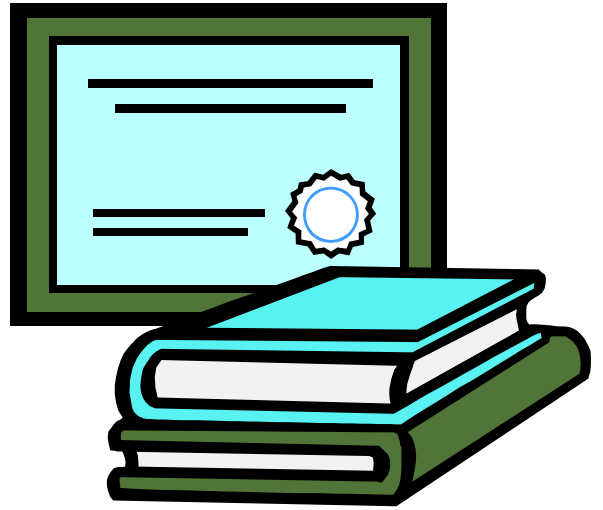


You're  
Licensed...



NOW WHAT?

This Brochure is designed to provide you with basic information as a new licensee regarding career choices and basic knowledge of basic skills you will need to survive in the real estate business.



**R A C I**

**REALTORS® Association of Central Indiana, Inc.**



## Income Expectations

You most likely worked in another industry that may have had a traditional or consistent pay period. Real Estate is different. Your income depends on YOU! Your paycheck comes from successfully closing a transaction. Your broker will receive a commission check from the escrow company, which the broker will then divide with you based on your commission arrangement.

## Homework.... Things to Think About

- ◆ Where do you want to focus?

Residential

Leasing

New Homes

Commercial

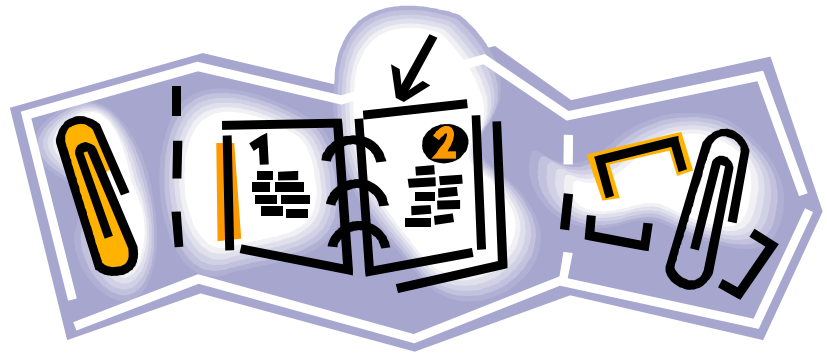
Assistant

Listing Agent

Buyer's Agent

Relocation

Broker/Manager



- ◆ What are your income goals? What income structure do you want to work in? (100%, where you assume all expenses such as mail, phone, office space, or a split commission that may be offered on a scale according to your production and the firm provides a desk, phone, etc).
- ◆ In what area and price range do you want to specialize (close to home etc.)?
- ◆ Does the firm offer a full-time broker or broker associate, mentoring programs, and secretarial support?
- ◆ Do you want to work with a large firm or a small firm (independent or franchise)?
- ◆ Do you want to work for a firm that offers in-house training programs or reimbursement for training taken outside the firm?
- ◆ Do you want to work with a firm that has affiliations such as a lender/ title escrow company?

# Customer and Client Services

- Build trust with client
- Qualify buyers/sellers (needs, wants, financial)
- Counsel seller/buyer on home buying process
- Communicate with seller and buyer
- Negotiation skills
- Transaction management, contract to closing



## Legal and Regulatory

### **Professional Standards**

Comply with NAR Code of Ethics

Comply with NAR Professional Standards

Understand and comply with state rules and regulations

### **Fair Housing**

Understand and comply with fair housing laws

Understand and comply with Voluntary Affirmative Marketing Agreement

Understand and comply with Americans with Disabilities Act (ADA)

### **Brokerage Relationships**

Understand and comply with the law of agency

Explain agency relationships to a seller or buyer

Understand and comply with antitrust law

Recognize and disclose a closed business arrangement

### **Contracts**

Understand and complete applicable contracts, agreements and forms

Handle clauses and contingencies

Understand and comply with applicable escrow and trust fund requirements

Avoid unauthorized practice of law

### **Environment**

Understand and comply with appropriate environmental laws

Locate qualified environmental professionals

Know consequences

# Technology

## Hardware

Assess individual technological needs

Select appropriate hardware

## Software

Assess individual technological needs

Select Appropriate software

Tools: Contact manager, word processing, presentations, Multiple list serve (MLS), Comparative Marketing Analysis (CMA), database management, spreadsheet, accounting, financial management, etc.

## Communications

Assess individual communication systems

Tools: On-line systems, cellular phones, interactive television, e-mail, voice mail, magazine pages, internet, webpage, etc.



# Basic Supplies to Get Started

As with any business, there are certain start-up supplies you will need. Many firms offer some of the essential.

- Business Cards
- Computer/Fax access
- Printer
- Copier
- Digital Camera
- Day-Timer or PDA
- Software (database/contact management/word processing)
- Letterhead/Envelopes
- Thank You Cards
- Cell Phone
- 800 Phone Number
- 24-hour Answering Service
- Name Badge
- Signs/Riders





# Interview Process

The interview process is basically the same in any industry. There are questions the broker/manager will ask you to help determine if you will be a good fit for the firm, and questions you will ask to determine if the firm is the right fit for you. You should know what type of atmosphere you want to work in as well as what traits you want from a manager prior to interviewing firms.

## Questions the broker/manager may ask of you:

1. Why did you choose real estate?
2. What are your first year expectations?
3. What is your community involvement?
4. What are your best skills/Assets?
5. Have you worked in sales previously?
6. Are you the sole provider in your family?



## Questions you may want to ask the broker/manager:

1. How will I get paid?
2. What expectations will the broker/manager have of me?
3. What is the average length of time agents have been with your firm?
4. What training is available to new agents?
5. Does the firm have a mentor program?
6. Does the firm have floor time duty? If so, how is it assigned?
7. What basic supplies are provided by the firm?

# Things to Learn

The body of knowledge below is a statement developed by the National Association of REALTORS® Education Committee listing what the residential real estate practitioner needs to know or be able to do in order to practice competently.



## Sales Process

### Prospecting

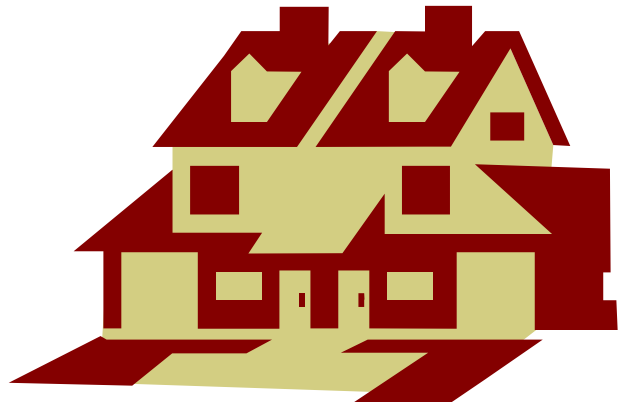
- Identify spheres of influence
- Develop a referral network
- Telephone techniques
- Develop a farm or business base
- Use contact management databases
- Work with expired listings and FSBOs

### Marketing

- Hold an open house
- Develop and use a personnel presentation program
- Show a property
- Establish property price
- Make a listing presentation
- Present offers
- Prepare a Comparative Market Analysis (CMA)
- Create Advertising
- Create a direct mail campaign
- Develop a marketing plan for a property
- Handle competitive offers
- Research a property



# Professional Development



## Business and Personal Management

- Develop goal setting and time management strategies
- Maintain a professional image
- Develop a personal business plan
- Develop a professional contacts network
- Develop problem-solving skills
- Develop communication skills
- Develop negotiation and counseling skills
- Community involvement
- Continue life-long learning





# Typical Start-up Expenses



There are some start-up expenses that you can expect and should plan for:

- ◆ Association membership fee (RACI, IAR/NAR)
- ◆ MLS fees
- ◆ Insurance rider (for auto)
- ◆ E and O Insurance
- ◆ Professional photo
- ◆ Personal Domain name
- ◆ Webpage development
- ◆ Basic business supplies
- ◆ ABR, CRS, GRI, etc (plan on earning one or more designations to build your network, sharpen your skills, increase your knowledge, and increase your income)
- ◆ 16 hours of Continuous Education in a two year cycle
- ◆ Code of Ethics course every 4 year cycle



## RACI

REALTORS® Association of Central Indiana, Inc.



1620 E Hoffer Street  
Kokomo, IN 46902

Phone: 765-457-0089 Fax: 765-457-0096

Email: [Kathy@RACI.org](mailto:Kathy@RACI.org)

1-866-657-7224

[www.raci.org](http://www.raci.org)



EQUAL HOUSING  
OPPORTUNITY