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—Mark Victor Hansen, cocreator, #1 *New York Times* bestselling series
Chicken Soup for the Soul®, coauthor, *The One Minute Millionaire*

The



Millionaire

**Real Estate
Agent**

GARY KELLER

WITH DAVE JENKS AND JAY PAPASAN

WHAT AGENTS ARE SAYING ABOUT *The Millionaire Real Estate Agent!*

“The Millionaire Real Estate Agent changed my life! The concepts were very awakening and enlightening to me. The systems already mapped out for me to follow are priceless. Just take the book and carry it with you at all times as a road map to get you where you want to go.”

Leith Seegers-McKahan
Arlington, TX

“The concept ‘Millionaire Real Estate Agent’ is a lofty goal for anyone to strive for. The models provided in this book identify the pathways and the pitfalls. From the outset, Gary makes it clear that ‘the money’ is not the issue, but merely a marker. The ultimate goal is making a business worth having in order to have a life worth living.”

Kathy Auerbach
Bellingham, WA

“This material was much more than an eye-opener. It was a door opener, taking me to the next level. Gary has a way of communicating directly to you as if you were the only person he is talking to.”

Paul Andres
San Francisco, CA

“Wow! What a concept! It’s about time real estate agents looked at their work as a business and not as a job.”

Randy Selby
Houston, TX

“Why not me? I have literally ‘crossed over’ from being a real estate agent with limitations to being a real estate consultant without any limitations on what I can achieve.”

Jo-Anne LaBuda
Worthington, OH

“Everyone wonders why some agents clearly outmaneuver the majority of their competitors. For the first time in my thirty-year career, someone has shown us the way! Gary Keller has agreed not only to give us the map for the road to success, but more importantly, to teach us to stay on that road, find new routes, and go further with every new course adjustment.”

Shirley Olea
San Francisco, CA

“If any agent currently in real estate wants to make more money, net more money, work less and succeed at the highest level possible in their professional and personal lives, then The Millionaire Real Estate Agent was designed for them. Our business, our net worth, and our lives have all been greatly enhanced because of this incredible education.”

Jan Richey
Plano, TX

“The concepts taught by Gary Keller can and will make you rich if followed.”

Jim Buff
Asheville, NC

“This material is laid out with straightforward techniques that make it possible for any agent to truly achieve the 7th Level of ownership, and having the business run itself.”

Tim Burroughs
Boise, ID

“Prior to real estate, I worked for IBM, Toshiba, and Dell. Never have I experienced such valuable training. It is the most exhilarating real estate training that I have ever received. Thanks so much for teaching me to take my business to the next level.”

J. Rene Ward
Round Rock, TX

“It is NOT a pipe dream! The Millionaire Real Estate Agent concept and model is simple, straightforward, and very doable. Gary Keller has developed the blueprint for success. If you can get out of bed in the morning and be disciplined, there is no reason not to succeed.”

Peggy Devoney
Atlanta, GA

"It is the most thought-out real estate business model ever. The concept is not pie in the sky. It is not even a concept because it is being done every day. Think big! Lead generate! Add systems! Hire three great people. You're a millionaire! Many thanks to Gary and Dave for sharing their vision."

Gene Arant
Austin, TX

"The Millionaire Real Estate Agent is a blueprint that takes away any guesswork. Now there's no excuse for not knowing what you need to do for great success or even how much it will cost. I strongly recommend this material to anyone who wants to achieve millionaire status."

Elaine Sans Souci
Phoenix, AZ

"This material is another giant step to the top. It helped me remove my limited thinking, and I have already implemented the material. I appreciate not having to invent something new—all I have to do is put it in practice."

Steve Chader
Mesa, AZ

"Why not think big when you have the resources provided in this book? The tools have been handed to us and the path to enriching our life and career is just waiting for us to jump in and go for it!"

Beth Schneider
Edmund, OK

"Finally, a clear path to realize my full potential in real estate. My team will never look back."

Andy Allen
Austin, TX

"This gives me the cutting edge above my competition. It has completely changed the way I run my business!"

Deone Smith
Ogden, UT

"When broken down into systems, models, and concepts, I can see that this is an absolutely achievable model and not just wishful thinking!! I have written out my plan, and now it's all about execution. Thanks so much to Gary and Dave for all the research and development they've done."

Sherrie Puffer
Asheville, NC

"I feel as though my windshield had been dirty for the past several years and it was unclear as to what direction I was going in the real estate industry. Now it is CRYSTAL CLEAR! I am three hires away from becoming the millionaire agent. I'm about to hire the first. I will get there soon!"

David Fitzgerald
Phoenix, AZ

"The Millionaire Real Estate Agent is absolutely eye-opening! A virtual 'cookbook,' the Millionaire Model was laid out for those agents who desire to turn their 'job' into a true business. This material offered me an essential key to bridge my 'Work Life' to my 'Life's Work.'"

Michael Hodson
Tacoma, WA

"Somewhere along my path I was taught not to dream too large lest I face the certain pain of disillusionment. Gary challenged me to move past fear, starting with a Big Why, and he laid out the steps I need to take for daily progress."

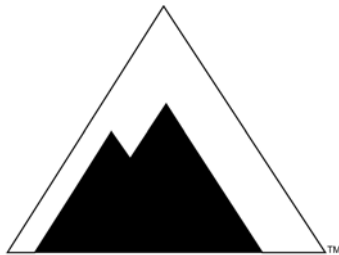
Marc Nicholson
Atlanta, GA

"Gary and Dave have shown me how to get out of the 'ugly zone' of trying to do everything myself and into the 'prosperity zone,' whereby I can grow my business substantially, work fewer hours, and make more money."

Charles Sullivan
Gaithersburg, MD

THE
MILLIONAIRE
Real Estate Agent

It's not about the money



Gary Keller
with Dave Jenks and Jay Papasan

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“Don’t be afraid to take a big step if one is indicated. You can’t cross a chasm in two small steps.”

David Lloyd George
Former Prime Minister of England

PREFACE

*“If I have seen farther than others, it is because
I was standing on the shoulders of giants.”*

Isaac Newton

HUNTING WOLVES AND AIMING HIGH

Several years ago my son, John, and I were driving and listening to a book on tape. In the story, a shepherd’s son has come of age and goes out to spend his first summer alone tending the sheep in the hills above the village. One night, he awakens to the sound of a wolf howling nearby. The night is black and he is seized by fear, but he dutifully grabs his rifle and races out into the darkness to protect his livestock. Across the way he sees a wolf at the throat of one of the sheep. As he puts his rifle to his shoulder and takes aim, he remembers the advice of his father: “At night, it is very difficult to judge the distance to your target, and, more than likely, you’ll underestimate the distance and miss low. To have a better chance of hitting the target, *aim high*.” The shepherd’s son adjusts his aim, raising the sights ever so slightly, and hits the mark.

What struck me about this scene was not the bravery of the boy, which shouldn’t be doubted, or the drama of the moment, which had John and me on the edge of our seats. For me, it held all the elements of a great fable and perfectly illustrated something I’ve come to believe to be true in life. No one can accurately judge what the future holds. Tomorrow is as dark and

as difficult to judge as the gap between the shepherd boy and his target. Yet so often we set our goals as if the next day, month, year, or decade were as clear as an August afternoon. Is it any wonder most plans fall short of the mark? *Aim high*. That's the moral of the story. Whether you are hunting wolves at night or setting your life's goals, *aim high*.

This book is about *aiming high*. It's not about the money. It's really about the fact that most great achievements in life are the result of thinking big and aiming high. The word *millionaire* is just a placeholder for that idea. It also makes for a snappier title. Obviously, you've read this far. Honestly, would you have picked up *The Real Estate Agent Who Thinks Big?* I rest my case.

This book is for you. We believe that no matter where you are in your real estate career, thinking big will take you to a higher place; in fact, it may help you become the very best you can possibly be. To be your best, think big and aim high.

BIG QUESTIONS AND THE TOP OF THE WORLD

With relatively low start-up costs and no hard ceilings, a real estate career seems perfectly tailored for any ambitious entrepreneur. In this industry, your limits are truly self-defined. Your approach, your ability, and your willingness to do the work of real estate sales will be the greatest determining factors for your success. In his book *The Aladdin Factor*, Mark Victor Hansen teaches us that in life the size of our answers is determined by the size of our questions. With *The Millionaire Real Estate Agent*, we will ask, explore, and answer the most important question anyone in real estate sales could ever ask of themselves, "How do I, as a real estate sales person, take my sales income to the highest level possible?" Believe it or not, it is a simple question with a simple answer. In this book, we will lay out for you

how to think like a Millionaire Real Estate Agent. Then, we will show you, step by step, how to earn and net a million in annual income. Finally, we'll point out the path to receiving a million in passive income.

Truthfully, I believe that the key to becoming your very best is to think at a very high level. If, by reading this book, you can get your mind around the concepts in the chapter entitled, Think a Million, and learn to think like a Millionaire Real Estate Agent, you'll discover that earning, netting, and receiving the most money possible from your real estate career will seem much more attainable to you.

If there is one thing that I've learned in life, it is that small goals tend to place limits on our potential, and that Big Goals have a tendency to pull us right through the small goals on the way to attaining the big ones. Why? It's all about what you are focused on. What happens is that we tend to slow down once our goals are within reach. Small goals, by definition, are almost always within our reach, so we end up achieving them quickly, but we never get the chance to build up a head of steam. On the other hand, when we pursue big, ambitious goals, we have the chance to build up so much momentum that it carries us right past those small goals in the pursuit of bigger game. James Allen once wrote, "You will become as small as your controlling desire; as great as your dominant aspiration." In the end your business and your life ultimately reflect the goals you pursue. It all comes down to the difference between goals that just satisfy you and goals that truly maximize you.

The formula is straightforward—think big, act bold, and you'll live a larger life. To be totally honest, the end goal of this book is not necessarily to teach you how to put a million dollars in the bank every year. Even though we do offer a complete and accurate analysis of that pursuit, the real purpose of *The Millionaire Real Estate Agent* is to encourage you to live large. Throughout history, we have seen that Big Goals pull us beyond our known potential, push us to live lives bigger than we'd imagined. I earnestly believe that the gifts you will receive from this kind of approach

are far greater than any monetary reward you might achieve. Maybe Oliver Wendell Holmes put it best when he wrote, “The greatest thing in this world is not so much where we are, but in what direction we are moving.”

I think we can all agree that the future is largely unpredictable. Asking the big questions and seeking the big answers also tend to lead us to achieve our very best level of preparedness. That preparedness allows us to act more effectively, in the moment. You’re less likely to be caught off guard by an unexpected turn of events. Remember, the shepherd boy could not have predicted when a danger might arrive or in what shape it might manifest itself, but he knew enough to pack his rifle, keep it close, and aim high.

Let me put it to you a different way. For most of us, climbing Mount Everest is a symbol of exceptional achievement. Now, stop and think about this for just a moment. Those individuals who intend to climb Everest successfully don’t think in terms of just getting to Base Camp and then figuring out the rest from there. Before they even set foot in Nepal, they have already meticulously imagined and thoroughly prepared themselves for the entire journey from Kathmandu to Base Camp and beyond that to the top of the world. If they are really smart and want an even greater measure of readiness, they’ve also studied the experiences of others and, using that knowledge, have properly prepared themselves for a most challenging adventure. People who are planning to reach the summit of Everest are asking very big questions and finding very big answers. They’ve learned that only those who dare to think greatly can ever achieve greatness.

If you’re interested in getting the most from yourself and are willing to ask the question, “How do I take my real estate business to the highest point possible?,” then strap on your climbing boots and take a deep breath. This book can be your road map, even your guide. The journey won’t necessarily be easy, but it will change your life. It begins by thinking big and aiming high.

INTRODUCTION

*“The greatest truths are the simplest,
and so are the greatest men.”*

Augustus and Julius Hare

YOU'RE NOT METHUSELAH!

Everyone is on track to be a millionaire. I'm certain that given a long enough time line, everyone would reach the million-dollar-income mark. This approach is called the Methuselah Method. According to tradition, Methuselah was the oldest man who ever lived. It is believed he lived 969 years. Now, I'm convinced that—even if he were the worst money manager of all time—at some point he was considered a “millionaire” by the standards of his era. Unfortunately, barring evolutionary leaps or medical miracles, if you're a follower of the Methuselah Method, you probably won't live to see your millions.

Of course, there are those who want to get there a little faster. They are on a thirty-year, fifteen-year, or five-year plan. What distinguishes them from others is they understand that to be really successful in this game called real estate sales, they can't go about it haphazardly. Only those with as much gas in their tank as Methuselah can afford to explore the trial-and-error route. Those who want to get there more quickly know they will need a big plan, preferably a simple, straightforward one. Our goal with this book is to share that big plan.

One of the greatest stumbling blocks to achieving great success for most people is that they cannot get their heads around how obvious and uncomplicated success can be. One of the greatest myths in life is that the road to success is hidden away, and if you could find it, it would be twisting, uphill, covered in fog, and full of pitfalls. Blame the bards who created our original success stories—the path to the princess was always hidden away, and to get there you had to pass through the dragon’s lair. As a result, we tend to distrust obvious and straightforward ideas, or, at best, we patronize them saying they are “common sense” and that “everybody should know that.” It almost seems as if, by some flaw of human nature, we simply tend to favor secretive and complex ideas over obvious and simple ones.

In his book *Acres of Diamonds*, Russell H. Conwell tells the tale of two farmers. The first farmer sells his farm to the other so he can go in search of diamonds. The story ends with the first farmer never finding his precious diamonds and the new farmer finding “acres of diamonds” out in the very fields he had purchased from the first. The moral: You probably already have or know everything you need to be successful. So instead of looking for the “new-new” you might want to work on the “old-old” a little more. The opportunity for your success might be right under your very nose.

And it is not a question of validity, either. Complex solutions may be perfectly valid. The problem is, complex plans are just that, complex, which makes them hard to implement and sustain. Jazz legend Charles Mingus once said, “Making the simple complicated is commonplace; making the complicated simple, awesomely simple, that’s creativity.” I agree. Life and business are complex, but the road to success in life and in business is paved with simplicity. The truth is that all plans must be reduced to simplicity in order for us to be able to implement them. No one can live or operate in complexity for very long—lasting success always lies in our ability to reduce things to their simplest level.

THE “BIG SECRET” AND AN INVITATION

In our research over the years, we’ve found people often imagine that success in business is much more complicated than it really is. This point of view turns simple accountability for results into a blame game where the catch phrase is “I didn’t know!” It allows us to blame our failures on things we did not know or understand. If you play that game, you may be looking for the “Big Secret.” More than likely, you’re probably not being completely truthful with yourself. You may be looking for the “Big Secret” because you want success to come easier, and you’re not alone.

Here’s the truth about the “Big Secret” and about how you can make it come easier: *Success is less complicated than most people make it.* Many, many answers can be complicated, but the answers that matter most almost never are. What we now know is that if you seek complex solutions to complex questions, you’ll end up chasing complexity your whole life. On the other hand, if you can decide to seek simple answers to complex questions, you will find good, simple answers and spend your life taking action. It is the difference between seeking truth and living it.

Try this. Call up an acquaintance who is about eighteen years old and ask him or her to share with you the meaning of life. You’re liable to get a very long, convoluted answer that may or may not make reference to melting ice caps. Now call an acquaintance who has lived a long, full life and pose the same question to that person. Odds are you’ll get a very simple one-word answer—love. The young person’s answer may not necessarily be wrong. The older person will just get to the point faster and much more succinctly. The reason? They have confronted life’s complexities and discovered that while life is truly complex, the joy-filled path to real meaning and true happiness is quite simple.

I believe that if you're prepared to acknowledge where you are on the continuum of accomplishment and to recognize the shortcomings that have kept you from going further, you've mentally positioned yourself well to pursue the highest of possibilities. Rest assured that substantial elbow grease is required. The path may be simple and clear-cut; however, it is not without effort. As Peter Drucker says, "Plans are only good intentions unless they immediately degenerate into hard work."

The ideas we present in this book bear no comparison to rocket science or brain surgery. Nevertheless, when taken as a whole, they may appear overwhelming. What then looks like complexity is really just the accumulation of simple ideas added together over time. So, I encourage you to take a step back, look at the big picture, pick a place to get started, and dive in!

What follows is a series of ideas that our research and experience have proven to be true. While our primary intent was to share these ideas, we hope you will also find some inspiration. I've found that those who are shown the truth and are also inspired by it are those who are most likely to take effective action. But, regardless of whether or not you find these ideas inspirational, you may still see benefit in adopting them and choose to accept and act on them. Just like dieting, exercising, or saving money, any fundamental change in our habits begins with a personal choice, an act of volition. In this case it is choosing to think big and aim high.

It's my sincerest hope that this book will prod you to think outside the box regarding your career. It's why I wrote this book. You see, for many years the real estate agent has been perceived and positioned as a nonbusiness person with a sales job. It's been said many times that choice not chance determines destiny. I believe you, the real estate agent, can determine your own destiny because you have a choice to either:

1. Practice real estate as a job
2. Run your real estate practice as a business

Would you rather have a business than a job? Would you like to take that business to the highest possible level? If so, I invite you to turn the page.

Part One:

CHARTING THE COURSE



OVERVIEW

*“I must create a system or
be enslaved by another man’s.”*

William Blake

WHY ARE YOU HERE? YOU’RE IN MANAGEMENT AND WE’RE ALL IN SALES

Several years ago at a real estate sales seminar, I had an interesting conversation with another real estate agent. The revelations that emerged from that conversation have since proven essential to my ability to consult with salespeople. Here is my best recollection of how that conversation went:

AGENT: Gary Keller, right? I noticed you from across the room and just wanted to introduce myself and let you know I’ve heard a lot about your company.

ME: Well, thanks. We’ve worked hard to get where we are.

AGENT: Excuse me for asking this, but why are you here?

ME: I’m sorry? What?

AGENT: Why are you here? You’re in management, and we’re all in sales. I was just curious to know what you’re doing at a sales seminar.

Honestly, I was a little taken aback by the question. Sure, I was in management, but I'd been a successful real estate agent before our company was formed, and, frankly, I really still thought like one. In life, one of the toughest obstacles we can face is the difference between how we see ourselves and how others see us. What lies in between the two perspectives can be an obstacle to effective communication and a source of misunderstandings. A big part of my job has been working with top real estate salespeople, and I'd been doing this for more than twenty years. It had never occurred to me that someone might not see me as a real estate agent myself, so I decided to ask a few probing questions.

ME: Let me ask you a few questions. Do you go on buying appointments?

AGENT: Actually, I have buyer specialists that do that for me.

ME: Me too. Do you go on listing appointments?

AGENT: (*Shakes his head.*) No. I have listing specialists that handle all the listings for my team.

ME: How about that! I have listing specialists, too. I bet you have a support staff to help with marketing, bookkeeping, and paperwork, right?

AGENT: Sure.

ME: We both have buyer specialists. We both have listing specialists. And we both have a support staff. Interesting. If you don't mind my asking, what was your sales volume last year?

AGENT: Hmm. Actually, I did a little over \$50 million in sales last year.

ME: Wow! Congratulations! That's really awesome! Now, if it would better help you understand why I'm here, just think of me as a *multibillion*-dollar producer.

You see, if you really look at the organizational structure and the systems, there is not a lot of difference between a well-run real estate office and a mega agent's real estate sales team. Both have buyers and sellers who drive the bottom line. They have administration and infrastructure. And they have what is essentially a CEO coordinating the team's activities to increase productivity and profits.

I point out these parallels when I work with agents, and what they ultimately discover is that I do the same things they do. I am just highly leveraged through association with great talent and have thoroughly documented my systems. I'm a real estate agent living large.

Let me define "living large." Since the late eighties no other real estate broker has had more houses sold under his or her license in Austin, Texas. In fact, my two Austin real estate offices ranked first and fourth in the country in closed real estate transactions (according to the 2001 REAL Trends ranking of single office companies). Thanks to an average annual growth rate of over 40 percent between 1998 and 2001, Keller Williams Realty International catapulted out of regional obscurity to become the seventh largest real estate company in the country. And Inman News tagged Keller Williams as the industry's Most Innovative Company in 2001.

So if you see me at a real estate agent event, I sincerely hope you'll say hello. I also hope you'll understand why I'm there. I'm a real estate agent, too.

MASTERING THE "GAME"

When we started our company in 1983, we had no idea what amazing people we would associate with in the years to come or how much we'd learn from those associations. We have had the opportunity to work with and learn from top sales associates from every corner of North America:

industry leaders such as Brian Buffini, Tom Hopkins, Floyd Wickman, Bill Barrett, Mike Ferry, and Howard Brinton; and even business visionaries such as Robert Kiyosaki, Michael Gerber, and Mark Victor Hansen. Every one of these people helped shape our successes and the message of *The Millionaire Real Estate Agent*.

Through our shadowing, consulting, masterminding, and mega agent programs, we've had the opportunity to work one-on-one with hundreds and hundreds of top agents. Their contribution to this book and our overall success cannot be overstated. However, we knew that for the purposes of *The Millionaire Real Estate Agent* we would also have to draw on the experiences of top producers with whom we had not yet worked personally. So we picked up the phone and started calling. We worked our way through the top fifty real estate agents in the country as ranked by REAL Trends and set up as many interviews as we possibly could. We listened. We listened hard. We took notes and bounced our ideas off the very best in our industry.

Without a doubt, these high achievers are masters of their game. What became very clear very quickly is that they are experts on their markets and often have developed successful systems that perfectly complement their markets and their own mix of personal strengths and weaknesses. They had a lot to share. They were also very curious about what we'd find. While many would freely admit to having mastered "their game"—their personal approach to real estate—few would lay claim to having mastered the "Game" in the broader sense.

We took all that we learned, passed it through the filter of our own experience, and combined it into simple, effective models anyone can follow to take their real estate sales practice to the highest possible level. As a result, this book is not about "our game" or even a collection of theirs. It is about the "Game." We feel personal mastery is best pursued through a thoughtful analysis of the "Game" and then relating that new understanding to personal circumstances (your market, your strengths,

and your weaknesses). It is an ongoing process. This book may represent the first step for some, but for many it will be yet another checkpoint in their continual pursuit of personal mastery in the “Real Estate Sales Game.” Our hope is that you will take this book, reflect on it, apply the models from it, and then personalize it over time to master your game at the highest levels possible.

MODELING— THE CORNERSTONE OF SUCCESS

Two events in my life forever changed my thinking on what I believe a person is capable of achieving through God-given talents alone. The first was when a Baylor professor chided a certain cavalier young student who thought he might have all the answers. (That would be me, of course.) He said, “Son, you’re not the first person to want to have a successful career. You’re not the first person to have dreams you want to fulfill. You’re not the first person to want to be the very best you can be in life. You need to realize that people have lived before you. And you might be wise to slow down for just a second and figure out what they learned on their journey before you start your own.” I listened attentively and thought I understood what he was saying, but I wouldn’t really *hear* him for almost a decade.

The second event happened in 1987 when our young company was faced with a collapsed economy. Up to that point we had been successful on certain levels, but there were now some big challenges that were holding us back. In the end, I found that I didn’t have all the answers. In my opinion, our growth till then had been sustained through sheer hard work. Then the market turned sour, and we were faced with a new and very real ceiling of achievement. That was the year I read *Unlimited Power* by Anthony Robbins and finally heard my professor: “People have lived before

you.” Robbins’ book made that point in a very powerful way. Here are some of the passages that I underlined and that I’d like to share with you:

Passage #1:

Long ago, I realized that success leaves clues, that people who produce outstanding results do specific things to create those results.

Passage #2:

Actions are the source of all results. . . . This process of discovering exactly and specifically what people do to produce a specific result is called modeling.

Passage #3:

To me, modeling is the pathway to excellence. . . . The movers and shakers of the world are often professional modelers—people who have mastered the art of learning everything they can by following other people’s experience rather than their own.

Passage #4:

To model excellence you should be a detective, an investigator, someone who asks lots of questions and tracks down all the clues to what produces excellence. . . . Building from the successes of others is one of the fundamental aspects of most learning.

Epiphany! A lightbulb went off in my head, and I had an “aha.” I then slowed down just long enough to start looking in much greater detail at what successful people were doing. I also systematically involved my team in the modeling process. The models we discovered and implemented that year helped us break through the challenges of the lagging economy and laid the groundwork for our later accomplishments. Ever

since this breakthrough, it has been my goal to actively, aggressively, and continuously model the real estate business for its owners and agents.

At the same time, I do think that it would be a mistake to discard creativity. Without a doubt, we have been innovative in our real estate business. The trick to getting the most out of our creativity is always to start with a set of proven foundational models for success. Once we find success with our initial models, we can then allow for creative thinking. But only after we've followed the models do we allow ourselves to tweak, innovate, refine, and fiddle until the models work to the level of our expectations. The key to taking this approach is to avoid placing creative innovation ahead of the effective implementation of proven foundational models.

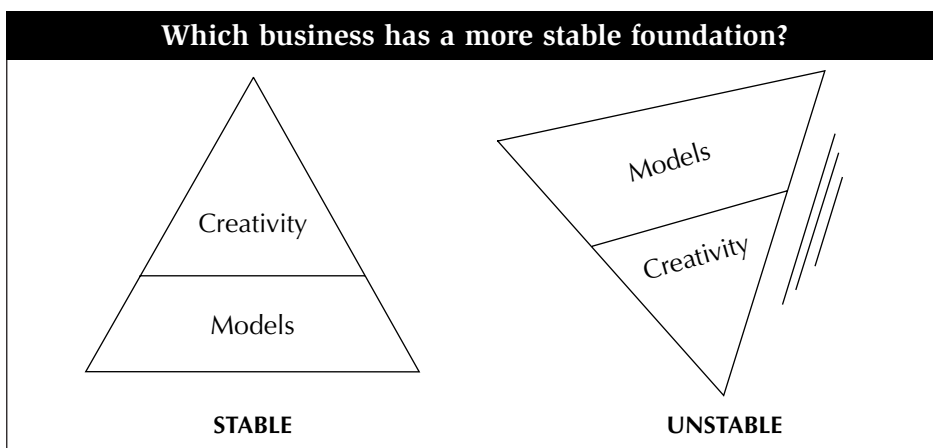


Figure 1

The reality about using models is that if you begin with creativity and then try to add a model, or if you try to add creativity to a model you haven't fully implemented, you risk rendering the model completely ineffective. Many people don't fully realize this. More than likely, they will try to use creativity as a shortcut or as a way to cover up for their lack of properly or fully implementing the model. The truth is that when you add creativity to a practiced and proven model, you will always have a much greater chance of achieving your highest possible results.

In *The Millionaire Real Estate Agent* I will present to you a set of models. They are based on the actual experiences of the very best in our industry. I strongly encourage you to accept what they have learned to be true and then, by applying these models, use their successes as your own launching pad. Once you've implemented these models and feel you have a thorough understanding of them, I encourage you to innovate around them to see if you can improve the results. That's implementation before innovation.

Reinventing the wheel every time is just plain exhausting work. And it leads to breakdowns and burnouts. On the other hand, I think you'll discover that modeling will be very empowering. In fact, it may make things appear so simple it feels like cheating. Powerful models usually feel that way.

NATURAL ABILITY AND ACHIEVEMENT CEILINGS

In my experience, people tend to predict success based largely on a person's natural abilities. This can truly be problematic no matter where you see yourself in this spectrum. Lots of natural ability can lead to overconfidence. Likewise, lack of natural ability contributes to low confidence, so much so that many never even attempt tasks that appear to be outside the realm of their natural abilities. The truth about ability is that it is neither set nor predetermined. However, it can be developed or it can be wasted.

Now here is the simple truth we must all deal with: Natural ability can take us only so far. No matter how gifted we may be, each of us will eventually hit our own ceiling of achievement. There is no "if" to that assertion, just a "when." So the most important achievement question you may ever have to ask yourself becomes: "When I hit that ceiling of achievement—whether it is low or high—how will I break through?"

What I've discovered is that by starting with models you can push your ceilings higher and, eventually, break through them. But even great models will have limitations, so eventually you'll hit a new ceiling. This is when I encourage creativity. This is when I encourage you to start adapting the model. Don't abandon it—adapt it. Once the right amount of innovation is added, you will more than likely experience another breakthrough and move forward. That is the cycle. Each improvement will have its limitations, and, sooner or later, you'll have to tweak your model to ensure continued progress.

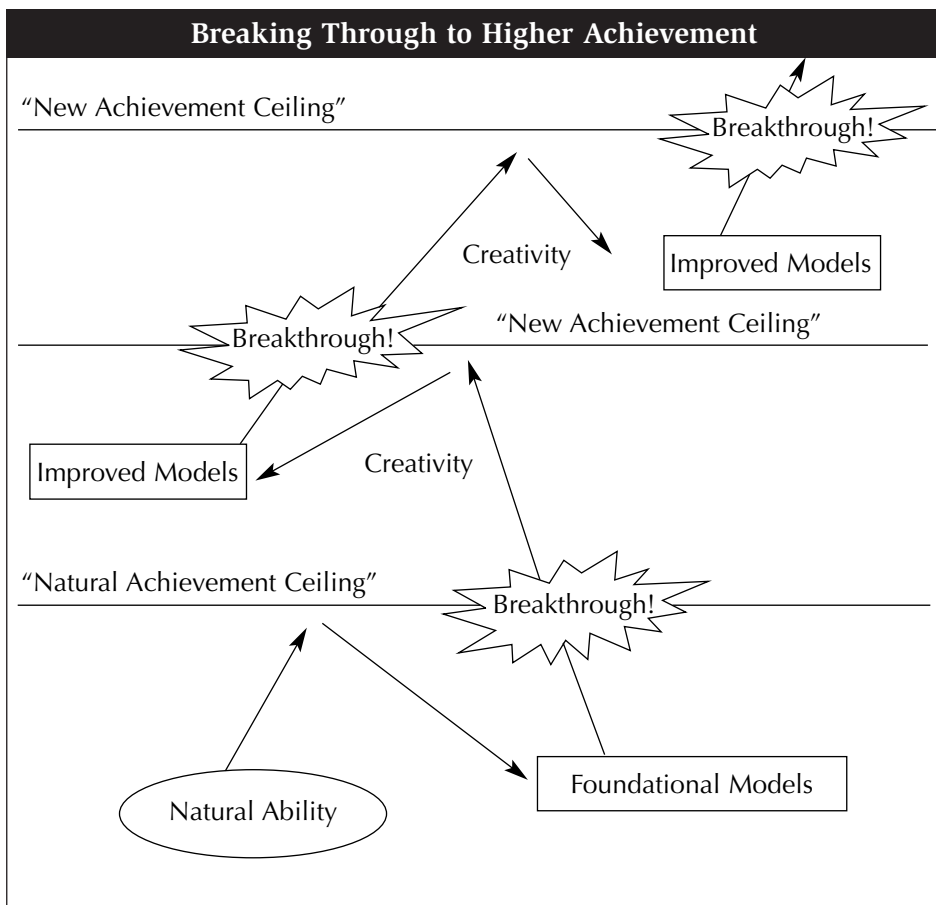


Figure 2

So the trick to having breakthroughs in your life is to adopt the right foundational models. In our experience, these models need to be as big and ambitious as you can possibly find. Typically, the bigger the model the further you can ride it before hitting a ceiling. And that is one of the most exciting advantages big models offer. The foundational models we present in *The Millionaire Real Estate Agent* are founded on three cornerstones, which we call the Three L's of the Millionaire Real Estate Agent.

THE THREE L'S OF THE MILLIONAIRE REAL ESTATE AGENT

When we first started grouping our findings by category, it appeared that we might have eight core issues. On closer examination, we were able to eliminate three and narrow the list to five. Ultimately, we discovered the finish line lay at three core issues that support our model—Leads, Listings, and Leverage. We call them the Three L's of the Millionaire Real Estate Agent.

LEADS—EVERYONE HAS TWO JOBS

You can have a doctorate in real estate, outfox a professional litigator in a contract negotiation, appraise property better than anyone in your market, and have more financing knowledge packed in your head than a mortgage guru, and it won't do you a lick of good without clients. To succeed in real estate, you

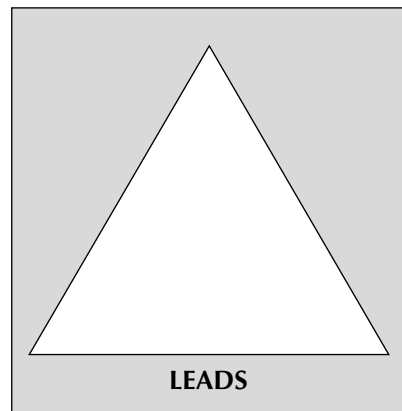


Figure 3

must have client leads. It's that simple. Until you have enough leads (to meet or exceed your goals), there is no other issue. No matter if you are a doctor, lawyer, or entrepreneur, everyone has two jobs—their chosen profession and lead generation.

I remember reading an article written by a fellow real estate agent who was distressed to learn he was also in the lead-generation business. His article was a lament. He was personally distressed. He somehow thought that with his professional certification, he could sit back and the world would find him. It was easy to identify with this guy. I earned a four-year degree in real estate and never once did a professor mention lead generation. No one told me. Later, to my horror, it became clear that if I wasn't any good at lead generation, no one would ever know what an educated and knowledgeable real estate professional I was. It was time to face the facts. To succeed as a real estate professional, I had to learn to generate client leads.

LISTINGS—THE “GIFT OF THE REAL ESTATE GODS”

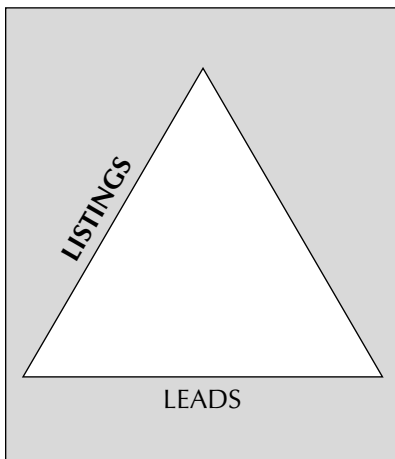


Figure 4

Listings are the high-leverage, maximum-earning opportunity in our industry. Conventionally, your income from having a listing sell is no different than closing on a similarly priced home for a buyer. What separates the two is the amount of time necessary to work them. In our experience, a highly productive individual can personally obtain fifteen to twenty-five seller listings per month. The same agent would be hard-pressed

to sell homes to seven or eight buyers a month for any prolonged period of time. With the right approach over time, you should be able to secure and sell as many as two to three listings for every buyer you could sell.

So from the very start, by concentrating on listings first and foremost, you could potentially double or triple your gross income on the same amount of work. If this isn't incentive enough, then consider how listings provide a lead-generation platform through direct mail, ads, signage, and open houses. It is a fact that being in the listings business begets more business. Our research shows that one listing properly marketed should generate enough leads to produce a minimum of one closed buyer.

At the end of the day, listings give you better control. They give you better control of your time, your marketplace, and your future. That's why we affectionately call them the "Gift of the Real Estate Gods."

LEVERAGE— TIME VS MONEY

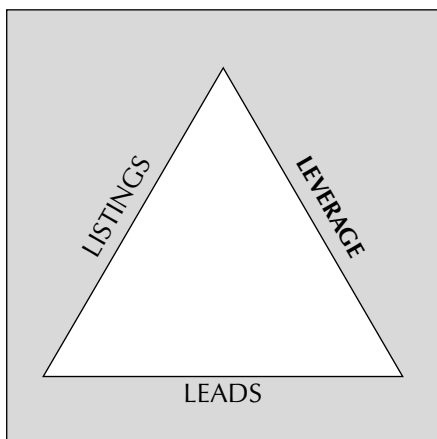


Figure 5

We've all heard that time is money. Well, that simply isn't true. In fact, it is one of the worst mental maps perpetrated on us by unknowledgeable people. The truth is that time does not always translate into money. Those who work the longest hours are not always those who make the most money. As business-people, we look at the time-money relationship in a different way. We're

continually trying to net the maximum amount of money for each hour of time invested. In the beginning of our careers we spend time to earn more

money. Then we learn to work smarter and begin to earn more in the same amount of time.

Just like in our discussion of ceilings of achievement, we've discovered that there are limits to our personal efficiency. The ultimate key to tilting the money/time ratio in your favor will be leverage. Leverage can be divided into three categories: people, systems, and tools.

Leverage Answers Three Important Questions
Who is going to do it?
How will they do it?
What will they do it with?
The Answers: People, Systems, and Tools

Figure 6

By far, the most important of these is people. While good systems and tools can help average performers consistently contribute more to the bottom line, nothing comes before hiring

and keeping talent. If you're like most salespeople, then designing and implementing systems and tools may not be your strong suit. The best way around this is to hire someone who is proficient at details and systems. That's why we recommend hiring administrative support talent first. When you've put in all the time you have or are willing to give and still want to increase your income, add leverage.

The Three L's of the Millionaire Real Estate Agent—Leads, Listings, and Leverage—are the pillars of any successful real estate sales business. I believe these are the core issues that drive massive sales volume. In fact, we made them the framework for our foundational model of *The Millionaire Real Estate Agent*.

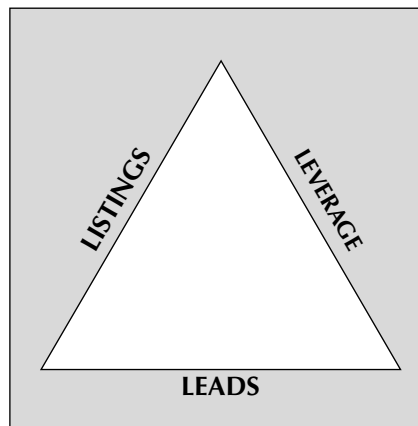


Figure 7

Now that we've established the three cornerstones for your achievement model, it's time to set out on the path to becoming a Millionaire Real Estate Agent. We've discovered there are four natural stages you'll go through on your journey.

THE FOUR STAGES OF GROWTH ON THE PATH TO A MILLION

The Millionaire Real Estate Agent should progress through these four stages: Think a Million, Earn a Million, Net a Million, and Receive a Million. From our experience, most real estate professionals do not even begin, if ever, to Think a Million until they are well into their careers. The failure to see this much potential from the beginning can lead to the inevitable and devastating work of reinventions, take backs and do overs. But even more important than avoiding massive reinvention is the fact that this kind of short-term thinking does not position you for big long-term success.

There is a big advantage to studying and understanding all four stages before you begin. If you can Think a Million, you have cleared the path to Earn a Million. Our hope is that by examining the process at the start, you'll progress at a faster pace and make fewer mistakes. Let's return to the analogy of climbing Mount Everest. Over one hundred years elapsed between the time Everest was identified as the highest point on Earth and the day the first person reached the top. Interestingly enough, a second group reached the summit just one year later.

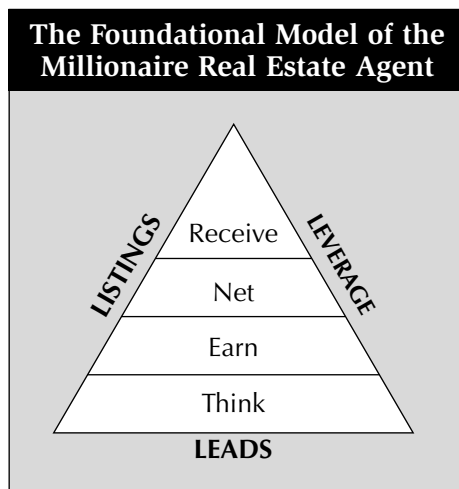


Figure 8

Today, dozens of people reach the top every year. Once the path was identified, the journey became more accessible to others. It is our intention that this book will have the same effect on your real estate career.

The truth we discovered is that if you don't achieve the goals of one level, you'll find your sales career probably won't progress to the next. You have to Think a Million in order to Earn a Million. Earn a Million is the platform that supports the ideas of Net a Million. Successful progression through all three is a definite prerequisite before advancing to Receive a Million.

Commit the Foundational Model of the Millionaire Real Estate Agent to memory. Draw it on the back of a business card and stick it in your wallet. Tattoo it on your forearm. Frame it and put it above your desk. Share it with your staff, and enlist the support of the key people in your life. Just don't forget it no matter where you are in your real estate journey—it will keep you focused.

MOVING FORWARD

I want you to be your best. Some people dream of doing their best, while others just go out and do it. You may choose to think big and aim high but never reach the kind of production described in this book. And that's okay, because by thinking big and aiming high, you will certainly reach a higher place. In fact, you will probably reach your highest potential possible, which is magnificent. Here is an inescapable truth: People who push themselves to their limits make peace with their limitations and avoid regrets at the end of the day and at the end of their life. They give it their all. It's the difference between being able to say, "I'm glad I did" versus "I wish I had." And there is a big difference.

Many have pointed out that we work in a recognition-seeking, awards-driven industry. We believe that awards and recognition, though important,

can devalue the true rewards of giving it our all. In the end, it's not a race or a competition. Maybe it is not even about achieving the summit. The true joy is in the journey. If achievements and experiences define your life, then it follows that maximizing your experiences maximizes your life.

POINTS TO REMEMBER: Overview

- People have lived before us and success leaves clues, so it would be wise for us to learn from their journey before starting on our own.
- Big Models lead to Big Success. With proven models, avoid placing creative innovation ahead of effective implementation. Know your models before you personalize them.
- Everyone will hit a personal ceiling of achievement. Adopting the right foundational models will enable you to break through that ceiling.
- Focus on the Three L's of the Millionaire Real Estate Agent: Leads, Listings, and Leverage.
- Remember, everyone has two jobs—their chosen profession and lead generation.
- Listings give you control of your time, control of your marketplace, and control of your future.
- Leverage is about people, systems, and tools. It answers three important questions:
 - Who is going to do it?
 - How will they do it?
 - What will they do it with?
- Lastly, the path of the Millionaire Real Estate Agent goes through four stages—Think a Million, Earn a Million, Net a Million, and Receive a Million—and they are best pursued in that order.



Professional



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