®</sup>

**FIRE/UP** PROGRAM - BROKER OWNERS

FUNDAMENTALS IN REAL ESTATE/  
UNIVERSAL PRINCIPLES



# Table of Contents

Initial self evaluation.....	1
What does FIRE/UP mean? .....	2
Broker Owner or Agent?.....	3
Recruiting techniques.....	4
Successful prospecting.....	21
10 Excellent recruiting ideas.....	24
10 Excellent market research questions.....	25
Who to recruit? .....	26
Following-up is vital .....	28
Eight components of an effective recruiting program .....	31
Key phrases that sell .....	33
Ideas for successful retention.....	35
Weekly sales meetings .....	41
Leadership videos .....	42
60 minutes with RE/MAX .....	43
Awards and recognitions.....	45
Do not let Agents steal from you .....	46
Ideas to get your Agents to pay on time .....	487
How much should I pay my Agents?.....	498
Domain names and e-mail addresses .....	49
Over 200 useful files!.....	510
Key Performance Indicators .....	52
Financial management .....	54
Last, but not least.....	58
Attachments (25 Fundamental series)	

# Initial Self Evaluation

What are the top long term goals that you want to achieve in life?

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Why do you want to be a Broker Owner or a Manager and not an Agent?

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What strengths do you have as a Broker Owner or Manager?

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What weaknesses do you have as a Broker Owner or Manager?

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What do you think are some of the key elements you need to be one of the best RE/MAX franchises?

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How do you feel about your physical condition and your energy level?

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# What does FIRE/UP mean?

FIRE/UP is the acronym of Fundamentals in Real Estate/Universal Principles.

These are the fundamental, universal principles that you need to know in order to help you succeed as a Broker Owner Owner or Manager of a RE/MAX office.

These Principles are *universal* because they can be applied anywhere in the World. Through our experiences in over 95 countries we have tested these principles through markets around the world. From large markets to small markets; from developed countries to developing countries.

And they are *fundamental* because they are the key to success in every RE/MAX office. These are the basics; the fundamental and the elemental upon which you can build a successful office. Darren Hardy, founder of the recognized “Success” magazine indicates that, “The most common business mistake is not doing the obvious,” which is very true in RE/MAX offices as well. Don’t make this mistake. Do the obvious and do it consistently. This is the way to a successful office!

You will notice that most of this manual is about recruiting and retention. This is not a coincidence. With over 40 years of experience and the expansion of our franchise system around the world, RE/MAX has learned that recruiting and retention are the most important elements to the success of a RE/MAX office.

This manual is called FIRE/UP for Broker Owner Owners. There is also a FIRE/UP for Agents, which you can obtain from your Regional Office.

All the pages of this manual have a large right-hand side margin, where you can make your personal annotations. We encourage you to use this manual as a workbook and increase its value with your notes as you will no doubt refer back to it when you need it most!

# Broker Owner or Agent?

Before starting to study this manual, you have to decide whether you want to be a Broker Owner or an Agent. A Broker Owner is a leader. An Agent is a salesperson. Both roles are noble, exciting, and necessary and can be very profitable. But you must decide which one you want to be.

But can't Broker Owners sell? Of course they can! And many do it successfully. But in order to have an exceptional RE/MAX Office, it is necessary to be a good Broker Owner (read *leader*), not a good Agent (read *salesperson*). If you are a good salesperson, and not a good leader you will earn important commissions which you will use to subsidize your deficient job as a Broker Owner. But if you are a good leader you will make money developing your Agents and helping them increase their sales.

If you are a Broker Owner and your office depends on your own sales to survive, you are surely doing a better job as a salesperson than as a leader. Do not despair if this is your case. Leadership skills can be learned, like almost everything in life. This manual will help you to become the leader that you will need to be in order to develop a successful RE/MAX office.

Making money through your own sales can be very attractive because of the immediacy of the income; but it can get in the way of constructing a true business. An enterprise is about leveraging other people's work, to make money for you even when you are not working. A company may be sold or left as inheritance and legacy to your children.

For Robert Kiyosaki fans, finance guru and author of the book series "Rich Dad Poor Dad," we can say that an Agent belongs to block "S" (self-employed) while a Broker Owner belongs to block "B" (Business Owner).

# Recruiting Techniques

## Recruiting is a Contact Sport

- **There is no right or wrong way to recruit; the only mistake is not doing it.** You cannot learn to recruit from a book. You can take some good ideas, but the only way to become a Master Recruiter is by recruiting. Doing a poor recruiting presentation is better than not doing a presentation at all, but you need to learn from your mistakes and improve your next presentation.
- **Tell the story to everyone.** Every person that you are in contact with probably knows someone working in real estate. Make sure that everyone knows that you are always looking for talented Agents, and that you are ready to recruit them. Yes, there are many Agents that are not ready for RE/MAX, but that doesn't mean they will never be.
- **Recruiting is a long-term deposit.** Selling a house would bring an immediate income in one closed transaction. But recruiting an Agent generates income month after month while that Agent is part of your team. Which effort makes more sense? Your main responsibility as a Broker Owner is recruiting, retaining and managing your Agents; not selling real estate.
- **Recruiting is a numbers game.** Most conversations with potential recruits won't end in a signed contract. Normally it would take several conversations before an Agent accepts your invitation to join your office. Keep in contact with those who may not be ready and move on to the next one. Many of the prospects that do not join after several conversations will finally join if you have a consistent and effective follow-up program.

## Recruiting is a process, not an event

- **Persistence is key.** From time to time, the office owner has a business appointment with a prospect, scores a goal and the prospect signs in at the very same moment. This is an exception. It will usually take several conversations for the prospect to say "yes". Sometimes it takes two or three conversations, sometimes it takes many more.

- **Be persistent but not stubborn.** Obviously, recruiting someone with this formula takes a lot of persistence. It is important not to cross the line between persistence and stubbornness. Most of the office owners agree that the line between persistence and stubbornness is in their ability to earn respect from the prospect during the recruiting process. Once you lose their respect, you lose the prospect.
- **They probably won't be ready when you are.** During the recruiting conversation you have to be able to understand your prospect and respect their timeline. A "Yes" will come when your prospect is ready, not when you are. This may mean that you need to go straight to the point, or you might need to slow down and work toward the next business meeting with your prospect. You will always have to be ready to close and constantly ask closing questions.
- **Systematize your follow up program.** Your recruiting and follow up process must be systematic. After a productive, face to face meeting with the prospect, you begin the follow-up process. You must have a systematic program that shows exactly where you are with a prospect. Keep working to schedule the following meeting.
- **You will achieve the thing that you focus on.** Focus on selling real estate and you will make a good income while you fight for your office's survival. Focus on recruiting and retaining and your success can be unlimited.
- **Never stop recruiting.** To help make sure that your business is successful and can remain successful, your recruiting activities should be continuous. Even if your office is "full" you must be prepared to lose some Agents, as it will happen sooner or later. Agents will retire, move or change careers but there are always new emerging prospects in the market. Set goals to continue recruiting conversations, regardless of the number of vacancies in your office. Even if your reputation and presence in the market are such that Agents knock on your door, you need to keep recruiting and always telling your story, but doing it with the peace of mind of not having the pressure to keep the office full.
- **Be a coach before you are their official coach.** Never lose sight of the fact that your best prospects are those who are not getting out of their office what you can offer. Start supporting your prospects long before they sign your contract. When you realize that a prospect is the right fit for your office, start to help

him/her with their career immediately. This approach to recruiting gives the message that your number one interest is to help Agents achieve the highest success and personal satisfaction level.

## Use Visual Aids

- **Add credibility to your words.** The power of words is amplified by the power of printouts and it gets increased by the power of pictures, charts, and images. Reinforce your statements with a printout of a national publication or chart representing statistics of market share, Agent's transactions, professional designations, commission income, etc. Whenever your story is supported by a chart, publication or demonstration, your message is more likely to be retained by your prospects.
- **Seeing is believing.** We retain only 10 percent of what we hear. That 10 percent jumps to 60 percent when the presentation is accompanied by visual aids.
- **Use RE/MAX Global Headquarters' materials.** Publications and RE/MAX services are effective visual aids: websites, videos, recruiting brochures, market share graphics, ways to compare with the traditional system, RE/MAX Mainstreet, ABOVE magazine prints, RE/MAX Convention brochures, RE/MAX posters, this manual, etc. are all useful materials. Never think "this doesn't apply here"; think instead "how can I make this material work in my market?"
- **Create and use your own materials.** You should complement RE/MAX Headquarters materials with specific information about your office, your curriculum, information from existing Agents in your office, phone list of all Agents in the office (for your prospect to talk to any of them), your business plan for this year, market share charts, inventory of properties, etc. These are all materials that you should create for your Office which will add value to your recruiting efforts.
- **Visual aids will not do the work for you.** Although visual aids are crucial for prospecting, presentation and follow up; they will never replace spoken words and face to face meetings. Sending e-mails is a waste of time unless you follow them up with a face to face discussion.
- **Your office environment is a visual aid.** The first and perhaps the most important visual impact you can make in a prospect's



mind is through the appearance of your office. An office that is equipped professionally, impeccably maintained and filled with active and energetic staff and Agents, can do more for a prospect in seconds than what is accomplished in a 30 minute conversation. The first time a prospect comes to visit the office, introduce each of the staff members and give them a few minutes to share what they do for your Agents.

- **Always have enough recruiting kits ready.** Once you have compiled your visual aids, be sure to organize them in a way that they can be accessed easily. You will show different materials to different prospects. Turn your office into a conference room with a battlefield full of supplies. Have a small table and some chairs to create a recruiting triangle: this includes you, the prospect (sitting side by side) and RE/MAX materials in front of you. Have a screen to project videos, and make sure everything works fine.
- **Consider meeting in a neutral place.** If a prospect is not comfortable meeting with you in your office, do it in a neutral place, like a coffee shop. Be sure to bring extra recruiting kits, in case your prospect arrives with someone else.

## **There is a unique recruiting conversation for each one of your prospects.**

- **There is not a recruiting conversation for every prospect**  
Although your prospects need to know everything about RE/MAX, your office and what you have to offer, the same conversation should not can be used in all cases. Your story and the place to tell it should be adapted to each individual prospect.
- **The conversation place depends upon the prospect.**  
Many RE/MAX Agents have decided to join while having a drink or lunch with the owner of the office. If you are comfortable with this approach or believe that it guarantees the result with a particular prospect, then do it. However, it is usually better to have some privacy and prevent disruptions if possible. This is the reason why scheduling a meeting in the evening is very beneficial. Prospects should feel very comfortable with the place and time of your meeting.

- **There are not good or bad conversations.** If you are new in the recruiting game, do not wait to start until you have the perfect recruiting package. It is better to start with setbacks than never starting at all. Do not start obsessing with doing everything perfect. Do your homework reasonably well and start having conversations. Continue to improve and remember to relax.
- **Use questions without questioning your prospects.** The best recruiters do not know all the answers, they know all the questions! Start with questions and then adapt the conversation to the needs and problems of each prospect.
- **Respect confidentiality.** Always be very discreet when you meet with your prospects. Make sure your prospects feel comfortable when they are seen with you in your office. Arrange the time and place based on the level of confidentiality they need.
- **Do not bad-mouth your competition.** When you bad-mouth your competition they don't look bad, you do! At RE/MAX we have so many good things to brag about that you should not waste time and energy talking about your competition.
- **Do not over promise.** Never promise more than what you can deliver. The safer way to keep an Agent for life is doing just the opposite: give them more than what you offered. Find their key points. Explain how you can help them solve their problems and their lives, but never offer more than what you can give.
- **Prospects want to buy, not to be sold.** Satisfied customers are those who are happy with what they "bought". Unsatisfied customers are those who feel bad about what they "were sold". Your job is to communicate the benefits of membership so clearly, confidently and with such enthusiasm that prospects see the need to buy.
- **Double your impact.** If you feel comfortable having your conversation with more than one prospect at the time, encourage him/her to bring a colleague to the meeting. When making the appointment with your prospect, ask if he/she knows another agent that is "RE/MAX quality" that could be interested in learning more about the program. Also, at some point of the process, encourage your prospect to bring their spouse to a meeting. Do not underestimate the power of a spouse, relative or friend in the important decision that they are about to make.

## Recruiting is Selling

- **Sell what the prospect wants to buy, not what you want to sell.** Do not start selling until you know what your prospect wants to buy. The fact that your prospect is talking to you means that he/she needs something in his/her real estate career. Find out what your prospect is looking for and then describe what you have to meet that need.
- **You can't force a horse to drink water, but you can give them salt to make them thirsty.** No, you cannot make a prospect buy, but you can make what you are selling so compelling that prospects will have no other choice than doing what is best for them, their careers and their personal lives.
- **Continue to train yourself in sales.** The best salespeople are always improving their sales skills. Keep studying the topic of sales. Go to seminars, read books, watch videos on YouTube, be creative, do whatever it takes to improve your sales skills. Contact other successful RE/MAX recruiters and focus on continuing your sales education.

## Listen

- **Ask open-ended questions.** To listen effectively, you must first ask effective questions. Memorize open-ended questions that will give you the information you need to help to adapt the conversation.
- **Two ears and one mouth.** Your discussion should be about the Agent's career advancement and how he/she can improve their life. Ask questions. Then listen to the answers carefully. You must fully understand the prospect and what he/she needs before the prospect can understand what RE/MAX membership and your office can do for them.
- **Keep the conversation going.** Do not try to give a talk to your prospect. The recruiting presentation should be a conversation; not a formal presentation. Gently ask and investigate; do not question. Do not take notes until the prospect is gone, and then write down all you can remember about the prospect and add it to your file so you can be more effective in your next meeting.

- **Know all the objections.** Overcome objections before they occur by knowing your prospects and anticipating their doubts about RE/MAX, your office and the challenge of an organization change.
- **Try to close.** Although it is the prospect who determines when it's time to buy, you have to know when to leverage the moment and try to close. The answer will rarely be “yes”, but you need to keep asking. Some of our best recruiters report that most prospects do not buy until they have rejected the offer several times.
- **Tell the prospects why you want them in your office.** When trying to close, be sure to tell prospects why you want them in your office. Tell them the good opinion that you and your Agents have of him/her. Tell them how their integrity and ability fit well with your office’s business culture.
- **Know how to close.** Asking someone to join your team means that you know when it's time to close. You must understand how to use closing techniques that apply to almost all sales situations.
- **If it does not fit, do not force it.** Sometimes the recruiting conversation reveals that the prospect is not the right one for RE/MAX or for your office. Knowing who *not* to recruit is as important as knowing who to recruit. When your head or stomach tells you that something is not right, listen to your gut feeling. If it is appropriate, diplomatically explain why. If the prospect is not ready, explain what needs to be improved. Do not burn your bridges; keep in touch. The day will come when the prospect and your office will be ready for each other.

## Open-ended questions

*The purpose of asking questions is to know the needs of your prospect and then find ways to meet them.* This allows you to tailor your recruiting message and your prospect does not feel that is wasting time.

Here are some examples of open-ended questions that can be helpful in several situations:

- RE/MAX offers many benefits such as training, technology and a global referral network. What might you be interested in?

- Tell me about your career (or your real estate business).
- What do you like the most and least about the real estate business?
- What does your spouse think of real estate?
- Is there another person who will be involved in your decision to join RE/MAX?
- If you could create the ideal real estate office, what would it be like?
- Where do most of your clients come from?
- Have you ever thought about opening your own office?
- What real estate training have you received?
- Have you received any training in managing a real estate office?
- Have you done any international real estate transactions?

## Dealing with some common myths

- **Prospects who have heard that they won't be better off after expenses.** Encourage your prospects to really understand what it means to join RE/MAX and belonging to your office, before worrying too much about the cost. Explain with real numbers.
- **Prospects who say there are cheaper RE/MAX offices.** This is where your reputation, your leadership skills, your management style, location, staff, equipment and office atmosphere play an important role. The only place where the Agent will find what you have to offer is in your office, so don't under sell it.

## Understanding the Objections

Inexperienced salespersons are afraid of objections until they learn a very simple formula: **no objections = no interest = no sale.**

### **What is an objection?**

1. **A request for information.** Prospects often require more information to make the important decision of joining RE/MAX. When prospects have a genuine interest in joining your office and the RE/MAX system, they will probably "sell RE/MAX to themselves."
2. **Nonverbal signals.** A negative nonverbal signal is a "red alert" for the recruiter. It can be a negative facial expression, crossed arms, or any other reaction that indicates that the prospect has an objection. Sometimes these signals come from an important third party like the spouse. You must confront and investigate the signals to find out what's behind it. For example you can say something like: "Mrs. Vasquez, it seems you have problems with the required payments, may I ask if that is a concern for you?"
3. **A problem.** Most objections are actually problems waiting to be resolved. These are the objections that are worth responding, because you are a professional problem solver. Assume the role of a consultant and you automatically become someone who is trained to solve your prospect's problems. Your role is to help prospects solve their problems before and after they have joined your office. An example of a problem may be the concern of a prospect about how buyers and sellers show little respect for real estate Agents in their market. If you can solve that problem, you will be much closer to closing the sale.
4. **A question.** Many objections take the form of questions. An example might be: "Can you guarantee I will make more money with RE/MAX than what I did last year?" Behind this question and the obvious trap of "guarantee me" there is a legitimate concern about making the switch to RE/MAX. Behind many of the questions of your prospects, there will be a fear of loss and fear to change.

*Most objections come from fear of buying, misunderstanding the concept or having inadequate information.*

## **Overcoming Objections**

The best time to handle an objection is before it is expressed. Many of the objections that are expressed are not necessarily deal breakers. Often they are simply excuses to avoid making a decision. Answer the objections one at a time and confirm that the objection has been answered correctly.

Here are some common objections that we find throughout the world:

- **RE/MAX will not work here.** Explain that RE/MAX has faced that objection in each of the markets that it has entered. Identify markets similar to yours where RE/MAX is growing, and connect your prospect with the owner of an office in that place. Use the analogy of Mercedes Benz or BMW: they were built elsewhere, but they work everywhere. Find out if your prospect is hesitating about you, and not about RE/MAX. To overcome this concern, show him or her your business plan and goals for the coming years.
- **RE/MAX has failed here before.** Instead of defending a position, ask your prospect why he or she thinks it has failed in the past. Usually people know why: mismanagement, poor recruiting, poor capitalization, etc. Admit that sometimes we have problems with people, not with the system. Tell them that when they see a Mercedes Benz in a ditch, the normal reaction is "bad driver" not "bad car."
- **Prospects who think they are not good enough for RE/MAX.** Work on building their self-confidence. Make them talk to other Agents who have faced the same concern before joining. Let them know how common these doubts are, but that once people join the system they realize that there was no solid ground to their doubts. Find out what is causing the prospect to think he or she is not made for RE/MAX.
- **Prospects who do not have enough cash to join.** It is very common that the best Agents live paycheck to paycheck. If you trust the prospect will be able to treat their work as a real business, offer financing or a payment plan by deducting a percentage of the first commissions that they earn.
- **Prospects who say they are happy with their current work condition.** Help them see what they are not seeing; such as the commissions that they are not collecting, the lower commission fees that they are forced to accept, the listings that they are not

getting, the international referrals that they are not receiving. Stay in touch with them through an effective follow-up program. Know what makes them so happy and continue to tell them why RE/MAX and your office could be helpful to them. Things change. Someday the prospect may not be entirely satisfied.

- **Prospects who want to wait for RE/MAX to be successful in the local market.** This objection is similar to “RE/MAX will not work here” or “it has failed before”. Use the same answers. Invite them to wait and keep them in touch. Keep track of what they are doing to see if they can still be candidates for your office in the future.
- **Prospects who believe that RE/MAX is expensive.** Help them see what they are not seeing :
  - They do not see the clients who never call them because they don't have the necessary credibility or brand.
  - They do not see the times a buyer or a seller steals their commission by bypassing them.
  - They do not realize how extremely expensive it is to list properties with non-exclusive agreements.
  - They do not see that they could be listing higher-priced properties.
  - They do not see they could close more transactions.
  - They do not always realize that with proper training and support they could be always charging full commission.
  - They do not see those occasions when they meekly accept to lower their commission at the closing table.

***In other words, show them that what is truly expensive is not being part of RE/MAX!***

## **Six rules to Overcome Objections**

1. Try to talk about each objection before they are brought up.
2. Actively listen the objections.
3. Recognize that there will be both spoken and unspoken objections.



4. Never argue about an objection. You'll never win.
5. Never ridicule an objection.
6. Do not focus on a single objection. Solve it and move on.

## When to Answer an Objection

There are four moments to answer an objection:

### **1. Answer the objection before it occurs.**

With experience you learn which objections occur more frequently and then you can talk about them before they occur. Structure your presentation to answer the most common objections. Ask for advice from other Broker Owners, the Regional Director and the people who support you from the Region.

### **2. Answer the objection when it happens.**

Do this as long as you keep control of the flow of your presentation and do not allow your prospects to take you on a tangent.

### **3. After it occurs (postpone answering it).**

Simply recognize the objection and reassure the prospects that you will resolve it further down the line in your presentation. It is very important that you solve the objection, or your prospect will think that you avoided it. After you have done that part of the presentation, confirm with the prospect that it was adequately solved. If not, that is the best time to do so.

### **4. Ignore the objection.**

Some of the objections are less important, frivolous or premature. One strategy that can be used effectively is recognizing the objection, ignoring it and moving on with the presentation. Be sure to acknowledge the objection, otherwise you would be ignoring the prospect. If the objection arises again, the objection must be answered.

## How to Answer an Objection

Virtually almost every sales book includes the treatment of objections. The following four steps are proven to be very effective in answering objections:

### **1. Listen.**

Use the ratio of two ears and one mouth as a listening guide. First listen passively and carefully; then listen actively, confirming that you fully understand the objection. Give your prospects your full attention and encourage them to amplify their objection. To answer an objection effectively, you must be sure that you fully understand the prospect's concerns.

This is the time to solve problems, not to confront your prospect. You and your prospect are working together to solve a challenge that is bothering him. If you start arguing with your prospect you have allowed a situation in which one person wins and the other one loses, or both lose; clearly not the RE/MAX way.

### **2. Repeat the objection**

It is very important to repeat the objection to ensure that you have understood it and then repeat it softening the tone and your prospect will most likely agree with you. This is the time when you take control of the conversation; not because you are a controlling person, but because you are a leader that want to help your prospect. You now have the opportunity to turn the objection into something positive.

### **3. Investigate, isolate and finish with questions.**

The ability to research questions is essential. You must know what the prospect is thinking and why he or she feels that way. Recognize the concerns and isolate each objection completely so you can solve it. When a patient sees a doctor and complains of chronic headaches, the doctor collects all medical information and comes up with a diagnostic; only after that he writes down the prescription. Any other procedure would be unprofessional. Likewise it would be unprofessional answering the prospect's objections without fully understanding them.

When you understand the objection you can break it down into manageable pieces. You may find that an objection is really two or three separate concerns. If you answer only a part of the objection, you might mistakenly think you have answered the objection. Always ask your prospect if you have fully answered their objection. For example, you may ask, "Is that the only concern you have about joining our system?"

#### 4. Answer the objection

- Tell someone else's story.
- Contrast the objection with the RE/MAX benefits.
- Demonstrate with facts why the objection isn't valid.
- Provide evidence and good reasons.
- Establish empathy through "feel, felt and found." I know how you **feel**. Many people **felt** the same way. But after joining RE/MAX they **found out** that ...

## Closing Techniques

The best recruiters share common qualities like enthusiasm, confidence and a strong commitment to their prospects. But they also do one thing extremely well: They are always trying to close (ABC – Always Be Closing!). *Simply put, closing is the ability to score; you don't win if you don't score.*

In Dave Liniger's words, *"Every rejection puts you one step closer to the sale"*. Here are three key points to consider when closing:

### 1. Create a sense of urgency

The most powerful reason to join RE/MAX is mainly based on the long-term impact on the career of the Agent and his/her personal life, but a deadline helps the prospect take action. These ideas can help you create a sense of urgency:

- **Event dates.** Use the dates of international or regional RE/MAX conventions to encourage your prospects to join and take advantage of these events where great contacts are achieved. Describe how new Agents are received in a special way in these events.
- **The season of the year.** Some markets have a low season and a high season and each can be used to close the sale. In markets where seasonality is not relevant you can use phrases like "December is a good month because you will be ready for the start of the year" or "March is a good month to close this deal because you will be up and running after the Easter vacation."

- **Launch a special promotion.** Whether for the opening of their office or for a special recruiting campaign, you can launch a special promotion for people who join before a certain date. You can offer for a limited time: Yard signs, business cards, a discount on fees, registration to a convention, etc.

2. Your enthusiasm level determines the enthusiasm of your prospects.

A prospect will not be encouraged to join RE/MAX and your office unless you actually project enthusiasm about what you offer. You can project enthusiasm by:

- **Sharing your level of confidence in how well they will do with RE/MAX.** Many prospects are paralyzed by the myth circulating about how hard it is to succeed in RE/MAX. Tell your prospect the confidence you have in your ability to manage your own business, which will relieve a lot of these fears and increase their confidence.
- **Sharing the goals and business plan of your office.** The enthusiasm and excitement you show about sharing the business plan of your office for the next years and the goals of your office give a boost that will be spread in your prospects' enthusiasm and desire to share your dream.
- **Showing your prospect how joining your office will help them solve their problems and achieve their goals.** The excitement grows when prospects see more clearly what their RE/MAX affiliation can give them.
- **Believing in the RE/MAX concept.** Your level of enthusiasm depends on how much you believe in the RE/MAX concept. This often depends on how much you are involved in the system. To maintain the highest level of enthusiasm, you must attend conventions, participate in local and regional meetings, make friendships within RE/MAX, work with your contacts and constantly build their knowledge about the RE/MAX system taking advantage of the different services offered.

## You Need to Know Several Closes

Tom Hopkins says *"The average sales super star can close after the fifth attempt."* If he or she only knows one type of close it is unlikely for him to make the sale. The difference between the best salesperson and "second category salesperson" is handling multiple closes. Here are seven of the most successful sales closes:

### **1. Simply go for the close.**

It's amazing how many sales professionals fail just because they don't close. You can say, for example "Now that you understand the benefits of RE/MAX, is there any reason why you should not join my office?" If the prospect says "yes", you have a new Agent. If the prospect raises an objection, then try to solve it and then use the same close or another one.

### **2. The assumptive close.**

In the assumptive close, you assume that what you are saying is accepted and proceed according to this assumption. You can say "I already filled most of the application, are you ready to complete it and sign it?" The assumptive close creates a bridge between your prospect and your decision. The effectiveness of this close is in the relationship that is established, the presentations that you have made and how promptly you respond to their objections.

### **3. The reflexive close.**

The reflexive close consists of asking a question that can be answered without much thinking. You assume that you already made the sale and request some basic information to fill out the paperwork. You can say, "What is your address?" (or telephone number; something simple). The prospect will probably ask you why and you say you need the basic information for preliminary paperwork. If the prospect gives you the information, you have closed the sale. If the prospect responds with an objection, answer it and try to close again.

### **4. Comparison close.**

This is one of the most powerful closing techniques. It is a logical side-by-side comparison of the benefits of their current situation versus the benefits that RE/MAX has to offer.

### **5. Benjamin Franklin close.**

The Benjamin Franklin close is one of the most popular ones. It maximizes customer engagement and facilitates the resolution of objections. It is simply a list of advantages and disadvantages of joining your office. You offer a list of the advantages and benefits, then ask the prospect to write down a list of disadvantages. The benefits will be far more than the disadvantages. The

disadvantages are actually objections; if you can overcome them, you have a new agent. Here again we see the importance of knowing how to answer the objections. Typical "disadvantages" can be:

- “What do I do with the houses that I have listed?”
- "I'm not sure that's a good change for me."
- “I'm worried about how slow the market is.”
- “I have to learn a new system.”
- “I owe loyalty to my current office.”

Actually, none of these comments are really a disadvantage of the RE/MAX system. They are concerns that may be viewed as strengths of RE/MAX. After removing some of the objections, few disadvantages remain valid. Do not be discouraged or get defensive.

#### **6. Correct information close**

Objections often come from misinformation. These objections need to be handled tactfully because your information directly challenges the credibility and esteem of your prospect. Many sales trainers suggest using the technique "feel, felt, found" to present the true information. In response to the objection "It's very expensive," you can say, for example, "I can understand how you feel. Many people felt the same way when they considered the costs of joining RE/MAX. But what they found ... " Now is the time to explain the financial benefits of RE/MAX. The close goes like this: "As you can see, the financial benefits are exactly the reason why you should join RE/MAX. Are you ready to join us?"

#### **7. Secondary question close**

The secondary question close is one of the "power closes " taught by Tom Hopkins. You assume that your prospect has already made a decision to join, and you close by asking them a secondary question like “Are you more interested in the window office or the less expensive one?”

# Successful Prospecting

## **Establish a customized plan to contact each prospect.**

You will have different strategies for different people depending on how well you know them and how well they know RE/MAX and you. Make a plan that optimizes your chances to succeed. Use these ideas:

- A. First contact by e-mail, telephone or in person.
- B. Meet at your office, their home or a neutral place.
- C. Use a rifle or a shotgun approach.
- D. Include the spouse or a partner in the decision.
- E. Put them on your mailing list.
- F. Which of the RE/MAX publications will have the strongest impact.

## **Establish a recruiting calendar.**

- A. Write down a list of RE/MAX events that you can mention to your prospects as a way to instill a sense of urgency and opportunity.
- B. Explain the RE/MAX events to your prospects. Don't simply tell them the events that are coming up and assume that they will know what they are about and will get excited. Assume that they don't know and explain it to them.

## **Systematize your recruiting program.**

- A. Create a system in which e-mails are sent out automatically. This is something that you can delegate to an assistant but make sure to follow-up make certain that it is being done as you planned.

- B.** Stick to your daily calls with prospects. There will be times when you don't feel like making phone calls and this will be the time when your discipline will be tested. Push yourself to do what you said you were going to do. Don't stop when you are tired. Stop when you are done!

## **Make appointments.**

In the same way that there are indirect and direct ways to find prospects, there are indirect and direct ways to contact them. Indirect contacts are considered passive contacts. Direct contacts are proactive contacts. Sending e-mails is passive. Phone calls to make appointments and recruitment presentations face to face are proactive. Proactive is always better than passive!

Do not use passive recruiting as a substitute for face to face meetings. The purpose of passive recruiting is to develop active contacts. You can use many types of passive recruiting in conjunction with active methods, but your recruiting strategy should not be based solely on passive efforts.

### **Passive recruiting efforts include:**

#### **1. Advertising and sending out emails.**

Remember that the purpose of sending out emails is to secure an appointment or at least secure a phone call, not tell the whole story about RE/MAX. Like any other marketing effort, the key here is consistency. In some countries, newspaper advertising attracts only low-level candidates; you need to adapt to the circumstances of your market.

#### **2. Share the good news.**

Each time a new Agent joins your office, do a press release on your new team member, post it in social media, send out emails to everyone you know (do not forget your current Agents). Consider using professional help to compose a note that will tell the story well.

#### **3. The reputation of your company.**

- A. Mentions in industry publications.
- B. Scope of your advertising program.
- C. Professional image of your Agents.
- D. Your office environment.



- E. Volume of contracted/sold houses.
- F. Affiliation with RE/MAX Headquarters.

#### **4. Your sphere of influence.**

The more people know about your office and the RE/MAX system, the more you can help overcome their challenges and improve their lives.

# 10 Excellent Recruiting Ideas

1. Call anyone with knowledge of the real estate market, including business schools, real estate lawyers, mortgage and finance companies.
2. Determine the top five real estate offices that are close to you and the top five Agents in each office.
3. Use directories of professional real estate organizations.
4. Attend open houses, Real Estate Association events.
5. Talk with other RE/MAX Sales Agents and Broker Owners of the area.
6. Read local newspapers, especially the Sunday newspapers (or the day when more colleagues advertise in your area), and learn about real estate salespeople that are succeeding in your area. Invite them for a cup of coffee to find out if you can help them do better.
7. Determine the "key players" and the best producers of the Realtor Association.
8. Use the directories where properties are advertised and find out the names and telephone numbers of the most prominent salespeople.
9. Browse listings in the yellow pages and real estate magazines.
10. Find an excellent real estate Agent and you will have an excellent source of information. They will tell you who to recruit if you put them on your side.

# 10 Excellent Market Research Questions

1. Who is the No.1 real estate company in the area? Who are the No. 2 and No. 3 companies in the area? Why are these companies strong?
2. What is the average price of a house in the area?
3. What is the average commission percentage and compensation program in your area?
4. Who are the best Agents in the best companies (key players)? Why are they considered the best?
5. Who are the leaders and best managers in the local Real Estate Association?
6. What are the real estate market segments? Who are the key Agents in each specific market?
7. What is the market share of the best companies? What markets do they dominate and why?
8. Who makes the most business by market segment? Why?
9. Who are the best Agents at obtaining and selling exclusive listings?
10. Who is considering opening a new office? Why? Which offices are considering closing their operations? Why?

# Who to recruit?

- One of the appeals of the sales profession is that it does not discriminate against anyone. Education, age, sex, social status, etc. ... none of that matters. Thus, be flexible and promote diversity in your office.
- But we need to understand that there are people who we should NOT recruit:
  - a. Unscrupulous, unethical people.
  - b. People who think they are better than everyone else in the world ("prima donnas").
  - c. People who only want to work part time.
  - d. People who do not have enough money to survive several months without income.
- Why do part-time employees not succeed?
  - a. Because customers now demand immediate answers and a person who only works part time cannot respond quickly.
  - b. Because to succeed in real estate you need to start by giving 100% of your effort, time, focus, and energy. Believing that 50% of the effort will yield 50% of the results is wrong. Working 50% of the time generally produces 0% of the results.
  - c. Because often times the reason why these people do not want to work full time is because they are afraid of failure; they do not feel confident that they can succeed and this fear of failure will undermine their efforts and won't let them accomplish their full potential. This way of thinking is the direct path to failure! "You do not try real estate; real estate tries you"...Dave Liniger.
- "Quantity or Quality of Agents?" Broker Owners often wonder whether they should have quantity or quality of Agents. The answer is: To have a successful office you need to have quantity AND quality! Quantity is important because it creates synergy. Productive Agents make sales, generate energy, attract more customers and give stability to the revenues of the Broker Owner. Quality is important because without quality it does not matter how many Agents you recruit.

- There is a hidden cost with bad Agents. Give a chance to many people, but be quick to get rid of the bad ones. Be careful not to fall into the common mistake of allowing bad agents to remain in your office. To encourage you to get rid of your bad Agents, we want to remind you of the hidden cost of bad Agents:
  - a. They negatively affect good customers, which never return to the office.
  - b. They give a bad reputation and image to the office.
  - c. They are a bad influence on your good Agents. One bad apple rots the other ones.
  - d. They are an unnecessary distraction, and loss of time for the Broker Owner. The Broker Owner changes from being an entrepreneur to being a "baby sitter".
  - e. They drive away the good Agents who were considering joining your team. People think "They have bad Agents, I won't join their team."
  - f. They increase the expenses of the office and produce nothing.
  - g. They damage the statistics of your office and the RE/MAX network.
  - h. They attract more bad Agents who think RE/MAX offices are a good place to drink coffee and waste time.
  - i. They generate customer complaints.
  - j. They increase the risk of lawsuits.

# Following-up is vital

A consistent and persistent follow-up program to your marketing efforts is critical to your success. Sales Agent prospects often decide on the second or third meeting; rarely on the first one. Your prospects need time to think and analyze the information you have given them. Each time you meet with them they will have further questions, new concerns. They pass through stages of enthusiasm, buyer's remorse; trust, new questions, etc. A variety of sources will give them advice, information, misinformation and receive both positive and negative feedback of their goals and their fears.

Your constant monitoring program allows you to check the "pulse" of your prospects and stay abreast of the "roller coaster" of emotions. It's amazing how many RE/MAX Sales Agents took weeks or months to finally decide to join a RE/MAX office. But once the decision was made, most of them wondered why they took so long to join our system. Your active follow-up program can reduce delays in resolving problems with every prospect individually.

Following-up has additional benefits for the Broker Owner. It allows you to establish a personal relationship with each prospect. It lets you build enough confidence to investigate personal information that influences the decision process. Best of all is that it strategically positions you in the right place to close the sale when your prospect is ready to say "yes".

People working in the real estate industry, are in most cases, conservative in their business philosophies. Conservative people find it difficult to make changes in their careers and lifestyles. For most of your prospects, joining your office represents a dramatic change in terms of financial commitment and time.

Remember that most decisions are made emotionally, not logically. Increase the emotional side of your presentation more than the logical side. Include the emotional benefits of making a logical decision.

*Recruiting is not just one more step in running your office, it is the most important thing you can do to develop a thriving business.* It is an ongoing process that must continue whenever you're in business. Think about what you are building: professional contacts, reputation, testimonials, experience, a database, a success story and a portfolio of "Agents in progress". One day you will call a

prospect who will say "I'm so glad you called me. Six months ago RE/MAX was not for me, but now I really appreciate all the information that you have sent me during the last months. When can we meet? I'm ready to affiliate with RE/MAX." Some variation of this scenario will happen to you sooner or later. It will not happen because you were "lucky." You will make this "sale" because of your consistent follow-up system.

No matter how careful you are at investigating your prospects, we all know that most of them will say "no" initially. We also know that a percentage of those who will say "no" will, at some future time, change offices; and they should come running straight to yours. A follow-up campaign prepares the way for the "no", which is not now to become the future "yes".

A prospect may seem happy with their current situation, and nothing you say about RE/MAX is going to convince him/her at this moment. But, by following-up you paved the way for a future sale. You should feel happy about this. The longer the prospect compares the RE/MAX system with other systems, the more likely they will be disenchanted with other options that they might have available at this time.

Prospects might also have personal needs that you cannot cover. Probably you cannot even tell those hidden motives for postponing their decision. They might not have the level of confidence or the courage it takes to discuss their personal problems. Your prospect may not realize how much they want to join your office until you discover their true motivation and allow them to say "yes" with dignity. Build bridges and keep them open.

Don't take rejection personally and don't be frustrated. It might be that your presentation was given when it was not the right time for your prospect. An example could be that the prospect had an argument with his/her spouse and they were not in the mood to make a decision. This hidden situation can destroy the effect of your presentation without you even knowing it. If you find that your prospect is not 100% in the presentation, stop, ask questions, investigate and prepare for a better opportunity. In this case your follow-up program can prove very valuable. Always remember that "no" really means not right now.

## **Seven rules for consistent monitoring**

1. Be persistent, but not stubborn.
2. Use a consistent email program.
3. Keep good records of everything that you send out.
4. Allow your prospect to say "yes" with dignity.
5. Never bad-mouth the competition.
6. Remember that customers want to buy, not to be sold.
7. Let your prospects know that you have contacted them because you recognize their potential, or current productivity and professionalism.



# **Eight components of an effective recruiting program**

## **1. Knowledge**

- A. Understand the RE/MAX concept.
- B. Know the competition, their strengths and weaknesses.
- C. Know yourself and your office.

## **2. Have a business plan**

- A. If you don't plan to succeed you plan to fail.
- B. Your business plan does not need to be a lengthy complex document; keep it simple. Don't over plan.

## **3. Attitude and enthusiasm**

- A. "CAKE." Commitment, Attitude, Knowledge and Enthusiasm.
- B. Do not attempt to recruit if you do not have CAKE. It will show.

## **4. Prospect all the time**

- A. Just do it. Take action.
- B. Go to where Agents are. Listen to what they say.

## **5. Image**

- A. Project your actual image, not a false one.
- B. Remember that perception is reality.
- C. Create an image through the furniture and office equipment.

## **6. Type of presentation**

- A. Adapt your own style to fit your prospect.
- B. Develop a solution to their problems through a training and education process.
- C. You are not done recruiting until they join your office.
- D. After they join your office, you must then re-recruit them constantly, which is the definition of retention.

## **7. Persistence**

- A. Be persistent, but not a pest.
- B. Use your best judgment, but keep in touch.
- C. Never, never, never give up.

## **8. Commitment**

- A. The recruiting success is a matter of chance; commit to a certain number of contacts each day, week and month.  
The more contacts you make, the more you recruit.
- B. Develop a presentation script.
- C. Participate daily in some sort of recruiting activity.

# Key phrases that sell

- RE/MAX is the most successful network in the history of real estate.
- RE/MAX was designed by top producers for top producers.
- RE/MAX has the power of a global network.
- RE/MAX is a system similar to the offices of doctors, lawyers, and accountants.
- RE/MAX is where the good salespeople become the best salespeople.
- RE/MAX give Sales Agents the advantage of owning their own business, without the disadvantages.
- RE/MAX is the last stop in your career.
- RE/MAX has more balloons than other companies have Agents.
- At RE/MAX success breeds success.
- At RE/MAX top producers do not support the low producers.
- RE/MAX is in your future.
- Over 100,000 real estate professionals cannot be wrong.
- You owe it to yourself and your family.
- You play better golf with better golfers (adapt to the most popular sport in your country).

- You are not the first person from another company that joins RE/MAX. 100,000 \* Agents made the same decision and are glad they did.
- At RE/MAX top producers increase their income not only for the maximum commissions, but also because they sell more.
- RE/MAX Agents form a team and compete together, not against each other.
- Nobody sells more real estate than RE/MAX!

\*Check [remax.net](http://remax.net) for the latest official Agent count.

# Ideas for successful retention

## Countering "the last drop syndrome"

Sales Agents generally don't leave an office because of one important single action taken by management, but leave because of small day-to-day disenchantments with their leadership. This is called "the last drop that overflows the cup". You need to take care of your Agents daily, showing your appreciation and leadership at every possible opportunity; by doing this you keep their disappointment cup empty or almost empty and you stay away from the last drop that overflows the cup. This is one of the best office growth tips that we can give you.

In the same way that you need to be deliberate about your recruiting you must be deliberate about retaining your current Agents.

## Eliminating drops

It is inevitable that problems and discomfort occur during the normal course of business. Your job is to do everything possible to remove those negative drops as they show up. This not only means resolving problems, though of course that's important. Removing the negative drops means making Agents feel that are needed, loved and recognized. You create relationships that have a much larger value than the impact of the inevitable challenges.

You must build relationships with your Agents to create and protect the value of your company.

## Step 1: Distribute positive information often

These are internal communications that make Agents feel good about working in your office. Some examples are:

- Market share chart.
- Community citizenship information (charities, awards, etc.)
- Any other information that makes your office look good.  
Study the data that you have available to find areas where your office is the strongest:
  - ❖ Number of properties
  - ❖ Average days on the market
  - ❖ Average price of properties

Why distribute this information often? Because someone else might be using a recruiting system on your Agents and contacting them every month. You need to counteract their effect, and this requires that you contact them at least with the same frequency that your competition them.

Most Agents continually look for ways to justify their affiliation with your company. You need to constantly remind them why they are in your office and why they should remain there.

### **Countering disinformation campaigns**

Find out what your competition is doing so you know exactly what you should tell your Agents so they remain in love with your company. Be honest about your intention. We are not asking you to manipulate people. We ask you to build an office that will change people's lives, and that you do everything in your power so they remain plugged in and are receiving the benefits that you offer.

## **Step 2: Keep your Agents informed**

Publish a monthly internal newsletter or memo where you include industry news or other information related to real estate that will help your Agents grow their business.

Some of these communications can be shared with your prospects so they see the level of support that they will receive when they join your office. Sometimes you will need to slightly adapt your message for internal (retention) or external (recruiting) use.

Among your internal and external communications you should also remind people of their affiliation at different levels: Constantly remind them of the services provided by your office, the regional office, and RE/MAX Global Headquarters

## **Step 3: Monthly Agent Recognition System**

It is important not to focus only on the best people. Structure your recognition system so that Agents at each level are recognized for achieving their goals, especially average producers, as many times

they are the heart of your office. At the beginning of the year meet with your Agents one-on-one to help them set goals and put them in writing. Then divide the goal by twelve to determine the necessary production per month.

## **Step 4: Make calls to support your Agents**

Encourage your Agents to provide you with the names and details of customers who want to sell their homes but are still undecided about giving them an exclusive listing agreement.

Make these calls a priority on your to do list and set a time when your Agent can be in the room with you when you make the call.

The call may sound something like this:

"I heard that Andrea, one of our Agents has met with you to offer our services. I want to say that Andrea is very good; a great person and a very dynamic Agent and I am sure she will do whatever it takes to give you the best service possible. That comes first. The second thing I want to talk to you is this. As president of our company, I want to ask if you have any questions that maybe Andrea could not completely clarify or anything else you would like to know about our company. *(People rarely have a question)*. Very well. Just wanted you to know that I am available in case you have any questions or doubts. Do you have a pen to write down my direct phone number? Please feel free to call if you have questions. We hope to have the opportunity to do business with you and your family. "

## **Step 5: Regular Training.**

Agents are most vulnerable to leave when they are in a rut than when being very productive. For this reason it is so important to support your Agents in their production efforts. The objective here is to do everything possible for your AgentAgents to provide the necessary training to advance in their careers.

## **Step 6: Follow the system "Three strikes you're out"**

The three strikes rule is fairly straightforward: If an Agent violates the code of ethics of the office three times they cannot continue working in the company. This refers to minor infractions; if a person commits one major infraction he/she must be terminated immediately.

Make sure that when prospects join your office, they know how serious you are about this rule, and that you are committed to the ethical values of your office. Have you given the RE/MAX Code of Ethics to each of your Agents?

The three strikes rule should also be part of your recruitment presentation. Make it clear to the Agents when they are hired that 3 violations of the office code of ethics, means termination. Agents know that ethical values are more than words on paper and actually represent "how we behave." To ensure that your commitment to the code of ethics is real it must be practiced daily in the company.

## **Step 7: Give a presentation annually at your office**

The concept here is to give a presentation similar to what many presidents do or as RE/MAX Chairman of the Board, Dave Liniger does at the International Conventions. Here's why these presentations are so important: (1) get everyone working in the same direction; (2) lets everyone know that they work for a winning company, and (3) they are a powerful retention technique.

It is best to have this event at the beginning of the year. This helps Agents get back on track after the holidays and to help them get recharged while other brokerages are still trying to figure out what to do. This is the time of year when many Agents decide to change companies and an event like this can make them feel they are of a larger effort.

### **Also invite some prospects**

Your annual presentation can also be used in your recruiting program. Call your top prospects and find out what their office is doing to start the year, which typically will be nothing. Invite six or eight prospects (depending on the size of the market and your office). The event's agenda needs to be interesting but concentrated to recharge the enthusiasm of the people at work. You should have another presenter besides you, maybe another Broker/Owner or



anyone in the region. A large office in a large market should bring one of the best real estate trainers available in your area.

Here are some points that you can mention:

- This is where we are
- This is how we got here
- These are the challenges we have
- This is how we will face the challenges
- There is where we will go

## **Step 8: Create a recognition system for birthdays and anniversaries.**

If you like to play jokes, you can send your Agents a message like this in their birthday: "Call me at the office immediately. It's urgent." Of course, the Agent will think they are in trouble. When they call just wish them happy birthday enthusiastically. It is an opportunity to share and have some fun.

Also include the spouse's birthday in the system. You should get this information from your Agents and make sure to keep it up to date. Send a birthday card to the spouses and be sure to mention the contribution that their spouses are making to the success of the company. Thank them for understanding and supporting their spouses in their commitment to their career. Few retention efforts are as strong as praising your members in front of the people who mean the most to them.

### **Send greeting cards for Anniversaries.**

In addition to birthdays, you should give recognition to what was perhaps one of the most stressful days in your Agents life; the day that they changed office or decided to join your office. The first day is always a day of great stress for most people. A very appropriate way to recognize the importance of this day is to send a handwritten note to your Agent's home. It is very important that this note is handwritten. Your Agents need to know that it comes directly from you. You can write things like: "We are delighted to have you here," "Thanks for all your contributions to the office", "We are happy to have you on board." This is a very strong way to counteract these small and inevitable disappointments that Agents have to face in every office. Now a days most people do not receive hand written notes in the mail so this gesture will not go unnoticed.

## **Step 9: Schedule a meeting once a year with your Agents to set goals and to review their performance.**

See Step 3 for the details of the goals and objectives you need to set to support your monthly Agents recognition system.

You can also use this time to have them provide feedback to you on the office and áreas they feel can be improved.

# Weekly sales meetings

One of the most powerful tools you have as a leader of a RE/MAX Office is having a weekly sales meetings with your Agents and employees. This will help to create a sales culture and good team spirit.

In case you are not convinced; here are the some reasons why these weekly meetings are of great benefit to your office:

1. Excellent communication tool for everyone in the office.
2. Opportunity to train the Agents on real estate topics.
3. Introduce office news and and news about the RE/MAX network Introduction of new Agents.
4. Agents can interact and become familiar with each other.
5. Agents that have good personal relations between them, tend to do more cooperative businesses.
6. Allows the Broker Owner to observe how the Agents interact and determine who is most committed with the Office and the team.
7. It is an ideal time to study difficult cases and make sales representations.
8. Because meetings force you, as the leader that you are, to deliver every week new ideas and demonstrate and exercise leadership.
9. Meetings are a good opportunity to invite prospects to join your office. A weekly meeting is one of the best recruiting tools! Let them see how your office works before they commit to joining your team.

# Leadership Videos

These videos of leadership have been carefully selected for you.

[Leadership lessons from a dancing guy](#) (3 min.)

[Steve Jobs on leadership](#) (7 min.)

[Lessons from Rocky Balboa](#) (3 min.)

[21 Irrefutable Laws of Leadership by John Maxwell](#) (2 hours 45 min.)

***You are the leader and the main reason for the success or failure of your RE/MAX Office!***

# 60 Minutes with RE/MAX

“60 Minutes with RE/MAX” is a recruiting event which is used successfully by thousands of RE/MAX offices around the world.

This does not need to be a complicated or expensive event. Invite 10 – 15 people to your office each month to learn about RE/MAX without any pressure. Offer some light snacks and beverages and keep it a casual atmosphere,

***Consistency is key!*** It is useless to invite 200 people and make these events every two or three years. It's much more productive to invite to 10-15 people monthly. You can even designate a specific day to hold these events, for example the second Thursday of each month.

The Broker Owner is the right person to open these events however the testimonials should come from the agents Most agents will be honored to share their testimonial on why they joined your office.

You can also occasionally invite someone from the Regional Office, who may attend in person or make your presentation by video conference. Having an assistant or an executive of the region greatly increase the credibility of your event and your office. Your presentation should be brief, about 10 minutes long in which you can thank your Agents, greet the attendees and share the vision of the future of RE/MAX in the region.

Be creative about who to invite:

- You can start with the obvious prospects: The circle of Agents not affiliated with RE/MAX with whom business is conducted regularly.
- Then extend this circle to include Agents who have not met before.
- When you invite them ask them “Who do you think I should invite to this event?”
- Your own Agents can be an important source of referrals because they are interested that the right people join your office.
- You also should invite people who are not in real estate: housewives, salespeople from other industries, bank executives, acquaintances, neighbors, relatives, friends, etc

### Sample Agenda:

6:00 – 6:30 PM	Cocktails and socialize.
6:30 – 6:40 PM	The Broker Owner welcomes the audience.
6:40 – 7:30 PM	Agents give their testimony.
7:30 – 8:00 PM	Socialize.

### Ideas for testimonials from the Agents:

Here are some ideas for topics that your Agents can present when they give their testimony. Feel free to create your own questions and to modify the ones presented here:

1. Is it expensive to work at RE/MAX?
2. What RE/MAX services can help them grow their business?
3. What does RE/MAX actually offer?
4. Is it easy to get exclusive listing agreements with RE/MAX?
5. How are the RE/MAX conventions?
6. Do I need to know English to join RE/MAX?
7. What training does RE/MAX provide?
8. Do you get to keep more of the commission when you are a part of RE/MAX?
9. How is the RE/MAX code of ethics?
10. Etc.

Finally, we must insist in the ***follow up process***. The Broker Owner must personally call the people who attended the “60 Minutes with RE/MAX” and ask them if they have any additional questions. If they do answer their questions by phone or meet with them in person. If there are no questions then ask them if they are interested in partnering with RE/MAX?”

# Awards and Recognitions

From the *Above Magazine* articles, to the annual gala awards, RE/MAX pays tribute to the members who have contributed to the succesfull story of RE/MAX. The different awards are prestigious recognitionfor our top producers and they help to retain the best real estate Agents in the industry. The RE/MAX Club Awards are:

- President Club \*: \$50,000-\$74,999 in commissions
- Executive Club \*: \$75,000-\$99,999 in commissions
- 100% Club: \$100,000-\$249,999 in commissions
- Platinum Club: \$250,000-\$499,999 in commissions
- Director Club: \$500,000-\$1,000,000 in commissions
- Hall of Fame: \$1 million in commissions earned during career with RE/MAX
- Lifetime Achievement: \$3 million in commissions with RE/MAX and membership of seven years or more.
- Circle of Legends: \$10 millions in commissions with RE/MAX and membership of ten years or more.

\* The President Club and Executive Club are not delivered at the annual convention of RE/MAX Headquarters due to the large number of Agents that win them.

# Do not let Agents steal from you

It is regrettable that some unscrupulous people do business outside the RE/MAX system and do not report them to the Office properly.

Here are some ideas to prevent this from happening. These ideas will be very useful, but the most important thing to do ***is create a culture of loyalty and friendship in your Office*** so the Agents are faithful without implementing disciplinary sanctions.

Some actions you can take are:

- Listing agreements must be signed in the office.
- You should only accept exclusive listing agreements.
- The exclusive agreements should be preprinted (not by computer) and must:
  - Include a clause saying that the option is valid only if signed in the office.
  - Specify that the commission payment must be made directly to the office or notary, but always to the Broker Owner.
  - Build trust with the owner of the property from the beginning. Send an e-mail of gratefulness for entrusting the marketing of the property to your Office.
- Collection of the commission is the responsibility of the office, not of the Agent.
- Be aware of all business deals going on in your office. Your secretary or receptionist can be of great help in this.
- The listing contracts must be signed by both: the Broker Owner and the Agent.
- The secretary must call all the customers with contracts about to expire, to renew them; keep in touch with them, and keep abreast of what is happening. The Broker Owner must sign the reason that a property is removed from the market.
- Publicize the sales closed each month to reward the Agents. Many Agents report their transactions simply because they want to be recognized by their peers.
- When an Agent infringes the rules, he/she must be terminated from the office. Tak them to court to ensure that everyone knows about it. It is important to establish a strong precedent.





# Ideas to get your Agents to pay on time

Keeping up the accounts receivables can be a challenge. To make this task easier, here are some ideas

The most important thing you can do is to ***create a culture of added value, so that the Agents do not mind paying their monthly bill to the Office.*** Remember how it feels to pay the bill after having enjoyed a nice dinner at a restaurant? You don't mind paying it, because you know that you enjoyed a great meal! Your RE/MAX office must be the same with your Agents.

Here are some ideas that may be useful:

- The Broker Owner must receive every month an aging report.
- Your policy of charging interest should be implemented firmly.
- Paternalism is a luxury you cannot afford, because it hurts you, your Agents, and your Office.
- Keep in mind that *"A Good Agent is the one that pays the bill on time."*
- You may apply some sanctions to the Agents that are late on their payments. (remove guards, etc.)
- Offer a "pay on time" discount.
- "If someone owes me \$100 they have a problem; if they owe me \$10,000... I have a problem!" Ricardo Cárdenas. Don't let account balances grow out of control.
- "You can play with me, but not with my money." Elton Ash.

# How much should I pay my Agents?

One of the most common questions from Broker Owners is: "How much should I pay my Agents?"

The Maximum Commission Concept - in which Agents earn up to 95% of their commission - was popularized in the U.S.A. by RE/MAX many years ago. However the implementation of this concept is not mandatory. The important thing is to pay a bit more than the competition and enough so that Agents do not leave the RE/MAX Office to establish their own businesses.

Many offices have commissions schedules as follows:

<b>Level</b>	<b>Agent receives</b>	<b>Broker Owner keeps</b>	<b>Agent pays to the Office every month</b>
A (Platinum)	80%	20%	\$800
B (Gold)	70%	30%	\$600
C (Silver)	60%	40%	\$400
D (Bronze)	50%	50%	\$200

Notes:

- Make it easy for Agents to join your Office. Allow them to join you at the Bronze level.
- Allow Agents to grow in your Office. It is better that they grow with you than have them leave the RE/MAX system.
- Do not pay more than necessary. Your office must be profitable!
- It is important that Agents pay at least a small amount every month to your Office. It should hurt them financially if they don't sell, and this separates the Agents that are truly committed from the ones that are just testing their luck.

# Domain names and e-mail addresses

RE/MAX is the most recognized real estate brand in the world and you should use it at every opportunity.

The use of the RE/MAX brand in domain names and email addresses can be very beneficial, but is not mandatory.

If you choose not to use the RE/MAX brand, you can use any domain name and e-mail address that you want; there are no restrictions. But if you want to use the brand, these are the rules to follow, as established by RE/MAX Global Headquarters:

## **Domain names must have this format:**

www.remax-officename-country.com  
Example: www.remax-alfa-panama.com

Or

www.remax-officename.cldn  
Example: www.remax-alfa.cr

## **Email address:**

We recommend that you use the e-mail address that has the remax.net extension, to which you are entitled at no extra charge. To get it, simply register on RE/MAX Mainstreet and follow the steps.

The remax.net e-mail addresses are forwarding addresses that will direct your email to the e-mail that you indicate when you register. In other other words, you can continue using your current service (Gmail, Yahoo, etc.) and have your .net address point to those.

# Over 200 useful files!

Simply [open this Dropbox folder](#) and download the files you need:

In this Dropbox folder you will find the following sub-folders:

- 2013 advertising campaign
- 2014 advertising campaign
- 2014 recruiting campaign
- Business card examples
- Contracts
- Guides, manuals, presentations (*here you will find the Human talent selection presentation*)
- Logos and useful photos
- REMAX Marketing ideas
- Office design ideas
- Signs

Although we recommend that you open a Dropbox account this is not necessary to download all the files you need.

# Key Performance Indicators (KPI)

Your life is full of indicators and you would find it hard to live without them: The thermostat indicates the temperature, the speedometer indicates the speed, the altimeter the altitude, the bank statement how much money you have, the scale your weight and so on.

How come is it then possible that people dare to run a business without indicators to know if they are going right or wrong?

Indicators will help you determine a good course of action: If you are doing well on something you should do more of the same; but if you are doing something wrong you should take corrective action immediately.

The indicators are easier to interpret when you work with them over time; and all it takes is to build a simple Excel spreadsheet that has the months in the different columns and the indicators in the rows. You can build vital statistics of your business.

Here are some indicators that can be very useful:

## **MONTHLY FINANCIAL INDICATORS:**

1. Percentage of revenue that comes from the Broker Owner sales.
2. Gross income (by Agent and total).
3. Profit margin (net profit/gross income)
4. Amount of cash available at the end of the month.
5. Short-term debt.
6. Long-term debt.
7. Money withdrawn by the Broker Owner.
8. Overdue accounts (by Agent and total)

## **MONTHLY OPERATIONS INDICATORS:**

These are some important indicators, but it is not expected that you calculate all of them every month. Each RE/MAX office should determine which indicators they need the most and focus on those. You can select from those presented below or you can develop additional ones according to your needs.

1. Number of clients who visited the office.
2. Number of phone calls received.

3. Number of “For Sale” signs installed (by Agent and total).
4. Number of exclusive listings (by Agent and total).
5. Number of sales (by Agent and total).
6. Number of likes in Facebook.
7. Average percentage of commission in closed transactions (Agent and total).
8. Average Days on Market (by Agent and total).
9. Number of Unique Visitors to the site.
10. Number of visitors to the blog.
11. Number of blog entries.
12. Number of Agents that do not have contracts with the Office (should be zero).

# Financial Management

There is no good RE/MAX office whose Broker Owner is not a good Financial Manager. It's as simple as this.

Generally a salesman thinks only in making more sales, and that is important. But in reality it is also important to think how to manage the money better, which is known as Financial Management.

Almost anyone can learn how to do this properly. Some persons are intimidated by this and hide behind excuses like "I am not good with numbers," when in reality it is simpler than they think. The truth is that in most cases it is not a question of aptitude to understand the numbers, but lack of discipline to analyze the numbers once per month (which takes just one to two hours).

The way to be a great Financial Manager begins with the understanding of the two basic financial instruments: The Income Statement (also known as Profit and Loss Statement) and the Balance Sheet, of which examples are shown on the following two pages. These are basic examples of a small RE/MAX Office, designed to illustrate the point. Your financial statements should include more details and your accountant will help you prepare them. Spend enough time to study these examples!



**RE/MAX Golden Real Estate**  
**INCOME STATEMENT**  
**Period: June 2014**

<b>SALES</b>		
Commissions	\$80,000	94%
Agents Fixed payments	\$5,000	6%
<b>TOTAL SALES</b>	<b>\$85,000</b>	<b>100%</b>
 <b>(-)COST OF SALES</b>		
Payments to RE/MAX	\$5,000	6%
Payments of commissions	\$50,000	59%
<b>TOTAL COST OF SALES</b>	<b>\$55,000</b>	<b>65%</b>
 <b>= GROSS PROFIT</b>	<b>\$30,000</b>	<b>35%</b>
 <b>EXPENSES</b>		
Salaries	\$5,000	6%
Office Marketing	\$5,000	6%
Rent	\$5,000	6%
Utilities	\$2,000	2%
<b>TOTAL EXPENSES</b>	<b>\$17,000</b>	<b>20%</b>
 <b>NET INCOME BEFORE TAXES</b>	<b>\$13,000</b>	<b>15%</b>

**RE/MAX Golden Real Estate**  
**BALANCE SHEET**  
**As of June 30, 2014**

**ASSETS**

**Current assets**

Cash	\$20,000
Commissions receivable	\$30,000

**Total current assets** **\$50,000**

**Fixed assets**

Furniture and equipment	\$40,000
(Accumulated depreciation)	\$10,000

**Total fixed assets** **\$30,000**

**TOTAL ASSETS** **\$80,000**

**LIABILITIES**

Bills to pay	\$10,000
Line of credit loan	\$25,000

**TOTAL LIABILITIES** **\$35,000**

NET WORTH = ASSETS - LIABILITIES

## How to improve your financial results?

Now that you have studied the financial statements of RE/MAX Golden Real Estate, you must ask yourself how to improve your financial results.

### *Here are 17 actions that you could take!*

1. Recruit more good productive Agents.
2. Have more Agents occupy the same number of cubicles (what is known as "shared spaces")
3. Help your Agents sell more properties.
4. Coach your Agents to charge a higher commission percentage (or to make less discounts).
5. Coach your Agents to sell higher-priced properties.
6. Charge a higher fixed fee to your Agents.
7. Charge your Agents for the leads you give them.
8. Transfer to your Agents some costs that currently are absorbed by the Office.
9. Pay a lower percentage of commission to your Agents.
10. Terminate Agents that do not produce or produce little ("Coffee is for closers!")
11. Reduce the Office expenses.
12. Implement a policy of "Exclusives Listings Only" in your Office. Do you realize how much time is wasted showing houses that will be sold by another company?
13. Train your Agents to only accept listings with realistic prices.
14. Guide your Agents to work more sales (and less leases).
15. Coach your Agents to qualify their customers well, before going out to show properties.
16. Convert your Agents to time management freaks.
17. Become a real coach to your Agents, helping them, to reach levels that they never believed possible!

# Last, but not least

In all the materials that you produce you must include the legal disclaimer "***Each office is independently owned and operated***".

This is required by RE/MAX World Headquarters , and it serves to protect you and all the members of the RE/MAX network around the world.

*It must appear in everything: Business cards, yard signs, office signs, printed materials, blogs, website, Facebook, Youtube, promotional items, etc. etc. etc.*

## **Attachments**

# **25 Fundamental Activities**

## 25 Fundamental Broker Owner/Owner Activities

*"The most common business mistake is not doing the obvious." Darren Hardy.*



1. Keep an updated database of candidates that you would like to join your office and an updated recruiting presentation.
2. Devote one hour per day to doing calls, meetings, and visits dedicated to recruiting. These activities must be face to face or voice to voice. These can be personal or group meetings.
3. Hold weekly sales meetings with Agents and staff, and organize office meetings to attend RE/MAX webinars. Invite candidates too.
4. Attend RE/MAX events with your Agents (either in your country or overseas).
5. Estimate the percentage probability of sale of every listing every month. Agents must get sellers to lower the price when necessary. You have to speak candidly with the owners.
6. Have the Agents contact every seller at least once per month to discuss price and other conditions.
7. Hold one-on-one coaching sessions with each Agent every month (*coaching*); make sure they have yearly and monthly goals and drive them to achieve those goals.  
Fly the RE/MAX colors and always use the brand in compliance with the RE/MAX Trademark Standards. You are a part of the best real estate brand in the world. Make it count. Devote two hours per week (individually or with your Agents) to studying materials in Global Training (get access [here](#)) and Mainstreet (get access [here](#)).
8. Make sure that each Agent has updated listing and buyer presentation.
9. Make sure that each Agent is adding a certain minimum number of listings and buyers every month (establish goals for each person and coach them to achieve them).
10. Create a personal development culture (more important than what your Agents do is who they become).
11. Make sure that floor time is properly covered, that leads are distributed fairly, and that all Agents know it.
12. Verify that all listings have updated information on each website the agents use.
13. Have each Agent reach out to a RE/MAX peer outside of your office every month (reach out to a new person every month). Develop your RE/MAX network.
14. Have a great social media strategy and make sure each Agent has their own as well.
15. Run monthly listing and sales contests; post results visibly.
16. Celebrate achievements, birthdays, anniversaries... have a fun office !
17. Have a monthly financial analysis meeting with your finance person (not necessarily to share with the Agents).
18. Save 10% of your net income (prepare yourself for slow months) and contribute 10% to your local community (remember that what goes around comes around).
19. make sure that each Agent is committed to at least a small fixed monthly payment to your office; this weeds out the non-committed persons. You can make exceptions but with a time limit of no more than 6 months.
20. Charge enough and have an effective collections program. Be strict. "People can play with me, but they can't play with my money." Elton Ash. You are in a business of making money!

21. Either you or a person that you assign must always be on the lookout for Agents possibly doing business outside the office. Terminate the offenders. Zero tolerance.
22. Help your good agents and eliminate the bad ones.
23. And last but not least ... LEAD! You are the reason why your office succeeds or fails. Read two books about leadership each year. Cultivate your mind, that is your most valuable activity.



## 25 Fundamental Activities for RE/MAX Agents

*“The most common business mistake is not doing the obvious.” Darren Hardy.* 1. Be an expert ... your market and your industry.

2. Have a theme for your marketing, dedicate yourself to getting to know something; differentiate yourself from the competition. What do you do that makes clients remember you?

3. Be a “fanatic” investing your time efficiently. Dedicate your time to activities that produce money and don’t do what doesn’t produce income. Work at least 8 hours a day and don’t waste your time.

4. Maintain an updated database of clients and connections.

24. 5. Contact the people in your database monthly. Ask for referrals explicitly; enthusiastically thank your connections when they send you a referral.

6. Dedicate two hours a day to proactively seeking new clients.

25. 7. Always maintain an updated brochure explaining your services.

26. 8. Always use the RE/MAX brand. It is the best real estate brand in the world and you are a part of it.

27. 9. Participate in RE/MAX events (nationally and internationally).

28. 10. Each month, estimate the probability (%) of selling each property you have listed. Have the owners lower the price when necessary.

29. 11. Each month, estimate the probability (%) of buying for each buyer you are working with. Focus on your serious buyers and ask them for exclusivity in working on the purchase with you.

30. 12. Have monthly and annual goals, and develop a plan of action to achieve them. Find a coach that demands you keep focused on said goals.

31. 13. Make sure you have a minimum for how many properties and buyers you add each month.

32. 14. Dedicate two hours a week to studying Global Training materials (register [here](#)) and Mainstreet (register [here](#)).

33. 15. Have a personal development culture (“to be” is more important than “to do”). Develop the habit of reading, including re-reading certain fundamental books every now and again.

34. 16. Make sure each of your properties is updated on each website you use.

35. 17. Contact a RE/MAX colleague outside of your office every three months (a new person each time). Develop your own RE/MAX network.

36. 18. Maintain an active online marketing strategy. This should include your office/personal site, blog, Facebook, Youtube, etc.

37. 19. Keep track of these performance indicators on a monthly basis: number of new listings (current as compared to those acquired over the course of the month), number of contracts (acquired during the month), number of buyers that you are working with and number of transactions (monthly and annually).

38. 20. Celebrate the accomplishments, birthdays, and anniversaries of your clients

39. 21. Analyze your finances monthly. Get to know your income, spending, and savings.

40. 22. Save 10% of each commission you earn.



- 41. 23. Give 10% of your earnings to your community. What goes around comes around.
- 42. 24. Charge what your services are worth. Don't discount your fees. Stand your ground. Learn to negotiate.
- 43. 25. Offer top quality service, impress your clients, always go the extra mile for them.



## 25 Fundamental Hard Coach Questions

1. Do you know where your time goes? Can you demonstrate it?
2. What are your goals? Are they SMART? (Specific, Measurable, Attainable, Realistic, Timely).
3. What problems feel unsolvable right now? What is stopping you from achieving your goals? Is this really the problem or is there something underneath?
4. What hard evidence do you have that demonstrates your work and commitment towards these goals?
5. What fires keep coming up? What system can you develop to prevent these fires from coming up again and again?
6. What is the right thing to do?
7. Who do you need to become to achieve this goal? Who do you admire? How would that person handle this situation?
8. Do you feel that you are operating at your absolute maximum potential?
9. What fight are you fighting that's not worth your time and effort? Why is this so important to you?
10. What shifts do you need to make in your thinking? What belief do you need to change?
11. What drastic changes can you make this week? What are you going to do about this situation? What's the first step that you need to take? What steps do you need to take to move this project through to completion?
12. What's the real truth? What does your soul/heart/gut say? What is your intuition telling you? What are you not saying?
13. Who has another perspective to this challenge and what is it?
14. If you continue to do what you are currently doing, where will you end up? How much longer are you willing to put up with that? What or how much will it cost you?
15. If you were me, what would you tell yourself?
16. Is there a part of you that is just waiting for somebody to fix this problem?
17. What is the goal or dream you have given up on? If you were to go to sleep tonight and a miracle were to happen, what would that miracle be? What is your lifelong dream that is worth dying for? What does the next level of success look like for you? What do you want your legacy to be?
18. When will you be ready to take full ownership of this? Have you really looked in the mirror? Do you take full responsibility for your failures? Where are you most irresponsible?
19. What are you afraid of?
20. How can you create time in your days? Do you have strong or weak boundaries around your time? Do you realize that when people make requests of you, you don't have to respond immediately?
21. It sounds like you are resistant to what I just said; may I ask why? We tend to resist what we need to learn the most; do you agree that there's an opportunity here worth exploring?
22. How is your financial situation? What mistakes do you seem to make with money?
23. How much money should you or your department be making? How stable is your income stream?
24. What actions can you take to double your income? Do you feel you are worthy of a much higher income?
25. Do you visualize yourself every day having accomplished that which you wish to accomplish?