

# Mastermind

with Gary Keller

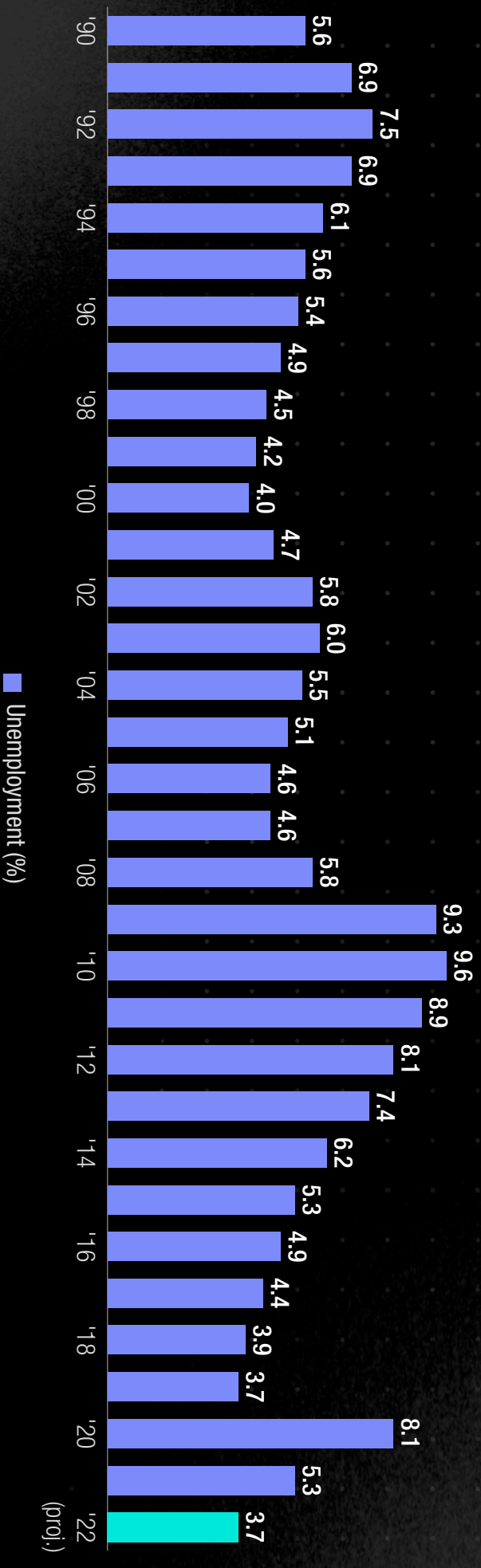
November 2022

**kw** *Where Entrepreneurs Thrive*

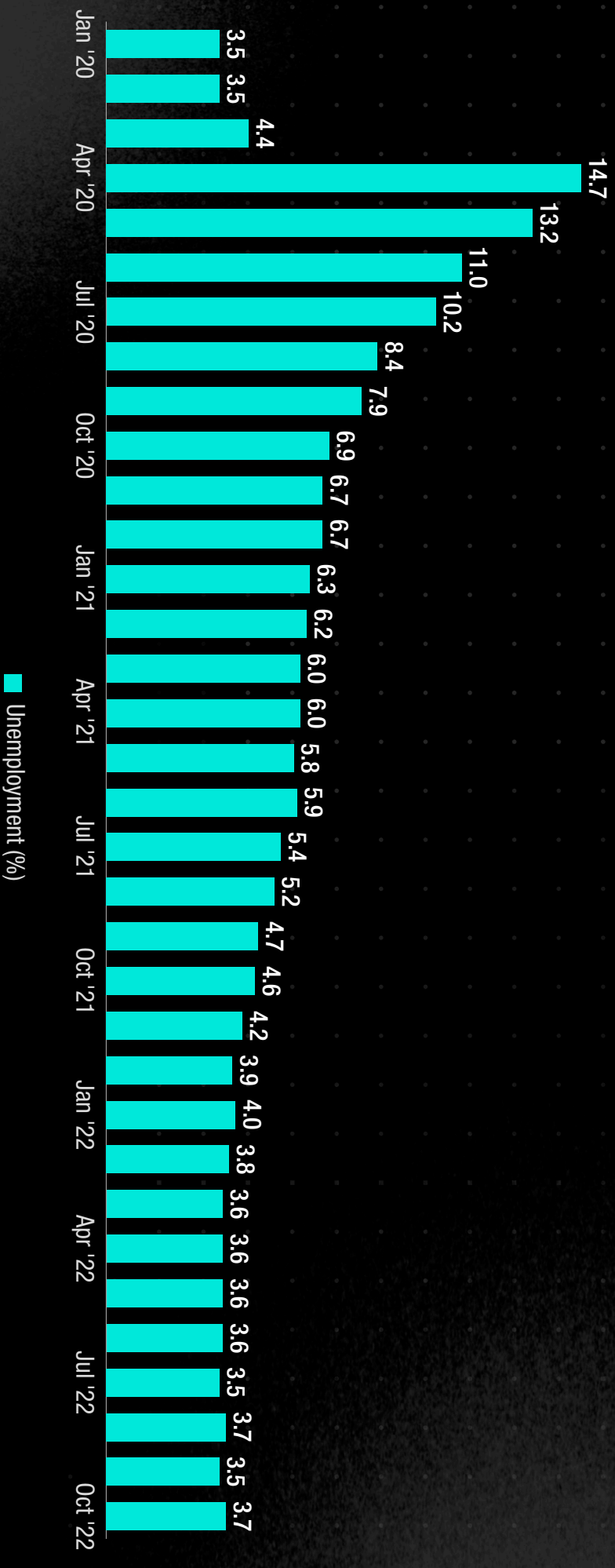
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# State of the Industry

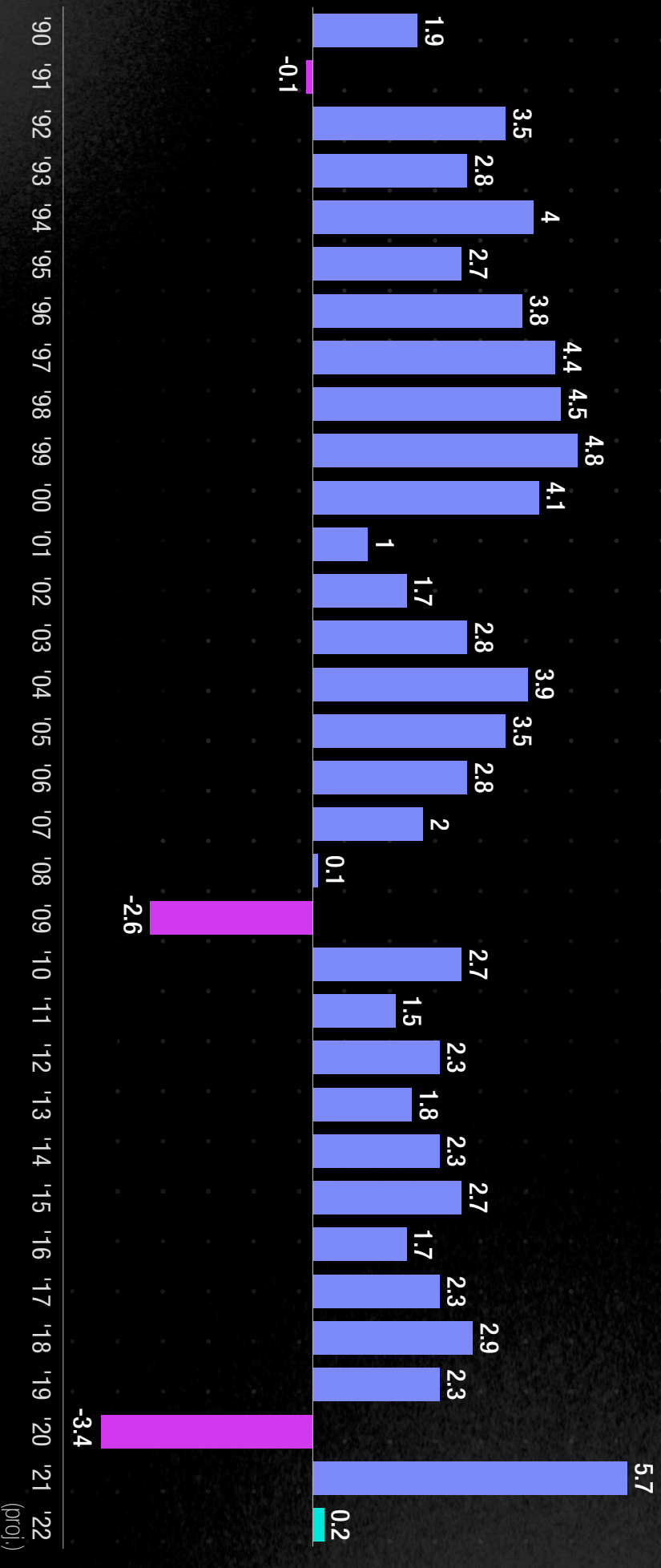
# 1. Unemployment - Annual



# 2. Unemployment - Monthly

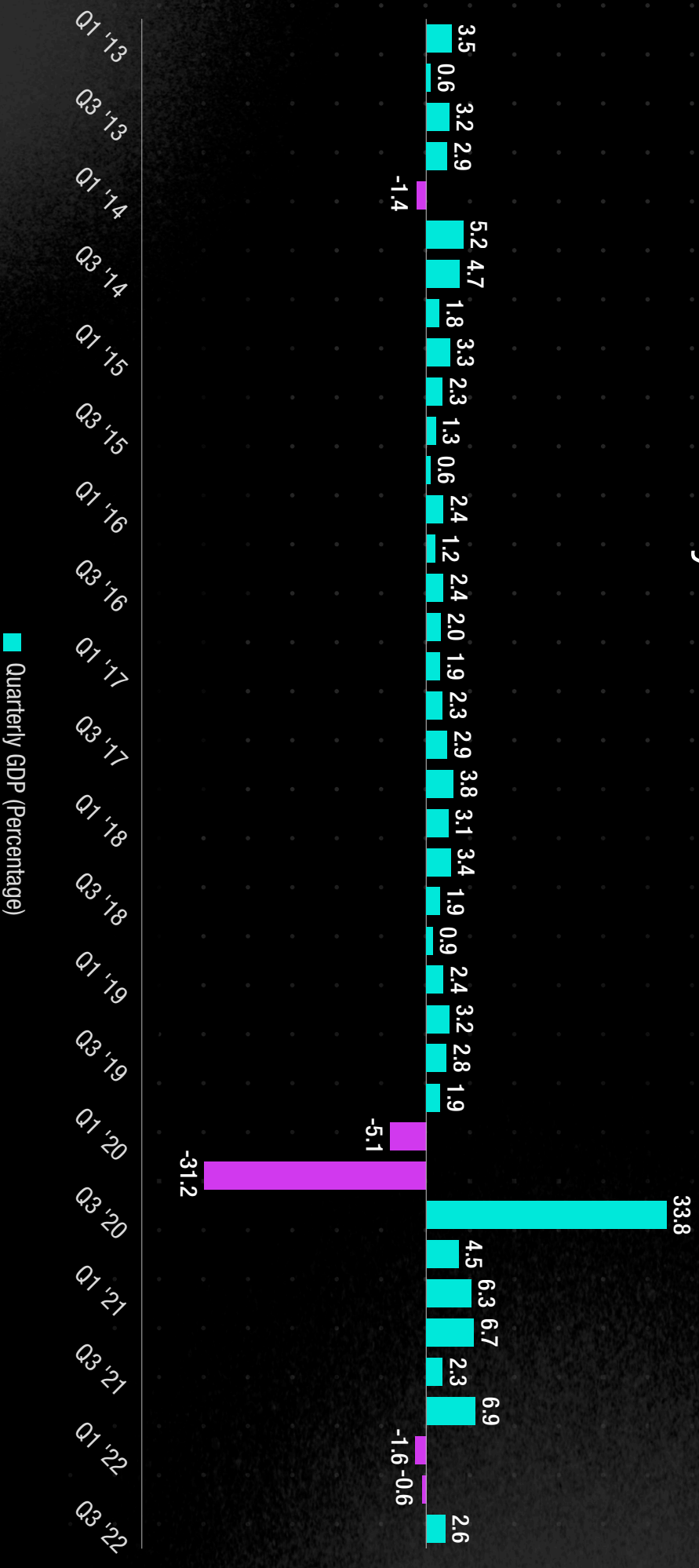


# 3. GDP - Annual

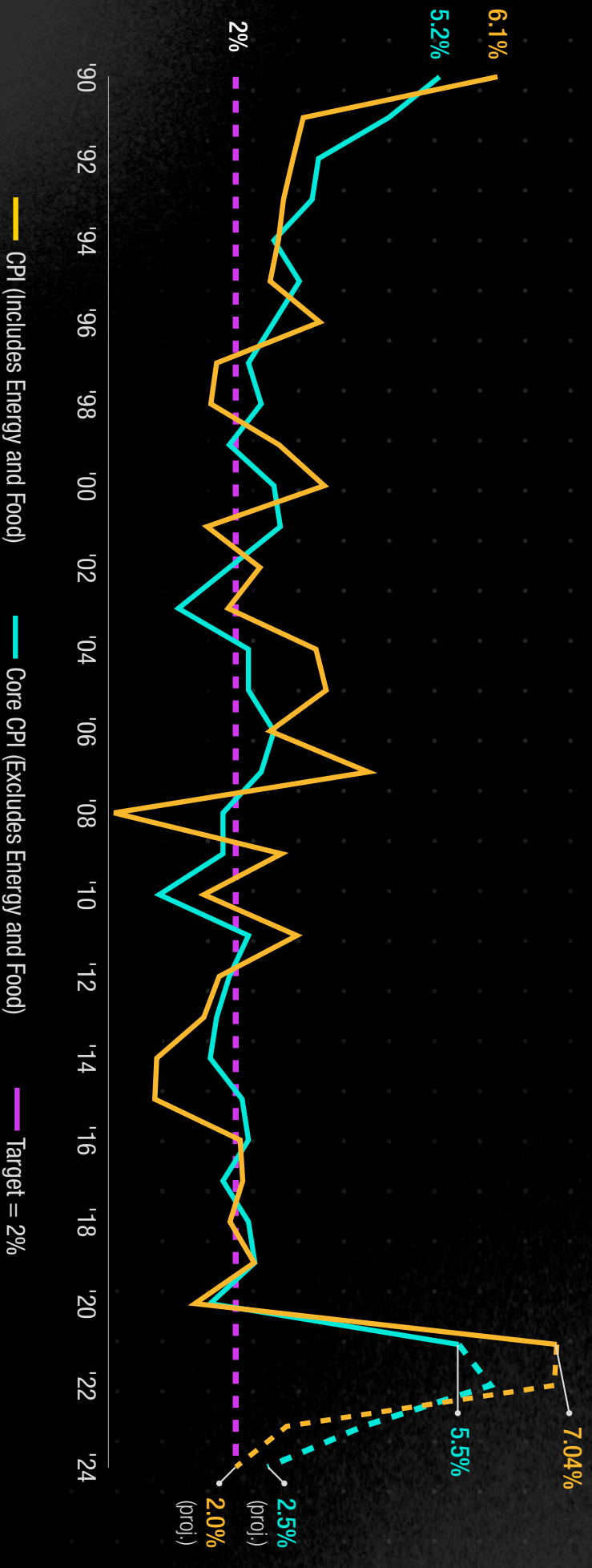


■ Real GDP Year-over-Year Change (Percentage)

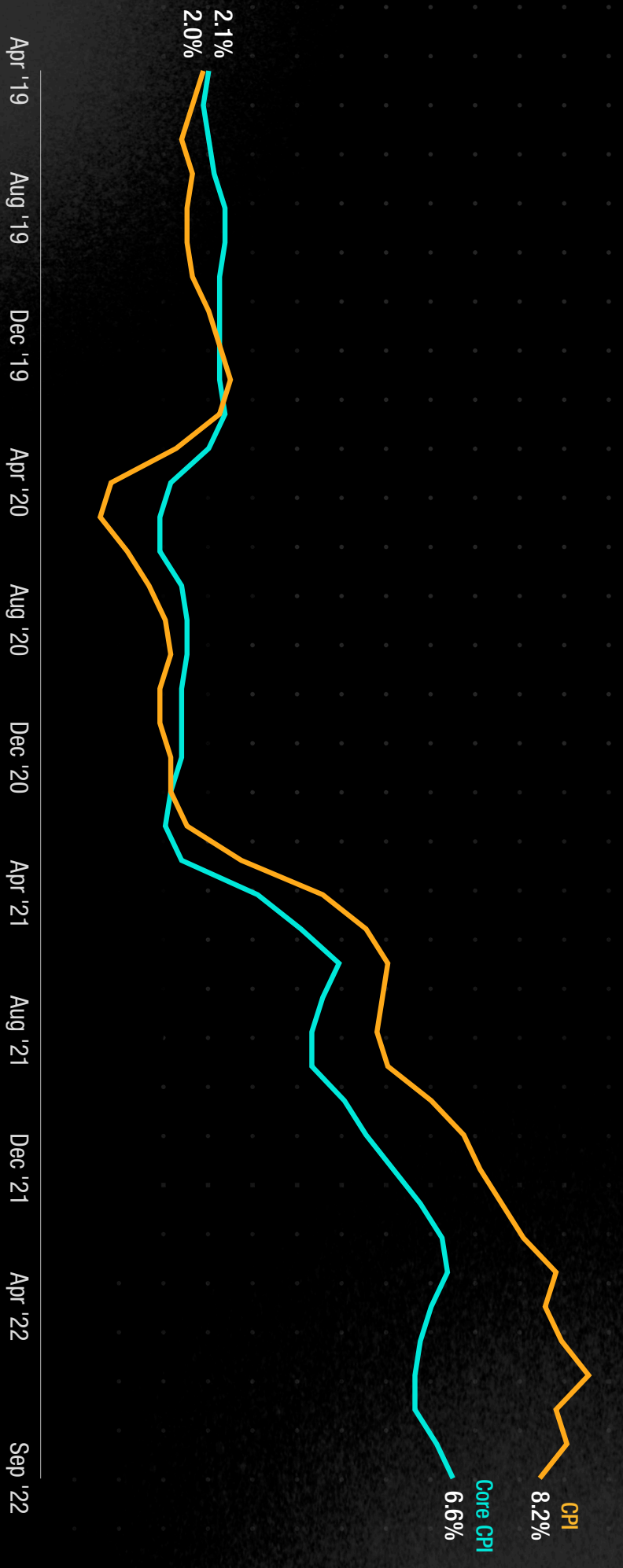
# 4. GDP - Quarterly



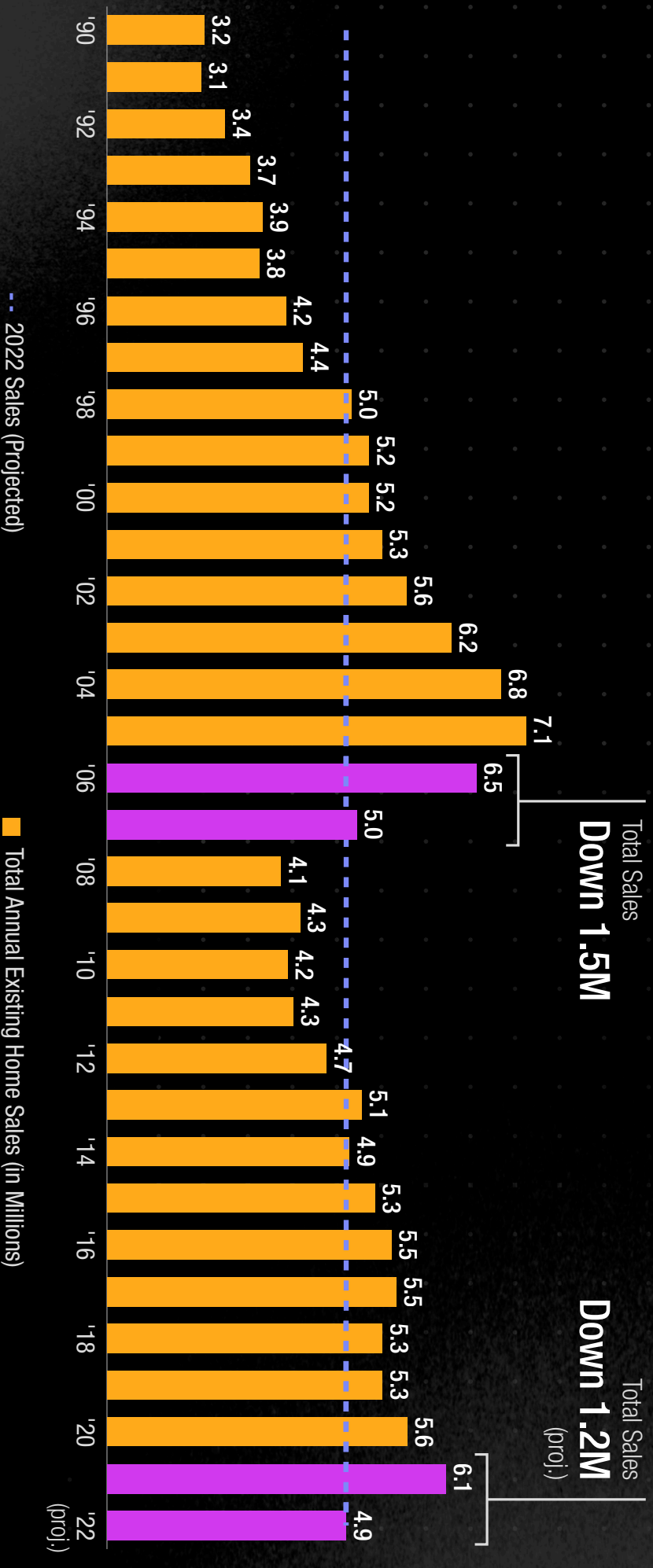
# 5. Inflation - Annual



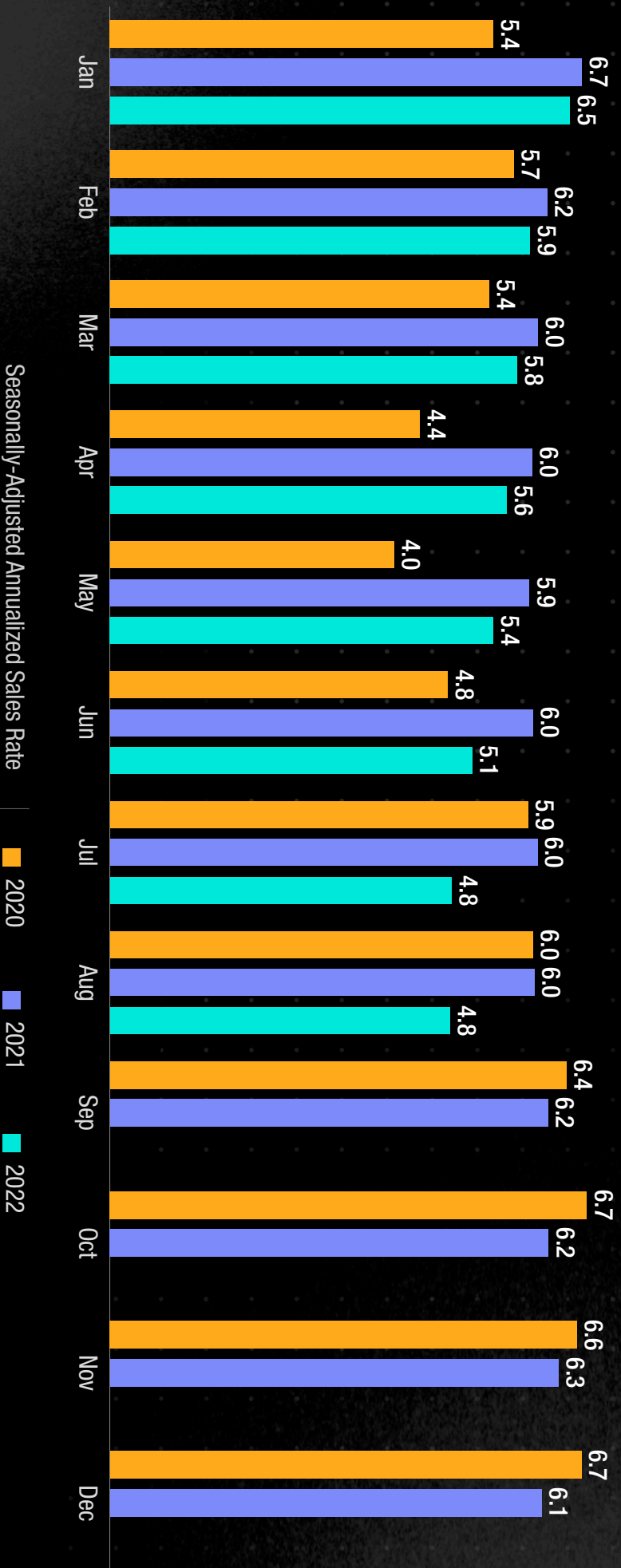
# 6. Inflation - Monthly



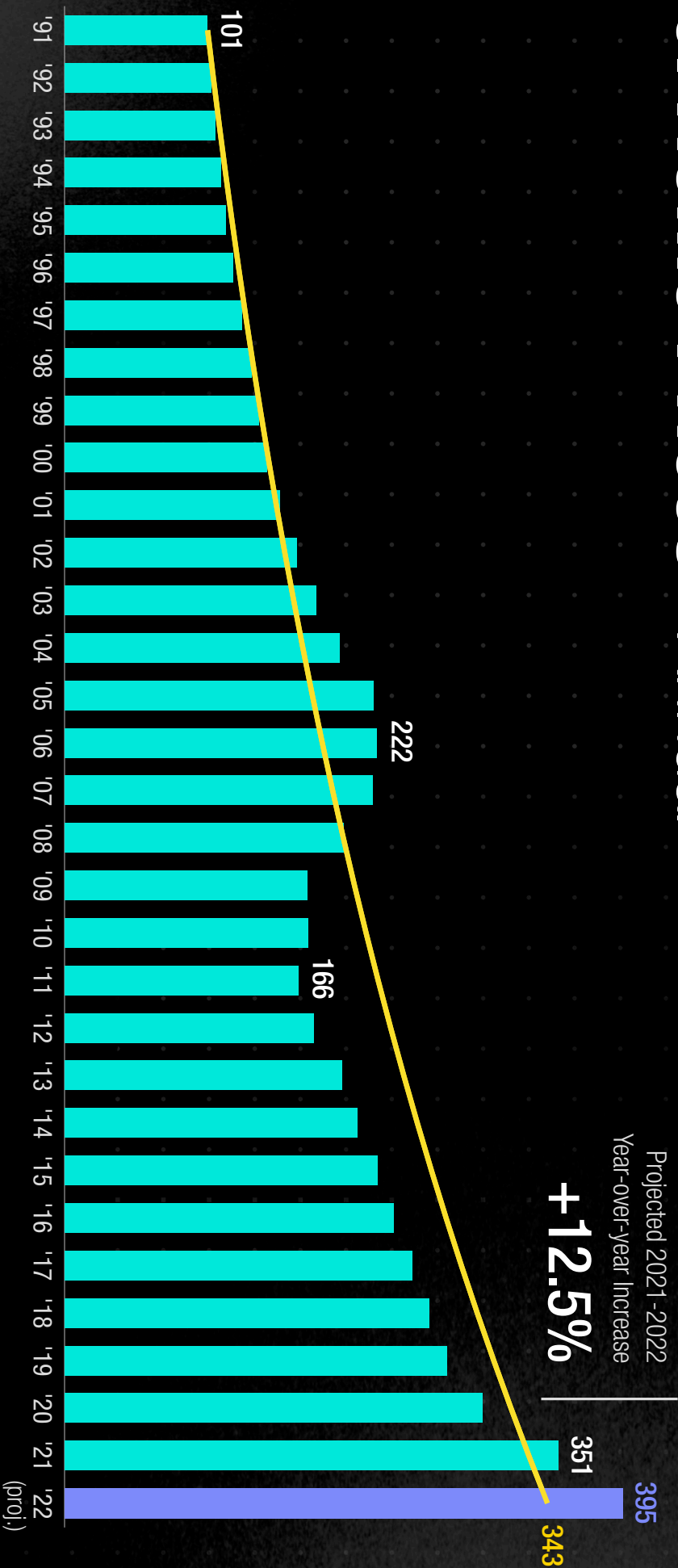
# 7. Home Sales - Annual



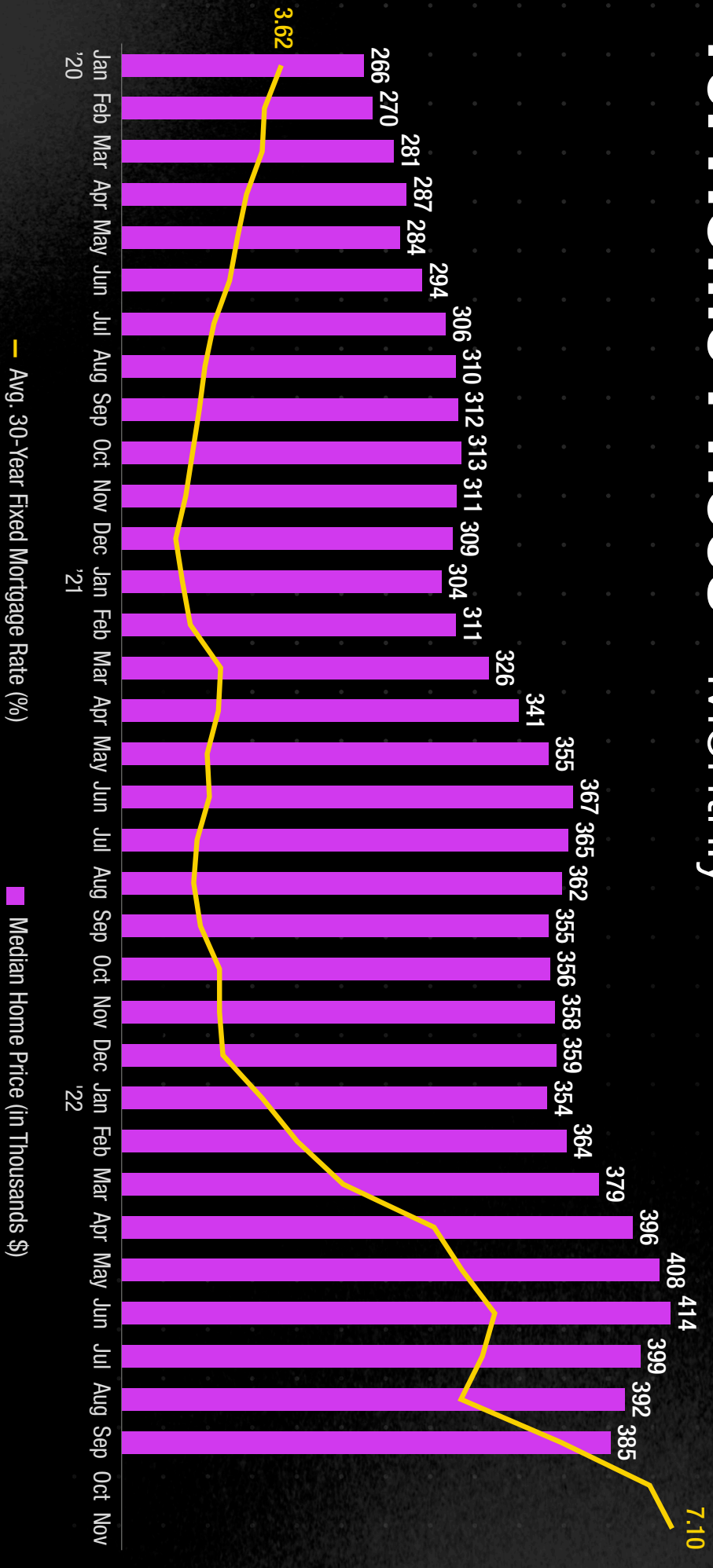
# 8. Home Sales - Monthly



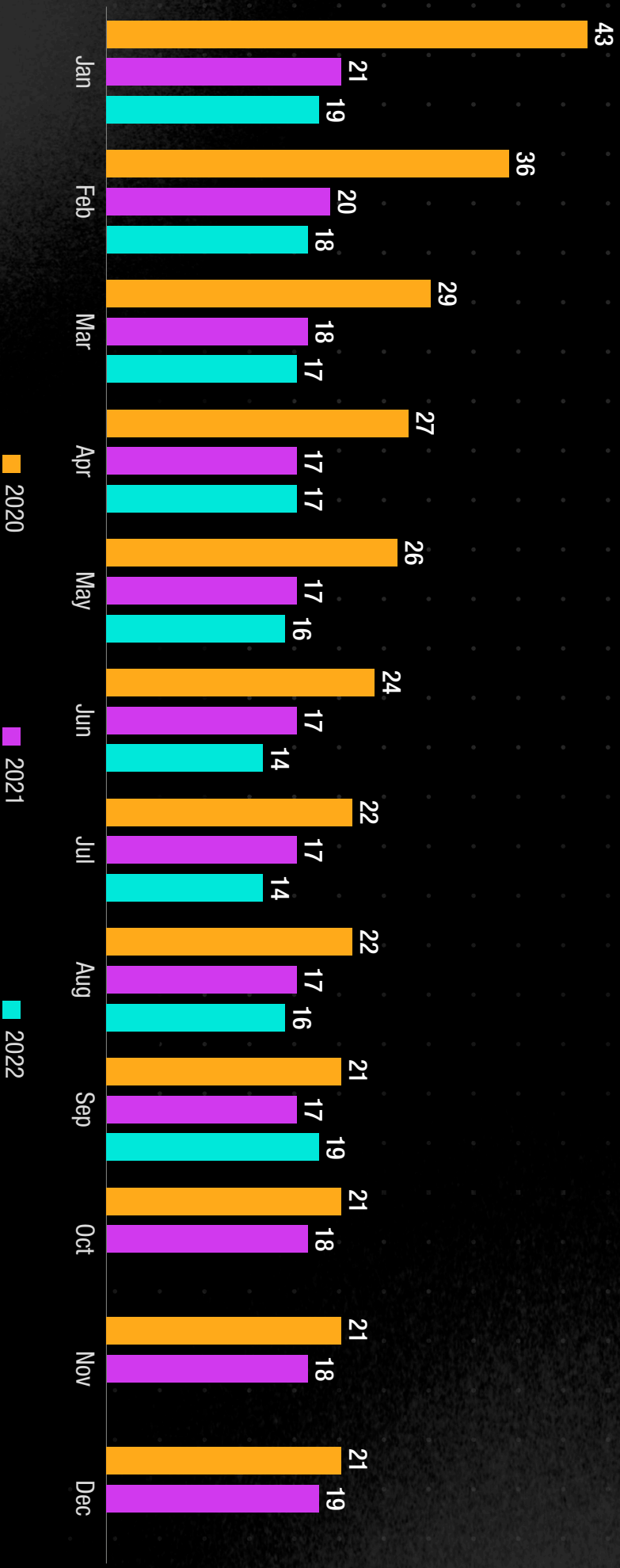
# 9. Home Prices - Annual



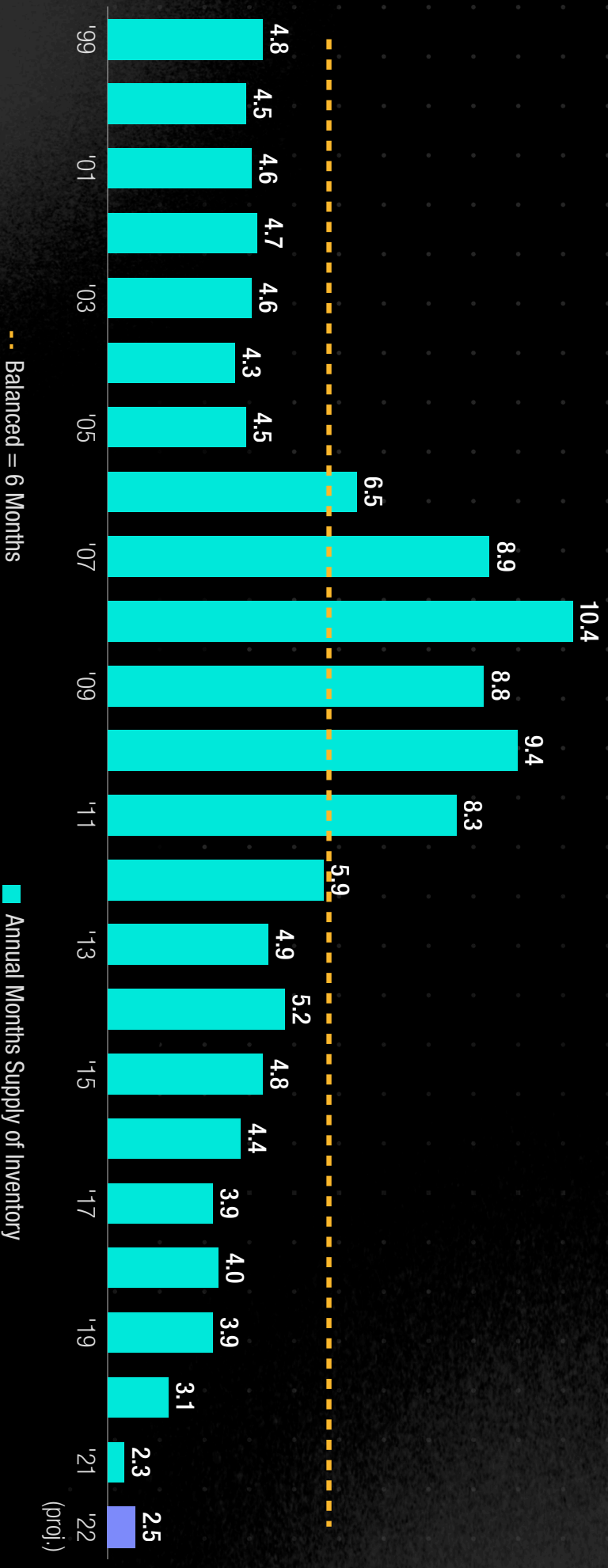
# 10. Home Prices - Monthly



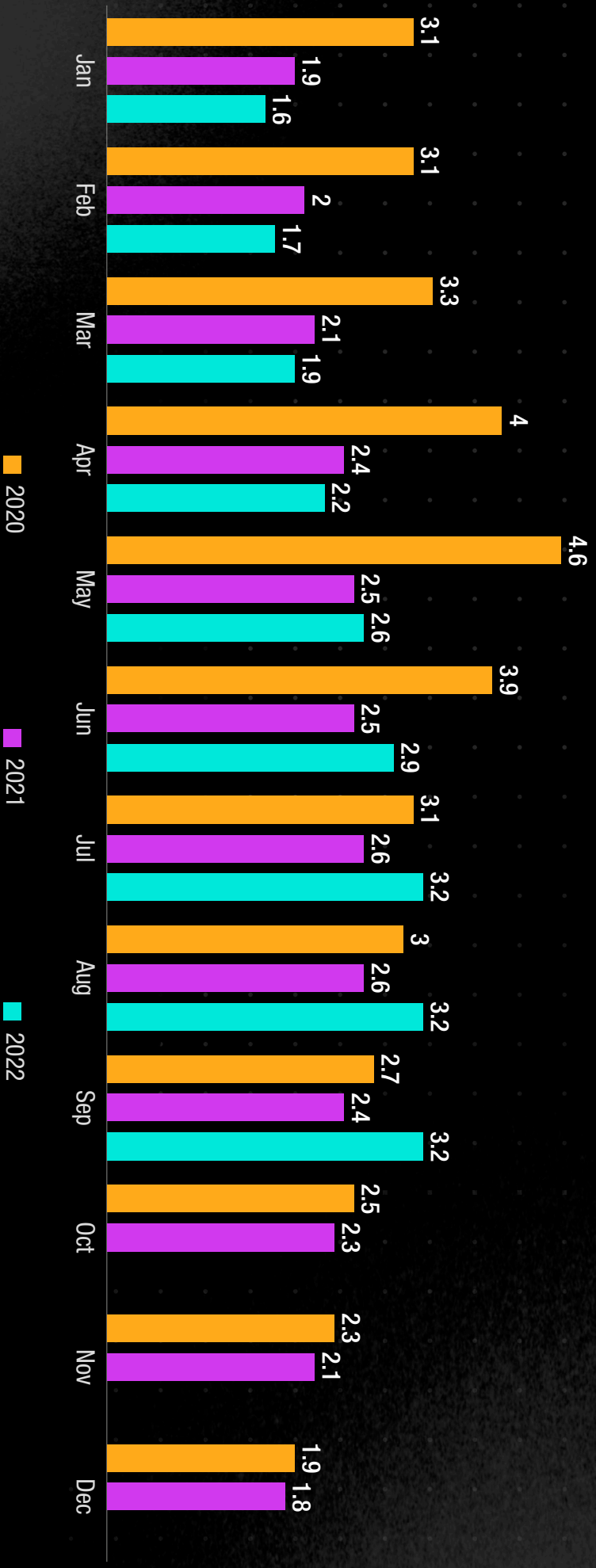
# 11. Days on Market - Monthly



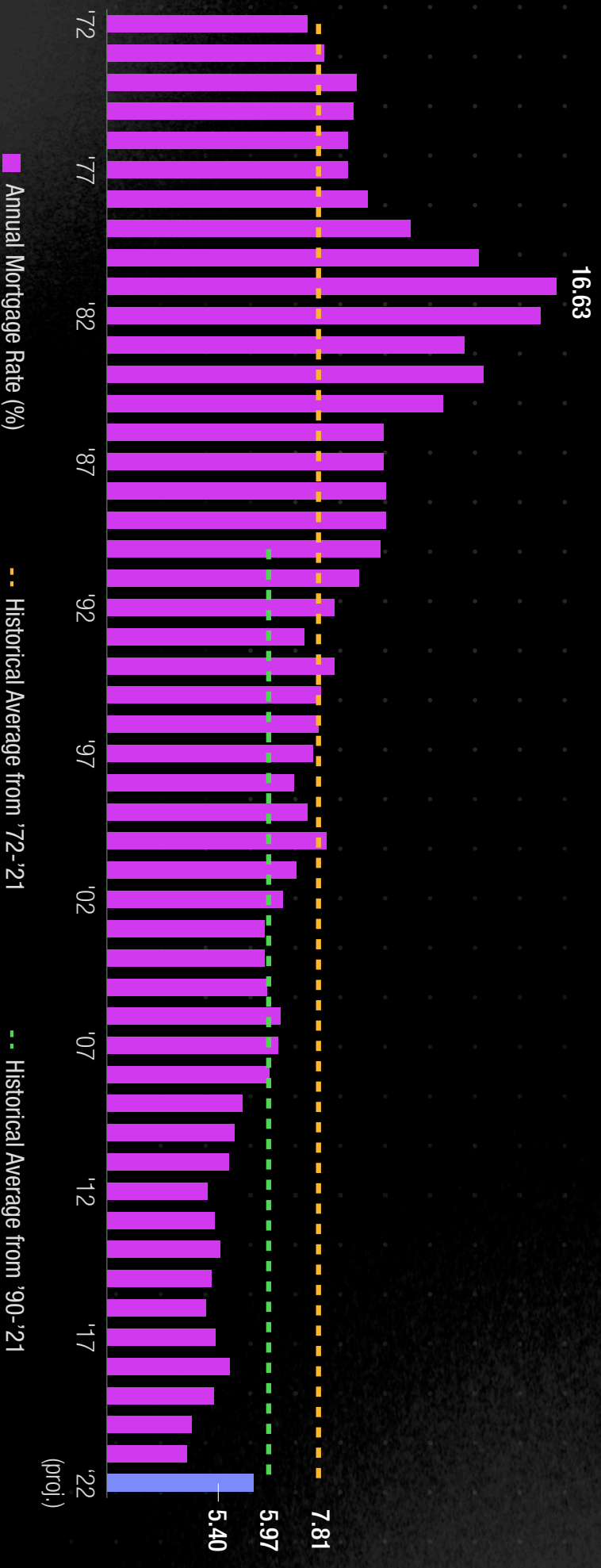
# 12. Inventory - Annual



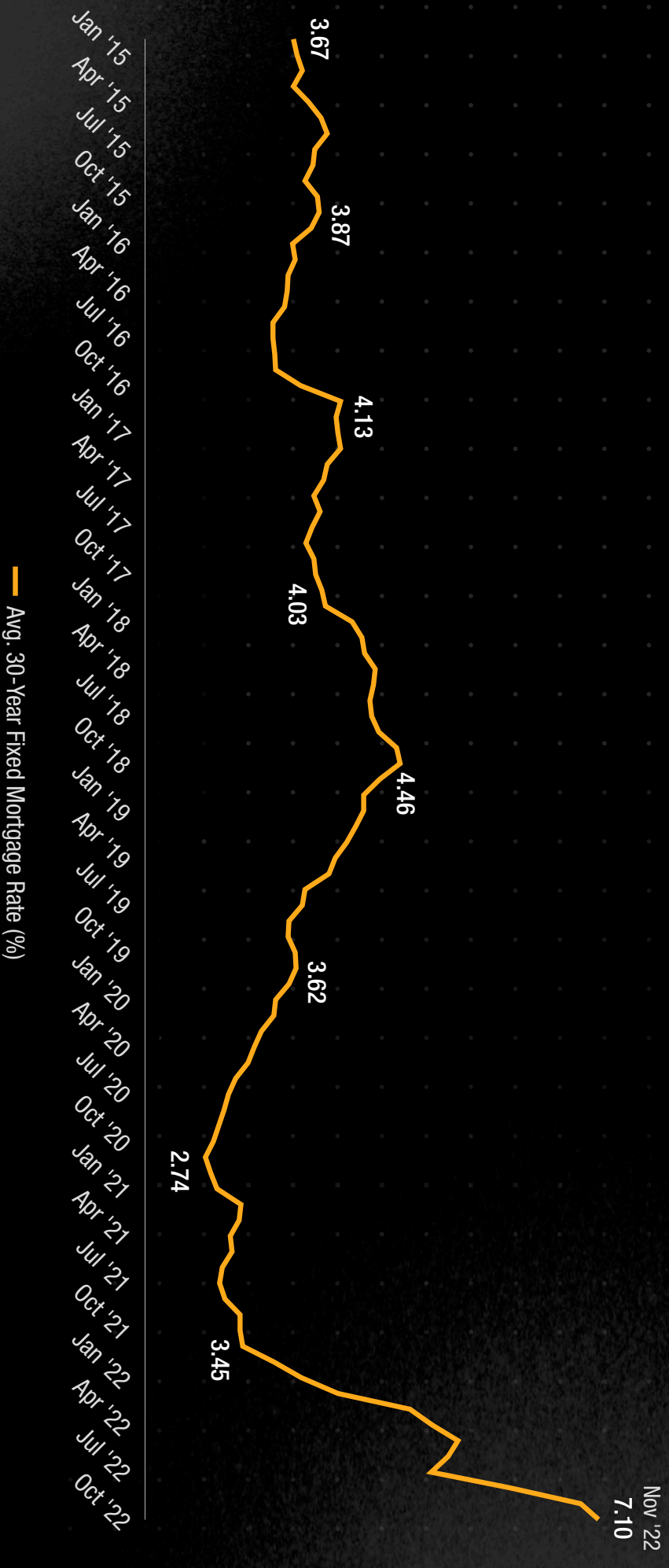
# 13. Inventory - Monthly



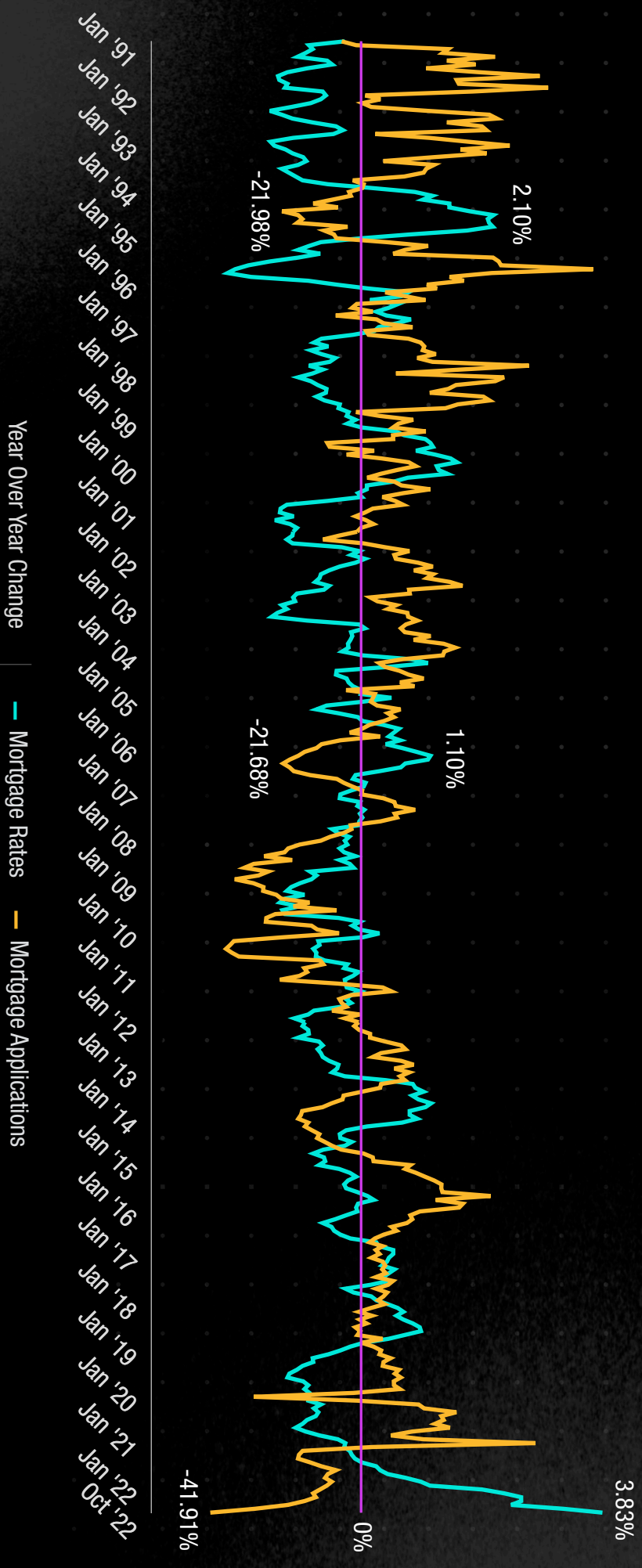
# 14. Mortgage Rates - Annual



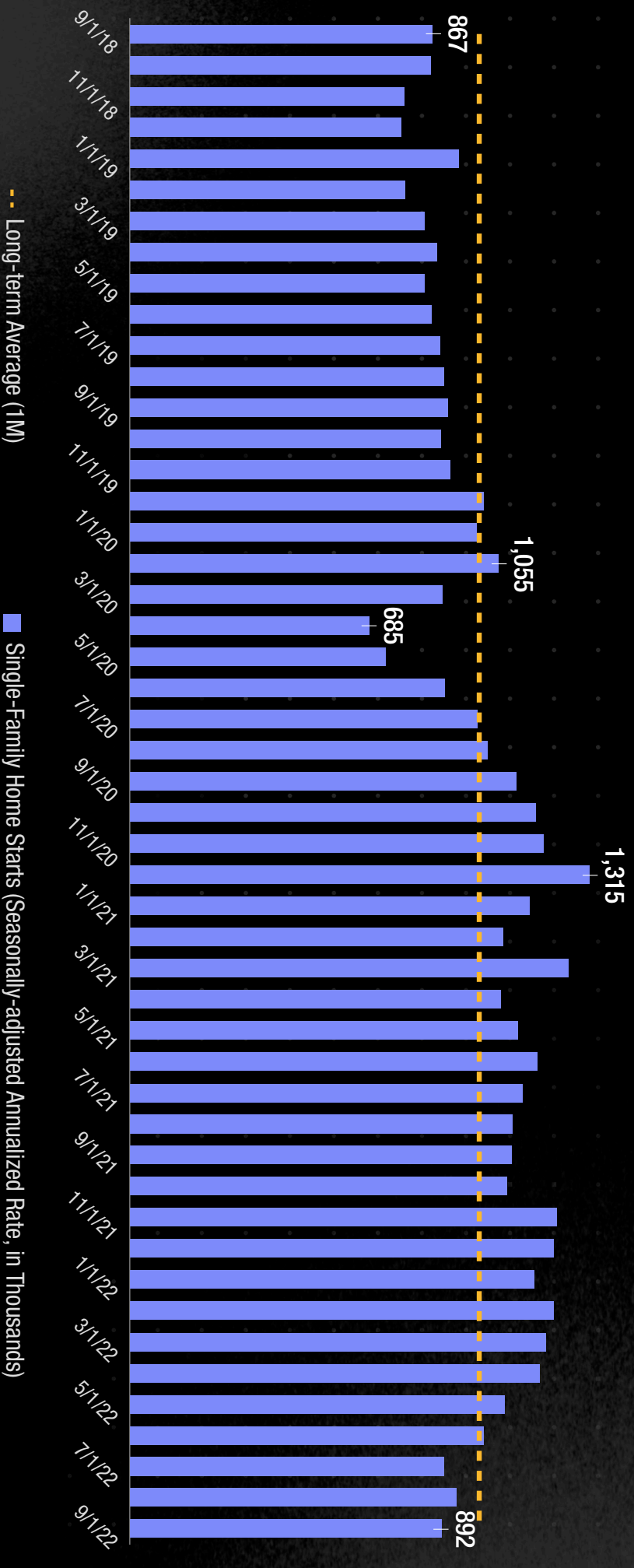
# 15. Mortgage Rates - Monthly



# 16. Mortgage Applications vs. Mortgage Rates



# 17. Single-Family Home Starts





Stabilize and Grow

# Economic Model

\_\_\_\_\_ Net Income (40%)  
+ \_\_\_\_\_ Operating Expenses (30%)  
+ \_\_\_\_\_ Cost of Sale (30%)  
= \_\_\_\_\_ Total GCI  
/ \_\_\_\_\_ Average Commission Amount  
= \_\_\_\_\_ **Total Units Sold**



## Sell Side

= \_\_\_\_\_ Listings Sold  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ Listing Agreements  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ Listing Appointments Kept  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ **Total Listing Appointments Set**

## Buy Side

= \_\_\_\_\_ Buyers Sold  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ Buyer Agreements  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ Buyer Appointments Kept  
/ \_\_\_\_\_ % Conversion rate  
= \_\_\_\_\_ **Total Buyer Appointments Set**

# Economic Model

	\$1,000,000	Net Income (40%)
+	\$750,000	Operating Expenses (30%)
+	\$750,000	Cost of Sale (30%)
=	\$2,500,000	Total GCI
/	\$10,000	Average Commission Amount
=	<b>250</b>	<b>Total Units Sold</b>



Sell Side		
=	125	Listings Sold
/	75%	% Conversion rate
=	166.7	Listing Agreements
/	75%	% Conversion rate
=	222.3	Listing Appointments Kept
/	75%	% Conversion rate
=	<b>296.5</b>	<b>Total Listing Appointments Set</b>

Buy Side		
=	125	Buyers Sold
/	75%	% Conversion rate
=	166.7	Buyer Agreements
/	75%	% Conversion rate
=	222.3	Buyer Appointments Kept
/	75%	% Conversion rate
=	<b>296.5</b>	<b>Total Buyer Appointments Set</b>

# Net a Million Budget Model

(old model p.193)

## Expense Breakout

<b>GCI</b>		<b>\$2,500,000</b>	
<b>Cost of Sale</b>			(Assumes business is 50-50 Sellers & Buyers)
Seller Side	5%	\$125,000	(Assumes Lead Listing Agent)
Buyer Side	25%	\$625,000	(Assumes 50/50 split)
<b>Total Cost of Sales</b>	<b>30%</b>	<b>\$750,000</b>	
<b>Total Operating Expenses</b>	<b>30%</b>	<b>\$750,000</b>	
Compensation	14.4%	\$360,000	
Salaries/Benefits	13.9%	\$347,500	
Professional Services	0.5%	\$12,500	
Lead Generation	9.0%	\$225,000	
Listing Management	2.5%	\$62,500	
Prospecting & Marketing	6.5%	\$162,500	
Education and Coaching	2.5%	\$62,500	
Occupancy	1.0%	\$25,000	
Supplies	1.0%	\$25,000	
Communications and Tech	1.0%	\$25,000	
Auto	0.6%	\$15,000	
Equipment/Furnishings	0.3%	\$7,500	
Insurance	0.2%	\$5,000	

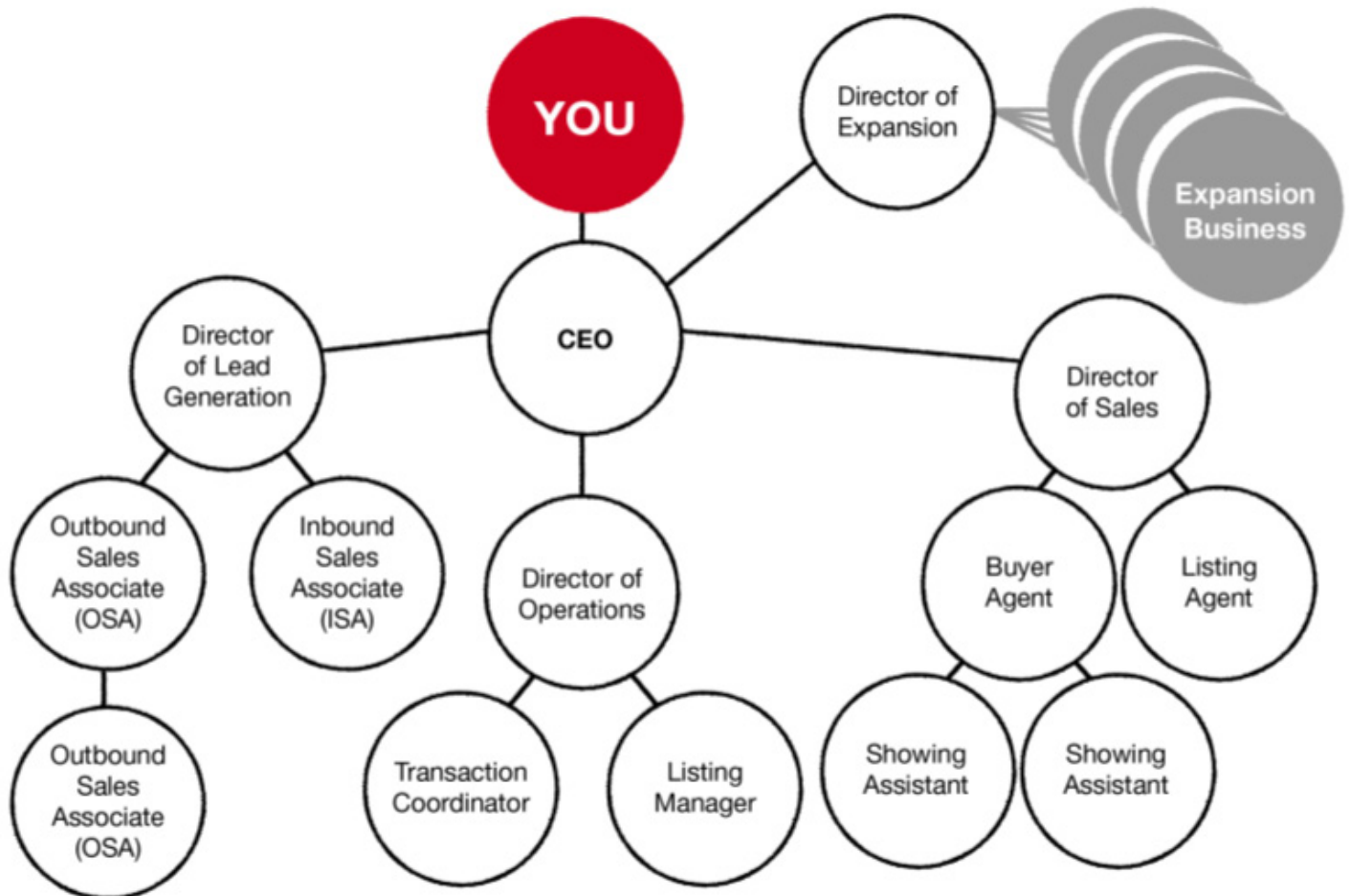
# Budget Model

## Expense Worksheet

<b>GCI</b>			_____
<b>Cost of Sale</b>			
Seller Side	_____	%	_____
Buyer Side	_____	%	_____
<b>Total Cost of Sales</b>	_____	%	_____
<b>Total Operating Expenses</b>	_____	%	_____
<b>Compensation</b>	_____	%	_____
Salaries/Benefits	_____	%	_____
Professional Services	_____	%	_____
<b>Lead Generation</b>	_____	%	_____
Listing Management	_____	%	_____
Prospecting & Marketing	_____	%	_____
<b>Education and Coaching</b>	_____	%	_____
<b>Occupancy</b>	_____	%	_____
<b>Supplies</b>	_____	%	_____
<b>Communications and Tech</b>	_____	%	_____
<b>Auto</b>	_____	%	_____
<b>Equipment/Furnishings</b>	_____	%	_____
<b>Insurance</b>	_____	%	_____

# Organizational Model

Level 7



# Beyond The Seven Recruiting Sources

p.203 MREA

- 1. Ads**
- 2. Allied Resources**
- 3. Job Websites**
- 4. Temporary Employment Agencies**
- 5. Permanent Employment Agencies**
- 6. Other Agents in Your Marketplace**
- 7. Real Estate Schools**
- 8. Title Companies**
- 9. Your Sphere & Past Clients**
- 10. Your Team Leader**

# Attract Top Talent

## 1. Demonstrate Immediate Value



**Showing more value to an agent than their current brokerage or team is providing is the foundation of starting and strengthening a relationship.**

Imagine two people standing in opposite end zones of a football field and each time a piece of value is received both people take a step toward the 50 yard line. When they meet in the middle of the field they are together. Value is often shown in a group training session, mastermind, weekly power hour zoom call, or at an event:

### 1. Teach Business Practices

1. Teach people how to make more money
2. Teach people how to have more time in their life

### 2. Teach Wealth Practices

1. Teach people how to earn investment income
2. Teach people how to be wealthy

## 2. Get Personal



**The next step is to forge and foster a personal relationship.**

Remember, people do business with people they like and being liked means that we must have a personal relationship. This is a simple phone call after a training or class and inviting the person to spend some more time with you. This may mean flying someone in to spend a day at your office so they can see how your world works.

## 3. Strengthening the relationship



**The next step is to strengthen both the personal and business relationship through regular consulting.**

This is done through a weekly or bi-monthly personal phone call:

1. Start with a caring opening: "How are you doing?"
2. Ask questions to get them to open up:  
"What is your biggest challenge right now in the business?"
3. Provide helpful information around that challenge either by providing specific information, connecting the person with an expert, or providing a model or system.
4. Invite the person to more trainings or masterminds.

If this is done over time it will lead to an organic conversation about either deepening the relationship, working together in a business, or joining the same company.

## 4. The Close



**Once the organic conversation has started the last step is to get together to make a plan.** This is best done by meeting with an agent in their market, and if you're expanding, traveling to their home city. This can be a full day or even a long weekend.

# The Issues Between Earn a Million and Net a Million

p.219

## LEADS

1. Sustaining a solid lead-generation program that emphasized marketing and consistently increases the number of leads.
2. Tracking and converting leads through others.
3. Protecting your lead-generation focus time.
4. Weighing your options - the process of discovering what works and doesn't work for you.

## LISTINGS

5. Knowing the minimum number of seller listings you must hit each month.
6. Listing the minimum number each month.
7. Getting sellers to accept the team concept.
8. Consistently marketing your seller leads for more leads.

## LEVERAGE

9. Making the time to learn and implement R.T.C.K. (Career Visioning)
10. Hiring "Capacity" vs "cul-de-sac" talent.
11. Achieving accountability to the right standards.
12. Creating teamwork "Rock and Role".
13. Combining quality service and quantity service.

## MONEY

1. Sticking to the Budget model and controlling your costs.

## YOU

1. Staying focused on the 20 percent.
2. Counterbalancing your life to maintain your energy at a high level.



Leads

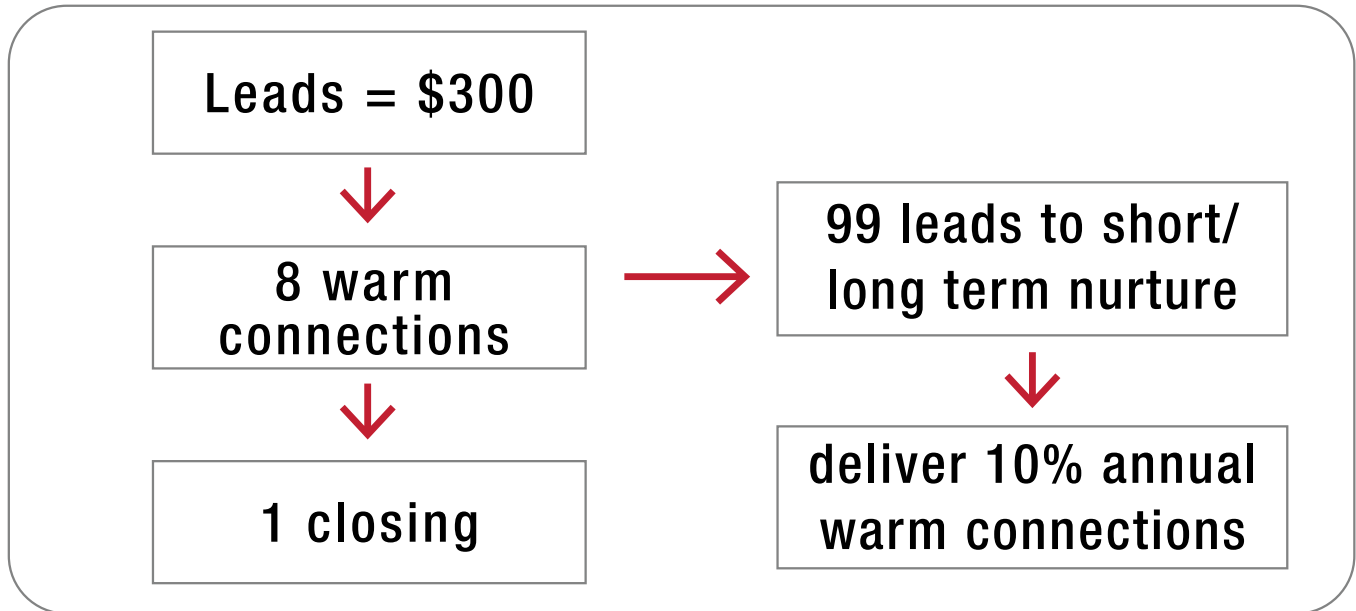
Source	What They Do	Type	Fixed Fee, if any	Lead Hooks	Time Source Owns The Lead	Notes
QJO	QJO is a lead aggregator that uses MOVOTO to create internet leads and nurtures them with a combination of automated touches and call center based communications. They also have a retargeting program that agents can use for their database.	Warm Connections	-	Referral on Closing, if any Under \$50,000.00 is 20% fee \$60,000.01 to \$124,999.99 is a 25% fee \$125,000.00 and above is a 35% fee	2 years	Ongoing support and customer matching. QJO doesn't accept just anyone in the program.
Opclty	Owned by realtor.com, Opclty is a lead conversion company that predominantly uses call center touches to convert realtor.com leads.	Warm Connections	-	30% referral fee under \$150k 35% fee for anything over \$150k Up to 40% fee if a client is participating in a cash back referral program Referral fee paid to aggregator	2 years	Lead Gen software, automated follow up, training and support. 3 packages: Lite: This package is recommended for new agents looking for leads and simple CRM Professional: The Professional Pack offers more features and is ideal for agents looking to grow their business. Advanced: Advanced offers even more features and is perfect for agents who are ready to take their business to the next level. RISE uses Lead Aggregators to connect agents with real-time leads
RISE	RISE is a training company that works with national and regional lead aggregators to connect leads to brokerages and teams. They assist in the routing and conversion of warm connections at scale. Joining RISE instantly puts agents in business with 5+ aggregators.	Warm Connections	\$300/platform	-	Depends on the aggregator	Referrals - ReadyConnectSM Concierge for Agents and Brokers (formerly Opclty) We connect you with pre-screened buyers and sellers, live over the phone, with no upfront costs.
realtor.com	realtor.com is one of the countries largest real estate aggregators. Consumers use their real estate search portal thus producing leads that are nurtured by Opclty. These leads are then sold to real estate agents.	Warm Connections	-	30% referral fee under \$150k 35% fee for anything over \$150k Up to 40% fee if a client is participating in a cash back referral program	-	Agents submit referrals and receive a 25% referral fee from RE. To be eligible for Referral Exchange you must be: - Inquiring you and have an excellent track record and show a commitment to service - Motivated: Agents referred from the Real Estate Referral Exchange. If they are performing poorly, they will be forced to leave the program. - Experienced: Most Referral Exchange agents have been in the industry for at least 8 years and have generated at least \$5 million in sales or have closed 20 or more transactions in the past 12 months. Paid Ads
Referral Exchange	Referral Exchange promotes agents by showing their agent profile and contact information to actionable clients in real time. Agents are instantly notified through text, phone, and email when they have been matched with a referral.	Referrals	\$95/mo + \$3/lead	Paid after the transaction closes	-	
Command	Command is RVV's proprietary agent platform. It creates leads in a myriad of ways, the most popular being Campaigns which ads agents in creating both free and paid social media ads, as well as using forced registration from agent sites.	CRM Leads	Avg \$2.67/lead	-	-	
Boontown	Boontown is a CRM that uses IDX to populate a search site and agents pay an "ad spend" to drive PFC traffic to their sites where forced registration occurs.	CRM Leads	\$500-\$1500/mo on average	-	-	Paid Ads
Chime	Boontown is a CRM that uses IDX to populate a search site and agents pay an "ad spend" to drive PFC traffic to their sites where forced registration occurs.	CRM Leads	\$500-\$1500/mo on average	-	-	Paid Ads
CNBC	CNBC is a CRM that uses IDX to populate a search site and agents pay an "ad spend" to drive PFC traffic to their sites where forced registration occurs.	CRM Leads	\$500-\$1500/mo on average	-	-	Paid Ads
RealGeeks	RealGeeks is a CRM that uses IDX to populate a search site and agents pay an "ad spend" to drive PFC traffic to their sites where forced registration occurs.	CRM Leads	\$500-\$1500/mo on average	-	-	Real Leads is a turnkey paid search and social marketing program that seamlessly integrates with the Real Geeks Platform. In addition to powerful customer relationship management tools, Brivly also has transaction management, marketing tools and automatic client communication. Seller lead referrals and marketing and training
Brivly	Brivly is a CRM that uses IDX to populate a search site and agents pay an "ad spend" to drive PFC traffic to their sites where forced registration occurs.	CRM Leads	\$500-\$1500/mo on average	-	-	
ZSOLD (Lead Generation Tool Program + Leads Referral Program)	ZSOLD is a sellers based MOFIR program that has two programs available to agents. 1. Marketing and Training to use on their own to get listings 2. Creates listing referrals nationwide running television commercials that are all program and listing based	Referrals	\$72/mo for Lead Generation Tool Program + \$1500/mo for the Leads Referral Program	25% referral fee on every closed transaction (Leads Referral Program only)	-	
PrimoStreet	PrimoStreet uses automated touches plus call center touches to either source, nurture, and refer leads to agents or follow up with an existing realtors database to help them find transactions.	Referrals	-	35%	-	We screen your leads from any source and send transaction-ready clients to your team so you can focus on winning and closing deals.
HomeLight	HomeLight is a marketing company that uses TV, mostly CNBC, to advertise the ability to connect consumers to top agents at discount prices.	Referrals	-	30%	-	HomeLight gives top real estate agents a platform to showcase their skills and experience. We do the backend work to match you with high-quality referrals so you can focus on what you do best: closing deals.
Melio Homes	Together with loandept, meliohome connects pre-approved homebuyers and homeowners with a network of local, verified real estate agents and home improvement professionals.	Referrals	-	25% referral under \$150k 30% referral fee over \$150k	-	meliohome connects pre-approved homebuyers and homeowners with a network of local, verified real estate agents and home improvement pros. Partner must be licensed for minimum 3 years.
Dave Ramsey	Dave Ramsey is a radio personality who preaches fiscal responsibility and encourages his audience to use his preferred real estate agents.	Referrals	\$400/month	30% referral fee	-	FastExpert uses a verified lead system to connect homeowners with agents. Any agent can join as long as they are in good standing with the Department of RE.
FastExpert	FastExpert is a site that has a huge database of real estate agents and allows consumers to sort them by a myriad of factors and tries to let the consumer pick the right agent for their needs.	Leads	-	25%	-	
HomeStory	HomeStory's site funnels leads to both agents and lenders by providing a home concierge call center to buyers or sellers long before they are ready to buy or sell and sending them automated real estate updates. They then bundle services to offer the consumer "cash back" at closing. They operate as a full brokerage in some states and outsource to agents in the states they are not in.	Leads	-	25%	-	HomeStory is a digital & virtual real estate company that matches consumers with agents and lending solutions best suited for their home-buying needs. We work with the best brokerages and agents in the country to provide the highest quality service for clients looking to buy and/or sell homes.

Source	What They Do	Type	Fixed Fee, if any	Lead Hooks Referral on Closing, if any	Time Source Owns The Lead	Notes
<b>MyAgentFinder</b>	MyAgentFinder uses automated touches and call center touches to connect buyers and sellers with realtors. They profess to save the consumer the time of interviewing agents by matching them to the right one.	Leads	-	35%	-	MyAgentFinder is a service that connects home buyers and sellers with local real estate agents.
<b>Clever</b>	This site uses automated touches and call center touches to connect buyers and sellers with realtors. Their primary offer is a discounted commission rate. We negotiate low fees with top agents nationwide. List with a full-service agent for just \$3,000 or 1%.	Leads	-	35%	-	Clever is a free, no-obligation service that matches home sellers and buyers with top-rated, local real estate agents nationwide. Unlike most of its competitors, Clever pre-negotiates big discounts with its agent network, so customers land major savings. Sellers can save up to 50% on realtor commission fees.
<b>Ideal Agent</b>	Ideal Agent is a free service that connects home sellers to agents in their local area offering discounted real estate services.	Leads	-	35%	-	2% to the listing agent 2.5% going out as a co-broker for residential sales 4.5% maximum for residential sales (No pre-negotiated commission for commercial or land deals) For any properties that are 1.50K or below we offer a \$3000 flat fee to the listing agent with the 2.5% co-broke still going out as well! Exclusive Leads, Professional Ad Management, Proven Landing Pages, CRM, Automated Follow-up, Email Marketing, Text Campaigns, IDX Website, Market Reports (All for advanced)
<b>Bold Leads</b>	Bold Leads owned by Lorne Wolf and offers leads, follow up systems, CRM, IDX, market reports, and automated text and touches, as well as leads.	Leads	Monthly Subscription, \$679 flat monthly fee for buyer, \$679 flat monthly for seller, Double price for both.	No	-	-
<b>Realty.com</b>	Realty.com is a real estate aggregator. Using their namesake real estate search portal they produce leads and sell them to real estate agents.	Leads	UNK	-	-	A pipeline of high quality leads that want your business. Exclusive branding and placement across your city's home search. A dynamic market of mobile and digital consumers. Free unlimited support and access to Realty.com content.
<b>zBuyer</b>	zBuyer provides leads via email and their mobile app, prospecting lists (check the DNC List even when you buy a list), and a leads mastermind for agents with no long term contracts.	Leads	Minimum \$300-400/mo spend -\$926/yr lead -\$1537/yr lead Free cad leads	-	-	zBuyer is a turn-key marketing platform designed for real estate professionals. We bring home buyers and sellers directly to you.
<b>Sold.com</b>	Sold.com tries to intercept sellers and then consult them on a myriad of options: auction, cash offer, discount broker, FSBO, traditional real estate agent, trade in, or sell and stay with lease back.	Leads	-	30%	-	SOLD.com matches home sellers and buyers with the best real estate pros to help them accomplish their goalship them accomplish their goals.
<b>Market Leader</b>	Market Leader exclusively sells leads and provide some automated marketing and lead nurturing as well as will guarantee a quantity to help you better plan your top of funnel intake.	Leads	\$139/mo. Lead cost varies based on type of lead and market area.	-	-	Provides lead insights in CRM, automated lead nurturing, automated listing marketing and lead conversion training, website, and app.
<b>Quzzoo</b>	Quzzoo generates real estate buyers and sellers every day through a network of over 65 real estate websites and mobile apps that as stand alone sites have small web traffic. However, when all the sites are added together, it make them a large aggregator. The leads are then sent and the agent picks and chooses which consumers they wish to claim.	Leads	\$500 onboarding/set up fee Monthly \$299/quarterly \$3990-annual \$499 billing available	-	-	Lead Filtering for leads you want / <a href="https://www.quzzoo.com/about-privacy">https://www.quzzoo.com/about-privacy</a>
<b>homestrap</b>	homestrap is a large real estate aggregator. Consumers use their search portal or consumer app and those leads are sent real estate agents.	Leads	Free (as long as the agent is in a partner MLS)	-	-	Marketing/training, app, CMAs, showing management, and a verified google profile
<b>Offers</b>	Offers identifies sellers through looking for digital signals with seller's interacting on their web of sites and provides those leads, as well as FSBO leads, and expired listings leads to agents.	Leads	\$0.05/mo per targeted area Property \$0.10/mo per targeted area Property with exclusively \$300/mo for an entire zip code 6-month contract	-	-	Offers is "smart data" and marketing platform using predictive analytics to anticipate future sellers 12 months out. They sell individual market areas to real estate agents, targeting home sellers, Seller Leads, Access Leads in your Territory, Automated Marketing, Homeowner Contact Information, Apps to help drive your business
<b>SmartZip</b>	SmartZip uses zipcode or neighborhood based on a data system derived from FSBO, expiries, and predictive seller's that then allows the agent to choose from email, direct mail, or online ads to connect with those potential sellers/buyers.	Leads	~\$500+/mo just to get started ~1000+/mo for the average agent 6-month contract	-	-	SmartZip is a real estate lead generation service that uses predictive analytics and big data to supposedly identify homeowners most likely to sell. SmartZip is a tech company, but its techniques are old-fashioned, often using direct mail in addition to digital marketing to target these homeowners. They call this program SmartZargeting.
<b>Zurple</b>	Zurple is a light CRM with heavy marketing software suite that uses your IDX to populate a search site where tracked registration occurs. Agents can also upload leads that are captured from other lead sources to use automated drip campaigns to increase conversion.	Leads	\$309/mo (\$299 + \$10 MLS fee) \$1500 setup fee \$149/mo EA expenses \$150/mo to add a leader \$150 to import 5000+ leads 6-12 month contract	-	-	Many Zurple customer's purchase search engine marketing services from Zurple to ensure a steady flow of new leads each month are driven into their Zurple software. In addition, about half of Zurple customers pull in leads they generate from Zillow or other sources.
<b>Real Estate Connection</b>	This is a site that allows buyers to search for homes, then matches them with an agent, and provides financing.	Leads	UNK	UNK	UNK	Real Estate Connection USA provides quality clients to top real estate agents. REC creates a bridge between home buyers, brokers and real estate agents. Stay with your broker and receive pre-qualified leads from Real Estate Connection USA. We work directly with consumers and we provide real estate agents and teams within the network access to pre-qualified buyers who are ready, willing, and able to purchase a home.



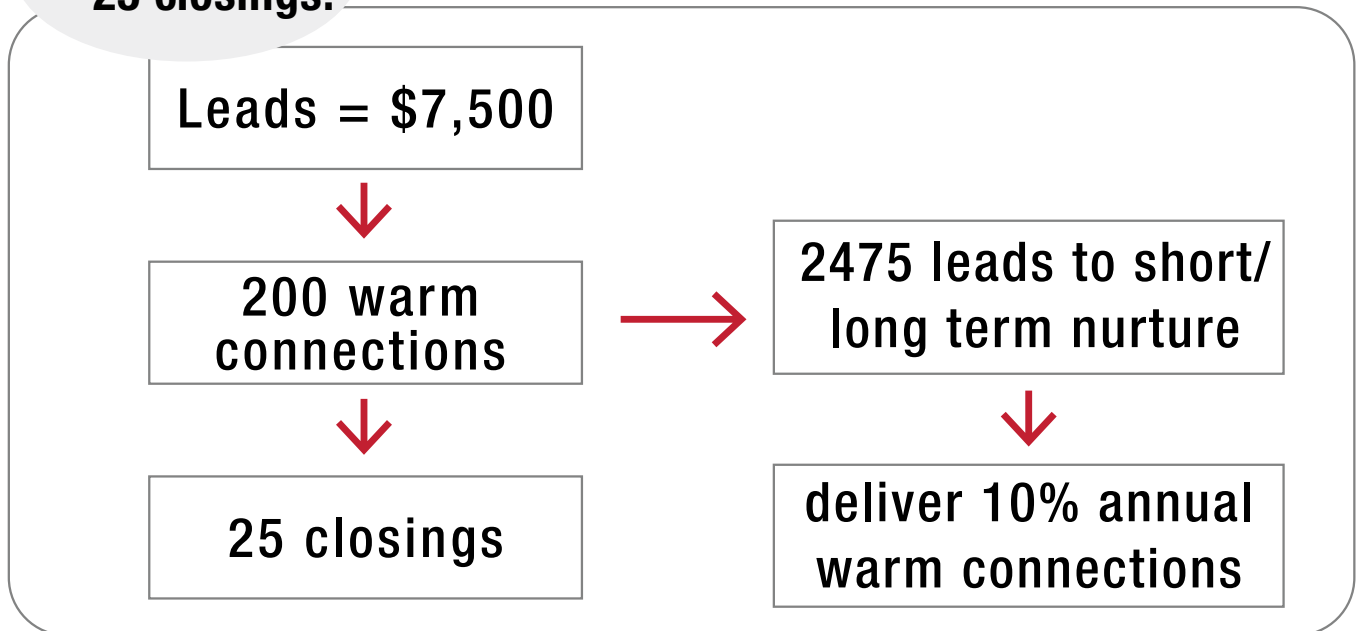
# Lead Flow

**100 Social PPC Leads = 1 closing    Social PPC Leads = \$3/lead**  
**\$300 = 8 opportunities = 1 closing**



**So if I wanted 25 closings:**

**2500 PPC Leads = 25 closing    PPC Leads = \$3/lead**



\*Conversion data based on Command leads and provided by **CONVERSION MONSTER**.  
Website: [conversion-monster.com](http://conversion-monster.com) Call 844-627-7196 Email [info@conversion-monster.com](mailto:info@conversion-monster.com)

# 4 Mortgage Hacks