

LAUNCHING
YOUR
REAL ESTATE CAREER

Real World Advice from Real Estate Pros

A Free Resource for
Prospective Real Estate Agents and Brokers

From



INTRODUCTION

So, you're thinking about a career in real estate. Now what?

Kaplan Real Estate Education has developed this eBook as a resource for people who are thinking about taking the first step toward a career in real estate, but don't know where to get started.

You likely have questions. But where do you turn for advice? We have enlisted the help of two experienced real estate professionals to provide real-world advice on what it takes to be successful in real estate. We asked our pros what advice they wish they had received before they got into the business. We asked them where they have seen inexperienced agents fail. We asked them what skills they believe are essential to success in real estate. We took all of their advice and combined it in this book to help you decide if a career in real estate is right for you.

We also encourage you to find an agent in your area who will serve as a mentor. Shadow that person on the job. Get a feel for the day-to-day operations of a successful real estate business. Gather all of the information you can before you get started. When you're ready to take the first step in your career, visit www.KapRE.com to enroll in your licensing course and get started.

We hope you find this resource helpful, and we wish you the best of luck as you embark on your real estate journey. Thanks for reading!



ABOUT THE EXPERTS



Art Valenzuela
Independent Broker
San Diego, California

Art Valenzuela is an independent Real Estate Broker and Sales Trainer in San Diego, California. He is also a Lead Real Estate Instructor for Kaplan Real Estate Education. Art has 14 years of real estate and lending experience, with over 4,000 personal/managed transactions. He also serves as Program Director for The Lunch Hour with Mr. Credit, a radio show on San Diego's ESPN Radio 1700 AM.



Lynne Salminen-Mattson
Transition Realty
Minnetonka, Minnesota

Lynne has been a licensed real estate agent for 23 years, including 7 years as a licensed broker. Currently, she is the Broker Associate at Transition Realty in Minnetonka, Minnesota. She blends past experience as a paralegal, human resource manager, and business and marketing student to be a resource for buyers and sellers in the greater Minneapolis area. She has taught real estate licensing and continuing education courses for 18 years. Lynne is an experienced, grounded real estate professional who combines great people skills with expert analysis to help clients achieve their desired result.



John Danyluk
Coldwell Banker Burnet
Minneapolis, Minnesota

John Danyluk is a licensed full-time Realtor in Minnesota and Wisconsin. He works with Coldwell Banker Burnet at their Lake Calhoun location in Minneapolis. His practice includes purchase and sale of single- and multi-family residential and investment real estate, as well as commercial and mixed-use properties and land. John is a member of Coldwell Banker's International President's Circle, a designation earned by fewer than 2% of Coldwell Banker agents nationwide. He is also recognized by the clientele he serves through their consistent nomination of him as a "Super Agent." John is also an instructor in the Kaplan Real Estate Education Real Estate Licensing Program.

“First of all, don’t listen to naysayers and non-industry advice. Everyone has an opinion, but the ones that really matter are the experts working in real estate.”

–Art Valenzuela

Have you ever told anyone you were interested in starting a real estate career? If you have, you’ve probably already received a ton of advice. Your father thinks it’s a terrible time to get into real estate. Your brother-in-law knows a guy who made a million dollars in his first year selling real estate. Your neighbor heard that the brokerage you’re thinking of working under is terrible for new agents. What do you do with all of this free advice?

First of all, say thank you. Then, promptly forget it all unless it came from someone who knows firsthand what a career in real estate is like. The real estate industry is one that everyone thinks they know something about. The truth is, you’re not going to make a million dollars in your first year. But if you truly dedicate yourself to your career, you will likely be successful. Like any industry, your success depends primarily on your work ethic and your interest in what you do. If you are looking for advice, seek out a mentor in your community who works in real estate. Find someone successful who has seen the ups and downs of the industry and survived. They will know what this career is like at its best, and at its worst.

“Choose your broker carefully. Your broker’s reputation and brand will have a big impact on your own reputation and brand. You want a broker that has a great reputation and brand in the area where you are choosing to work. Find that broker and make the best agreement you can with him or her. If you are good at what you do, they will need you as much as you need them. Remember that.”

–John Danyluk

You represent the broker you work with. But they also represent you. Before choosing a broker, talk to current real estate professionals. Ask them what they like about their broker, as well as what they would change if they could. Ask them what they know or have heard about other brokers in the community. As a new agent, it’s important that you find a broker who is willing to help and support you as you learn the ins and outs of the business and get your feet wet. Not all brokers are the same. A bad broker can turn your career sour from the beginning and completely turn you off to the business as a whole. Do your research and then choose the brokerage partner that gives you the best opportunity to succeed in your career.



“Understand that you are starting a business. See yourself through the lens of an income statement and balance sheet. Know that to be successful, you must be profitable. Learn what you must do to manage both revenues and expenses in the right direction.”

–John Danyluk

Some people who choose to begin a real estate career are already successful accountants. This tip is for the rest of us.

It goes without saying, but your goal in real estate (or any business) is to make money. This isn't rocket science, but it's a good mantra to remember. The first half of this equation is income. You need to constantly engage yourself in activity that will keep money coming in. Generally, we all seem to understand this principle of profitability.

Often, it's the other half of the equation that gets ignored: managing expenses. We've all heard the saying, "You have to spend money to make money." Of course, there's some truth to that. But it is important that you keep your expenses in line with your income. Don't overspend. Test and research each marketing endeavor before jumping in. Make sure that most of the money you spend has a high potential to earn you more money.

Some young real estate professionals believe they have to project the image of success in order to convince clients that they are good at what they do. While clients can probably appreciate the appearance of success, it is safe to say that they can also appreciate and respect a real estate agent who makes sensible decisions. A clean car is more important than an expensive one. You don't need a \$5,000 custom-made suit to appear distinguished. While smart financial decisions will be important throughout your career, they are never more critical than when you are getting started.

“This is a ‘people business.’ Interpersonal skills and relationship building are key to success. Making your client feel important and cared about is required.”

–Lynne Salminen-Mattson

Perhaps one of the most important questions to ask yourself when you are considering a career in real estate is, "Do I like working with people?" This aspect is so important because you're going to be doing a lot of it, and it's not always going to be easy. If you're the kind of person who is short on patience and quick to anger, it's going to be downright difficult to be successful in the real estate business.

Become the kind of real estate agent you would want to hire. Be courteous and polite. Be pleasant to talk to, and don't talk down to your clients. Be fair and honest. Show respect for your clients and others by keeping appointments and showing up on time. We all have bad days. But the most successful real estate agents have mastered the ability to not let their bad days rub off on the people they deal with on a daily basis.

“Engage the community you wish to serve. Market yourself locally with open houses, hand-distributed flyers, and other personal deliverables. Join local networking organizations and professional associations. Give your time. Be visible. Become known for what you do.”

–John Danyluk

As we have already established, real estate is a relationship-driven, people business. That means you may need to step out of your comfort zone and into some situations, events, and organizations you might otherwise not be interested in. Referrals come from satisfied clients. Satisfied clients come from qualified leads. And qualified leads come from your community.

The good news is, there are many free and affordable ways to get involved in the community and get the word out about your business. Consider the local Chamber of Commerce, or other business networking groups in your town or city. Sponsor a little league baseball team. Volunteer for community cleanup efforts. Be active and visible among the community you serve. You never know where your next opportunity is going to come from.

“Patience is essential to success. Clients act on their own schedule, and agents who exhibit concern for the client’s well-being are often rewarded with future referrals.”

–Lynne Salminen-Mattson

New agents always ask, “How quickly can I expect to get my business off the ground?” They often aren’t prepared for the “patience” aspect of their job as a real estate professional. Not every person you talk to will become a client. Not every buyer you represent will actually end up buying a house. Not every home you list will sell. Not every buyer who submits an offer will get their loan. Not every offer your client accepts will hold up. And when any of these things do happen, they will rarely happen as quickly as you would like.

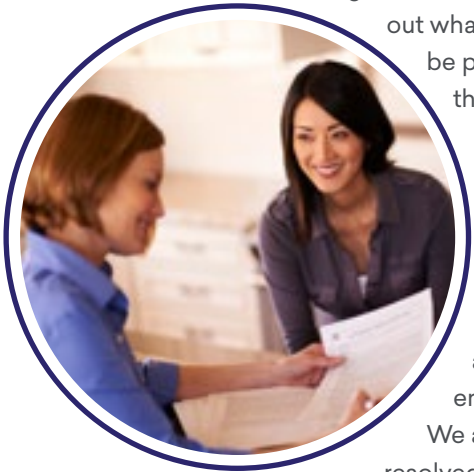
New agents often feel like they are constantly waiting. They’re waiting for buyers, waiting for sellers, waiting for other agents, waiting for someone to do something. With experience, successful agents learn to keep putting irons in the fire. A watched pot never boils, and a watched phone never rings. Instead of wasting your time waiting, engage yourself in other activities to keep your mind busy and grow your business while you wait for the deal to get done. Prospect for new leads, market your business, or keep other deals moving. There’s never a shortage of work to be done.

There’s a fine line between coming off as pushy and simply following up with clients to answer questions or keep the process moving. Let your clients know you are there for them when they need you, and encourage them to call you with questions or concerns. But don’t become a nuisance. Your job is to support them and help them through the process. Every client experience has the potential to become a referral—positive or negative.

“Successful agents are detail-oriented and always research the information rather than shooting from the hip or guessing. This is critical for liability and credibility issues.”

–Lynne Salminen-Mattson

You are the expert. Clients will look to you for answers and expect you to have them. There's a lot that you can do to prepare yourself for the questions your clients will ask. If you're showing a home tomorrow in a neighborhood that you're unfamiliar with, do your homework. Research comps and find out what you can about the school district. You can even talk to neighbors. But be prepared. Make it your mission to go into every meeting you conduct with the information you think you'll be expected to know.



Sometimes, even the most prepared agents will face questions they don't know the answer to. That scenario can be uncomfortable and can tempt you to do whatever you need to in order to answer your client's question, even if your answer isn't right. Don't do it. Instead, admit that you don't have the answer the client is looking for, but you will find it and get back to them as soon as possible. In the short run, you may be embarrassed. You may feel like your client is questioning your expertise. We assure you, any questions they have about your credibility will be resolved when you respond with the correct answer to their question. But, the long-term effects of giving the wrong answer, intentionally or not, could be absolutely devastating to your career.

You are the expert. But remember, experts don't always have all the answers. But, they always know how to get them.

“Surround yourself with experts. Find a good real estate attorney, a good accountant, a good inspector, a good surveyor, a good lender and put these people and others on your team. You're going to need all of them. It is best to meet them before you're trying to help your client solve a problem.”

–John Danyluk

When a client has a question you don't know the answer to, where do you turn? One of the wisest things you can do as a real estate professional is to have a “stable of experts” in fields related to real estate. Partner with competent local individuals to meet the needs your clients may have throughout the course of their relationship with you.

As with any relationship, it's a two-way street. If the only time your experts hear from you is when you need their help, they will likely be less attentive to the needs of your clients. Look for opportunities to help them build and grow their business. Send them referrals, watch for opportunities you think would appeal to them, and maintain communication even when you have nothing to gain from talking to them.

“Find your niche! Look inward to see what “makes you tick.” Who are you, what are your interests, where do you live, where would you like to live, what don’t you like, et cetera? Figure out who you like working with, where you like to work, and become a specialist.”

- Art Valenzuela

What makes you different? In other words, when people are considering which real estate agent to do business with, what makes you stand out in their minds? Before they’ve even met you, potential clients have an opinion about you. That opinion is based on your brand—the one or two traits that clients attach to your name as differentiators.

Some real estate professionals spend a lot of money advertising...in the newspaper, in the yellow pages, on billboards, on the internet, on park benches, everywhere. They do this because they believe that in order to generate business, you have to “get your name out there.” But, getting your name out there is only half the battle. It’s important that your name is attached to some sort of tangible or intangible benefit in the public’s mind.

So what makes you different? If you have a hard time answering that question, your potential clients will too. Find something you’re good at, or something you can deliver consistently, and stick with it. Make sure every ad and every conversation that mentions your business also mentions your brand. Become the agent known for serving first-time home buyers in your community. Serve an irresistible gourmet coffee at all meetings held in your office. Come up with a creative business card design that makes people laugh or think. The possibilities are literally endless. Don’t believe me? Consider the case of Scott Ginsberg, a writer and public speaker who has built a very successful brand around the fact that he wears peel-and-stick nametags every single day of his life.

“Self-motivation is an essential part of building a successful real estate business. New agents need to have a lead generation plan/ program and work it daily.”

- Lynne Salminen-Mattson

Successful real estate agents don’t have “downtime.” That’s not to say that in order to be successful, you have to neglect family, friends, and hobbies. It means that you will never be out of work. There will never be a moment when you will have nothing to do. You will never be bored.

Just like anyone, there will be days you don’t want to work. Lucky for you, a career in real estate usually allows you to set your own hours and work when you want. But, you will get out of your career what you put into it. The most successful agents set and stick to schedules. They face the same temptations we all do. But, they fight through it and engage themselves in their work.

Not all agents who earn their license become successful. Real estate professionals don't always have a boss looking over their shoulder, and some have trouble staying motivated when they aren't facing external pressure. There are ways to keep yourself motivated. Set goals. Constantly find new ways to challenge yourself and do whatever it takes to achieve your challenges. If you only had two new listings last month, make next month's goal five listings.

Manage your downtime. When you aren't with clients, conduct other activities to grow your business. From social media to Chamber of Commerce functions to business networking groups, the possibilities are endless. Set goals. Create plans. Execute.

“Develop a system that helps you manage your opportunities. It doesn't need to be complicated or cost a lot of money. A simple spreadsheet will do. Always focus on what needs to be done next for every opportunity in your pipeline.”

–John Danyluk

You've just had a great conversation with a couple at an open house, and they are looking to purchase their first home. This morning, you received a call from a retired widow looking to put her family home on the market and downsize. This afternoon, you're exhibiting at a local home and building tradeshow, where you'll likely have dozens of unique conversations with potential clients. Meanwhile, you are already serving a full roster of current clients. How do you keep track of it all?

No matter how many clients you have, each one will expect to be treated as if they are your only one. The secret to it all is organization. There are a lot of different ways to keep track of your business relationships. But, as John said, it doesn't have to be complicated or expensive. Keep a spreadsheet with each client's name, a summary of their situation, the status of their relationship with you, any action items you are responsible for along with deadlines (if applicable), and their contact information. Keep the spreadsheet open and update it constantly. When you leave the office, print it off and take it with you to take notes. You never know when your phone will ring, and this will help you stay on top of opportunities when they arise.



“Work by a set of values and morals (often the same ones you live by) and never waver.”

–Art Valenzuela

One of the best parts about working in real estate is that you are calling the shots. Aside from state laws, rules, and regulations, you are largely on your own to conduct business as you see fit. This is also one of the potential pitfalls.

Early in your career, you need to create your own boundaries. Establish the limits to which you are willing to go to conduct business and the lines you are not willing to cross. Make a point to practice real estate in a fair and ethical manner. Consider becoming a member of the National Association of REALTORS®, a highly recognized US-based organization that adheres to a clear and well-known code of ethics.

Being an ethical real estate professional will not always be the easiest decision. You may upset clients and potential clients. You may encounter trouble with other real estate professionals who don't adhere to the same code of conduct you do. It's not always the easiest thing to do, but it is always the right thing to do.

ABOUT Kaplan Real Estate Education

Kaplan Real Estate Education is the largest provider of real estate licensing and continuing education in the country, with schools founded as early as 1945. We offer a wide variety of courses that will help you excel in a real estate career. To browse available licensing courses, visit www.KapRE.com, and select your state.