

Discover a Career
in Real Estate

with

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"Oklahoma's Real Estate Elite"



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Have you ever stopped to think about the vast number of people who are dissatisfied with their jobs? Those, who get up each day dreading the hours ahead? The ones who have lost all challenge and excitement with their current positions? Maybe you have thought of these people because **YOU** are one of them!

Wouldn't it be wonderful to get up in the morning, look yourself in the mirror, excited because not only can you decide how much money you will earn today, but you also have the ability to choose how to earn it. It can be done... in REAL ESTATE.

A wise man once said that Real Estate is the **BEST PAID HARD WORK** and the **POOREST PAID EASY WORK THERE IS...** and it's true! For those willing to make the effort, the rewards, both economic and personal, can be tremendous.

A career in Real Estate offers several major advantages. Briefly, these are:

- **THE RELATIVE EASE** of getting into the business. At the present time, a college degree, or in some states a high school diploma is not even necessary. Licensing requirements of the various states are reasonable and can be met by most individuals who apply themselves. In Oklahoma, the current requirement is that you are 18 years of age, you must complete the certification course, which is currently 90 hours of training, and you must successfully pass a state exam given in Oklahoma City.
- **EQUAL OPPORTUNITIES** for women and men of all ages. It is a career in which women can earn as much or more than men.
- **NO MAJOR EXPENDITURE** for education, equipment, or facilities. The cost of licensing, a reasonably good automobile, and the ability to support oneself during the first few months and during short-term, slower markets are the normal financial requisites. What other lucrative business or profession requires such a minimal investment?
- **FLEXIBLE HOURS** that can be adjusted when necessary to meet individual needs and situations.
- **GOOD WORKING CONDITIONS.** Most Real Estate offices offer comfortable and well-located facilities.
- **NON-CONFINING WORK.** The salesperson is not deskbound. There is always contact with a variety of people, both outside and in an office atmosphere.
- **ABUNDANT OPPORTUNITIES.** There are always openings for conscientious Real Estate salespeople in any community.
- **NO HEAVY PHYSICAL ACTIVITY.** In fact, many individuals with disabilities have achieved success in the Real Estate field.

- **FULFILLMENT.** The Real Estate business continually affords opportunities to solve peoples' problems, thus offering personal satisfaction in addition to financial rewards.

As with any career, all is not perfect. There are certain disadvantages to a career in Real Estate and it is good for anyone considering the field to be aware of them:

- **IRREGULARITY OF INCOME.** Real Estate sales are often seasonal in nature. Income will vary from month-to-month. Provisions must be made for this, both psychologically and financially. Not only must the individual be able to cope with irregular income, but also the spouse who may be dependent upon this income, must be willing to accept and adjust to this new fact of life.
- **FRUSTRATION OF SELLING.** Many sales are lost for various reasons...some beyond our control. Acceptance of this fact is essential if you are to be successful. The key is to do the best job you can and accept those things not in your control.
- **DEALING WITH PEOPLE.** While this is a joy to many, there are often times when buyers, sellers, and even fellow associates can be trying to one's soul. Patience, understanding, and acceptance are the virtues necessary to cope with this.
- **IRREGULAR HOURS.** While this is an advantage to many, it can also be a complicating factor in family situations. Prospective buyers must often look at properties in their off-work hours. Contracts are frequently presented in the evening when both spouses are available and negotiations can often continue into the wee hours.
- **DETAIL WORK.** Real Estate involves more detail work than most outsiders realize. Listing forms, contracts, financial details, follow-ups, staying in touch with buyers, sellers, and future prospects, thank you cards for referrals and the many intricacies involved in a satisfactory closing are all time consuming. The successful practitioner must handle these details with ease.
- **LACK OF FRINGE BENEFITS.** Most salespeople are independent contractors, not employees. An independent contractor is defined as "One who is retained to perform a certain act, but who is not subject to the control or direction of another as to the end result and not as to how he or she performs the act." The critical feature, and what distinguishes an independent contractor from an employee, is the degree of control the employer has over such a person's activities. Since Broker/owners cannot legally pay for fringe benefits, the salesperson must personally budget for insurance programs, retirement programs, and unemployment compensation.
- **LACK OF SELF-DISCIPLINE.** Many new sales associates are very excited about becoming their own boss, believing they are very self motivated and disciplined, only to find out later that their discipline level is lacking. They have trouble adjusting from a structured environment into a non-structured environment. The more successful associates have become so by structuring their own systems according to what works for them. Simply put, they ***PLAN THEIR WORK... AND WORK THEIR PLAN.***

These disadvantages and problem areas are major contributors to the relatively high turnover in the field of Real Estate. Basically, there are four primary reasons for turnover:

Reason #1: They don't belong in the business.

- Real estate is a people business and not a house business. You have to like and understand people if you want to succeed in real estate.
- Real estate is a weekend business. People in the real estate business are expected to work some weekends. If you're against working on the weekends, you're off to a bad start.
- The real estate business requires that a person have thicker-than-average skin. You must be able to handle the "no."

Reason #2: They don't understand what the real estate business is all about.

- The real estate business is just that – a business. And the purpose of any business is to make a profit.
- New salespeople should remember that they're really in business for themselves. They'll be associated with a broker, but, in fact, they're really Jane Doe Inc.
- New salespeople must have goals and a business plan to achieve these goals, just as they would in any business.
- Real estate salespeople must invest their money and their time wisely.
- The referral represents an infinite return on their investment, since you have invested no money.
- "List to Last." Rather than chasing after buyers, who are largely disloyal, prospect for sellers. Listing properties is the key to long-term success.

Reason #3: They join the wrong company.

- For long term success, it is essential that new sales associates who have the right stuff and understand at least the basics of the real estate business join the right company.
- What constitutes the right company:
 - A Is your company a leader in the marketplace?
 - Reputation and Name Recognition.
 - B Does your company have a comprehensive training program?
 - Focused on prospecting and listing activities.
 - C Does your company have a mentor program?
 - Training isn't enough. A mentor can be extremely important in helping with the day to day activities of selling real estate. After a year, these activities will seem as natural as breathing.

Reason #4: They don't work hard enough.

- It's not enough to be talented.
- To be successful, a new associate must put together the skills and talents they have.
- To be successful, a new associate must work and work hard. There's no other way!
- A new associate must understand that their success is up to them. Remember the old motto "If it's going to be, it's up to me."
- A new associate must avoid those influences that may lead them to believe that work isn't necessary to excel in sales.
- It's not enough to work hard; the new associate must also work smart.
- The new associate must learn not to confuse activity with productivity.
- The new associate will refer to the business plan and implement that plan with gusto. They will work a solid day, spending their time on activities that have consistently proved to be successful for others. They'll set their sights on their goals.

ATTRIBUTES OF A SUCCESSFUL REAL ESTATE SALES PROFESSIONAL

A study of the backgrounds of Real Estate agents showed that in the Real Estate business, the only previous occupation that appeared with any degree of regularity was teaching. Teachers sell ideas; they are accustomed to working with people and achieving fulfillment by helping others to learn. It is a logical, progressive step for teachers to pursue a career in Real Estate, particularly if they are looking for, or need, a higher income. Many other people enter the Real Estate field for related occupations. Builders, mortgage brokers, secretaries in brokerage firms or title company employees are people who witness the day-to-day operation of the Real Estate business and are attracted to it. People looking for the ultimate in job security often consider Real Estate, or those who have completed one career, and are not ready to retire. In reality, a successful Real Estate agent can come from anywhere.

If we were to create the ideal, successful Real Estate salesperson, there are several qualities that we would look for. The first of these is **EMPATHY**. Empathy is the ability to understand why the other person talks and thinks as he or she does. It is the ability to walk in the other person's shoes – to understand differences objectively, without condemning or becoming angry. Empathy is not sympathy. People with empathy know what it is; people who don't have it do not understand it. Fortunately, empathy can be learned. Learn to ask questions. Be concerned. Be sincerely interested. Ask, "Let me be sure I understand you correctly..." and "Is what you are saying...?" When dealing with Real Estate prospects, for instance it is absolutely essential to understand their real wants and desires. Otherwise, how can you fill those needs and help them reach those perspectives.

The second desirable trait for a Real Estate salesperson is a **MODERATELY STRONG EGO DRIVE**. An ego drive is the satisfaction one gets from making a sale, whether it is Real Estate, Girl Scout cookies, encyclopedias, or an idea at the PTA or civic club meeting. It is the taste of success that keeps a person going back for more. It may be, but is not necessarily, that the need or desire for money. People that have never sold anything may not realize that they have the innate ability to sell, but if it is there, it makes for a winner. A good dose of ego drive is desirable, but certainly not essential for success in the Real Estate business. Many successful Real Estate people do not have an ounce of ego drive, but through proper training and use of their empathy have become top producers. The person with too much ego drive and no empathy, who sells at any price, becomes the high-pressure salesperson disliked by most.

DETERMINATION or **PERSISTANCE** is another important element in Real Estate success. When a person is determined, he or she will learn the necessary techniques and methods that will insure success. Detail orientation is another quality that will be helpful in achieving success. Former military personnel are detailed oriented. Those who do not have it will overlook many important items and, consequently, lose sales. The salesperson who has not done a good job of staying in touch with prospects wakes up one morning to find that the particular prospect has already bought... from someone else.

Self-Starter: Real Estate is a business where results bring commissions, but there is no salary for just “showing up”. If you organize your priorities and keep your objectives clearly in focus, you’re a candidate for success.

Good Listener: The emphasis is on listening, not talking. The idea of a “fast talker” as a good salesperson is out of place in real estate. Communication is not just the ability to speak well; it is also the ability to listen and truly hear what your buyers and sellers are saying.

Team Oriented: The real estate salesperson is self-employed but not isolated.

Emotional Stability: The nature of our business is not unlike the Olympic Games. Each day brings the thrill of victory or the agony of defeat. Those who can recover quickly from lost sales and accept success will prosper and endure.

Physical Stamina: Selling real estate is a very demanding profession. At the end of a long day after many showings, missed meals, and mental stress, a salesperson may find him/herself presenting an offer to a seller that can mean the difference between success and failure.

Tolerant Family: This is perhaps the most important. Without the confidence, support, trust, and understanding of the family, the new salesperson works against unfavorable odds. A clear understanding of the hours, commission arrangements, and demands of the business by all parties is essential.

Gender does not determine Real Estate success. Women occupy a large segment of the Real Estate industry, primarily in the residential field. One reason is that Real Estate presents an equal opportunity for earnings, regardless of gender. In fact, there are more women top producers in residential Real Estate than men. Where else can women go into a whole new field that is going to produce the kind of income that she would like – without going back to college? Many women, who have raised their children and would like a new challenge find the Real Estate provides them both a meaningful and fulfilling career.

Age is no barrier entering the Real Estate field. There is no retirement age; many enter the industry after retirement. There is no such thing as “Being over the Hill.” Many good Real Estate Sales Persons have gone long past what would be considered retirement time in any field or business. Young men and women, likewise, are able to achieve a substantial income much earlier than they would in professions where, for instance, they would need six to eight years of formal college training.

Be aware, however, many times, persons who have spent many years in another profession enter Real Estate expecting to make their first year, the amount of earnings they have spent years building in their past professions. That is an unfair expectation which will cause discouragement. However, it is exciting to know that with consistent hard work and planning that the income level can as much as double and sometimes triple your first years in the industry.

WHAT INCOME IS POSSIBLE?

There is a direct relationship between the number of hours one spends actively working in the field of Real Estate and the dollar rewards. Income will vary according to the geographic area, type of property, price range and frequency of sales. Commission rates, which vary from area to area, company to company and even transaction to transaction, also have a direct bearing on income. There are no standardized commission rates in the Real Estate industry; commissions are largely determined by the fixed overhead and services offered by the company.

As a rule of thumb, after the first few months of indoctrination and training, the individual who is working on a full-time basis in residential Real Estate should be able to produce a minimum income in excess of two or three times the minimum wage...and it should increase annually thereafter, as stated above. Notice, though, that is a rule of thumb. When calculating income from Real Estate sales commissions paid for listings and selling and cooperative commissions with other offices must all be considered.

With the assistance of a manager, the conscientious salesperson may estimate annual "listing" income by determining the number of listings he or she proposes to obtain, then computing the percentage of these listings that should sell and close, and figuring the commission dollars that the salesperson will earn, based on the average sales price in the area. Then estimate annual "sales" income by determining the number of sales that will be made by the salesperson and again, based on the average sales price in the area, figure the sales together to compute the total proposed annual income. Remember that the salesperson receives only a part of each commission; the remainder goes to the broker for the cost of operating the office. What most sales associates don't realize is that with as few as two closed transactions per month they can earn income competitive with most college degreed professionals.

There, fortunately, is no upper limit to a salesperson's level of income. Every city has a number of residential salespeople earning \$50,000, \$100,000 and more. This represents from three-to-six million dollars in closed sale volume. Obviously, this income is not achieved in the first year. The salesperson's development of better work techniques, increasing referrals and repeat business, and inflation will affect the rate of increased earnings. As in many businesses, it is estimated that 20 percent of Real Estate salespeople produce 80 percent of the income. **THERE IS VERY LITTLE DIFFERENCE BETWEEN A TOP PRODUCER AND A MEDIOCRE PRODUCER.** It could be that one extra call per day that does it. There is always room at the top. **REMEMBER, SUCCESSFUL SALESPEOPLE CONSISTENLY DO WHAT UNSUCCESSFUL SALESPEOPLE ARE NOT WILLING TO DO.** HERE IS A SIMPLE EXAMPLE OF HOW YOU WOULD GET PAID ON A 50/50 COMMISSION SPLIT.

You list a home for \$100,000.00

7% commission is charged.

\$7000.00 is the total commission.

\$3500.00 goes to the company that sells the property.
\$3500.00 goes to the company that lists the property.

If you are on a 50/50 split, you will receive \$1750.00 minus any other fees your company may charge. Some companies charge a transaction fee, and you will pay a franchise fee if you are with a franchise company. **YOU GET PAID WHEN THE TRANSACTION CLOSES.**

HOW LONG DOES IT TAKE TO MAKE MONEY?

Once a license to sell Real Estate is obtained, you should be prepared to support yourself for a period of several months after beginning your Real Estate career. You may be fortunate enough to make a sale your first week in the business, but don't count on it. Even with good luck or persistence, the first sale will take some time to close. If you make a sale immediately, it may take four-to-six weeks or more from the time the sales contract is written to the closing of the transaction. Closings can occur in the matter of a few days under exceptional circumstances, but if the property must be refinanced, for instance, it takes longer. Many times, sellers or buyers need to delay closing or occupancy for a variety of reasons. The salesperson that makes a sale during the first week of work may be at a disadvantage, thinking that this is going to happen consistently during his or her career. Depending on economic and market conditions, a percentage of all transactions fall through for various reasons, such as buyers or properties not qualifying for new financing or a buyer simply changing his or her mind for one reason or another.

If you know nothing about the workings of a Real Estate office, you will need to become familiar with the tools, forms, guidelines, and listings of the office. The licensing procedure, itself, does not teach the techniques of listing Real Estate, negotiating contracts, obtaining financing, holding open houses, or acquiring prospects. These are learned on the job, through office training programs, or attending sales training seminars. Video tapes, books, and other training materials can be used to learn or sharpen sales skills. Sometimes, friends, relatives and previous business associates are not willing to turn over their Real Estate activities to the brand new practitioner. To obtain these referrals, which can be an excellent source of business, knowledge and proficiency is an absolute necessity.

Once the new salesperson gets his or her feet on the ground, masters the basics, sets a work pace and develops a pattern of work, then sales, closing and income will stabilize. In spite of all the variables and pitfalls, the Real Estate business is much more scientific, predictable and consistent than most people realize.

I think it is important to know exactly how much your new career is going to cost you! The expenses should have been completely covered in your initial interview, but here is a basic list of what to expect as an independent contractor (though all companies differ, of course):

- ◆ Board of REALTORS DUES
- ◆ Errors and Omissions Insurance

- ◆ Multiple Listing Fees
- ◆ Cellular Phone
- ◆ Insurance (Health, Hospital, and Auto).
- ◆ Taxes
- ◆ Personal Promotion
- ◆ Postage
- ◆ Auto Expenses

See Below for a detail of your basic Real Estate cost. It's a good idea to have several months reserve income because you will be paid on straight commission and not until the transaction closes. It can take a few months to start seeing the rewards!

Initial cost associated with a new licensee starting in the real estate business.

<u>Amount</u>	<u>Reason</u>	<u>Payable To</u>	<u>Note</u>
\$41	Background Check	OREC	
\$5-\$20	Fingerprinting	Sheriff's Office	
\$60	OREC Test	OREC	
\$75	OREC License	OREC	
\$100	Application Fee	GTAR	
\$360	Yearly Dues	GTAR	Prorated
<u>\$130</u>	Display Key	C & C	C & C will pay GTAR

\$775 (Total) New Licensee Approximate Start-up Cost

WHAT ARE THE HOURS?

You decide the hours you in the Real Estate business. Most salespeople are considered, and treated as, independent contractors under the audience, but not the direction, of the broker. They may come and go as they wish. But, as pointed out during the discussion of income, there is a direct correlation between the hours spent working and the income received. However, there is seldom a direct correlation between the exact proportion of time spent on any given transaction and earnings from that particular sale. For every sale made, there are several that are not made. For every listing that sells, several are not sold before the listing contract expires. Much more time is invested with compensation. Of course, with proper training and guidance, non-income-producing time can be producing time can be reduced.

In residential sales the individual who desires maximum income can anticipate working up to fifty or more hours per week for fifty weeks per year. Voices will cry out with many expectations, both up and down the pay and time scales, but it is true that a person can expect a better than average income by working many productive hours. However, it is not only a question of working long and hard; it is also learning to work “smart”. Learn, practice, listen, and profit from what you hear. You will find that your income will dramatically increase.

In spite of what may be considered long work hours in today’s society, these hours can be flexible and allow ample time for personal activities. In fact, as you start in this business, it is strongly urged that you budget free time and plan it just as you would work time. **WORKAHOLICS** don’t know when to stop and they keep up a pace that eventually causes “burnout”, weakens their production or does both. The hours in Real Estate are irregular. The Real Estate salesperson will often work into the night while presenting contracts or counteroffers or making listing presentations. It takes understanding from cooperative spouses and children to accept and adjust accordingly. And yet, many parents and homemakers have successful Real Estate careers because of careful planning and organization. To succeed **YOU MUST BE ORGANIZED**. Saturdays, Sundays, and evenings are considered by many in residential Real Estate to be their most productive time. It is when home buyers and sellers are often available. Today, however, the sophisticated homebuyer, such as the corporate transferee will be flown into a new city at company expense, with his or her spouse, and settle down to a full time job of looking for a new home together. The casual Sunday afternoon lookers have virtually disappeared...they have gone to the beach or are glued to the television set. Commercial Real Estate people follow the stereotyped nine-to-five routine more consistently than residential salespeople do. But working 9:00-5:00, in the residential field, will never produce maximum income. **REMEMBER: REAL ESTATE IS THE HIGHEST PAID HARD WORK AND LOWEST PAID EASY WORK YOU WILL FIND!**

SHOULD YOU THEN CONSIDER A CAREER IN REAL ESTATE? If you are seeking a new career that offers challenge, flexibility, and unlimited earnings, maybe you should give it serious consideration. To help you further determine if it is for you, take the following self-evaluation test. Score yourself as accurately as possible on each of the questions on the scale of 1 to 7 as shown below. Scoring summary is at the end of the test.

On the Scale of 1 to 7 it would be as follows:

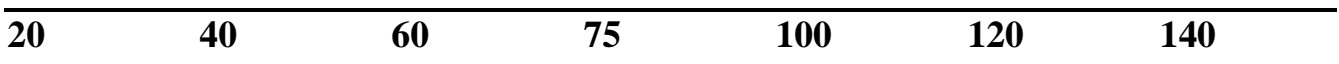
NEVER	SOMETIMES					ALWAYS
1	2	3	4	5	6	7

CIRCLE THE NUMBER THAT BEST ANSWERS THE QUESTION AND FOLLOW INSTRUCTIONS AT THE END OF THE TEST.

1. I can work by a specific daily plan. 1 2 3 4 5 6 7
2. I can maintain a record of my results in relation to my objectives. 1 2 3 4 5 6 7
3. In my present position, I feel I have a reachable goal 1 2 3 4 5 6 7
4. I am a self-starter. 1 2 3 4 5 6 7
5. I am happy with the amount of money I will make next year in my current job. 1 2 3 4 5 6 7
6. I respect others interests and talk with them in terms of those. 1 2 3 4 5 6 7
7. I can generally “break the ice” with new people. 1 2 3 4 5 6 7
8. I am imaginative and creative when it comes to my work. 1 2 3 4 5 6 7
9. In every job I’ve had I felt that I was being paid in direct proportion to my contribution. 1 2 3 4 5 6 7
10. I can cope with helping to solve other problems. 1 2 3 4 5 6 7
11. I generally know when someone has made a decision ever before they tell me. 1 2 3 4 5 6 7
12. I can actively solicit business from everyone with whom I talk. 1 2 3 4 5 6 7
13. I feel I can accomplish more, quicker, by listening to and applying the experience of others to my lifestyle and goals. 1 2 3 4 5 6 7

- 14. I see objectives as opportunities. 1 2 3 4 5 6 7
- 15. I can ask someone, without hesitation, to do something that would benefit them. 1 2 3 4 5 6 7
- 16. I can use the telephone effectively to communicate with others. 1 2 3 4 5 6 7
- 17. In all conversations, I do most of the talking. 1 2 3 4 5 6 7
- 18. In order to help someone obtain what they want, I could ask personal questions such as "HOW MUCH DO YOU EARN?" and "HOW MUCH DO YOU OWE?" 1 2 3 4 5 6 7
- 19. I can willingly and effectively use any proven methods that would aid me in accomplishing my objectives. 1 2 3 4 5 6 7
- 20. I wake each morning looking forward to the challenges And opportunities that await me in my current position. 1 2 3 4 5 6 7

ADD EACH NUMBER CIRCLED AND PLOT BELOW:



Scoring: If you score 75 points or more, you might want to consider what you are doing now and what you want to do in the future. If you are not completely satisfied with what you are doing presently, give me a call, I CAN HELP.

IS THIS TEST A FOOLPROOF MEASUREMENT OF YOUR POTENTIAL SUCCESS IN THE REAL ESTATE INDUSTRY? No! However, it is a good assortment of questions you should ask yourself before entering a **CAREER IN REAL ESTATE.**

There has never been a better time to enter the Real Estate industry.

A career in real estate will afford you freedom and flexibility not commonly found in most nine-to-five careers. This independence certainly has its rewards in terms of job satisfaction and the opportunity for monetary success. You are rewarded in direct proportion to your efforts, and there is no limit to the amount you can earn. Real estate is a profession that everyone talks about. A high percentage of most families' net worth is tied to the property that they own, and most purchase property through help of a real estate agent. To be involved in this process is very challenging and rewarding...

If your decision is to proceed with your career objective of obtaining a license in Real Estate; we have enclosed a student profile for our Real Estate course in the back of this booklet.

The Oklahoma Real Estate Commission requires all pre-license students to complete a 90 hour course to be eligible for the state exam.

Best wishes for a most successful career,

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STUDENT PROFILE

Name:	
Address:	
City, State, Zip	
Home Phone:	Cell Phone:
Profile:	
1. Tell us something about yourself; hobbies, family, etc:	
2. Career Background:	
3. Besides passing the real estate exam, what is your goal in obtaining a real estate license? When are you planning on taking the exam?	
4. How did you hear about our school?	
5. Will you be working full or part-time in the real estate business? Full Part-time If part-time, how many hours can you devote to your real estate business?	

Thank You!