

*In commercial real estate*  
***it's all about the money***  
*because it's the best way to keep score!*

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**SUCCESSFUL  
MILLION  
DOLLAR  
BUSINESS  
MODELS  
INSIDE!**



*Make More*

---

**MONEY**

In Commercial Real Estate

————— *Grow your business in any market* —————

***Inside you will learn***

How to **DOUBLE** your income  
The secrets behind successful **cold calling**  
How to create listing **marketing reports**  
The three key fundamentals of the business  
And much, much more!

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*"Commercial real estate is nothing like the game of Monopoly. The players don't all start out with the same amount of money and those that rely on the luck of the dice go broke!"*

## F

## Why Read This Book?

This book is designed to help you make MORE money with less effort in commercial real estate. Using advanced technology, support staff and prospecting techniques, you will gain a force multiplier effect in your business that will propel you to the next level. In other words, it will be easier to make \$600,000 in fees than it was to make the first \$400,000. This book will help you transform your real estate business into a money-making machine.

Every success and failure that you have experienced thus far in your real estate career (and life in general) can be directly attributed to the daily choices that you have made along the way. For, ultimately, it is you who decides what to do. It is the compilation of countless choices that have brought you to your current point in your career today. Now, you have another choice to make. Do you invest your valuable time into reading a book about commercial real estate? Do not discount the knowledge that is contained within this book just because it was free. On the contrary, reading this book is going to cost you the most prized possession that you have—your time. There is only so much time in the day and by judiciously managing this scarce resource, you can positively impact both your finances and your happiness. This is just one lesson that is covered in these chapters.

This book was written to help anyone endeavoring in commercial real estate brokerage make more money in any market condition and should be considered a best practices guide to commercial real estate. Whatever your specialty is in commercial real estate, you will benefit from the information contained within. You will learn new techniques (and reacquaint yourself with some old techniques) that you can use immediately to grow your business. **In fact, we would even challenge you to set a goal of doubling your personal income over the next 12 months.**

Whether you are an office manager or a seasoned commercial sales veteran who has decided to pass along your trade to the next generation, please make this book required reading for your junior agents. There are wonderful prospecting tools and explanations on how to become a productive agent inside. This book marries new software technology to proven business development techniques which will help both new and seasoned agents alike grow their businesses in an increasingly competitive and challenging environment.

It is an unfortunate truth that, as you become more successful in this business, some naysayers will be critical and attribute your success to pure luck. They will ignore your long hours of hard work, personal sacrifices and the disciplined approach that you took to become a success in commercial real estate. Pay little attention to your critics because they are the ones who will stagnate in the business.

We are very passionate about helping commercial real estate professionals make money. In fact, we are determined to change the entire commercial real estate industry for the better. We believe that technology should make the

commercial real estate practitioner's life easier and must never replace or marginalize their value proposition to the clients whom they serve. It is the pursuit of this vision that drives us and frequently finds us working into the early hours of the morning. This book and the companion software that we have helped create would mean absolutely nothing to us if we did not truly believe that they were making a difference in thousands of careers right now.

Please share your success stories with us. We are very curious to learn how you utilize this material in your real estate business and how you have grown your income.

The REALHOUND® Team.





*"The secret to making more money  
in commercial real estate is NOT to  
work harder, but to work smarter."*

## i

# Introduction

## Unleash the Dog!

It was my original intention that this book was to be written in two parts. The first part would explain how to use advanced software technology in commercial real estate brokerage, to save you time and increase your income, while the second part would discuss techniques and business strategies for commercial real estate agents and companies to become more successful in their businesses. However, as the book progressed, it became obvious to me that the two parts were not separate, since continued success in commercial real estate is due in part to discovering, mastering and applying new technological advancements to a practitioner's real estate business. In the end, the two parts of the book were integrated into one and it is my belief that the result is a fluid and concise description of how to use existing technology to grow your business in any market.

## A Brief Overview of the Technology



*"You should be making at least three hundred thousand dollars a year (gross fees) in commercial real estate without even breaking a sweat."*

REALHOUND® Classic, the companion software that is discussed in this book, was developed in collaboration with some of the best commercial real estate brokers in the country. Prior to the creation of this program, there truly were no good existing software solutions available for commercial real estate professionals. You are gaining the benefit of a business tool that was created at a combined cost of over eleven million dollars (and growing) in labor, research, equipment and capital—all poured into a product that is the absolute best commercial real estate contact management software in existence today. This book will guide you through the same processes and will teach you the same system that these top brokers use to consistently make six-, seven- and eight-figure incomes in commercial real estate using this software. The strength of the companion software is its simplicity. The program was designed with the novice computer user in mind, but it is powerful enough to meet the needs of the most experienced commercial practitioner. It simplifies and automates complicated commercial real estate processes which, in turn, increases productivity. You can run the program as a single user, in a team of networked multi-users, remotely (with or without the Internet), or have a true virtual office. Your company can actually rebrand the program with their logo and a different name. It allows you to manage your contacts, properties, escrows, listings, leases, sales, loans, buyer and tenant needs, prospecting, marketing, and most importantly your time—all from a single application. You no longer have to toggle between various databases and different applications in order to run your business.

REALHOUND® is the most powerful commercial real estate software that you can buy. Whether you work alone, have a partner, are a broker with an office full of agents, or have a single assistant, REALHOUND® is ideal for sharing data (locally or over the Internet), storing electronic files (documents), managing transactions, communicating with other members of your team and granting client access. If you have a team approach to commercial real

estate, our software will make you more money by increasing your team's capabilities and productivity.



*"Some of our users  
sell billions of  
dollars of  
commercial real  
estate every year."*

The program greatly simplifies the prospecting process because you can easily execute cold calls, target your contacts with direct mail, as well as identify potential properties for buyers and find spaces for tenants—all from within your database. Find missing phone numbers (unlisted and listed) and addresses right from a contact's record by simply clicking on a **Smart-Link**. If cold calling is a part of your business plan (and I'm certain that it is), *IntelliCall* will increase both your chances of reaching property owners on the phone and getting new business from them when you do. The **Auto Compare** feature gives you instant access to Rental, Sale and For Sale comparables, customized for any property in your database. This powerful feature allows you to analyze a prospect's properties on the fly, making it a powerful tool to use while you are on the telephone. The program also tracks your marketing efforts, projects and timelines from start to finish.

Our revolutionary **DealFinder** and **Tenant Wizard** features will automatically match buyers with sellers and tenants with available space. **You can even search for and import listings directly from the Internet, match them against your buyer and tenant needs, and then share property information with the real estate community—all from within the program!**

REALHOUND® is the only commercial real estate software that can actually help make you money.

## Your World Is What You Believe It To Be

Something that the top performers in commercial real estate all have in common is they all view themselves first as business owners, and second as sales, leasing, tenant rep or marketing experts. Likewise, it is up to you to develop a positive business mentality. They know what their business goals are and they take consistent daily action to attain those goals. If something does not work, they will take a different approach, but they never give up trying. Another commonality found in the best performers is that they all have made a commitment to continuously improving themselves. They read books, take classes, attend seminars related to their field of expertise, and have a business coach. They have written goals and experiment with technology and new ways of doing business. They are not afraid to invest in their business and get the best equipment, software and people to support them. They understand the concept of leverage and have hired staff to support their business. They also know that success in this business depends on daily prospecting and controlling the inventory (through exclusive representation of sellers, buyers, landlords and tenants).

Finally, if you are a Broker with independent agents working for you, don't skip Chapter Ten, which details a revolutionary new way to approach agent retention and increase your market share.

If you are currently struggling with another software program that was half-heartedly adapted to support commercial real estate sales, leasing and tenant

representation, you are wasting your most precious asset—your time. REALHOUND® was purposefully designed for one industry—commercial real estate. You can use it straight out of the box without any customization.

Everyone at our company believes that they are in a partnership with our users and want to help you succeed in your business by supplying you with the very best commercial real estate software available. We truly care about your success in commercial real estate. It's our passion!

Are you ready to grow your business and make more money? Great, now let's get started!

Download your free trial of the companion software at  
[www.realhound.com](http://www.realhound.com)



*"Every time a door closes, a new rat hole is opened. All you have to do is get on your knees and crawl through it."*

Andrew Blount

## 1

# Chapter One

## *Your Success In Commercial Real Estate Depends On Just One Thing...*

### **Continuous Prospecting**

Some people will tell you that it is easy to sell commercial real estate because there are particularly low barriers to entering the commercial arena as an agent. They might say something like, “even Bozo the Clown can sell commercial real estate” or “selling commercial real estate isn’t exactly rocket science”. And, if we are honest, who among us has not from time to time thought that one of our competitors exhibited some clown-like attributes? But what makes Bozo a success while Joe Schmoe washes out of the business? The answer is that daily prospecting practically guarantees your success in commercial real estate. Consistent prospecting is the difference between the agents/brokers who truly succeed in the business and those who only limp along or, worse yet, fail entirely.

There are two highly-effective ways of prospecting in commercial real estate: cold calling and direct mail. There is a system to each method that you must master and practice regularly to ensure steady annual growth of your income. Cold calling and direct mail can work independently from one another, but when used in conjunction with each other, they create a powerful lead-generating machine that practically guarantees your success.

Most commercial real estate agents favor one method over the other and the most popular method is also the least effective in a competitive market—direct mail. You need to use both methods to have the greatest impact in your market.

You cannot effectively prospect if you do not know what your target market is or who your real prospects are. As simple as this principle sounds, we are surprised to find that many agents still overlook this basic rule. The most successful commercial real estate agents know who their target market is and have compiled their own integrated CRM (Contact Relationship Management) property database. This data is meticulously maintained because it is essential to the continued success of the agent’s business.

### **Cold Calling**



*“Cold calls come first and EVERYTHING else comes after that.”*

Cold calling is the most effective method of generating new business and it is also the undertaking most dreaded by commercial agents. But let’s put this highly-productive activity into perspective—you will simply be making a lot more money if you are calling owners and tenants in your market than by not calling them. Think of it in terms of probability: there is an excellent chance that there are property owners in your market that want to buy or sell real estate right now, regardless of whether the market is good or bad. Somebody wants to lease space and there are property owners who are thinking about

changing their leasing agent. Consistent telephone calls to property owners and tenants in your market will help you anticipate their needs and keep you ahead of your competition (Cold Calling techniques and other helpful calling tools are covered in detail in a later chapter).

You should contact every property owner (or major tenant) who is in your target market at least once per quarter (every three months).



**TIP:** To determine how many calls you need to make on a daily basis to reach your goal, divide the number of owners and tenants in your target market by work weeks in the quarter (typically 12 weeks) and then divide the resulting number by the number of workdays in the week. You now know how many calls you need to make per work day to reach every owner (or tenant) in your target market quarterly.

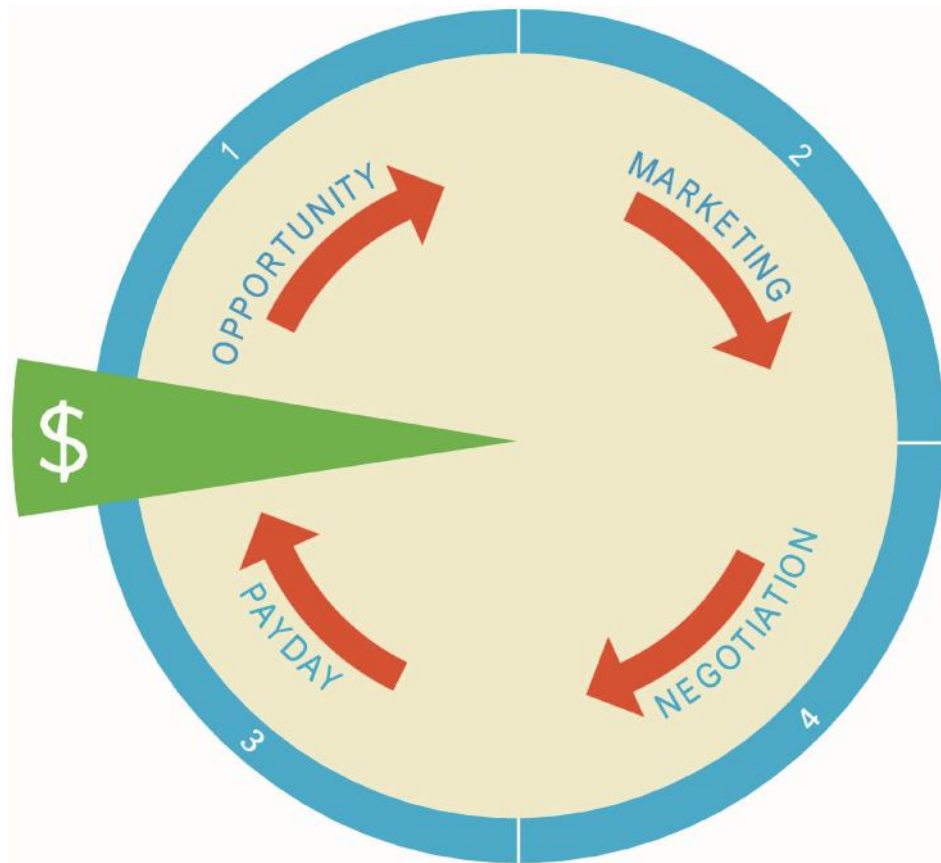
If you realize that there is NO possible way to reach everyone on your list in a three-month recurring cycle, then you have too many prospects on your call list. Cut your list down to a more manageable level. A good rule of thumb is that one person can effectively contact 700 to 900 prospects by telephone per quarter. Remember, your goal is to talk to a live person who can make real estate decisions and not just mindlessly dial the telephone.

Dedicate at least two consecutive hours each workday to cold calling. Schedule your cold call time during the week, alternating the days that calls are made in the mornings and afternoons.

Don't let anything distract you from making your daily calls. Remember that calls come first and EVERYTHING else comes after that.

To avoid unnecessary distraction, alert your staff that you are not to be disturbed while making your calls. The first few calls tend to be a little awkward, but you will get into a rhythm that will make each subsequent call easier. If you allow yourself to become distracted, you run the risk of never finding your rhythm or finishing your daily call quota.

Each call must be tracked and a brief synopsis of the conversation saved in the prospect's contact record for future reference. Both buyer and tenant needs should be recorded for future reference. Every conversation that you have with a single prospect builds on the previous conversations and it becomes easier to talk to that contact over time. REALHOUND® simplifies the entire cold calling process, reducing your anxiety and allowing you to make more effective calls. Like most things, the more calls you make, the better you will become.



In a healthy real estate business, prospecting is a continuous process that is done in parallel with every other daily activity in that business and, when done correctly, can be characterized by a smooth, steady growth in a practitioner's income. By contrast, sporadic prospecting results in income peaks and troughs, which are also known as porpoising (yes, like a dolphin). This hair-raising experience can be avoided with consistent daily prospecting, and will greatly reduce your anxiety and increase your faith that you will always make money in commercial real estate.

## Direct Mail

Would you believe it if we told you that there is a magic recipe for sending out mailers? Well, it's true and I'm going to share it with you now. Mailers are expensive in comparison to cold calls, but if done correctly, they will more than pay for themselves. If you approach mailers incorrectly, you will be wasting your money on print costs, postage and, more importantly, your valuable time.

When done correctly, you can expect a 350% (or more) return on your investment. In other words, for every dollar you spend on mailers, you should get 3.5 dollars in return. However, if you are just starting your direct mail campaign, your results will not be immediate. It takes approximately six months for your prospects to recognize your name and want to call you.

A successful mailing campaign has these five critical elements: regular contact intervals, accessibility of the message, simplicity of design, a call to



action and a take-away (which is a compelling reason for the recipient to call you). Unless you are sending out a newsletter or a targeted letter, you should always mail postcards only to the prospects in your target market. Postcards are the least expensive mailer that you can possibly send and they are also the most effective. They are more likely to be read because the recipient does not need to open an envelope to receive the message. A simple glance at your well-designed postcard gets your message across quickly.

Maintaining regular contact intervals with your prospects is the first key component to a successful direct mail marketing campaign. If you are just beginning your mailing campaign, it is important that you brand yourself and your services in the minds of your prospects. In order to do this, your initial mailings to your target market must be once a week for four weeks. After the first four weeks, you should send a mailer out every two weeks for the rest of your career. Like anything worthwhile, a successful marketing campaign takes time and mailers can take anywhere from three to six months to become truly effective. If you fail to send mailers out for more than six weeks, you run the risk of having your prospects forget who you are—and this will force you to start your mailing campaign all over again, from scratch. A record of each mailer sent and the results it received should get entered into each recipient's contact record (REALHOUND® does this with just a push of a button).

Each marketing piece should have a consistent message that can be as simple as “Your commercial real estate sales expert”, “Your office and industrial property sales specialist”, “Exclusively representing the interests of tenants”, “Your full-service commercial real estate expert” or “Your commercial real estate sales and leasing expert”. A successful message will clearly state what services you have to offer.

Another component to a successful mailing campaign is to have a compelling reason for your prospects to call you. Offering something for “free” or a take-away is the most persuasive reason for the recipient to contact you. Some of the best freebies that you can offer are: property valuations, market rent surveys, lease analysis, market trend reports and sales surveys. When your phone rings in response to a mailer, it is your responsibility to flush out a prospect's need and assess their motivation.



**TIP:** *If a property owner calls you to take you up on your offer for a free valuation of their property, they are thinking about selling it. **Make sure that you personally meet them as soon as possible.** This will further your branding initiatives and allow you to begin to develop a more personal relationship with your prospect.*

The overall appearance of your marketing materials is very important. If you do not have sufficient experience designing marketing materials, then leave the design work to the professionals. There are many companies that can design and even mail your marketing materials for you. Their services are generally affordable and will save you a tremendous amount of time. More marketing information will be discussed in detail in a later chapter.

And what about email? Well, it is cheaper than direct mail, but most unsolicited messages wind-up in the recipient's junk folder.

## Contact & Property Information Management, aka Your Database

Successful agents all have databases that contain property data, corresponding ownership, lease data and tenant information. Internet sharing capabilities, ease of use and functionality are extremely important aspects of an effective database. Their data is unique and not dependent on third-party data providers. Every change of ownership and major lease is verified against multiple sources, including the Buyer and Seller (calling them to talk about the transaction is a great way to pick up new business). Leases are verified with the leasing broker, landlord and the tenant. Successful agents know who they have talked to, met with, and who is receiving their marketing materials.

Unsuccessful agents do not have a database at all, or try to use Outlook for the task, or have a hodge-podge collection of dysfunctional data that was imported and never verified. Their contact records contain so many informational gaps that they would have better luck prospecting blindfolded from a metropolitan phone book.

*Your contact and property database are truly the foundation of your success.*

Without an accurate contact and property database, effective prospecting is not possible. **If you cannot effectively prospect, you cannot maximize your business opportunities.** If you are not maximizing your business opportunities, your real estate business will stagnate. This is evident in the business models of many "old-timers" in the business because they only work with a handful of clients. As their clients transition out of the business and are not adequately replaced, their incomes start to stagnate.



**Caution:** *There are no shortcuts to creating and maintaining a property and contact database. Some people only want to import data into their database without ever questioning and verifying the quality of the data. If you decide to take this approach toward maintaining your database, it can cost you hundreds of thousands of dollars each year in lost fees. Effective methods of maintaining your database will save you time and money.*

**Think about it.**  
*Without knowing who owns the real estate or leases space in your target market, how can you effectively prospect?*

The top performers in commercial real estate invest in technology that works FOR them and not against them. **REALHOUND® is the ONLY commercial real estate software that is specifically designed to help prospect.** It is the only software that leverages your time by making the daily processes in commercial real estate simpler. It manages your contacts, properties, cold calls, listings, escrows, projects, buyers and tenants. It is designed specifically to meet the needs of a growing real estate business, to keep you organized and it is extremely EASY to use. It is the only software that can actually help make you money in commercial real estate.

## Power Moves

1. Daily prospecting is the key to making a lot of money in commercial real estate. Devote two hours of every day to prospecting on the telephone. Do nothing else during this scheduled time, and make sure that you do not entertain any interruptions. Record your call results for each contact reached in their respective contact record. Your goal with each phone call is to talk to the real estate decision-maker and meet that person.

People do business with people they know.

2. Send mailers out on a regular basis to every owner or tenant who is in your target market. Your mailers must have a consistent message and should compel the recipient to call you. Don't forget to offer some service for "free" or a take-away. Most people find it difficult to resist free offers. Record every mailer sent in each recipient's contact record. The secret to a successful direct mail campaign is to send out your mailer at regular intervals. This will further reinforce your branding efforts.

Email blasts tend to get ignored and left unopened in the recipient's spam box.

3. Your database is the foundation of your success. Successful agents all have databases that contain property data, corresponding ownership, tenant information and lease information. Without this critical information, effective prospecting is not possible. If you are currently struggling with another software program that was half-heartedly adapted to support commercial real estate sales, you are wasting your most precious asset—your time. REALHOUND® will be a different experience for you because it was specifically designed for commercial real estate by the TOP practitioners in the industry.



*"It isn't soup until it is cooked."*

Unknown

## 2

## Chapter Two

*What one person can achieve, another can, too!*

### ***The Law of the Vital Few, True Value of Time, Business Models and Surviving a Down Market***

In any given group from any industry, the highest paid and most highly recognized people are those who consistently outperform their peers. To these victors go the lion's share of the reward. This phenomenon is known as the Law of the Vital Few or the Pareto Principle. But what really makes these Vital Few so successful while the rest of the group can barely achieve mediocrity? The thing that truly separates these people from the crowd is an unwavering dedication to achieving the maximum results for the amount of time and effort invested into their endeavors. This is recognized in our society as a commitment to excellence.

There is no magic or innate talent to being one of The Vital Few. It is not an exclusive club, and the essentials can be learned by anyone who really wants to be excessively rewarded for their efforts. You are probably wondering about fairness to one's fellow man, but we are pleased to tell you that this system is perfectly fair. Everyone has a choice to have, to do, or to be anything that they want. The real question is whether or not they will decide to take the action necessary to achieve their desired outcomes. This speaks volumes about an individual's motivation and has nothing to do with the question of fairness.

So what is the common characteristic shared by the most successful commercial real estate agents? They execute the fundamentals of the business effectively by getting the maximum results out of the time and effort spent at a task. They prospect, control inventory and leverage their time—and so must you!

### **Use the Pareto Principle (80/20 Rule) for Maximum Results**

The Pareto Principle (which is also known as The 80/20 Rule or the Law of the Vital Few) was named after the Italian economist Vilfredo Pareto, who observed at the turn of the 19th century that 80% of Italy's property wealth was held by just 20% of the country's population. But the man responsible for further refining this idea in respect to the arena of commerce was the great business thinker, Dr. Joseph Juran, who named this principle after Pareto. Dr. Juran suggested that most outcomes of any given situation are the result of only a few causes.

The Pareto Principle states that 20% of actions account for 80% of the outcomes in any phenomena. The value of this principle to you and your commercial real estate business is this: your focus should be on the 20% of the actions that really matter. This does not mean that the other 80% can be ignored entirely. It simply means that you must choose to put most of your attention on the top 20% of all activities that will yield you the most results in your business.

Most commercial sales agents misallocate their time to the 80%, those lowest yielding activities in their business, instead of focusing more closely on the productive 20%. Conversely, the most successful commercial sales agents, *The Vital Few*, focus their efforts on the top 20% and delegate the other 80% of lower yielding activities to others on their team.

Some argue that the 80/20 rule should really be the 90/10 rule (10% of causes result in 90% of outcomes) or the 80/10/10 rule, in which case, 10% of causes yield 80% of outcomes, and the remaining 10% of causes yield no measurable outcomes whatsoever. The percentages are purely conceptual and may differ, as long as the total equals 100%.

Think about the validity of the 80/20 rule to the following applications:

- 20% of the commercial sales people in your office generate 80% of the company's revenues—which means that 80% of sales people generate just 20% of the company's revenues;
- 20% of workers do 80% of the work—which means that 80% of your workforce does just 20% of the work;
- 20% of all Brokerage companies control 80% of the market—which means that 80% of all Brokerage companies control just 20% of the market;
- 20% of Buyers and Tenants you talk to will complete a deal and 80% will not—which means that 80% of all potential buyers and tenants will be a waste of your time; and
- 80% of a goal is achieved in the last 20% of the remaining time before the goal deadline.

This concept also applies to negative results:

- 20% of your clients will create 80% of your problems;
- 20% of inaction can ruin 80% of what has been accomplished;
- 20% of your workforce take 80% of the cumulative sick days at your office;
- 20% of your workers account for 80% of the tardiness in your office.

Try to avoid the misallocation of your resources to the unproductive 80% in your business. Some examples of this type of resource misallocation are:

- 80% of a company's sales revenues are produced by just 20% of a company's sales force, but 80% of a company's resources go into making just 20% of its revenue or supporting the other 80% of the sales force;
- 80% of your marketing resources are spent creating just 20% of your sales leads.



**Warning:** Do not assume that you can rid yourself of the unproductive 80%. The 80% gets redistributed as the size of the population changes. Instead, use this information as a tool to spot inefficiency and to better manage resources within your business.

The Pareto Principle teaches us how to allocate scarce resources (capital, labor and time) while in the pursuit of the most effective use of those resources. Streamline your actions to obtain the maximum results for the amount of resources invested into your endeavors, and watch your business grow!

## The True Value of Your Time

Have you ever stopped to consider the value of your time in a scenario where you accomplish everything by yourself with no outside assistance? This would mean that closing a real estate deal would have the same time value as buying a roll of stamps. In other words, the highest and most productive use of your time has the exact same value as the least productive use of your time.

Using the Pareto Principle, where 20% of your efforts create 80% of your income, the **True Value** of your time is the value of your time when you are most productive. You must increase the TOTAL value of your time by using leverage and delegating certain activities to hired staff that do not require your special talents, in order that you can focus on the top 20% of the money-making activities in your business.



*Example:* Let's suppose that you make \$350,000 per year, work 50 weeks per year and 40 hours each week, adding up to a total of 2,000 hours worked per year. Your unleveraged time is worth \$175 per hour ( $\$350,000 / 2,000$  work hours). However, just 20% of your time was spent on activities that generated 80% of your income.

Using the 80/20 rule, you are only at your peak productivity for 400 hours per year and have misallocated 1,600 hours to activities that only produced 20% of your income.

**Therefore, the true value of your time is when you are at your peak productivity or, in this example, \$700 per hour** ( $\$350,000 \times 80\%$  of your income =  $\$280,000 / 400$  hours =  $\$700$  per hour). **Your non-productive time is, therefore, worth only \$44 per hour** ( $\$350,000 \times 20\%$  of your income =  $\$70,000 / 1,600$  =  $\$44$  per hour).

What this means is that you should hire someone to manage and complete the tasks that are a misallocation of your talents (the least productive use of your time). You can hire this person in a full-time position, pay them up to \$44 per hour, and still expect to come out ahead on the arrangement—as long as you discipline yourself to focus on your top 20% and let your employee complete those tasks that are a misallocation of your time.



*Reminder:* There are many different people in this world who you can hire at many different pay rates. Make sure that your new hire(s) is fairly compensated so you can minimize employee turnover. Your goal is to hire competent people and keep them for many years. Don't just hire people to fill an immediate need without thought to the future. Carefully screen your prospective employees for the skill sets necessary and willingness to perform the job.





**Caution:** The cost of a bad hire could set you back months in achieving your financial goals. Do not take the hiring process lightly. Do not hire people just because they need a job. If you decide to hire family members or friends, think about the consequences this will have on your relationship if things were to go badly. Take it from the author—after you fire a family member who was not pulling their weight in the business, hamburgers and hotdogs might not be the only thing getting roasted at the family BBQ.

Your goal after delegating your low-yielding tasks to your staff is to focus exclusively on the highest yielding activities in your business (prospecting, deal making, etc.). Imagine what your income would be if, instead of spending 400 hours per year on your most productive tasks, you spent 1,000 hours per year maximizing those opportunities. To use the numbers from our previous example, your income would increase from \$350,000 to \$656,250 per year after paying out \$87,500 in salaries. Yes, you are going to make a lot more money.

It is only fair to mention that you will never completely achieve your goal of exclusively focusing on the top 20% of productive tasks. As your business grows, so will the demands on your time. You will always be evaluating what the most productive activities are and delegating the rest to hired staff. Some agents have hired professional drivers to chauffeur them to and from the office so they can maximize their productive time. Others have hired offshore virtual assistants to do database entry and upkeep. So, what tasks could you delegate right now to become more productive in your own business?

Unleveraged Annual Income	Unproductive \$/Hour	Most Productive \$/Hour (True Value)	Leveraged Annual Revenue*	Salaries Paid**	Leveraged Annual Income
\$75,000.00	\$9	\$150	\$159,375	\$25,000	\$134,375
\$100,000.00	\$13	\$200	\$212,500	\$25,000	\$187,500
\$125,000.00	\$16	\$250	\$265,625	\$31,250	\$234,375
\$150,000.00	\$19	\$300	\$318,750	\$37,500	\$281,250
\$200,000.00	\$25	\$400	\$425,000	\$50,000	\$375,000
\$250,000.00	\$31	\$500	\$531,250	\$62,500	\$468,750
\$300,000.00	\$38	\$600	\$637,500	\$75,000	\$562,500
\$350,000.00	\$44	\$700	\$743,750	\$87,500	\$656,250
\$500,000.00	\$63	\$1,000	\$1,062,500	\$125,000	\$937,500
\$1,000,000.00	\$125	\$2,000	\$2,125,000	\$250,000	\$1,875,000
\$1,500,000.00	\$188	\$3,000	\$3,187,500	\$375,000	\$2,812,500
\$2,000,000.00	\$250.00	\$3,998	\$4,247,876	\$500,000	\$3,747,876

\*Assumes that you work 1,000 hours at your most productive rate and 1,000 hours at your unproductive rate using leverage.

\*\*A general estimate of what you could pay in salaries. It is your unproductive rate per hour multiplied by 2,000 hours worked each year. The minimum annual salary for this example is \$25,000.

Your time is very valuable. Do not squander it on unproductive meetings, unqualified buyers and tenants, web browsing, unmotivated sellers, substandard software, or just hanging around the water cooler.



## The Four Fundamentals To a Successful Commercial Real Estate Business

In order to master the three fundamentals of a successful commercial real estate business, you must understand these concepts and make them part of your core business focus:

1. **Prospecting.** Prospecting is the life blood of a successful commercial real estate career. You **MUST** prospect on a daily basis by telephone and send direct mail to your farm weekly. It doesn't matter what else is happening in your business—prospect first and handle problems later.
2. **Controlling Inventory.** Commercial real estate is a business of control. You either have control or you have nothing. Your goal is to be your clients' exclusive representation as a listing agent, buyer's representative or tenant representative. This is called controlling the inventory and the concept extends beyond properties to include people whom you represent (both buyers and tenants).

The purpose of getting control is not to generate offers on listings or drive all over town with your clients, but is to close transactions—and you should always work toward this end goal. Make sure that your clients are motivated, qualified and that their expectations are properly managed. Agents who control the inventory get paid when their exclusively represented clients (sellers, buyers and tenants) close deals.

3. **Leverage.** Hire employees to help leverage your time and increase productivity (don't be afraid to explore the possibility of hiring offshore labor to maintain your database if you are on a budget). The Pareto Principle states that 20% of actions account for 80% of the outcomes in any phenomena. This does not mean that the other 80% can be ignored entirely. Successful agents focus primarily on the 20% of actions that maximize results, such as prospecting and deal making. Assign hired staff to deal with the other 80% of actions that yield minimal results. Using leverage effectively allows you to grow your business. As an agent's business grows, so should their level of staffing. Remember, each hire should be based on true need and not ego.
4. **Control Your Focus.** What you focus on, you will get. Ask yourself this question at least 3 times a day: am I working on my top 20%, or have I gotten myself side-tracked? If you are caught up in a diversion, shift your focus back to your top 20%. If you are like most people, you will catch yourself drifting a few times a day.



## Leverage a Workforce To Maximize Your Productivity and Income

*“Leverage is the key to growing your business each and every year.”*

How did the Pharaohs build their pyramids? Nobody is exactly sure how it was done, but we can safely assume that the Pharaohs who ruled Egypt did not carve or carry any of the stone blocks used in the construction of the pyramids up the ramps themselves! This is a fantastic metaphor for the use of a workforce to achieve leverage in your real estate business. You can accomplish much more by instructing and directing a workforce of others than you can do on your own.

There are typically five stages of leveraged growth in commercial real estate. While it is not necessary for every agent to grow their business to stage five (or beyond), most commercial agents are comfortable at stage two or three. However, without the proper amount of leverage in your business, it is practically impossible to maintain a high income and balance in your personal life.

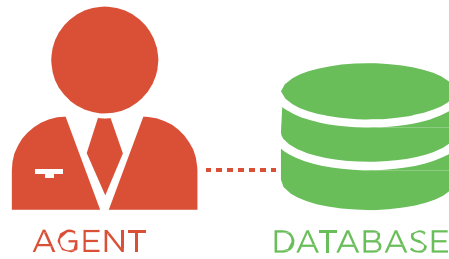
When you add staff, their job responsibilities should include everything that can be delegated that is not part of your top 20% of productive activities (remember that your key activities are prospecting and deal making). This allows you to leverage your time. Pay everyone on your staff a competitive salary with bonuses to keep them motivated to help you achieve your goals. Your first hire should always be an assistant—and remember that you get what you pay for. Junior agents should be paid a small salary and be commissioned to start with. As their skill set develops, their position should evolve to be 100% commissioned.

You will have to make a commitment to train your workforce. Train and retain the first two members of your team and then they will train all future new hires. Have your staff document their job duties and the steps to accomplish those tasks, so those skills can be passed to the next generation.

The key concept behind leverage is not to work harder or work less, but to work smarter and focus on your top 20%. (But working less is always a nice perk, too!)

**Stage One: Sole Practitioner with No Leverage**

Gross Fees: \$50,000-\$300,000



Prospecting comes before anything else. Database maintenance should always be done after you have prospected for the day.

**Stage Two: One Staff Member**

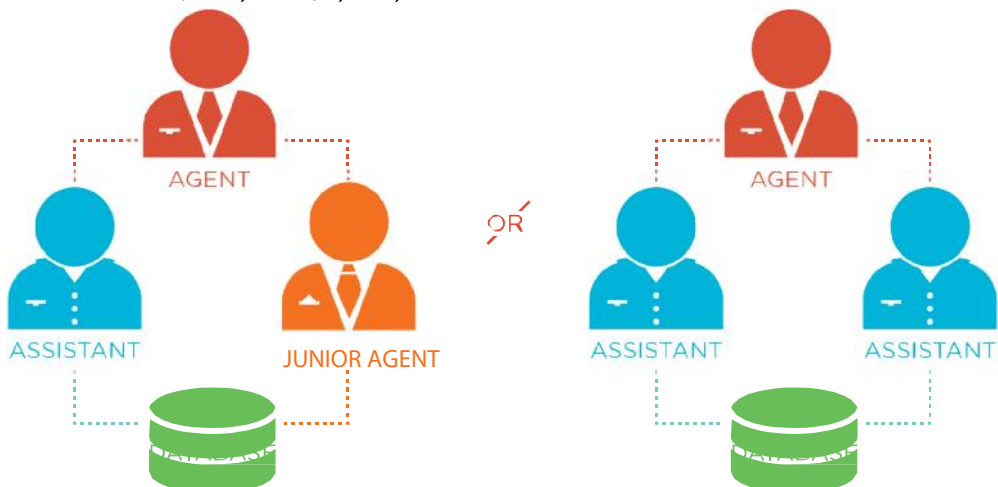
Gross Fees: \$300,000-\$700,000



Database: Assistant maintains and checks new availabilities against the buyer and tenant needs.

**Stage Three: Two Staff Members**

Gross Fees: \$700,000-\$1,700,000



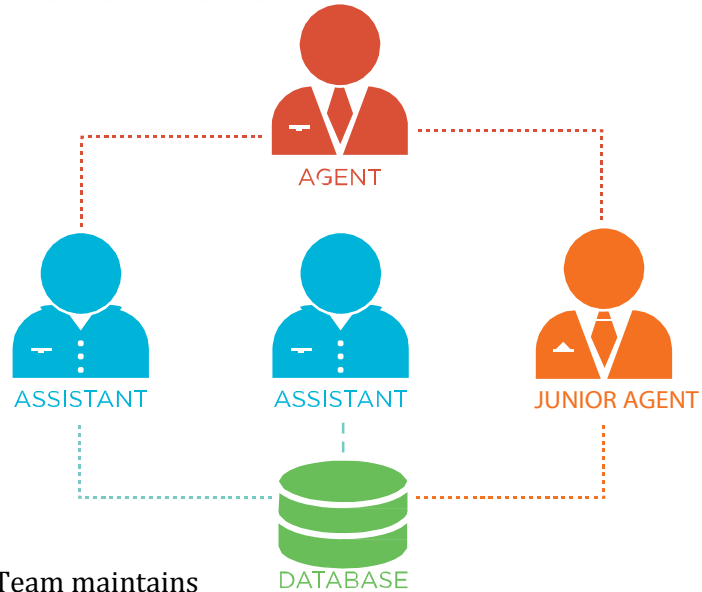
Database: Team maintains



**Note:** One variation of this model would be to have a junior agent handling buyer and tenant representation.

**Stage Four: Three Staff Members**

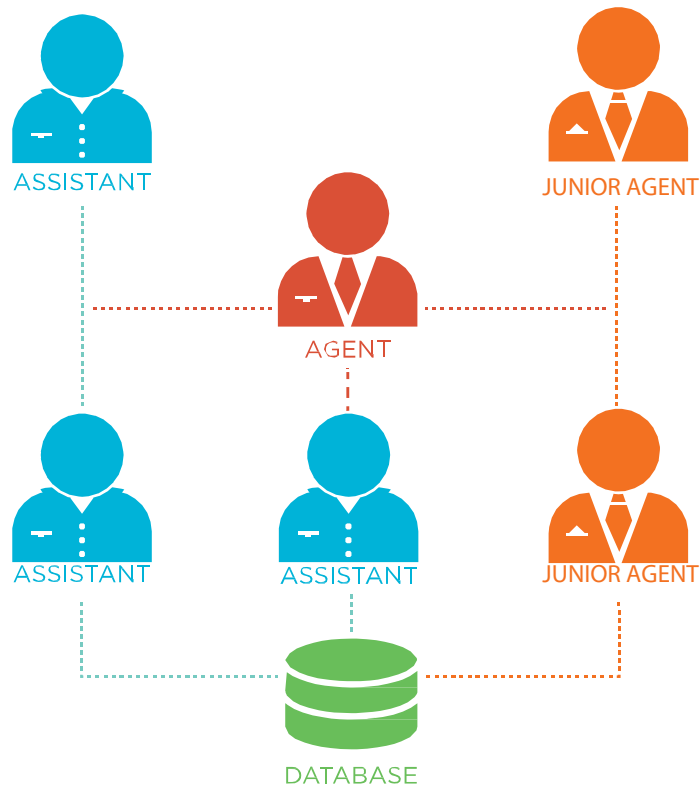
Gross Fees: \$1,700,000-\$3,000,000



Database: Team maintains

**Stage Five: Five Staff Members**

Gross Fees: \$3,000,000-PLUS



Database: Team maintains

## Technology Is the Foundation of Your Success

The foundation of all the business models, as illustrated above, is the agent's database. Consider your database to be your very own gold mine that, if maintained properly, will yield you a tremendous personal fortune. Successful agents all have databases that contain property data, corresponding ownership, tenant data, available space, for sale and lease information. Their data is unique and not solely dependent on third party data providers. Every change of ownership is verified against multiple sources including the buyer, seller and brokers. Newly leased space is verified with the tenant, landlord (what a great way to gain new business) and brokers. Depending on their target market, they track ownership, properties for sale, buyers, transfers of ownership (sales), rents, tenants, leases, new construction and properties taken out of service. They know whom they have talked to, met with and who is receiving marketing materials. **Without this critical information, effective prospecting is not possible. If you cannot effectively prospect, you cannot maximize new business opportunities. If you are not maximizing new business opportunities, your income will decrease.**

A successful database is scalable to an agent's business, meaning that as the agent's business grows, so their technology must grow with them. Networking capabilities, ease of use and functionality are extremely important functions of an agent's database. The top performers in commercial real estate invest in technology that works for them and not against them.

REALHOUND® is the ONLY commercial real estate software that is specifically designed for commercial real estate. REALHOUND® greatly enhances your ability to prospect, which in turn leads to new business opportunities (listings, buyer and tenant rep). It is also the only software that gives you the advantage of **leverage**, by making the daily processes in commercial real estate simpler, which in turn saves you time and makes your team more productive. It automatically matches buyers with sellers and tenants with available space. **You can search the Internet for listings and import newly discovered property data into your database with a click of a button!** It manages your contacts, properties, listings, escrow timelines, property photos, documents, projects, buyers and tenants. It can be scaled in order to meet the needs of a growing business, keeps you organized, can communicate data over the Internet and it is extremely EASY to use.

## Agent Business Plan

The Agent Business Plan is a critical component to maximizing your revenues for the year. It is nothing more than a document containing goals and milestones for your personal real estate business. Without clearly defining your business goals, you run the risk of getting distracted and falling short of your desired outcomes.

The key elements of a successful Agent Business Plan are as follows:

- **Simplicity:** One or two pages max.
- **Revenue Goals:** How much do you want to make and how many deals do you need to do it?
- **Why Statement:** Why MUST you accomplish this plan?
- **Target Market/Focus:** Define your target market and personal focus (top 20%).
- **Transaction Velocity:** Does the deal velocity in your market support your revenue goals? Judging from prior years, is it possible to make your revenue goal?
- **Staff, Equipment and Technology:** Do you have the proper resources to pull it off?
- **Prospecting:** How much daily telephone time will you commit to reach your revenue goal? How many new prospects will you meet with per week? How many and how often will you send out mailers?
- **Budget:** What is your budget?

Review the top goals in your business plan daily and your entire business plan monthly. Make adjustments to your approach until you achieve your desired results.

## Use Ants To Beat Your Competition

It seems that we are always asked how REALHOUND® can best be used to really beat the competition and gain market share. My reply is always the same—use ants. Now you’re probably thinking that we couldn’t possibly be referring to the little insect, but we are. You will not literally dump a box of ants on to your competition’s doorstep to drive them out, but you will use your study of the insect to accomplish the same thing.

Ants are amazing creatures. There are species of ants in South America that can clear an entire forest when they are hunting. By sheer number, they can take down larger, more powerful prey. When they have a collective goal, they are fearless. All creatures big and small flee from them.

The same can be true in the business world—your competition will flee from you. Your market is your forest and your potential clients are your prey. Cover your market exactly as described in this book and you will drive your competitors from your business forest.

## Will You Be the Market Cycle’s Next Victim?

When the real estate market was edging its peak, my local newspaper ran an article predicting that the market would continue to climb. The article quoted a major commercial brokerage firm proclaiming that the traditional real estate market cycle was dead, and there was not going to be a “bust” to this market’s “boom”. Time has obviously proven that statement wrong. The

real estate market cycle is here to stay; it is as unavoidable as the law of gravity. If what goes up must come down, the question then arises: how can you avoid becoming the next victim of a market downturn?

Even during a market downturn, the fundamental truth about commercial real estate is that the demand will never completely dissipate. Sure, the players and economics may change, but the real estate itself must always be owned, managed and leased by someone—which in turn creates demand for your expert services. In a downturn, your client could be a doctor one day or a bank that foreclosed on a property the next. Always market your services to the people who can say “yes” to your fee.

All market cycles have identifiable characteristics that are easy to spot if you know what to look for. For example, in an upmarket, excess demand for commercial real estate services can be satisfied by amateurs, but in a market downturn, that demand shifts quickly to a dependence on the expert real estate advisor. The expert always gets busier and makes the most money in a down market. And the amateurs... well, let's just say that they get an education paid for by the market cycle scholarship fund!

We are now on the verge of the largest transfer of wealth in modern history where the prepared commercial real estate practitioner stands to directly benefit. Let me emphasize that preparedness is the key. Do you have the skill sets needed to be an expert advisor to your clients in their time of need? Have you incorporated the latest real estate technologies into your business? If not, you must make an immediate change to your business plan while you still have time.

An expert advisor understands the mechanics behind commercial real estate and the forces at work in the marketplace. If you do not know the difference between a CAP rate and an interest rate (yes, it is a trick question), we recommend that you attend several classes offered by the following organizations:

**CCIM Institute**

Toll Free: 800-621-7027

[www.ccim.com](http://www.ccim.com)

**Society of Industrial and Office Realtors®**

Phone: 202.449.8200

[www.sior.com](http://www.sior.com)

Both organizations have a spectacular reputation in the industry and offer professional designations that will distinguish you from your competition. When it comes to technology, you must use an integrated CRM (Contact Relationship Management) and property database software system in your daily business.

## Power Moves

1. The most successful commercial real estate agents all execute the fundamentals of the business by getting the maximum results out of the efforts spent on a task. They prospect, control inventory, leverage their time and focus to achieve peak productivity.
2. The foundation of your business is your database. Consider your database to be your very own gold mine that, if maintained properly, will yield you a tremendous personal fortune.
3. Leverage is the key to growing your business each and every year. You are now familiar with the Pareto Principal, the principle that states that a mere 20% of your actions accounts for 80% of your results. Commercial sales people consistently misallocate their time to the 80% lowest yielding activities in their business. The most successful sales people focus on just their top 20% and delegate the other 80% of their low yielding activities to hired staff.
4. Using the Pareto Principal, 20% of your efforts create 80% of your income. You can estimate the True Value of your time as the value of your time when you are most productive. You must increase the TOTAL value of your time by using leverage and delegating those activities that do not require your special talents to hired staff so you can focus on the top 20% of money-making activities.
5. Without the proper amount of leverage in your business, it is practically impossible to maintain a high income and still achieve balance in your personal life. The key concept behind leverage is not to work harder, but to work smarter and focus on your top 20% high income yielding activities.
6. Always prepare an annual business plan to keep you focused on your business outcomes for the year and review it regularly.
7. Use ants to beat your competition!
8. Don't be a victim of a down market cycle! Be prepared.





*"I learned long ago, never to wrestle  
with a pig. You get dirty, and  
besides, the pig likes it."*

**George Bernard Shaw**

## 3

# Chapter Three

## *Creating Your Database Goldmine*

### **Creating a Database & Importing Data**

As a real estate professional, the data that you have accumulated about the real estate market is your stock and trade. If you do not track information about the marketplace, your value proposition to your clients is greatly diminished. A key component to accomplishing this involves collecting, verifying and warehousing all property-related market data that impacts your business, and having it at your fingertips when you need it. If you sell apartments and industrial buildings, then collect data about those property types in your trade area. If you lease retail space, collect information on retail properties, owners, leases and tenants. Tenant reps will focus on companies and their lease data. Property information is a commodity these days. Most of the information you need to build your database can be found using online public databases, purchased from a third party, uncovered with a quick property visit or a phone call.

There are only two ways to warehouse all of your data—the easy way and the hard way. The easy way is to use the companion software, REALHOUND®. The hard way is to use anything else. When you choose to use REALHOUND®, your data is stored in the most advanced database that you can buy for commercial real estate. It organizes your market data so you can retrieve it quickly and logically. It has a powerful Customer Relationship Management (CRM) component that helps you develop and maintain client relationships by tying their contact records directly to the real estate that they are related to. It will also match buyer and tenant needs to available properties/space in your database or on the Internet. This powerful tool will save you a tremendous amount of time and can make you a ton of money.

The key to any database is to keep the information current. Even if you have already created a database that has information that is relevant to your specialty in commercial real estate (such as ownership, tenants, phone numbers, property data, property photos, sales comparables, properties “For Sale”, rental data and lease data) and have also created a farm area/target market, you should still review this chapter to learn new ideas that will increase the effectiveness of your database upkeep.

As a successful real estate practitioner, you will need to track information related to your specialty, which could include owners, tenants, leases, properties for sale, buyers, transfers of ownership (sales), rents, new construction and properties taken out of service. Most of your (or your team’s) database efforts will be spent keeping this information current and recording the conversations that you have with your prospects in their respective contact records. Consider your database to be your very own goldmine that, if maintained properly, will yield you a tremendous personal fortune.

Your goal for creating a database is to have at least 700 properties with corresponding ownership, owner phone numbers, owner addresses and property photographs. Leasing specialists and tenant representatives will add lease and tenant contacts to their database. In addition to the 700 properties mentioned above, tenant representatives should have at least 500 tenants with phone numbers and addresses in their database. You will use third party data services, public records, interviews with other brokers, and your own personal research to complete and maintain your database.



*“Buying and importing your property data on a regular basis makes you just as good as the agent down the street.”*

## Sources of Property Data

Title companies are a good source of basic property and ownership data. Contact your local title representative for more details. Public records are another excellent source of free data. (REALHOUND.com® is currently exploring the possibility of having this sort of data mining ability automatically integrated into the program, so stay tuned for further details!)

There are a number of subscription services in every metropolitan area that will sell you property data. Use your favorite Internet search engine to locate relevant data providers in your area.



**Caution:** It is occupational suicide to exclusively use a single third party data source as your database because that makes you no better than the guy down the street who is doing the exact same thing. There are a few agents in every market that try to prospect from a single third party database without having built their own personal database. **Traditionally, these agents do poorly in the business and don't last through a full market cycle.**

REALHOUND® has a very powerful import mechanism, but most subscription data contains errors and/or have license restrictions that limit your ability to use their data. Therefore, we do not recommend that you import data directly into REALHOUND® from those sources, but rather manually enter and maintain your own data.

Rental data can be obtained from vendors in select markets, but you should augment the information obtained from them with a personal phone call to their respective property owners and/or their property managers because an owner rental survey is a great reason to call prospects in your market.

## Create Your Database

Input your information into a new database. **Data can be imported or input manually into REALHOUND®. Anything that can be put into an Excel spreadsheet can be imported into the program by mapping the data fields or by using the Easy Import Wizard.** If you choose to key in your data by hand, we recommend that you start inputting your data on the Property Overview screen.

## Create Your Farm

With REALHOUND® you have the possibility of storing an unlimited number of properties and contacts in your database. A *farm* is a subset of properties or contacts in your database that you are continually prospecting for business. Your farm could be determined by such factors as geographic area, property size, tenant type or property type.

If you are operating as an individual agent with over 1,200 properties or contacts in your farm, you will not be as effective in personally contacting all of the prospects in your target market and you will have to slim down the size of your targeted group.

Conversely, if you have a large multi-agent team, your team will be able to effectively handle a larger volume of prospects based upon the number of members on the team. As a general rule, you should have at least 700 properties in your farm with a minimum of 500 individual owners or tenants per agent on your team. Your goal is to contact every prospect in your farm area at least once a quarter to secure a face-to-face meeting. Owners with properties (or tenants) that are outside of your farm but are in your property database can be targeted with direct mail.

Identify a target market to become your farm. **Your target market, your farm, will become a group of properties or tenants that you will continuously prospect for business and become an expert on.** Some criteria that you can use to select your target market are property size, geographic location, property type, tenant type, city or county. When you have selected your farm, save it as a **Property Group** and give it a name that is easily recognizable to you, or simply call it “my farm”. If you are working as a tenant rep, you will also need to save your tenant contacts as a **Contact Group**.

## Easily Find Phone Numbers Using REALHOUND®’s Smart-Links

In the past, researching owner and tenant contact data was laborious, time-consuming work. In many cases the information that you were able to glean about a property owner was only partially complete or no longer current. Finding accurate contact information for each prospect in your database is critical to your success, but that doesn’t mean that it should take you all day to find. That’s why we created Smart-Links and integrated them into the program.



Entity Type	Individual Contact	
Company	Administrator	 4
Contact	Administrator	 4
Title	Mr	
Position		
Address	386 Walter Bunton Street	



**Reminder:** Some people do not want to be contacted by phone, fax or email, and it may be unlawful for you to do so. It is your responsibility to determine the legality of your actions, so please use REALHOUND® in accordance with all Federal, State and local laws.

Smart-Links are pre-set connections from your REALHOUND® database to some of the more useful websites on the Internet. When you use a Smart-Link, information about a contact or property is automatically sent to the corresponding website and information is retrieved without manually entering data on the website.

REALHOUND®'s most popular Smart-Links are to ZoomInfo® and 411.com. The 411.com Smart-Link is represented by a red "4" icon next to the contact name on the **Companies & Contacts** tab. To use this Smart-Link, select a contact record and press the red "4" icon. 411.com will automatically lookup a contact's phone number from the Internet free of charge. ZoomInfo® can be found under the Smart-Link menu. A ZoomInfo® Internet report pulls available information on the selected contact that includes company information, related articles that the contact is quoted in, address, education and phone numbers. Narrow down your results by selecting a state or other qualifier on the ZoomInfo® webpage.

Smart-Links can also be completely customized to send information from your REALHOUND® database to your favorite websites with a click of a button. One use for a customized Smart-Link would be to send property information from your database to your county assessor's website. You can create your own Smart-Links under the File Menu> Administration> Settings...> **Custom Add-Ins** tab.

## Property Photographs

Once you have input your property data into REALHOUND®, you will need to photograph each property in your farm. Not only does having property photos in your database give you a tremendous advantage when you are on the telephone with property owners or tenants, it also gives you the ability to quickly generate reports with photographs and distribute those reports at a moment's notice instead of driving all over town to take pictures.



**TIP:** Even if you are a seasoned pro in commercial real estate, there is still tremendous value in "driving the real estate" in your farm area. Buildings and neighborhoods change over time. If a building has fallen into disrepair, the owner might be in trouble and may need to sell. Tenants might want to relocate from a tired shopping center. You should be on top of the situation to seize such an opportunity. Try to drive to each building in your farm at least once every three years.

The best way to accomplish photographing your entire property database is with a digital camera, laptop computer, Microsoft Streets and Trips (the newest version sold with a GPS receiver) and a driving buddy. Start by exporting your property addresses from REALHOUND® into an Excel spreadsheet and import that spreadsheet into Microsoft Streets and Trips on your laptop. Map the properties and select optimized route. Plug in the GPS and drive to each property. The passenger navigates and the driver safely keeps their eyes on the road.



**Reminder:** Using your car's navigational system to guide you to a large number of properties is probably not the best use of your time. (Yes, someone did ask the question.) It takes a considerably longer amount of time to key each property into your car's navigational system than it does to use your laptop to map out all the properties at once.

Take at least four digital photos of each property using the medium quality setting on your camera. This should give sufficient resolution and detail without maxing out your camera's memory media. The first shot of every building should be of the property address or monument sign. This will give you a reference point to discern one property from another when you download your photos to your computer. Other things that you should consider photographing are the view from the front sidewalk, HVAC system, parking lot, amenities, property directory, tenant signage, and different building angles.

Make sure that at least one photo is good enough to be used on a marketing brochure or on a postcard. This will save you time in the future when you are trying to complete a report. You will not need to run across town to take a picture. Don't forget to take notes about each property you photograph. When you get back to the office, download your photos to your computer. Next, locate your photos on your computer and put each property's photos into individual folders.

Name each folder with the corresponding property's street address (EXAMPLE: 123 N Camelback Rd). Import your pictures and record your notes into REALHOUND®.

The Photo import button is located under the picture frame on the Property **Overview** tab on the **Property** section. The program will automatically organize and optimize your photos.



## Properties “For Sale”

The two main classifications of properties that are “For Sale” are FSBO (For Sale By Owner) and Exclusively Listed. Internet listing services, your competitors’ websites and your local newspaper are great sources for finding properties that are “For Sale”. Check these resources often for changes that affect your market. Input the offering data on the Property Overview screen in the **Offering** section and change the “For Sale” dropdown box to *Yes*. Type “FSBO” in the status field if the property is For Sale by Owner, or type “Listed” if the property is listed (this field is customizable to fit the way you work). Double click or go to the **Offering** tab if you need to enter more information about the offering. Do this for every property that is For Sale in your farm. Update this information on a weekly basis.

**Reminder:** You may also import newly listed properties from the Internet from within the program.

As you talk to property owners in your target market, it will not be uncommon for you to run across owners who tell you that they will sell only if the price is right. These owners are price motivated and are difficult to convert to listings. If they will not list their property with you, you should still consider their property for sale. Change the “For Sale” dropdown box to *Yes* and type “FSBO” into the status field.

Offering (For Sale)				Match Buyers	
For Sale	No	Net Lease?	No	In Escrow?	No
Status	FSBO				
Listing Price	\$1 450 000	Listing Date	11/11/2015	CAP	6.00%
\$/SF	\$30.21	Expire Date		GRM	
\$/Acre	\$2 135 647				
Listing Broker					
For Lease?	Yes	Publish Offering to Realhound Network?	No		

Enter the Listing Price, CAP and as much relevant data as you can in the **Offering** section on the property overview screen as you can. FSBOs are notorious for selling their properties at below market prices. Tracking this type of data will let you quickly find owners who will consider an offer if you are working as a Buyer’s Representative or when using the Buyer Needs portion of REALHOUND®.



**Warning:** Working with property owners that are price motivated and refuse to exclusively list their properties can be hazardous to your wallet! If you bring a property owner an offer, make sure that you have a signed commission agreement from both your buyer and the property owner. Many times the buyer will make sure that the seller pays the commission for fear of being left on the hook for your fee. Even with a commission agreement, you still might have to fight for your fee.

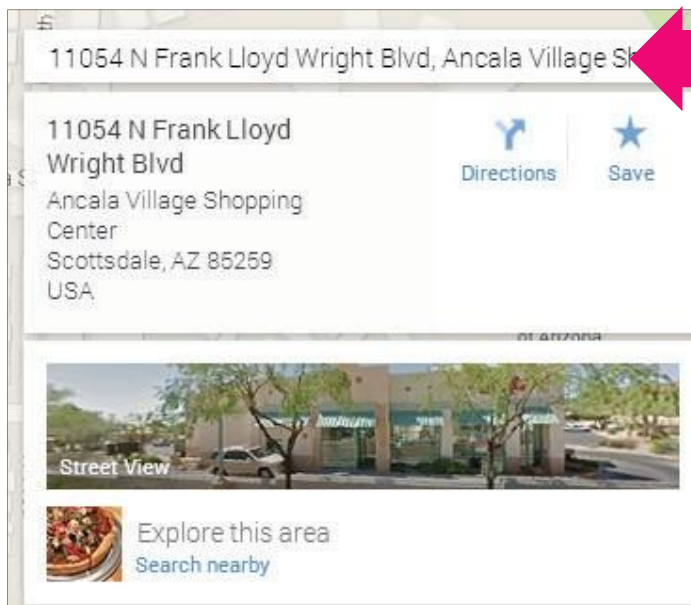


## Track Down Tenants & Valuable Lease Data

If leasing or tenant representation are part of your business plan, you must collect and store tenant information and lease data in your database. Some people will take a shortcut and exclusively rely on third party data providers for this valuable information. If you are one of these people, please step into my common sense corner for a moment. If you were the leasing broker in a transaction and you were asked to provide the lease details to a company that was going to make the information available to everybody on the planet, how accurate would your reporting be? The same holds true for the landlords. Do you think they want every broker in town chasing their tenants at renewal time?

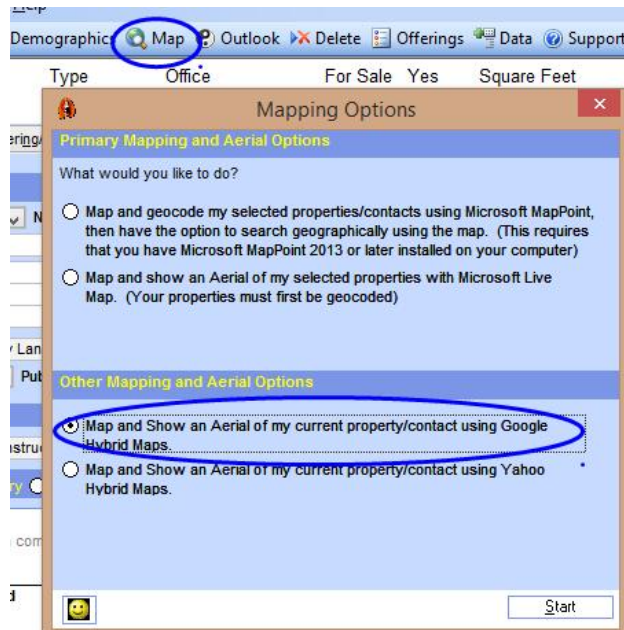


Tenants can easily be located at any building address through the Internet. Google Maps™ will list the majority of the tenants at a given location by property address.



To lookup tenants automatically within REALHOUND®, select your property and from the Map menu select **Google Hybrid Maps**.





*To lookup tenants automatically within REALHOUND®, select your property and from the Map menu select “Google Hybrid Maps”*

One of the best ways to drum up tenant representation opportunities and get valuable lease data is to go and physically *knock on doors*. Pick an office building or a shopping center and go to each suite. Ask to talk with the business owner and always have something to offer such as a competitive lease analysis, lease audit or market survey. Make sure that you talk to them about their business goals and expansion plans.

Reviewing a tenant's lease can help both you and the tenant. Is the tenant being charged correctly for common area maintenance (CAM charges)? Is the square footage in the space accurately reflected on the lease? You would be amazed at what you can find in some leases when you start digging around. One word of caution—if your investigation uncovers certain items which impact a landlord's pocketbook, you will get crossed off of that particular landlord's holiday gift list. You should also consider charging a fee for any amount that you happen to save the tenant. If you are not fortunate enough to obtain a copy of a tenant's lease, at least ask them about their rate, lease expiration date, renewal options and purchase option dates. Record these critical details in your database for future reference.



**Reminder:** Do not plan on meeting and greeting tenants while you are photographing your properties for your database. If you did this, you would never finish this essential activity of getting your database photos!

## Data Imports

You can import REA, Act and any type of data that you can view using Excel. From the File menu, select the **Import/Export** option and **Import....** Select the import option that best accomplishes your goal.

## The Easy Import Wizard

Data can be easily imported into the program without complicated field mapping using the Easy Import Wizard. The Easy Import Wizard works by

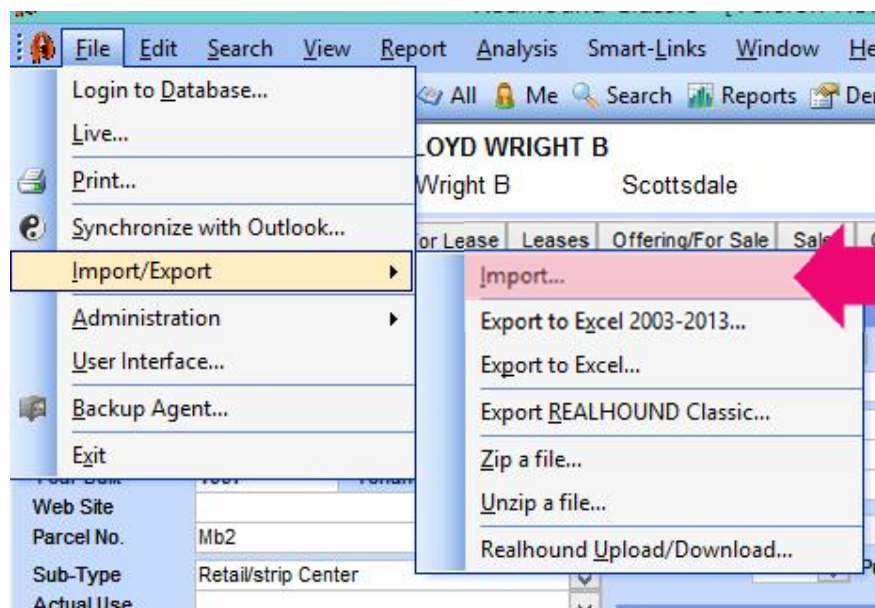
copying data from one Excel spreadsheet and pasting that data into the correct columns in another Excel spreadsheet that is created by the Easy Import Wizard. After all of the data has been pasted into the newly created spreadsheet, the Easy Import Wizard will automatically bring the data into the program.



**Warning:** Always backup your original database before you attempt to import any new data into it. There is always a chance that you will corrupt your original database with any new data import, in which case, you will be thankful that you took the time to backup. From the File menu, select Backup Agent.

## Using the Import Wizard

**STEP 1:** From the **File** menu, select the **Import/Export** option and **Import...** option.



**STEP 2:** From the Import Agreement window.

**A:** Click the **Backup Now** button to make a backup of your current database. If you happen to adulterate your current database with your newly imported data, you will be very thankful that you took the time to backup.

**WARNING: TRANSFERRING DATA MAY CAUSE UNDESIRABLE RESULTS.  
BACKUP YOUR DATABASE BEFORE STARTING.**

Backup Now

**B:** Read the Notice and, if you agree to the terms contained therein, select the “Agree to only import data that I am properly licensed to import or that I own” radio button.

**Agreement**

☒ I agree to only import data that I am properly licensed to import or that I own.

☐ I do not agree to only import data that I am properly licensed to use or data that I own.

**C:** Confirm your agreement to the terms in the **Notice** by typing *Yes* in the box provided.

☐ I do not agree to only import data that I am properly licensed to use or data that I own.

Confirm your agreement by typing YES

Listing broker: Chester Hill & Company - All

**D:** Click on the **Next** button to continue.

**STEP 3:** Click the **Easy Import Wizard** button to start the Import Wizard.

**Import**

Options Import data from Excel or Text Files

The simplest way to import data. The wizard will create an Excel spreadsheet for you to cut-paste your data into. The wizard requires Excel 2003-2013.

The most popular way to import.

**STEP 4:** From the Import Wizard Screen, select the type of data that you wish to import. If you want to import property data, select the **Properties and Contacts** radio button. If your spreadsheet contains strictly contact data, select the **Contacts Only** radio button.

**Step 1**

What type type of data would you like to import?

☒ Properties and Contacts ☐ Contacts Only

**STEP 5:** Enter a name for the spreadsheet that you will paste your data into.

**Step 2**

What would you like to call the new Excel file that will be created for you to paste your data into?

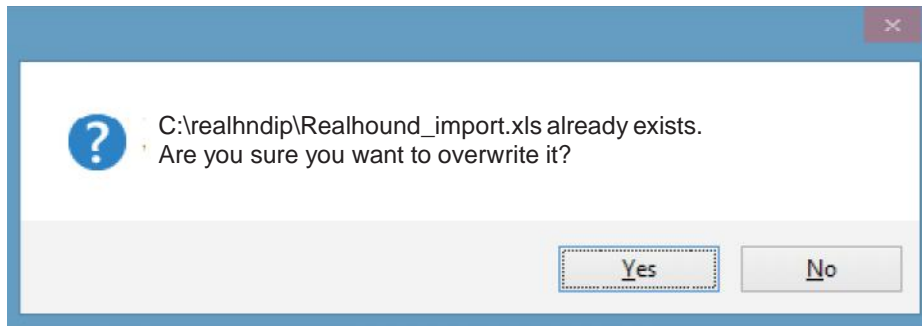
\*\*\*This is the name of a brand new Excel file, not one you are trying to import.\*\*\*

**STEP 6:** Click the **Create Excel File** button to create the new spreadsheet.

**Step 3**

Press 'Create Excel File' to create your new Excel file and open Excel. Cut and paste (or type) the data you want import into this spreadsheet. Then save the file and close Excel. The columns titles will be locked - don't try to change them or rearrange them.

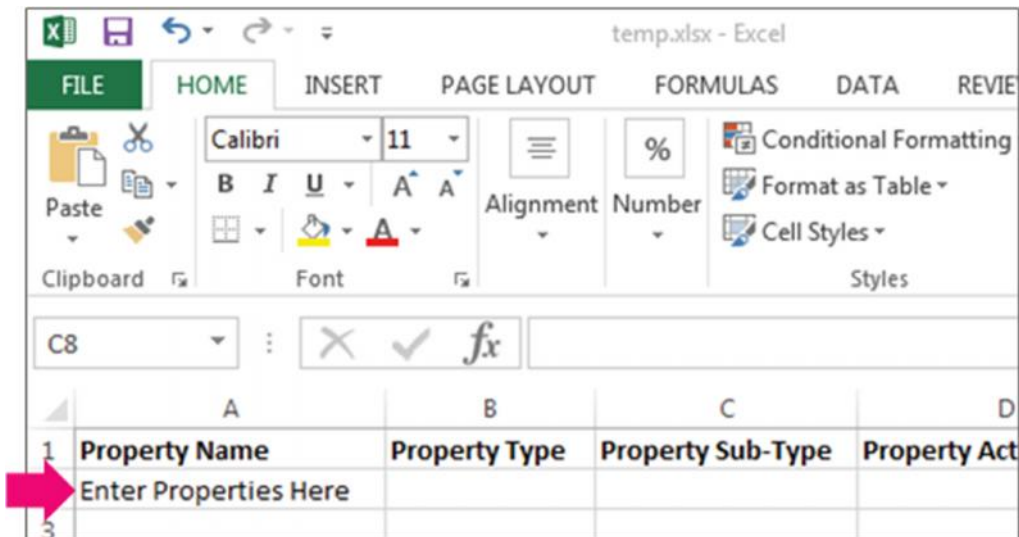
If you selected a file name that already exists, you will get a message similar to this screenshot. Select **Yes** ONLY if you are sure you want to ERASE the original file and replace it with a new file with the same name.



**STEP 7:** Open the spreadsheet that contains the data you wish to import into the program. The new Excel file you just created in Step 6 and the data file you wish to pull data from will now both be open.

If you are importing property data, start pasting your data in the cell marked “Enter Data Here”. **It is extremely important that you have the correct Property Type listed for each property being imported. Only those properties that have valid REALHOUND® Property Types will import correctly.** Use Excel’s **Find** and **Replace** functions to change invalid types. Valid types include Apartment, Office, Industrial, Retail, Land, Storage, Hotel, Casino, Condo, Mobile Home and Single-Family.

If you are going to manually type in your data, you can start here. Otherwise remove the entry seen here on cell A1. If you don't remove it, the information will be imported into the first properties name field.



If you are only importing Contact data, don't forget to clear the contents from Cell A2 and start pasting your data in the columns for contact data.

In the following example we will import Property and Owner Contact information. Select the first column of data (be mindful not to copy the field header), hold down the **Ctrl** key and press the **C** key. This will copy the selected data to your clipboard. In our example we will select the **Company** field.

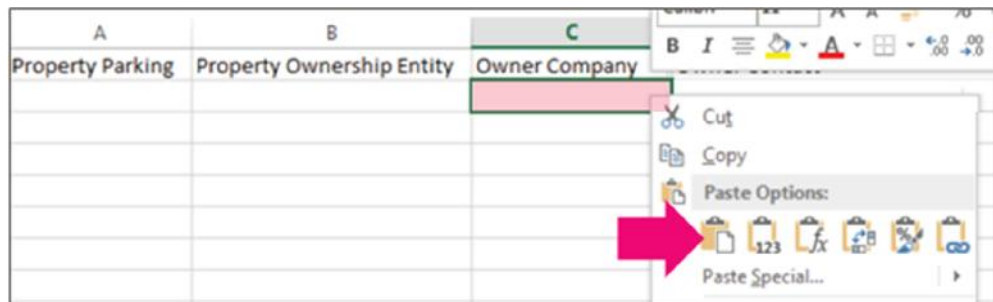


Select the first column of data and hold down the "Ctrl" key and tap the "C" key. This will copy your selection to the clipboard.

	A	B	C	D	E	F
1	Contact ID	Company	Contact	ContactFirst	ContactLast	Address
2	4965	Fpi Land Appraisals	Michael Pierce	Michael	Pierce	
3	4969	Fremont Bank	Evelyn Levi	Evelyn	Lewis	
4	4998	Freddy Monkey	Freddy Monkey	Freddy	Monkey	2222 N
5	5018	Linda Pawlick	Linda Pawlick	Linda	Pawlick	1119 E
6	5024	Lizzie Pfeifer	Lizzie Pfeifer	Lizzie	Pfeifer	11100 S
7	5027	Alton Partners	Alton Peters	Alton	Peters	985 N E
8	5043	Oleary Partners	Dennis Oleary	Dennis	Oleary	11100 S
9	5051	Lee & Associates	Lester Langson	Lester	Langson	56 Harl
10	5054	Harvey Ringo and Associates	Harvey Ringo	Harvey	Ringo	3689 In

In the spreadsheet created by the Easy Import Wizard, find the equivalent field name (in this case, it is Owner Company) and select the cell immediately below the name. With the receiving cell selected, press and hold the *Ctrl* key while pressing the *V* key. This will paste the contents of the clipboard in that column starting at the selected cell.

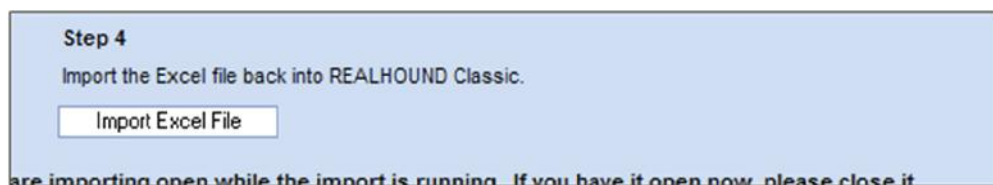
Alternatively, you could right click on the receiving cell then select **Paste**.



**STEP 8:** Continue to copy the data from the original data file and paste it into the appropriate columns in the new data file created by the Easy Import Wizard. If your data source has "123 N Anywhere St", you would simply paste it into the **Property Address Full field**. If your data source has two "123" and "N Anywhere St" address fields, you would paste the data into the **Property Address Street Number** and **Property Address Street** fields.

**STEP 9:** After all of the property and contact data has been pasted into the new spreadsheet, **Save** the changes and **Close** Excel completely.

**STEP 10:** Return to the open Import Wizard window. Click the **Import Excel File** button to start the import process.



**STEP 11:** From the Import Status window, select the options that best meet your import goals. Once you have selected your import options click the **Start** button.

From this point forward **don't touch your computer**—allow it to finish and it will automatically return to the REALHOUND® database screen. A data import is one of the most computer resource intensive processes that you can ever do and it can take a long time depending on the number of records. If Windows Task Manager states that the program is “Not Responding”, this is perfectly normal. Just let it run.

**STEP 12:** After the import completes, click the **Tune-Up Database** button from the main login screen or your newly imported data will not show correctly in your database

## Data Doctor Fixes and Cleans Your Data

A truly unique feature of the program is the data management suite called Data Doctor. Data Doctor allows you to globally change the data in your database and perform duplicate checking on your data. There are over 75 data management and cleansing features in this section of the program.



**Warning:** Always, Always, ALWAYS backup your original database before you attempt to use any feature in Data Doctor. There is significant chance that you can drastically change your entire database using Data Doctor, in which case, you will be thankful that you took the time to backup.

Data Doctor is not for everyone and was specifically designed for your database administrator and IT professionals.

## Using Data Doctor

1. From the File menu, select **Administration** and then **Data Doctor**.
2. Find and run the data management feature that you wish to use.

### *Partial Data Doctor feature list*

Transfer and update field values	Phone description update	Set default records
Duplicate checking with merge and delete functions	Setup users	Data Clean up & optimization
Switch data between fields	Data Purging	Execute SQL
Advance field splitting	Direct edit of Contact table	Global Replace
Clean & Update Contact data	Direct edit of Property table	File Sucker (photos & File)
Clean & Update property data	Direct edit of unit mix table	Reset GUIDs
Standardize documents folders	Direct edit of sales table	Direct edit of activity table

## Power Moves

1. As a real estate practitioner, the data that you have on the real estate market is your stock and trade. Without local market knowledge, your value proposition to your clients is greatly diminished. You must distinguish yourself from your competition. To accomplish this, you must collect and verify all property-related market data that impacts your business. You or your team should do your own data input, research and data verification. Maintain professional relationships with your peers so they are willing to share information about their transactions with you. Prospecting from an accurate, well-maintained property and contact database will make you a lot of money.

It is occupational suicide to exclusively use a single third party data source as your database because you have no control over the information. There are a few agents in every market that try to prospect from these online databases without having built their own personal database. Traditionally, these agents do poorly in the business and don't last through a full market cycle.

2. Identify a target market to become your *farm*. You should have at least 700 properties in your farm with a minimum of 500 corresponding owners per agent on your team. Tenant representatives should have

at least 500 tenants. Your goal is to contact every prospect in your farm at least once per quarter. Owners and tenants that are outside of your farm but are still in your database can be targeted with direct mail.

3. Save your farm properties as a property Group and give it a name such as “my farm”. Tenant representatives can save their prospects as a contact Group. Alternatively, if you have linked all of your tenants to the properties that they have leased under the **Leases** tab, you should save the properties in a property Group.
4. Saving your farm as a Group will save you time when you are prospecting and need to query your prospects at a moment’s notice.





*"Cats get fat by eating mice—not  
from chasing them."*

## 4

## Chapter Four

*What goes where and why should you care?*

### ***The Contact, Today and Property Screens***

**REALHOUND® is divided into three main sections: Property, Today and Contact sections. The Contact section is where you will spend most of your time in the program. Each of these main sections is broken down further into other related components.**

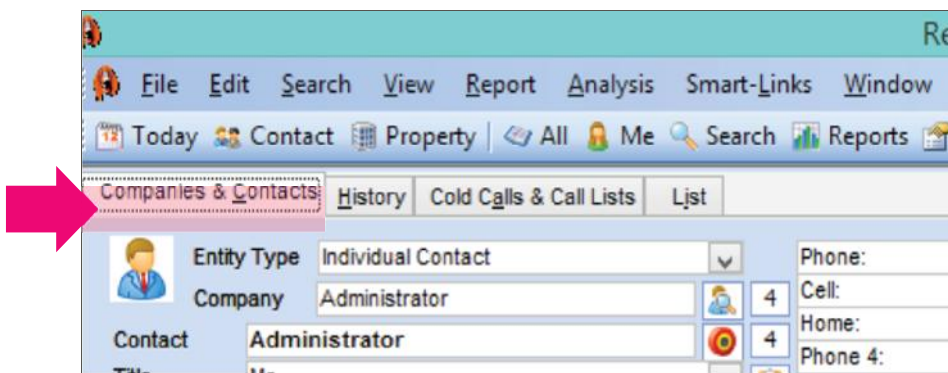


**Reminder:** First time users of REALHOUND® may find the multiple sections with numerous tabs and a seeming sea of endless fields slightly intimidating. However, you have the ability to hide tabs and fields so you can customize the look of the program. As your confidence grows, you can turn on or off areas of the program that you may or may not want to use. To take advantage of this feature go to: File>User Interface... to turn on or off program Tabs or File>Administration>Settings...>Field Visibility to hide fields in the database.

### **The Contact Section**



The first tab in the **Contact** section is the **Companies & Contacts** tab. The Contact screen displays a contact's primary information, history of property ownership, related contacts, group membership, leases and history of activities relating to the contact.



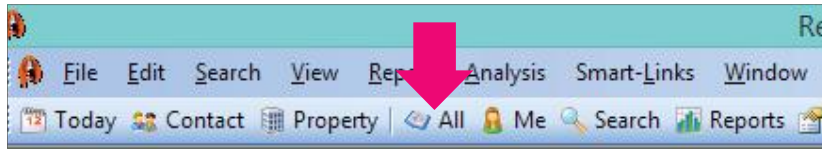
**Everything that is mission critical to successful communication with your clients is displayed on this one tab.** You can also send emails, generate letters and schedule activities with your contacts without leaving this screen. The **Companies & Contacts** tab's screen is broken down into the following components:

**Contact information.** The top half of the screen contains information about your Contact. Always try to enter in as much relevant data as possible. You

never know when you will need to reach your client at some obscure location for which they gave you the telephone number months ago.



**TIP:** If you are just getting started with REALHOUND® and you think you might be missing some of your contact records, click the **ALL** button on top of the screen on the menu bar.



You should enter in each contact record's contact **Type** field.

The field should explain the major role that the contact plays in your market (some examples are Owner, Tenant, Owner/User, Investor, Lender, Manager, Developer, Appraiser, etc.).

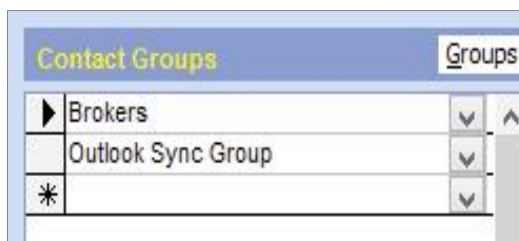
**Lookup box.** Located on the top right-hand side of the screen, the **Lookup** box is a quick way to find contacts in your database. Our Lookup box is patterned after the Lookup box commonly found on your favorite Internet search engines. Type in all or part of a contact's name or company name and press the Enter key. The program will pull up every matching record. You can also locate a contact by typing in a portion of their phone number, address or fax number. The Lookup box is intelligent, meaning that it will automatically search for variants of the name you type in the Lookup field. For example, if you type in "Richard", it will pull up all Richards and Ricks. "Bill" will yield William and Billy, etc.

Below the Lookup box is the **What** dropdown list. Use this feature to *narrow down* your search results within the currently selected records, exclusively search the **Contact** or **Company** fields, etc. When you have completed your search, reselect **All** in the **What** dropdown list. This will refresh your search criteria to all records for your next search.



**TIP:** To quickly jump your cursor to the Lookup box from anywhere in the program and set the lookup to **All**, press the **Ctrl + J** keys. To set the Lookup to just last name press the **Ctrl + L** keys.

**Contact Groups.** This is a useful feature that allows you to group contacts together by some relevant relationship. For example, you could create a group named “Retail Brokers” and designate every active broker in your database as a member of this group.



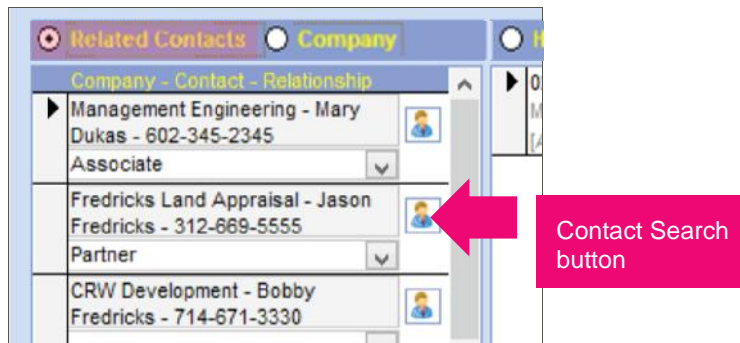
Some other useful contact groupings include the following:

- Contacts for whom you have completed a proposal
- Contacts without a phone number
- Contacts that need to be called on a regular basis
- Contacts with whom you have met
- Contacts for whom you have prepared a proposal and need to follow-up with on a regular basis



**TIP:** Two types of groups that you can use in REALHOUND® are Property Groups and Contact Groups. You should NOT group your farm by owners using a Contact Group because property ownership perpetually changes. Instead, you should use a Property Group because, while the ownership will change, the property is not going anywhere and will always be in your farm. Property Groups are most effective for grouping properties with a similar location and/or physical characteristics. Another convenient use for groups is to save a particular list of contacts or properties that you will need to work with at some point in the future, such as rent comparables or tenant types.

**Related Contacts radio button.** This feature allows you to link related contacts to one another for quick reference and easy access. To go to a related contact's record, just double click on the grey box next to the contact's name.



Entering related contacts is easy. Next to the asterisk, click on the **Contact Search** button, enter the new related contact in the search box and click the **Select** button. Once you have selected the related contact, the contact's name and company will appear in the list. Next, in the box below the related contact's name and company, select the relationship to the main contact or type in the relationship. If the particular relationship is not on the list, REALHOUND® will automatically create a link between the two contacts and prompt you for the return relationship. For example: If the contact record that you are working with has an assistant, you will enter in the assistant's name and define their relationship as "Employee" or "Assistant". REALHOUND® will ask you to define the return relationship and you will enter in "Employer" or "Boss". To query the related contacts, click the **Goto** button next to the **Related Contacts** radio button and REALHOUND® will look up those records for you. Click the **Goto** button if you want to send all of the related contacts a letter or email.

**Company radio button.** This feature allows you to automatically view all of the contact records that are related to your current contact record by company name.



Contacts that share the EXACT company name will automatically link to your current contact record just by selecting the **Company** radio button. To query the related contacts in the same company, click the **Goto** button next to the **Company** radio button and REALHOUND® will look up those records for you. You would click the **Goto** button if you wanted to send all of the related contacts in the same company a letter or email.

**History/Task/Other radio buttons.** Select "History" or "Other" and the information displayed in the box below these settings changes. With "Other" selected, the program displays more contact fields and other customizable fields. When "History" is selected, every note, logged call, email, letter, scanned or attached document is displayed in date order.



To filter activities, go to the “Show Type:” drop down box and select the type of activity that you only want the program to display.

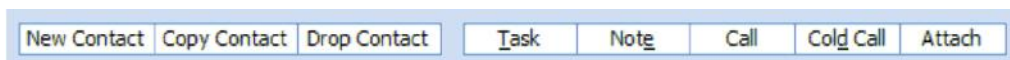


**Tip:** To customize fields in your database, select the File Menu > Administration > Settings... > **Custom Fields** tab.

**Related Properties:** Displays all properties, leases, sales and linked properties that are related to the selected contact. This feature is discussed in detail in another section of this book.



## Buttons, Buttons and More Buttons!



At the bottom of the Companies and Contacts screen, there are a series of buttons that function as follows:

**New Contact.** Creates a new contact record. Note that you CANNOT create a new contact record from the Edit menu.

**Copy Contact.** Creates a new contact record and populates the record with the same company name, address and phone numbers as the currently selected contact.

**Drop Contact.** Drops the current contact from the list of contacts displayed and advances you to the next contact record.

**Task.** Allows you to schedule a Call, Meeting or To Do task with the current contact at some future time. Scheduled activities will appear on your calendar.

**Note.** Creates a new note into the contact history record.

**Call.** Creates note about a call you made to or received from the selected contact in the contact history record.

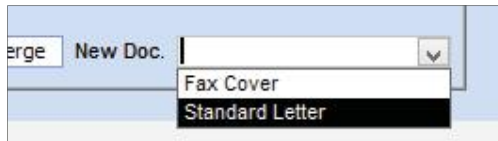
**Cold Call.** This button is covered in detail in another section.

**Attach.** Allows you to attach different types of files to the contact record such as a marketing package, MS Word document or PDF file. These files are stored in the contact's document folder.

**Documents.** An innovative way to store and view any electronic file associated with the current contact record. Files can be cut, copied, dragged or pasted into the folder that pops up when you click the **Documents** button. You will never lose an electronic file again!

**Mail/Email Merge.** You can create and modify templates or create mail merges and email merges for your selected contacts. Follow the simple onscreen steps.

**New Doc.** This function gives you the ability to use custom templates to generate different types of correspondence to the selected contact. This is where you would access your favorite fax cover sheet, letter formats, LOI's and memos that have been created as templates.



The program will perform a mail merge with the selected contact's information, generate the appropriate document and save the file in the Contact's Documents folder.

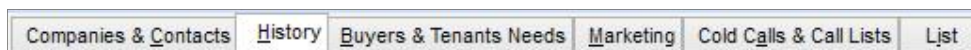
**Email.** To create a new email, double click on a contact's email address or click the email icon.



**Tip:** To move backward and forward on the historical list of contacts that have been viewed, click the **Back** or **Next** buttons.



## Other Tabs in the Contact Section of the Program



**History tab.** This tab is an expanded view of the History box, which is located on the **Companies & Contacts** tab. From this tab, you can edit notes, activity and visibility. You can also view and attach links to the notes.






**Buyers & Tenants Needs tab.** This tab is where you will input every property or space requirement that an individual contact tells you that they are searching for in the market. This tab allows you to search for a matching “For Sale” property or “For Lease” space in your database and can help you make a lot of money.

If your client tells you that they are looking for either a strip center for under \$5,000,000 or an apartment building for under \$50,000/unit, you will enter both pieces of information by using two different saved requirements, but both will be entered on this tab. To enter a new “Needs” entry, type a name in the blank description box and click once outside the box to activate the remaining portion of the screen.



**TIP:** When entering in Buyer needs, you should always enter in the following items: Price range, Down Payment range, Expires date, Deal Probability, and whether the buyer is in a 1031 Exchange (if he is, you should include his Nomination Date).



Deal Type		Physical		Financial	
Need Type	For Sale	Type		Price	\$7 000 000 \$10 000
Expires	12/12/2015	Sub-Type		Down Pmt	\$3 000 000 \$3 500
Target Date		Year Built		CAP	
Deal Probability	85%	Class		GRM	
Investment	No	Sq. Ft.		Occupancy	
Net Lease	No	Units/Rooms		\$/SF/Month	
1031 Exchange	No	Available SF		\$/SF/Year	
Closing Date		Acres		Comment	10% Cap and \$125/SF M. Only wants Scottsdale, A
Nomination Date	12/11/2015				
Use Saved Search					

Note: Double-click on a field to select multiple values.

The **Deal Probability** field is your own personal assessment of the contact’s motivation. This field will help you remember which people in your database are truly motivated when you are reviewing their Buyer/Tenant Needs in the future. Deal Probability is expressed as a percentage and should always be used.

Details should be kept to the **Comments** box or you will narrow the search results by having too many limiting parameters. In other words, you could skip over properties that your client might want to buy. Click the **Show Matched** button to automatically find available properties. Don’t forget to click the **Search Internet** button!

The difference between entering a Buyer need and a Tenant need is very subtle. You must be conscious of selecting the correct “Need Type” so the proper property availabilities can be searched and matched to the recorded needs.

Deal Type	
Need Type	For Sale
Expires	12/12/2015



Tenant needs (For Lease Need Type) should have an expiration date, Deal Probability, Available SF and rate information. Details should be kept to the Comments box.



**Caution:** Only use the Type and Sub-type fields if you have been diligently entering in this information on your available spaces or you will severely limit the number of matches that you will get on available spaces.

**Cold Calls & Call Lists tab.** The **Cold Calls** tab (see later chapter for full details) is an extremely useful tool that allows you to narrow a list of contacts that you wish to call by filtering out those contacts for which you do not have phone numbers, you have previously called, are on a do-not-call list or have left a message in the past. The program will then generate your call list using *Intellicall*, a sophisticated algorithm that greatly increases the probabilities that you will contact prospects who are in need of your services. Using this feature makes it virtually impossible for you to skip a call to prospects in your database.

**Marketing tab.** The Marketing screen contains a list of marketing materials sent to properties shown and offers written by the selected contact.

**List tab.** This tab allows you to view your selected contacts in a summary view and add or drop contact records from your active list. It is very useful for selecting contact groups and adding them to your list of active contacts. In addition, you can easily export your contact records to MS Excel (for use in direct mail or broadcast emails), as well as email all contacts and create labels. You can also access and create mail merge templates by clicking on the **Documents/Email** button at the bottom of this tab. Sort your contact list using the Quick Sort dropdown box on the lower right portion of the screen.

## Searching For Contacts - Three Great Ways To Get the Job

### 1. Lookup box

Located on the top right-hand side of the Companies & Contacts screen, the **Lookup** box is a quick way to find contacts in your database. Our Lookup box is patterned after the Lookup box commonly found on popular internet search engines. Type in all or part of a contact's name or company name and press the **Enter** key. The program will pull up every matching record. You can also locate a contact by typing in a portion of their phone number, address or fax number. The Lookup box is intelligent, meaning that it will automatically search for variants of the name you type in the **Lookup** field. For example, if you type in "Richard", it will pull up all Richards and Ricks. Below the Lookup box is the **What** dropdown list. Use this feature to "narrow down" your search to currently selected records or exclusively search "contact" fields or "company" fields. Go to the **List** tab to see your search results in a list format.

When you have completed your search return the **What** dropdown to **ALL**. This will refresh your search criteria to all records for your next search.



**TIP:** Type the word *Owners* into the Lookup box to view secondary property owners.

## 2. List screen



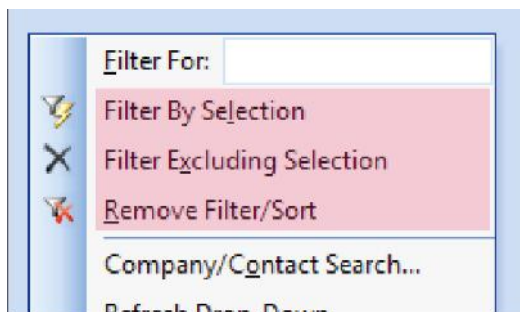
Click on the **List** tab located to the right of the **Company/Contact** tab. At the top of the List screen you will see blank boxes under “Company”, “Contact Name”, “City”, “State”, “Postal Code”, “Phone” and “Contact Type”. Enter the information that you want to search for in the appropriate box and click the **Lookup** button to start your search. The results of your search will populate in the list. Double click on any contact in the list to go to that contact’s record. If you want to view all of the Contact records on the list, simply click on the **Companies & Contacts** tab and you can click through the records at your leisure



Contact Name	City	State	Postal Code	Phone	Contact Type	Lookup
Administrator	Pretoria	Gaute	0042	+2772-102-2029	Owner	
Mary Dukas	New York	CA	10178	602-345-2345	Manager	
Fredrick Lambert	Monterey Park	CA	917547668	333-444-1177	Owner	
Baily Schuester	Santa Ana	CA	92701	714-555-5555	Owner	
Patrick Simmons	Hayward	CA	94544		Owner/manager	

## 3. Filter by field

Right click in any field that you want to search in the Contact record. A menu box pops up and gives you the following search options for the selected field:



- a) **“Filter For:” field.** Entering data in this field will filter selected records for an exact match to the data entered in the field. If you wanted to filter for all records that had the text “LLC” in the selected field, you would type “\*LLC\*”. The asterisks tell the program to include any text strings before or after “LLC” in the Filter results (i.e., Simpson Housing LLC, John Doe, Member).

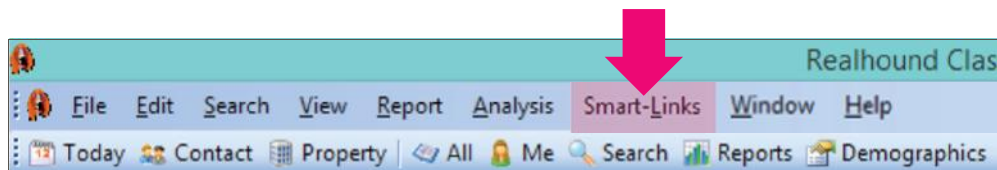
Filtering is not the same as a Search. When a Filter is on, the rest of the records are hidden from view. If you would like to create a search from your filter, click the **Apply Filter** button. When you have completed the filter, right click in the field that you were working with and select Remove Filter/Sort to unhide the rest of the records.

- b) **Filter by Selection.** Selecting this option will filter for records that have the exact matching text in the same field. All of the other records will be hidden until you remove the Filter/Sort.
- c) **Filter Excluding Selection.** Selecting this option will hide all records that have the exact matching text in the field. These records will be hidden until you remove the Filter/Sort.
- d) **Remove Filter/Sort.** Selecting this option removes the filter on the selected field.

Here is a practical example of the use of the Filter by field option:

There was a REALHOUND® user who put an “X” in a certain user text field of every record that had an incorrect phone number. He was distraught when he could not figure out how to find those records that he had marked with an “X”. When he called our Customer Support Department, he was told to scroll through his contacts until he found one of the contacts that had an “X” and then to do a Filter by Selection. Instantly, all of the records marked with an “X” showed up. Customer Support then walked him through the process to create a group for his contacts with wrong numbers, making it easier to find that group of records in the future.

## Smart-Links



**Smart-Links** is bound to become one of your favorite features of the program. It will take information from your current contact or property record (depending on which section of the program you are in) and searches the Internet for useful information on that property or contact using some of the more popular websites. This means that with one mouse click, you can quickly get the weather forecast in a contact's city, Internet maps with aerial photography overlays, phone numbers, demographics, residential home valuations, and everything else that your favorite search engines can tell you—juicy tidbits that I'm sure you will absolutely love.

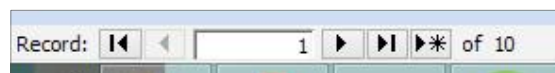
**Smart-Links** are located on the main menu bar on the top of the screen next to the **Help** dropdown menu. Go to a Contact or Property record and try it out.

## Helpful Hints

1. REALHOUND® is a database program designed to store your Contact, Property and Activity information. Buttons and controls in REALHOUND® do certain things, just like in an automobile. If you learn these quick tips, it will make operating the program much easier.
2. To exit out of a field without making changes, press the ESCAPE key. This is very useful if you get an error while changing data.
3. As soon as you move off a field, your data is saved. There is no need to click the SAVE icon.
4. To close a screen, press the X on the top right hand side. To copy any list from REALHOUND® into Excel, use your mouse to click on the record selector (the arrow to the left of the row) of the first row in the list you would like to copy, then hold down the SHIFT key and click on the last row. While still holding down SHIFT, right click on the last row and select COPY. Switch to Excel and select EDIT> PASTE from the main menu or use the Ctrl+V keys.

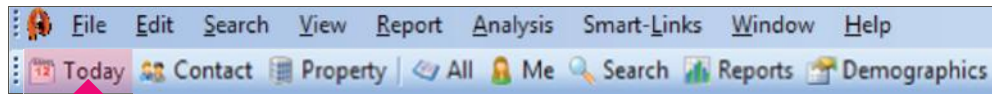


5. To move from one record to another, use the buttons that resemble VCR buttons on the bottom left hand side of the screen.



6. To move forward from one field to another using the keyboard, press the TAB key.
7. To move backward from one field to another, press both SHIFT and TAB at the same time.
8. To quickly search in a field, right click on it and enter what you are searching for into the FILTER, then press ENTER. Use the \* as a wildcard for finding anything that may come before or after what you requested. For example, '\*Smith' in the **Contact Name** field would find anyone whose last name ends with 'Smith'.

## The Today Section

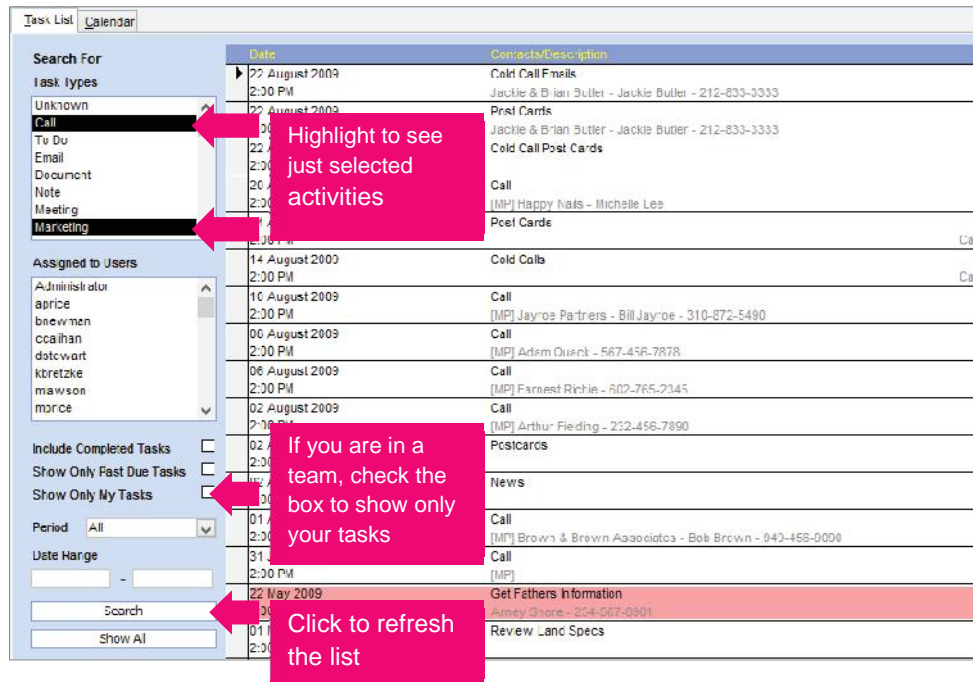


The **Today** section is where you will access your task list, calendar and search contact histories. In addition, you can manage your projects, marketing campaigns and buyer and tenant needs on a large scale.



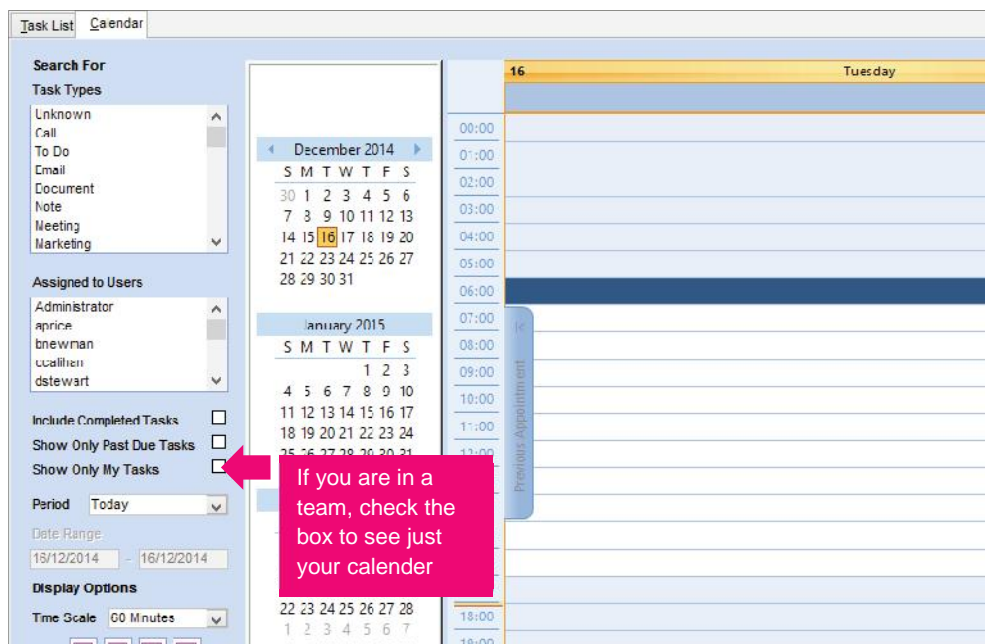
**Tip:** If you do not like the color scheme of your REALHOUND® screen, change them! Go to the File menu, then User Interface. Screen Colors and Themes will be on the upper right hand side of the screen.

**Tasks tab.** Allows you to view a list of your tasks by task type and user.



**Calendar tab.** View individual or team tasks on a calendar. You can customize your view of the calendar by performing a click-and-hold on the mini calendar and dragging the mouse pointer across the mini-calendar highlighting the number of days that you wish to view. You can move tasks to new time slots or to another day by performing a click-and-hold just to the left of the task on your calendar and moving the task to the desired time slot or day. The Calendar features work the same way as the Task list.





**Search History tab.** This very useful tab shows you contact activities by Sales Status and/or Call Result. You can also narrow your search by entering a date range or find key words in the database. Print the results of your search by pressing the **Report** button. If you want to know for which of your clients you created a proposal in November or met with in the first week of December, you will be able to find that information easily by using this tab.

**Project Status tab.** This tab shows you a summary of all property related projects. New projects are entered in the **Property** section on the **Projects** tab of the property involved. Once you have entered in a new project on a specific property record, you will be able to access and manage that project from this tab. Projects are very useful for managing property related activities that involve multiple steps, such as closing timeline, development timeline, putting together a marketing package, listing proposal or some other multi-stage process.

**Marketing Campaigns.** This tab is where you will create and edit marketing campaigns for your property based marketing. This feature will greatly reduce the amount of time and effort required to generate marketing reports on your listings. If you are not providing your clients marketing reports on their listings your business is in real trouble. The program truly takes the pain out of the reporting process, saving you and your staff hours of time. Marketing campaigns are discussed in a later chapter.




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**DealFinder.** This tab gives you the ability to find and manage buyers in your database who are looking to purchase properties that match certain criteria that you have already specified under the **Buyers & Tenants Needs** tab (in the **Contacts** section of the program). This feature is extremely useful when you are trying to locate a buyer for a For Sale property that is not currently entered into your database, or if you want to manage a list of clients in a 1031 tax deferred exchange. **Example:** You go to a meeting and another broker pitches a deal that requires \$2,000,000 down. You search DealFinder for

buyers that have at least \$2,000,000 and then run the deal past the buyers that qualify. Yes, this feature can make you a lot of money!

Within this tab is the Matched Properties window. By selecting a buyer on the screen above the window and pressing the **Show Matched** button, properties in your database with the For Sale status of “Yes” that meet the selected buyer’s criteria will be displayed in the Matched Properties window. **Don’t forget to search and match off of the Internet listings.**



Matched Properties								Show Matched
Property	Property Type	SF - Units	Listing Date	Price	\$/SF - \$/Unit	CAP	Status	
Center City Place	Apartment	173 596	01/11/2005	\$56 000 000	\$323	0.0%	On Market	
Paradise Valley		192			\$291 667			
Arrow Trails	Apartment	330 000	01/03/2006	\$54 000 000	\$166		On Market	
Scottsdale		300			\$140 625			
Castle Hills Apartment Homes	Apartment	676 083	01/11/2005	\$110 000 000	\$163	7.0%	Off Market	

The Matched Properties window shows you matching properties that have had their For Sale status changed to “Yes” in the **Property** section. DealFinder is discussed in greater detail in a later chapter.

Offering (For Sale)		Match Buyers
For Sale	Yes	In Escrow? No
Status	Otm/available	
Listing Price	\$40,000,000	Listing Date 02/04/2005 CAP



**Tenant Wizard.** This tab gives you the ability to find and manage tenant needs in your database for contacts who are looking to lease space that match certain criteria that you have already specified for them under the **Buyers & Tenants Needs** tab (in the **Contacts** section of the program). The Tenant Wizard feature is extremely useful when you are trying to locate a tenant for an available space, but that space has not been entered into your database, or if you want to manage a list of tenants looking for space.

**Example:** You get to a flyer from another broker marketing 20,000 SF of office space. You then search the Tenant Wizard feature for tenants who have a need for 20,000 SF of office and then run the deal past all of your clients who qualify.

**Yes, this is another feature that can make you a lot of money!**

Within this tab is the Matched Available Spaces window. By selecting a tenant on the screen above this window and pressing the **Match Available Spaces** button, available spaces for lease in the database that match that tenant’s specific requirements will be displayed.

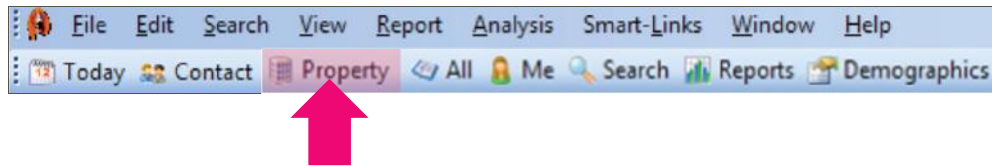
Matched Available Spaces

Match Available Spaces

Name	Address	City	Postal Code	Space	Sqft Available	\$/Month	Rate	\$/SF/Month	\$/SF/Year	Lease Type	Listing Date
▶ 332 E Camelback Road	332 E Camelback Road	Phoenix	85012	404	2 000	\$4 400	\$52 800	\$2.20	\$26.40		
332 E Camelback Road	332 E Camelback Road	Phoenix	05012	403	2 000	\$4 000	\$50 200	\$2.30	\$27.00		
332 E Camelback Road	332 E Camelback Road	Phoenix	85012	305	2 000	\$4 600	\$55 200	\$2.30	\$27.60		

**Recent Changes.** This tab displays all of the contacts and properties that have been recently modified. This feature is useful for monitoring changes made to the database.

## Property Section



The **Property** section of the program is where all of your property data is stored, including property pictures, sales, offering information, available spaces, leases and rental history. Most users will never use all of the features in this section, but for those of you who are true “data hounds”, you will not be disappointed. All REALHOUND® users should acquaint themselves with at least the **Overview**, **Unit Types**, **Leases**, **Available/For Lease**, **Offering/For Sale** and **Sales** tabs.

Displayed screen sections, data fields and tabs will change based on the type of property that has been entered into the database. This means that a retail broker does not see apartment data fields and unit mix information on a shopping center’s property record.

**The Overview tab.** This tab was designed to give you all the essential information about a property on one screen. In addition to the basic information about the property, it shows Ownership, Offering (For Sale) details, Last Sale data and property photos. You will find that you rarely need to go to any other tab in this section. When entering a new property record, you should always enter the property name, property type and address. If you do not know the property name, use the street address as the name, i.e., 3135 South Front St.

Overview		Detail	Unit Types	Offering/For Sale	Sales	Q
Name	Aloha					
Property Type	Apartment					
Units	95	Acres	2.65			
Square Feet	69 940					
Occupancy	89%					
Year Built	1977					
Web Site	<a href="http://www.alohaapartments.com">www.alohaapartments.com</a>					
Parcel No.	123-456-789 Mb					
Sub-Type	Student Housing					
Building Status						
User	mprice					
Visibility	Team					
<b>Location</b>						
Address	12100 N 58th St					
City	Scottsdale	AZ	85254			
Country	United States					
Cross St. (E/W)	(N/S)					
County	Maricopa					
Sub-market	Phoenix-Mesa-Scottsdale AZ					

Key data fields  
that should be  
filled out



The **Overview** tab has several fundamental components.



Name	Aloha
Property Type	Apartment
Units	Apartment
Square Feet	Casino
Occupancy	Condo
Year Built	Hotel
Web Site	Industrial
Parcel No.	Land
Sub-Type	Mobile Home
Building Status	Office
	Retail

Make sure that you ALWAYS select the correct “Property Type” because different property types have different screen views to accommodate information specific to each property type.



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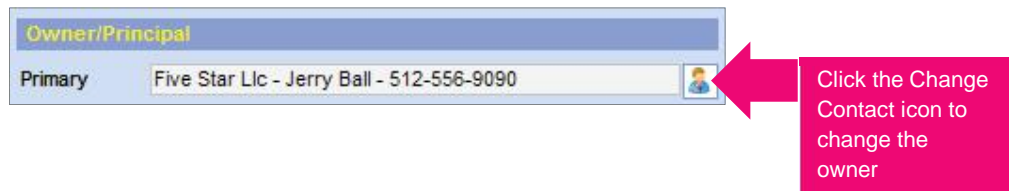
**Offering (For Sale) section.** This is where you will enter offering information about the property if it is For Sale. Change the **For Sale** field to **Yes** if the property is available, then you can enter more detailed information under the **Offering** tab if you wish.



<b>Offering (For Sale)</b>				Match Buyers	
For Sale	Yes	In Escrow?	No		
Status	Otm/available				
Listing Price	\$10 000 000	Listing Date	08/01/2015	CAP	
\$/SF	\$142.98	Expire Date		GRM	
\$/Unit	\$105.263				
Listing Broker	Chester Hill & Company - Anita Hill - 510-830-0988				

After the offering information has been entered, you should ALWAYS click the **Match Buyers** button and the program will search your database for contact records that have matching buyer needs. If a matching need is found, the corresponding contact records will be automatically queried for you. **This is another feature that will grow the size of your wallet!**

**Owner/Principal section.** This section shows the current owner of the property. The ownership link between a property and its corresponding owner contact record is established in this section. The owner who appears in the **Owner** section of this tab is linked to the property in the **Contacts** section of the program.



<b>Owner/Principal</b>	
Primary	Five Star Llc - Jerry Ball - 512-556-9090

To complete the link between a Contact (owner) and property, you must click the **Refresh** button on the **Companies & Contacts** tab. You can add additional owners under the **Owners** tab.



**Radio buttons.** These allow you to select different views in the Activity box below. These buttons are different for each property type.

#	Size (Bed/Bth)	SF Low	SF High	\$ Low	\$ High	\$/SF
5	0/1	500	500	\$500	\$500	\$1,00
35	1/1	600	600	\$600	\$610	\$1,01
35	2/1	784	784	\$780	\$790	\$1,00
10	2/2	1 000	1 000	\$1 000	\$1 000	\$1,00
10	2/2	900	900	\$900	\$900	\$1,00
*						

The radio button for Apartments and Storage property types

**Lookup box.** Type in a property name, address, zip code, city, sub-market, property type, property sub-type, property actual use, tenancy, owner company, owner contact, sub-region and the program will display all the properties that meet your specified criteria. Alternatively, you can lookup a property from anywhere in the program by pressing the Ctrl + P keys.

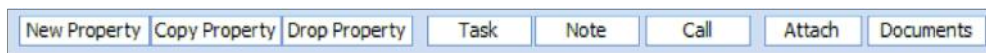
**Property Photo Display box.** This displays the default property photo. You can store as many photos as you like in the program without slowing it down. Beneath the photo display box is a series of icons that have various functions, which are explained in the illustration below.



A	Copy photo to clipboard
B	Copy photo from clipboard
C	Delete Current Photo
D	View thumbnails
E	Edit current photo

**Most Recent Sale.** This shows you summary information about the last sale of the property. In most cases this is really all the information that you need. However, you can enter in even more details under the **Sales** tab. You should ALWAYS enter a new sale by pressing the **New Sale** button because the program will save you some work by clearing out the Offering information and will automatically fill in certain sales fields.

## Buttons, Buttons and More Buttons!



At the bottom of the property **Overview** tab, there are a series of buttons that function as follows:

**New Property button** creates a new property record. A new property record CANNOT be created from the Edit menu.

**Copy Property button** creates a new property record with the same basic property information as the currently selected property.

**Drop Property button** drops the current property from the list of displayed properties and advances you to the next property record.

**Task button** allows you to schedule a Call, Meeting or To Do task with a contact record at some future time and links the activities to the property record. Scheduled activities will appear on your calendar. (NOTE: The **Task**, **Note** and **Call** buttons will only display if the **History** radio button is selected.)



**Note button** creates a new note in the property history record.

**Call button** creates a note about a call you received or placed to a selected contact in the contact and property history record.

**Attach button** allows you to attach different types of files to the contact record such as a marketing package, MS Word document or PDF file to the contact record history. Files are stored in the property's document folder.

**Documents button** is an innovative way to store and view any electronic file associated with the current property record. Files can be cut, copied, dragged or pasted into the folder that pops up when you click the **Documents** button. You will never lose an electronic file again!

**Auto Compare button** automatically compares the currently selected property to the other similar properties in the database that have recently Sold, are currently For Sale and are potential rent comparables. This feature will also estimate the current property's value based on sales and current offering information that has been entered into the database.

## Other Important Tabs in the Property Section



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**Availability/For Lease tab.** This tab is where all of the information on the available/vacant space is recorded for a particular property. From this screen you can create a Stacking Chart or Lease vs. Buy analysis.

As you enter in vacant space, click the **Match Tenants** button and the program will automatically query the contacts in your database that have a matching tenant needs. **If you lease space, this feature is going to make you a lot of money!**

Overview										
Detail										
Facilities										
Available/For Lease										
Leases										
Offering/For Sale										
Sales										
Owners										
History										
List										
Stacking Chart										
Lease vs. Buy										
Vacant	Space	Floor	Sq Ft Available	\$/Month	\$/Year	Rate	\$/SF/Month	\$/SF/Year	Lease Type	Term
<input checked="" type="checkbox"/>	200	2	10 000	\$6 667	\$80 004	\$0,67	\$8,00	Nnn	60	
<input checked="" type="checkbox"/>	205	2	15 000	\$6 667	\$80 004	\$0,44	\$5,33	Nnn	60	
<input checked="" type="checkbox"/>	300	3	10 000	\$6 667	\$80 004	\$0,67	\$8,00	Office	60	
<input type="checkbox"/>										
<div> <div> <b>Details</b> </div> <div> <b>Status</b> </div> <div> <b>Financial</b> </div> </div> <div> <div> Space: 200  Floor: 2  Sq Ft: 10 000  \$/Month: \$6 667  \$/Year: \$80 004  \$/SF/Month: \$0,67  \$/SF/Year: \$8,00  Term (mos.): 60  Term Note:  Consideration: \$400 020  Lease Type: Nnn  Sublease: No  % Fee:  Potential Fee: </div> <div> Status:   Vacant: Yes  Listing Date:  Available Date: 11/12/2015  Available Note:  Type:  Space Type: Office  Sub Type:  Use:  Use Type:  Actual Use:  Location:  NAIC Code:  SIC Code: </div> <div> Free Rent (mos.):  Effective Rate:  TI Allowance/SF:  TI Comments:  Expenses Stop:  NNN Charges:  CAM Charges:  Adjustments:  Escalations: </div> </div> <div> <b>Comments</b> </div> <div> Delete Available Space and Save as a Lease Delete Available Space and Save as Off-Market Match Tenants </div>										

## Available Spaces/Lease Comparables List Feature

This feature will allow you to select and rank spaces from a queried list of properties so reports can be run just on the selected spaces.

To use the Available Spaces/Lease Comparables List feature, query the properties with spaces in your database that you wish to run the comparables list on. With your properties selected, click the **Available/Leases** button on the property **List** tab. Once the spaces have been selected and ranked, select your desired report to be run from the **Report** button at the top of the screen.

Name	Address	City	State	Sq. Ft.	Space	Floor	\$/Month	\$/Year	\$/SF/Month	\$/SF/Year	Lease Type	Term (mos.)	Fee	Consideration	Available	Vacant	Sublease	Order
23535 North Scottsdale Road	23535 N Scottsdale Rd	Scottsdale	AZ	1 500	110	2	\$3 000	\$36 000	\$2.00	\$24.00	Nnn				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5743 East Thomas Road	5743 E Thomas Rd	Scottsdale	AZ	6 250	222	1					Medical				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Oohney Building	4445 Indian School Rd	Phoenix	AZ	2 000	4										<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
23535 North Scottsdale Road	23535 N Scottsdale Rd	Scottsdale	AZ	2 000	106	2	\$4 000	\$48 000	\$2.00	\$24.00	Nnn				<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Details**
Space: 110  
Floor: 2  
Sq Ft: 1 500  
\$ /Month: \$3 000  
\$ /Year: \$36 000  
\$ /SF/Month: \$2.00  
\$ /SF/Year: \$24.00  
Term (mos.):  
Term Note:  
Consideration:  
Lease Type: Nnn  
Sublease: No  
% Fee:  
Potential Fee:

**Status**
Status: Vacant  
Yes: ☒  
Listing Date: 01/05/2008  
Available Date: Immediate  
**Type**
Space Type: Warehouse  
Sub Type:  
Use:  
Use Type:  
Actual Use:  
Location: Corner  
NAIC Code:  
SIC Code:

**Financial**
Free Rent (mos.):  
Effective Rate:  
TI Allowance/SF:  
TI Comments:  
Expenses Stop:  
NNN Charges:  
CAM Charges:  
Adjustments:  
Escalations:  
Cam:

**Comments**

**Brokers**
Options:

**Other**
Verification:

Auto Order
Check All
Uncheck All
Drop Unchecked
Go to Tenants

**Leases tab.** All of your property leases are stored on this tab. Make sure you record the lease expiration date, purchase option date and renewal option dates on this screen if that information is available to you. The program will use these dates to manage your future call lists, saving you a lot of time and effort.

Link the tenant contact records to their lease by clicking the **Change Contact** icon. Lease information will appear on a tenant's contact record when you click the **Refresh** button on their record.



**Stacking Chart**

Space	Floor	Sq Ft	\$/Month	\$/Year	\$/SF/Month	\$/SF/Year	Lease Type	Transaction Date
10	1	2 000	\$10 400	\$124 800	\$5,20	\$62,40	Retail	
11	1	3 000	\$15 000	\$180 000	\$5,00	\$60,00	Retail	
15	1	3 000	\$15 300	\$183 600	\$5,10	\$61,20	Retail	
21	2	1 000	\$4 100	\$49 200	\$4,10	\$49,20	Office	
22	2	1 050	\$4 515	\$54 180	\$4,30	\$51,60	Office	
23	2	1 000	\$4 900	\$58 800	\$4,90	\$58,80	Office	

**Details**

Space: 10, Floor: 1, Sq Ft: 2 000, \$/Month: \$10 400, \$/Year: \$124 800, \$/SF/Month: \$5,20, \$/SF/Year: \$62,40

Space Type: , Sub Type: , Use: , Use Type: , Actual Use: , Location: , NAIC Code: , SIC Code: , Comments:

Free Rent (mos.): , Effective Rate: , TI Allowance/SF: , TI Comments: , Expenses Stop: , NNN Charges: , CAM Charges: , Adjustments: , % Fee: , Total Fee:

**Landlord (Lessor)**  
Vicente Flores - 909-888-7878

**Tenant (Lessee)**  
Toy Boat - Marci Poodle

Listing Date: , Months on Market: , Ask \$/Month: , Ask \$/Year: , Ask \$/SF/Year:

Link tenants here

You can also create a **Stacking Chart** from this screen. To use the Stacking Chart, you must have all of the required data fields filled out or the chart will not be created.

**List tab.** This tab allows you to view your selected properties in a summary view and add or drop property records from your active list. It is very useful for selecting property groups and adding them to your list of active properties. In addition, you can easily export your property records to Excel, and go to both the linked owner of the property and tenants' contact records with a push of a button.

## Searching For Properties: Four Great Ways To Get the Job Done

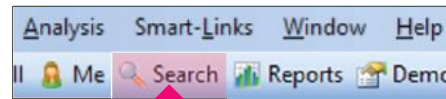
1. **Lookup box.** Located on the top right-hand side of the Property Overview screen, the **Lookup** box is a quick way to find properties and owners in your database.

Type in all or part of an owner's name, owner, company name, property name, address, city, submarket, subregion, type, sub-type, actual use and tenancy type, and then press the **Enter** key. The program will pull up every matching record. When you have completed your search, select the **ALL** button to return to viewing all of your property records. Don't forget that the **List** tab will display the search results in a summary format.

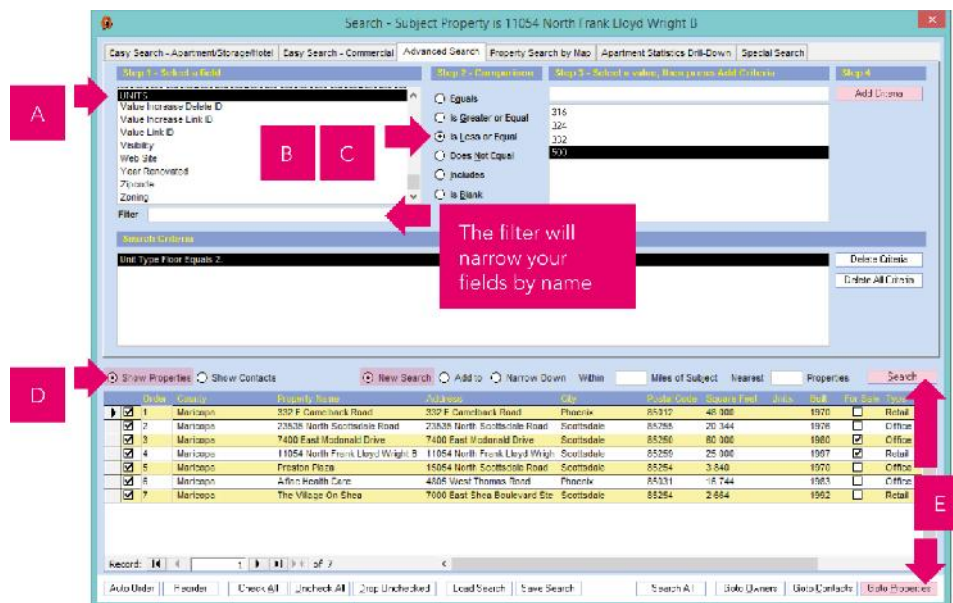


**TIP:** To jump the cursor to the **Property Lookup** box anywhere in the program, press Ctrl + P keys.

2. **Search button.** Click the **Search** button on the upper middle part of the menu bar to bring up the Search screen.



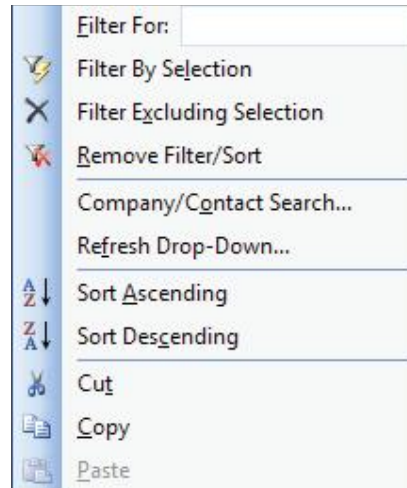
The Search screen is where complicated or multi-step searches can be performed. **\*\*Remember, EVERY field is searchable!\*\***



**Example:** You want to find every apartment building in your database that is 60 units or larger but less than 501 units in the City of Scottsdale. On the Search screen, select the **Advanced** tab and follow the labeled steps 1 through 4 on that screen. Complete this search as follows:

- Select the "UNITS" field, **Is Greater or Equal** radio button, type "60" in the "Select a value" field and click the **Add Criteria** button.
- Select the "UNITS" field, **Is Less or Equal** radio button, type "500" in the "Select a value" field and click the **Add Criteria** button.
- Select the "CITY" field, **Equals** radio button, type or select "Scottsdale" in the "Select a value" field, click the **Add Criteria** button.

- d) Click the **Show Properties** radio button and **New Search** radio button in the middle left side of the Search screen.
  - e) Click the **Search** button. REALHOUND® will now display your results. Finally, click the **Goto Properties** button to query your properties on the **Property** section of the program and close the Search screen.
3. **Filter By Fields.** Right click in any field that you want to filter (AKA “search”) in the database. A menu box pops up and gives you the following filter options for the selected data field:



- a) **Filter For: field.** Entering data in this field will filter the selected records for an exact match to the data entered in the field. If you wanted to filter for all records that had the text “LLC” somewhere in the selected field, you would enter in “\*LLC\*”. The asterisks tell the program to include any text strings before or after “LLC” and will be included in the filter results (i.e., Simpson Housing LLC, John Doe, Member). If you wanted to filter for all records that had JUST the text “LLC” in the selected field, you would enter in “LLC”.

Filtering is not exactly the same thing as a Search. When a filter is on, the rest of the records are hidden from view. When you have completed the filter, right click in the field that you were working with and select **Remove Filter/Sort** to unhide the rest of the records. If you would like to create a Search from a filter, go to the **Overview** tab and click the **Apply Filter** button.

- b) **Filter by Selection.** Selecting this option will filter for records that have the exact matching text in the same field that is currently selected. All of the other records will be hidden until you select **Remove Filter/Sort**.
- c) **Filter Excluding Selection.** Selecting this option will HIDE all records that have the exact matching text in the same field that is currently selected. These records will remain hidden until you select **Remove Filter/Sort**.



- d) **Remove Filter/Sort.** Selecting this option removes the filter on the selected field.

Here is another practical example of the use of the Filter by field option:

Let's suppose that you need to find every building on "S Pico Street". Click the **All** button at the top of the screen and right-click in the address field on any property record. Select Filter For: and enter "\*S Pico\*" in the blank box (again, the asterisks tell the program to include any text strings before or after "S Pico") and press the **Enter** key. Every property that has "S Pico" in its address will now be displayed. If you would like to create a Search from this filter, go to the **Overview** tab and click the **Apply Filter** button.

Click on the **List** tab located to the far right of the **Overview** tab.



Click the **All** button on the top left side of the screen. At the top of the List screen you will see blank boxes under "Property Name", "Address", "City", "Square Feet Range", "Units Range", "Type" and "Status". Enter the information that you want to search for in the appropriate box and push the **Lookup** button.

	Property Name	Address	City	Square Feet Range	Units Range	Type	Status	
All		123Anywhere						Lookup
<input checked="" type="checkbox"/>	The Village On Shea		Type	Retail	Built	1992	For Sale	No
	7000 East Shea Boulevard Ste 1510		Sub-Type		Sq Ft	2 664	Occup.	
	Scottsdale	AZ 85254	County	Maricopa	Units		Status	
<input checked="" type="checkbox"/>	Aflac Health Care		Type	Office	Built	1983	For Sale	No
	4805 West Thomas Road		Sub-Type	Medical/office	Sq Ft	16 744	Occup.	
	Phoenix	AZ 85031	County	Maricopa	Units		Status	
<input checked="" type="checkbox"/>	Preston Plaza		Type	Office	Built	1970	For Sale	No
	15054 North Scottsdale Road		Sub-Type		Sq Ft	3 840	Occup.	

The All button will show all the properties in the database

The results of your search will populate in the list. Double click on any property in the list to go to that property's record. If you want to view all of the property records on the list, simply click on the **Overview** tab and you can click through the records at your leisure

<input checked="" type="checkbox"/>	11054 North Frank Lloyd Wright B	Type	Retail	Built	1997
	11054 North Frank Lloyd Wright B	Sub-Type	Retail/strip Center	Sq Ft	25 000
	Scottsdale	County	Maricopa	Units	
<input checked="" type="checkbox"/>	7400 East McDonald Drive	Type	Office	Built	1980
	7400 East McDonald Drive	Sub-Type	Office/industrial	Sq Ft	60 000

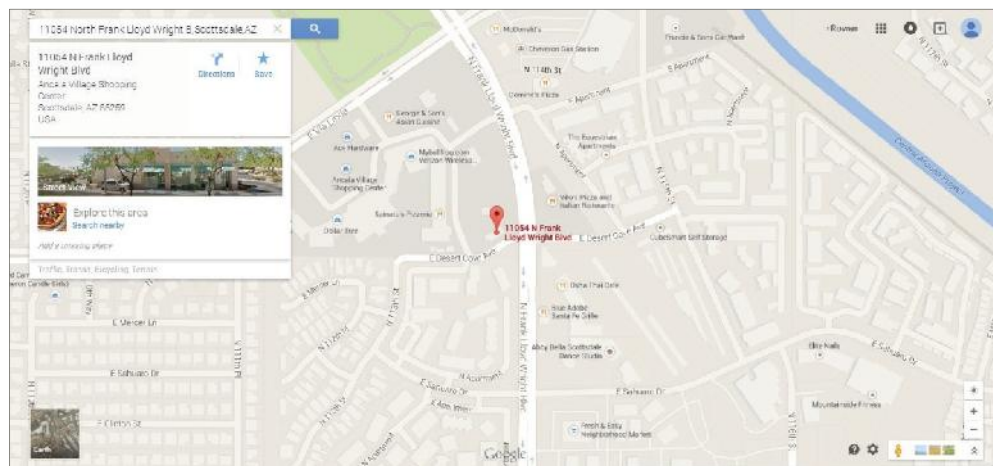
Double click here to go the property record

## Mapping That Will Blow Your Mind

The mapping capabilities of the program are so powerful that they are considered the most extensive on the market. Using MapPoint 2013, you can map all of the properties in a city, draw a shape around the section of town that interests you, and the program will select only those properties within the designated area, dropping unwanted properties from your search. When you return to the **Property** section of REALHOUND®, only those properties located within the shape will be queried (selected) in the program.

Then click a button and visually fly around your property with a bird's eye view using a number of different Internet mapping tools and, finally, get a street level view of your property without even leaving your office!

Next, generate and map a list of properties that are For Sale or Available for Lease and email the map to a client so they can “fly” around the properties using the bird's eye view.



## Geocoding Your Properties

Properties must be geocoded before several mapping functions in the program, such as the radius search, will work properly. A geocode is just a fancy way of saying that the property has latitude and longitude coordinates associated with its record. You can tell if a property has a geocode by looking at the **Tract** section of the **Details** tab in the **Property** section of the program.

<b>Tract</b>		Oth
Latitude	33.5868714918329	Geocode
Longitude	-111.835165093192	Pro
Census Tract		Con

There are currently three ways to geocode your properties: using Microsoft Map Point 2013, Yahoo Maps, or entering the coordinates yourself by hand. If you use Map Point 2013 or Yahoo to automatically geocode the properties in your database, each property must have a valid mailing address.

### MapPoint 2013 and Yahoo Maps

Select the properties that you wish to geocode or select the **All** button. Click the **MAP** button at the top of the screen. Select the radio button next to the geocode option that you wish to use and click the **Start** button.

**Mapping Options**

**Primary Mapping and Aerial Options**

What would you like to do?

☐ Map and geocode my selected properties/contacts using Microsoft MapPoint, then have the option to search geographically using the map. (This requires that you have Microsoft MapPoint 2013 or later installed on your computer)

☐ Map and show an Aerial of my selected properties with Microsoft Live Map. (Your properties must first be geocoded)

**Other Mapping and Aerial Options**

☒ Map and Show an Aerial of my current property/contact using Google Hybrid Maps.

☐ Map and Show an Aerial of my current property/contact using Yahoo Hybrid Maps.

**Start**

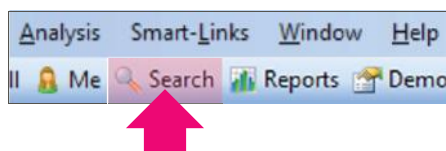


**Reminder:** You need to have Microsoft MapPoint 2013 installed on your computer to utilize some of the program's mapping capabilities. MapPoint 2013 was included in the higher-end MS Office packages. If you did not purchase MapPoint 2013 with your computer, please consider purchasing the program online from EBAY.com for about \$75. It is well worth the investment.

### Geocode By Hand

This is the least appealing of the three options because of the tedious nature of the work. However, if you do not have a property address, you will have to manually enter the geocode for the property in the **Detail** tab. In order to get the coordinates, you will need to drive to the property with a GPS unit and record the latitude and longitude.

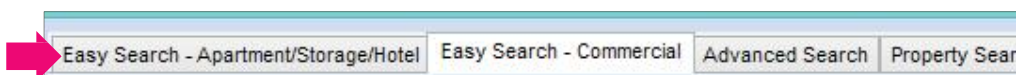
### Radius Searches



The radius search feature requires a geocode on each property. Properties without geocodes will not be queried and, subsequently, will not be displayed in your search results.

Select the subject property that you wish to do a radius search around by displaying that property on the **Property** section **Overview** tab. Click the **Search** button and select either the **Multi-Unit, Commercial** or **Advanced** tab. The current Subject property is listed at the top of the search window.

Double click  
here to go the  
property record



For our example, we will use the **Easy Search - Commercial** tab.

1. Enter any other search criteria (such as building square footage) that might be of interest.

2. Select the **Show Properties** radio button from the middle left-hand side on the window.

3. Select the **New Search** radio button in the middle of the window.



- Enter the mile radius around the Subject property that you want to include in the search.

Within  Miles of Subject Nearest  Properties

- Click the **Search** button

The results of your search are displayed in the box below the **Search** button. Click the **Goto Properties** button when you have the results you want.

	Order	County	Property Name	Address
<input checked="" type="checkbox"/>	1	Maricopa	332 E Camelback Road	332 E Camelback Road
<input checked="" type="checkbox"/>	2	Maricopa	23535 North Scottsdale Road	23535 North Scottsdale Road
<input checked="" type="checkbox"/>	3	Maricopa	7400 East McDonald Drive	7400 East McDonald Drive
<input checked="" type="checkbox"/>	4	Maricopa	11054 North Frank Lloyd Wright B	11054 North Frank Lloyd Wright B
<input checked="" type="checkbox"/>	5	Maricopa	Preston Plaza	15054 North Scottsdale Road
<input checked="" type="checkbox"/>	6	Maricopa	Aflac Health Care	4805 West Thomas Road
<input checked="" type="checkbox"/>	7	Maricopa	The Village On Shea	7000 East Shea Boulevard

Double click here to make this property the new **SUBJECT** property



**Tip:** Use the Radius search to find all of the property owners surrounding a new listing and call them to see if they would like to buy the property. As you may know, a high percentage of all property sales are made to neighboring property owners.

## Draw On a Map To Search For Properties Using MapPoint 2013

REALHOUND® lets you map properties in MapPoint 2013 by drawing a shape around those properties and having only those properties within the shape be displayed in REALHOUND® when you close MapPoint 2013. This feature is extremely useful if you want to query properties in a geographic location that is not readily definable using other search tools. For example, if you wanted to lookup all of the properties that are between four streets, this will be the easiest way to accomplish the task.

Let's say that you want to query all buildings in Scottsdale, Arizona south of Indian School Road, north of the 202, between Hayden Street and Scottsdale Road.

- Search and select all of the buildings in Scottsdale from the **List** tab or the **Search** screen.
- Press the **Map** button
- From the Mapping/Options window, select the radio button marked **Map and geocode my selected properties/contacts using Microsoft MapPoint**

☒ Map and geocode my selected properties/contacts using Microsoft MapPoint, then have the option to search geographically using the map. (This requires that you have Microsoft MapPoint 2013 or later installed on your computer)

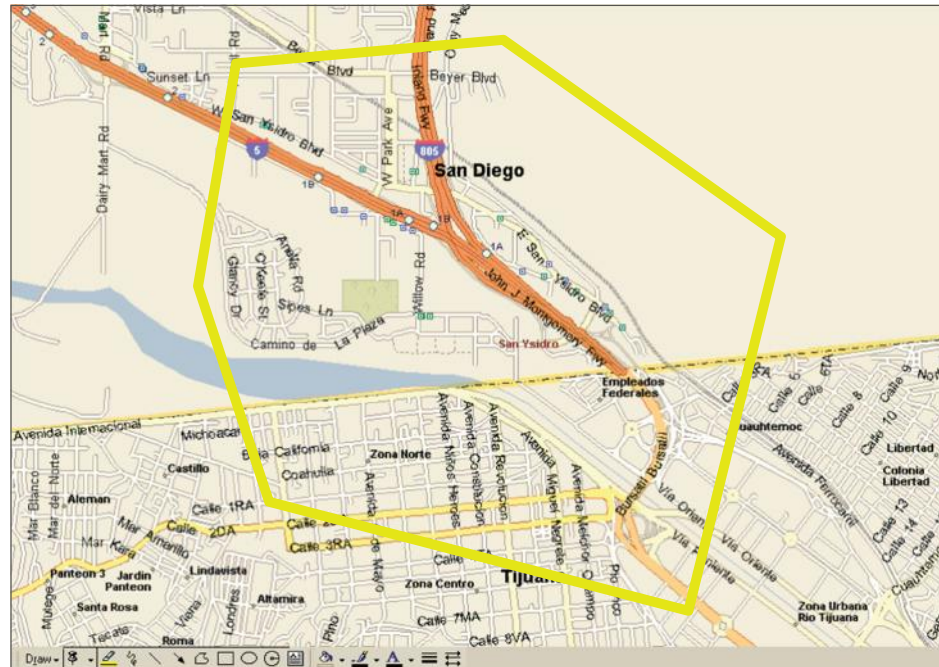
☐ Map and show an Aerial of my selected properties with Microsoft Live

4. From the Mapping/Options window, click the **Start** button. REALHOUND® will send all of your selected properties to MapPoint 2013 and open a new window.
5. Maneuver and zoom the Property Map window to the geographic area that you are interested in. Select the drawing tool that you prefer.



6. Draw a complete polygon around the properties that you want in your search. Click the **Remove Properties Not in Shape** button.

Properties outside the shape will be discarded.



7. Close the Property Map window by clicking on the red X on the upper right side of the screen.
8. The Property Map window will close and only those properties located within the polygon will be selected in REALHOUND®.

## Internet Mapping

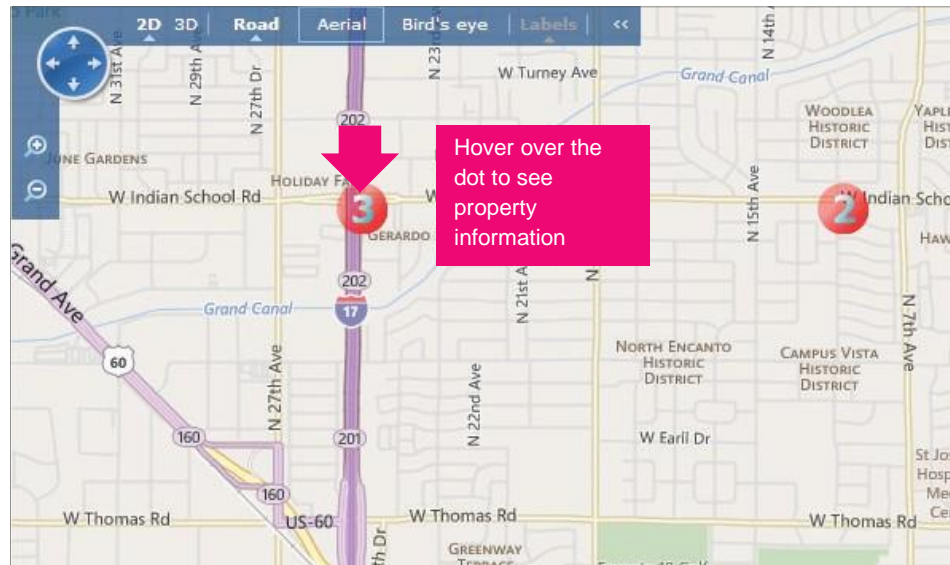
There is a mapping arms race happening on the Internet these days—and you are the direct beneficiary to the conflict. Say goodbye to the weak looking Mapquest maps and welcome to the days of full-detailed aerials and street level views of your properties delivered right through your web browser. The best part of this all is that these powerful mapping tools don't cost you a dime and they are integrated right into REALHOUND®.

When you click the **Map** button, all queried (selected) properties will get sent out to the Internet and mapped using the mapping service of your choice (Microsoft, Google, Yahoo or MapQuest).

## Microsoft's Virtual Earth™

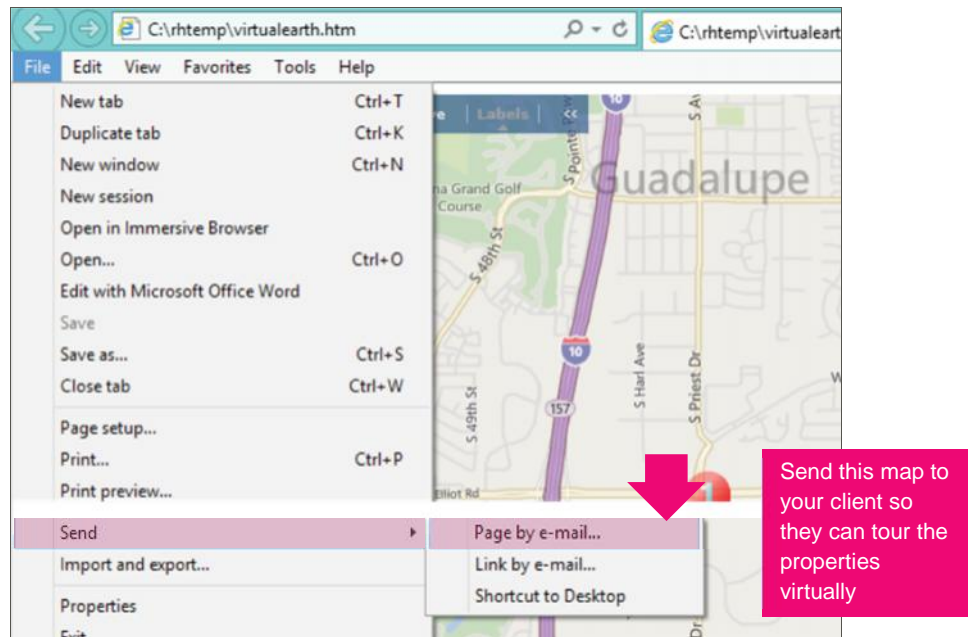
This option produces very nice Roadmaps, Aerials and bird's eye views. Properties are represented on the map as numbered red dots and a corresponding legend is created at the bottom of the web page. **You can also send your map to a client as an HTML email and they will be able to view your mapped properties complete with bird's eye views!**

1. Click the **Map** button. From the Mapping Options screen, select **Map and show an Aerial of my selected properties with Microsoft Live Map** radio button and click the **Start** button. A map will be created in your browser.



2. You can select Road maps, Aerial or Bird's eye views.
3. To send this map to a client, click the **Page** button inside of Microsoft's Internet Explorer and select **Send Page by Email**. Select HTML and your email will open. Enter your client's email address and send your email.

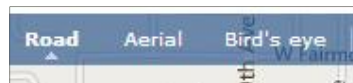




4. At the bottom of the page displayed in the browser window, a legend with all of the mapped properties is displayed. Use the scroll bar to view the property list.

1. Public Storage - 1850 N Central Ave - Phoenix AZ - Storage - 65,000 Square Feet  
 2. Mid Town Professional Center - 1102 - 1108 West Indian School Rd - Phoenix AZ - Office - 11,851 Square Feet  
 3. Doheny Building - 4445 Indian School Road - Phoenix AZ - Office - 4,224 Square Feet  
 4. Crystal Centerplex - 4304 Camelback Road - Phoenix AZ - Office - 150,000 Square Feet  
 5. Aflac Health Care - 4805 West Thomas Road - Phoenix AZ - Office - 16,744 Square Feet  
 6. 332 E Camelback Road - 332 E Camelback Road - Phoenix AZ - Retail - 48,000 Square Feet

5. To see a bird's eye view of the property, select the **See this location in bird's eye view** button.



6. Next, select the magnification icon to zoom in and out and change direction.

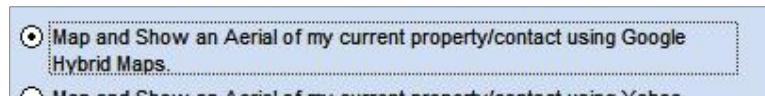


## Google™ Maps

Not to be outdone by their competition in Seattle, Google™ has Road Maps, Aerial and Street View mapping. A property is represented on the map as a green arrow with a text box. Only one property can be mapped at a time.

**You can send your map to a client as an Html email and they will be able to view your mapped property complete with street views!**

1. Select the property to be mapped in REALHOUND®. Click the **Map/Aerial** button and select from the Mapping Option window the radio button next to **Map and Show an Aerial of my current property/contact using Google hybrid Maps.**



Next, click the **Start** button at the bottom of the window. Your Internet browser will now display the mapped property.

2. On the displayed web page, choose the type of map you wish to view—Street View, Traffic, Map, Satellite or Terrain. Try the **Street View** if it is available in your area.
3. To see the Street View in full screen mode, click on the **Full Screen** Option.

## Yahoo™ & MapQuest™

These features work in much the same way as the above.



**Reminder:** The type of Internet mapping services and quality of the maps offered by the mapping companies will vary by location.

## Power Moves

1. The **Contact** section's **Companies & Contacts** tab displays a contact's primary information, history of property ownership, Leasehold interest, related contacts, group membership and history of activities relating to the contact. In addition, you can send emails, generate letters and schedule activities with your contacts from within this screen.
2. Always enter in Buyers & Tenants Needs for each qualified contact you speak with. Buyers & Tenants Needs are used to match buyers with sellers and tenants with available space in other areas of the program.

You should always enter in the following items into Buyer Needs: Price Range, Down Payment Range, Expiration date, Deal Probability, and whether they are in a 1031 Exchange. If the contact is in an exchange, include their nomination date. Extra details should be stored in the comments box.

3. You should always enter in the following items into Tenant Needs: Lease Rate, Available SF, Expiration date and Deal Probability. Extra details should be stored in the comments box.
4. The **Today** section is where you can access your task list, calendar, Search history, enter marketing campaigns and manage projects.
5. The **Property** section of the program is where all of your property data is stored including pictures, property-related documents, Sales, Availability/For Lease, Leases and rental history. Most users will never use all of the features in this section, but for those of you who are true “data hounds”, you will not be disappointed. All REALHOUND® users should acquaint themselves with the **Overview, Unit Types, Square Footage, Lease, Offerings** and **Sales** tabs.
6. Use DealFinder to find and manage buyer needs in your database or automatically match buyers with properties that are for sale.
7. Use **Tenant Wizard** to find and manage Tenant needs in your database or automatically match Tenant needs to available space.

These features are going to make you a lot of money!



*"Life is a long lesson in humility."*

*J.M. Barrie*

## 5

## Chapter Five

*Fish Will Not Jump Into Your Boat Just Because You Look Good!*

### **Cold Calling & Market Surveys Made Easy**

Let's face it, if you are not talking to every property owner or tenant in your farm at least once a quarter, you are not effectively covering your market. If you are not covering your market, you are leaving the door wide open for your competition to make a very nice living from commissions that you left on the table. So it is up to you to cover your farm so well that your competition does not like going to work in the mornings and agonizes over their career choice.

Now, we know that some of you consider your competition to be friends, but no broker will just let you have a \$150,000 fee if they think they can earn it first. We advocate a healthy respect for your competition within the bounds of fair dealings, but you should not let yourself be naïve enough to step into the brokerage arena with the belief that you will necessarily be treated the same way. Always carry the strongest shield and the sharpest sword if you want to prevail in this business. Which brings me back to my point—the most effective way to cover your farm is by using the telephone and sending direct mail.

Most people are afraid of the telephone. After all, it is the leading cause of neck cramps and lock jaw in our society today. If you are afraid of calling someone that you do not know, stop and think for a moment about how harmless this piece of equipment really is. The telephone does not bite, transfer any communicable diseases from the person on the other end, and will not inflict any physical pain on your body. They cannot judge you for your taste in neckties or criticize you for eating too many onions on your burger at lunch. So what's your hang-up? If you are honest with yourself, fear of rejection is more than likely the problem. But don't worry; you are not alone, because almost everyone has this exact same fear.

You need a strategy to overcome fear and anxiety to become one of the truly great commercial sales agents. Did you notice that we said overcome and not eliminate your fear. Managing and controlling telephone anxiety is the best that most of us will be able to achieve. And after all, you have a lot of money to make and you cannot afford to let something so small get in your way!

### **Cold Calling - the Big Picture**

Simply put, cold calling is the most effective way of generating new business in commercial real estate. If you really want to put your career on the fast track, get on the telephone. If you want to make more money, get on the telephone. If you want to win more sales awards, get on the telephone. If you want to get yourself out of a sales slump, get on the telephone. If you don't

want to worry about paying your monthly bills, get on the telephone. If you want your competitors to find a new line of work, get on the telephone. Are you seeing a pattern developing here?



*“Your goal for every phone call is to secure a personal meeting”*

The following are simple reasons for calling property owners and tenants on a regular basis:

- To establish (or re-establish) and maintain a relationship
- To gather information about a property or prospect's intentions
- To market properties or spaces (yours or other broker's listings)
- To distribute information
- To market your services

**Your goal for every phone call is to secure a personal meeting with the property owner or tenant, because people like doing business with people they know.** Your objective should be to meet every property owner and major tenant in your farm. If a meeting is not possible, gather information about their property or future business expansion plans and ask the prospect if you can help them with any of their real estate needs.

Following are some questions that you may want to customize and ask on the phone:

1. Are you interested in purchasing any real estate or leasing any space in the next twelve months?
2. What direction do you think the real estate market is headed this year?
3. Do you anticipate any changes to your business?
4. How is your property (or business) doing (vacancy, rent increases, management, tenants, expenses, concessions, leasing, staffing, sales)?
5. Are you having any challenges with your property, space or location?
6. Are your CAM charges what you expected?
7. Do you have time to show me your property? I can meet you at the property the next time that you are in town.
8. Do you mind if I stop by and give you my business card? What days are you at the property?

**Again, your goal for each phone call is to obtain a face-to-face meeting with the property owner or tenant.** You must meet him to establish and build rapport. Your goal is **NOT** to list the building over the telephone or send him half-baked offers—because that destroys your credibility. Nor is it your goal to supply a prospect enough information that he can find a new space or market his property without you. You are not the Library of Congress or the Red Cross, so don't give away your trade secrets.

If you notice that you are doing all of the talking during a cold call, it is time for you to say goodbye (that is, of course, after you ask for a meeting). When you are on a call, always remember that you were born with two ears and one mouth and that you should use them proportionately. If you are doing all of

the talking, that means that you are not asking enough quality questions. People like to talk about themselves, so make sure your prospect is the one doing the talking and that you are attentively listening for your opportunity to ask for a face-to-face meeting.

If a property owner or tenant refuses to meet with you, but wants you to do a lot of work for him (a valuation, lease analysis, detail rent surveys, sales reports, etc.), do yourself a big favor—move on. Don't waste your efforts on someone who does not respect or value your time. Chances are they never will meet with you and their list of demands will only grow longer.

## Rid Yourself of Phone Anxiety

Here is a secret to ridding yourself of your telephone anxiety. Give yourself permission to botch phone calls. Yes, you heard me. It is OK to stink at cold calling as long as you make your calls every single day because, in time, your cold calling skills will improve. If you cannot give yourself permission to stink on the phone, then we give you permission, because we know that you will get better with each cold call you make. Think about it. Everything that you are good at today, you were once not good at (i.e., riding a bicycle, driving a car, reading, using a computer, public speaking, underwriting deals, filling out leases, etc.). You only became proficient at these activities by doing them repeatedly and by learning new techniques from other people. It is no different when you are learning how to effectively cold call.

Another way to get rid of your anxiety is to practice different call scenarios with a partner for at least 20 minutes each day. Practice overcoming the objections that are typically raised by your prospects on your real calls. If your state allows you to legally record your telephone calls, playback your actual recorded phone calls in your cold call practice sessions. Dissect the call into things that were done proficiently and areas that could use some work. Roll play calls with your partner to figure out how to get the calls to have a positive ending.

## Cold Calling Techniques 101

The following is what is known as the stacked calling method. Each of your phone conversations with a prospect stacks on top of each other to build a relationship with that prospect over a period of time. The key to this method is entering accurate call notes and maintaining a historical record of those notes in your database.

## First Contact By Telephone

When you call someone for the very first time, introduce yourself, your service, the purpose of your call and ask their permission to talk to them about their property (or their business plans if you are calling tenants).



**EXAMPLE 1:** “Hi, John?” Let them reply. “This is Tom Smith with Smith & Associates. I am calling to introduce myself to you. I am an office broker here in town.” Let them reply. “I am wondering if I can talk to you about your



building on 24th street for just a few moments.” If they say no, ask them for a better time to reach them and call them back at that time.

**EXAMPLE 2:** “Hi, John?” Let them reply. “This is Tom Smith with Smith & Associates. I am calling to introduce myself to you. I am an office broker here in town.” Let them reply. “I am just finishing up an owner market survey and I am wondering if I can talk to you about your building on 24th Street for a few quick moments.” If they say no, ask them for a better time to reach them.



**TIP:** If you are calling on larger buildings and you call the owner to do a rent survey, they will refer you to their manager just to get rid of you.

So, always do an owner survey and ask them about their opinions of the market, the direction that they think it is headed, if they are keeping up with what is for sale and sold, etc.

**EXAMPLE 3:** “Hi, John?” Let them reply. “This is Tom Smith with Smith & Associates. I am calling to introduce myself to you. I specialize in tenant representation here in town.” Let them reply. “I am helping a number of business owners and I am wondering if I can talk to you about your business expansion plans for a few moments.” If they say no, ask them for a better time to reach them.



*“Each new call builds on previous conversations to create rapport.”*

**Always record a brief synopsis of your conversation with a property owner in their contact record. If they mention that they like golf or something else that you can use to develop rapport in a later conversation, make a note of it. With each call, always remember to ask for a meeting before you hang up.**

### Subsequent Contact By Telephone

Here is the real beauty of this system. Every time that you speak with that owner after your initial phone call with him, you will always refer back to the last phone conversation that you had to re-establish rapport. If he was planning to take a trip to Italy, you can ask him about the trip the next time that you call. If he was going to repave the parking lot, you can ask him how it turned out. If he had a problem with vacancy, inquire about his success leasing the space.



**EXAMPLE:** “Hi, John?” Let them reply. “This is Tom Smith with Smith & Associates. I am an office broker here in town and we spoke a few months ago about your property on 24th Street. You were very generous with your time and helped me out with my market survey.” Let them reply. Now lead in gracefully with something that they told you in the previous conversation. “The last time that we spoke you had mentioned that you were going to take a trip to Italy. How was it?” OR... “The last time that we spoke you had mentioned that you were trying to lease some space to a major tenant. How did it go?” OR... “The last time that we spoke you had mentioned that you were going to replace the HVAC. Did you get everything up and running?”

With the stacked method, each new cold call builds on the previous conversation, creating rapport. It is important to stay in regular contact with your property owners so you don’t lose the benefit of the accumulated

conversations. Remember, the goal is to meet your prospect face-to-face. A good rule of thumb is to meet with them every 18 months.



**TIP:** If your prospect lives out of state and does not come to town very often, then you must go and see him. Commercial real estate professionals don't waste their time traveling to see just one prospect, they schedule two or three meetings to optimize their time and get the most bang for their dollars. You should take your show on the road at least once a quarter.

Okay, if you are thinking that you do not want to spring for the airline ticket and rental car, let me assure you that many agents have been beat to the listing punch line by making the extra effort to meet with a prospect that lives out of state. Fly Southwest Airlines and save a buck.

## Recover From a Cold Call Gone Wrong

If you are human like the rest of us, you will never be perfect on the telephone 100% of the time. You will occasionally put your foot in your mouth and really botch some calls—everyone does. Here is the good news about cold calling: **the people that you call on the telephone are not usually going to remember in 90 days if the last call that you had with them was good or bad.** So don't worry about being perfect on the telephone. What you should worry about is keeping a positive attitude after having an abysmal call or you will spread that negative energy to every call made thereafter.



**TIP:** On the off chance that someone does recognize you as that person who sounded like a dope on the phone 90 days ago (which they never do, but for the sake of argument, let's say that it happens to you), take the following steps:

1. Remain calm and collected.
2. Insist that they must have been talking to your competition.
3. And close by asking for a face-to-face meeting!

To clear the negative energy after a bad call, immediately hang up the telephone and say out loud "...and the horse you rode in on!" While this might seem childish, it really does work. The more wild and crazy your hang-up technique is, the better you will feel. No, wild and crazy does not mean that it is acceptable to throw the telephone across the room.

Brokerage is a business that is all about your recovery. Did you get the job done the very next time that you could prove yourself? That's the only thing that people in this business will remember. Now get out there, botch some calls and get a little crazy!

## Preparing To Cold Call

Forget cold calling for a minute, because we're going to make it easy for you to talk to prospects in your market by telephone. REALHOUND.com® has developed a number of tools that will help ease your pain. If you have

followed the instructions in Chapter Three, talking to prospects in your target market will be a snap.

To properly prepare for a cold call you must first have some market data on hand in order to have a meaningful conversation. Most owners like to talk about rents, sales, new laws & city ordinances, construction trends, industry news, local business news, sports, local weather and market trends. It is also helpful if you know something about your prospect before you speak with them.

**Read What Your Prospects Read.** Subscribe to periodicals that cater to your market. A must read for all real estate practitioners is your local newspaper, the Wall Street Journal and your local business journal. Scan through these periodicals and read only the relevant articles. It should only take approximately 30 minutes each day when you are doing this correctly.



**CAUTION:** If you are dedicating prime work hours each day to reading newspapers and you are not cold calling at least two hours each day—you have missed the point. *The point is and always will be this- consistently prospect for at least two hours by telephone every work day.*

**Conduct a Market Survey.** Survey at least ten properties that are similar in location, age and amenities. Call each of the ten property owners and ask them for their assistance with your survey, and in return for their help tell them that you will share the results of the survey. During your conversation with the property owner, continually ask open-ended questions and gather as much information about the property as you can. If the owner wants to talk, let him do so without interrupting.

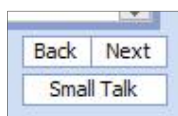
When you are closing the conversation thank him for taking your call, tell him that you have a few more owners to speak with, and that you would like to give him a copy of the market survey when you have it completed. Odds are that he will want to have a copy. Always try to personally deliver the market survey and meet the property owner. Record newly acquired rental data into your database.

Remember, sometimes you are going to have to talk to a property manager or leasing agent to get the type of data that will be of value to other prospects in your farm area.

### **Tongue-tied? Use smallTALK! and ZoomInfo™ To Build Rapport**

There are several tools built into the program that are designed to help you build rapport with your prospects. Knowing what direction to take a telephone conversation before you even dial can make the difference between having a great conversation or one that ends in failure.

**smallTALK!.** On the right hand side of the contact screen is the small button for smallTALK!.



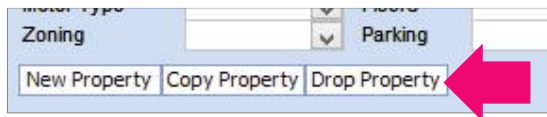
This exciting feature will give you some suggestions of things to talk about on the telephone with a prospect. Click on the **smallTALK!** button to retrieve information about local news, weather, professional and college sports scores all tailored to your currently selected contact. Make sure that you key in your contact's city, Interests (under the **Other** radio button) and attended university on their contact record to get the maximum benefit of this feature.

**ZoomInfo Smart-links.** The ZoomInfo and Smart-Links are located on the Smart-Links menu of the program. By selecting **ZoomInfo** from the menu, the program will send contact information to ZoomInfo's website, which automatically generates a report regarding your contact. This is very helpful for looking up phone numbers and discerning the line of business that your prospect is in. It can also help you to uncover details on your prospect such as the college that they attended, professional picture and articles that they have been quoted in or have published.

Once the contact or company list pulls up in your web browser, you can narrow down the search results using the Refine Search Results box on the left side of the web page.

## Creating a Market Rent Survey

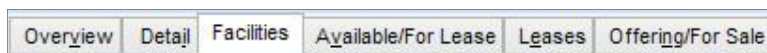
**STEP 1:** Create a market survey using the Radius Search to find properties around a subject property or the MapPoint 2013 geographic search functions for finding properties in an area by drawing on a map. A detailed explanation of each of these search functions is covered under the **Mapping** section in the previous chapter.



**STEP 2:** Query the properties to be surveyed using the Radius Search or MapPoint 2013. To drop a property from the list of properties, go to the **Overview** tab, advance to the offending property and click the **Drop Property** button (Poof! It's gone).

**STEP 3:** Once a survey group of properties has been selected, call all of the related property managers, leasing agents and owners to gather and update rental data in your database.

For leased investments, key in the rate information for each property in the **Asking Rates** and **Available Square Footages** sections on the **Facilities** tab.



Available Square Footage		Terms	
Total SF	6 000	Lease Type	
Direct SF	6 000	Rent Type	
Sublease SF	0	TI Allowance	
Office SF	0	Expense Stop	
Retail SF	6 000	Base Year	
Max. Contig. SF	4 000	NNN Charges	
Min. Divisible SF	2 000	CAM Charges	
Full Floor	No	Escalations	
Divisible	No		
Vacant Total	6 000		
Vacant Direct	6 000		
Vacant Sublease			
		Calculate From Availability	

Auto calculates averages from the availability tab

**STEP 4:** For Apartments and Storage property types, select the **Unit Types** tab and enter in the rental data. Follow the directions on the right side of the screen.

Follow these directions

Enter rental data

Fill out known information

Saves changes to the current property's rental history

Don't click on this button

Recalculate from Unit Types

Snapshot Current Rents to History

Step 1: Press 'Go Current Rents' if the button is visible.

Step 2: Update the rents for each unit type displayed.

Step 3: Enter the new Property Occupancy below or Vacant Units to calculate the occupancy.

Step 4: Enter the date that the data is from as the New Survey Date.

Step 5: Check if you want to change the current rents dates to the Survey Date.

Vacant Units:

Current Occupancy: 90%

Current Vacant: 10%

New Survey Date:

Set Current Rents Date to New Survey Date After Snapshot: ☐

Snapshot Current Property Only: ☐

Snapshot All Selected Properties: ☐

**STEP 5:** You can run different reports on this particular selection of properties by clicking the **Report** button on the top of the menu bar. Make sure the correct radio button is selected. For leased investments, select the **Commercial** radio button. For apartments and storage, select the **Multi-Unit** radio button.

Search View Report Analysis Smart-Links Window Help

Contact Property All Me Search Reports Demographics Map Our



**Reports**

**Step 1 - Select type of report you would like**

☐ Multi-Unit ☒ Commercial ☐ Hotel/Casino ☐ Custom Reports

**Step 2 - Select a category**

Available  
Contact  
Label  
Lease Comparable  
Link

**Step 3 - Select a report**

Available Properties List  
Available Properties Summary (Photo)  
Available Spaces List  
Available Spaces Summary (Photo)

**OR**

☒ Multi-Unit ☐ Commercial ☐ Hotel/Casino ☐ Custom Reports

**Step 2 - Select a category**

Contact  
Label  
List  
Offering  
Profile  
Rent Comparable

**Step 3 - Select a report**

Rent Comparables  
Rent Comparables (Comments)  
Rent Comparables (Comments/Occupancy)  
Rent Comparables (Submarket)  
Rent Comparables by Bedroom  
Rent Comparables by Bedroom - Compact

**STEP 6:** Select the professional report and click the *Preview* button.

## How To Cold Call Using REALHOUND®

**”**  
*“The key to cold calling is to just do it.”*

REALHOUND® is the ONLY commercial real estate contact management program that is specifically designed to be used for cold calling—PERIOD. It is impossible to skip over or forget to call a prospect when you are using this system to track your calls. Everyone gets called—no. Here is where the fun really begins. You have completed your market survey, entered in property data, have researched prospect phone numbers, entered property photos and you have also entered the last sale information and space available for lease on each property in your market. If you are like most of our users, you only have these tasks partially completed. So let’s just consider your database to be a work in progress.

Your farm area (list of properties) should already be setup as a property group if you sell investment real estate or specialize in leasing. Because your focus is on current property ownership, a property group will allow you to efficiently contact new owners that own properties in your farm area after your database has been updated with recent property sales.

If your forte is tenant representation, you should have the major tenants in your farm saved as a contact group.



**Caution:** You will never get the database to be 100% perfect all of the time because the real estate market is dynamic and is constantly changing. Whatever you do, don’t allow yourself to get so absorbed in the upkeep of your database that it becomes an excuse not to prospect and grow your business.

If you are a single user with no help, budget your time between money-making activities and database upkeep. Update your database only during hours that you cannot make phone calls.

Always run your call lists through the **Cold Calls** tab because the program will automatically generate and manage your call list based on your defined parameters. Call frequency, national DNC and phone number availability are just some of the factors that the program uses to determine who should be called and in what order.

The key to cold calling is to JUST DO IT. After the fourth or fifth call, you will get into a rhythm and your anxiety will start to fade away. That's why it is important for you not to be disturbed while you are making your daily calls.

## Generate Your Call List

**STEP 1:** From the **Contacts** section of the program, select the **Cold Calls & Call Lists** tab. Select the **Call owners of properties in a property group?** radio button. From the drop box, select your farm area that was saved as a property group.





**Step 1 - Select Contacts for Your List**

☐ Call currently selected contacts?

☒ Call contacts in a contact group?

☐ Call owners of properties in a property group?

☐ Call tenants (lessees) who's leases expire between...

☐ Call tenants (lessees) with options to purchase or renew between...



**Reminder:** You could also choose to call your currently queried contacts, a contact group, tenants with leases expiring between a certain date range and tenants with options to purchase or renew within certain date ranges.

**STEP 2:** On the same screen, narrow down the contacts on your list. Answer the questions and fill out the blank fields. When you are done, click the **Create List** button.

- a) "Remove contacts who have been reached in the last [x] days"—Remember, that the goal is to contact prospects every 90 days, so you should enter 90 in the first field.
- b) "Remove contacts who have been left a message in the last [x] days"—If you have recently called a prospect, did not reach them but left them a message, you probably don't want to call them for a few days. Enter in 3 or 5 in this field.
- c) "Remove contacts whose next call date is more than [x] days from today"—SKIP THIS AND LEAVE THE BOX BLANK.
- d) "Include contacts marked as 'Do Not Call?'—This is a personal preference, but select **NO**.



**Caution:** Some people do not want to be contacted by phone, fax or email and it may be unlawful for you to do so. Please use REALHOUND® in accordance with all Federal, State and local laws. However, if you do choose to use this software in an unlawful manner and get sent to prison, please take our friendly advice—never shower with a man named Bubba and always sleep on the top bunk!



- e) "Include contacts without a phone number?"—This is a personal preference. Select **NO** because you can always query (search) contacts without a phone number.
- f) Click the **Create List** button.

**Step 2 - Narrow Down Contacts Out of Your List**

Remove contacts who have been reached in the last (x) days: 90

Remove contacts who have been left a message in the last (x) days: 5

Remove contacts who's next call date is more than (x) days from today: [ ]

Include contacts marked as 'Do Not Call?': No [v]

Include contacts without a Phone Number? No [v]

**Create List**

*Skip this!*

On the same screen, you can review the total contacts selected and that number of contacts that were dropped from the call list.

### STEP 3:

**Step 3 - Review Total Contacts Selected**

Contacts initially selected	42
- Contacts reached since	0
- Contacts left message	0
- Contacts with future next call date	0
- Contacts who want "no calls"	0
- Contacts without phone numbers	9
<b>= Contacts remaining</b>	<b>33</b>
Contacts dropped from call list	9

**Step 4 - Goto Contacts**

Use Intellicall ☒

**Goto Contacts**

**STEP 4:** On the same screen, check the box next to **Use IntelliCall** and click the **Goto Contacts** button.



*Big Money  
Made Here!*



**IntelliCall** will automatically arrange the call list by placing those contacts that are statistically more likely to do business with you at the top of the call list and those that are least likely at the bottom of the list.

**Reminder:** The total number of properties or leases in your database will not necessarily equal the total number of contacts because some contacts will own more than one property or have more than one lease. If you have ten properties in your farm and one owner who owned three properties out of that property group, there will only be eight unique property owners queried.

**STEP 5:** After the **Goto Contacts** button has been clicked, the program will take you to the **Companies & Contacts** tab and display the first contact record on the newly generated call list.

**Companies & Contacts** | History | Cold Calls & Call Lists | List

Entity Type: Individual Contact [v]

Company: Mateos Development [v]

Contact: Carlos Gonzalez [v]

**STEP 6:** Call the first prospect, or if you do not want to call the currently displayed prospect, click the **Drop Contact** button on the lower left hand side of the screen and the record will be removed from the call list.

After the call has been made, click the **Cold Call** button at the bottom of the screen and the Save to History pop-up screen appears. Select the **Call Result** dropdown box and select the appropriate result: Disconnected, Wrong Number, Busy, Left Message, No Answer, Reached or Received Call.



**Caution:** It is absolutely critical that you select the proper “Call Result” because other areas of the program will use this data to track and calculate your call effectiveness.

**STEP 7:** Enter your call comments in the box.

When you are done click the **Save & Drop** button and the program will close the “Save to History” pop-up window, remove the contact from the call list and automatically advance to the next contact record.

Alternatively, you could click the **Follow-up Task** button to schedule an event or a to-do with the current contact.



**TIP:** If a prospect wants to meet with you, do it as soon as possible. The longer you delay, you increase the probabilities that your competition will find this prospect and will swoop in on your business. Before you meet with

a prospect, it is always a good idea to drive any related property to refresh your memory.



**Reminder:** Liberate your Task list! If you reached a prospect and he is on your normal quarterly calling schedule, you do NOT have to schedule a new task to remind yourself to call him in the future. REALHOUND® manages your call lists for you. The only thing you need to do is click the Cold Call button and select the proper call result after EACH call.

## Track Follow-up Phone Calls With Contact Groups

It is not practical to schedule future cold call dates with your prospects simply because you want to remember to call them every 90 days.

If you did, your task list would quickly become overwhelming and unmanageable. It is equally impractical to schedule reminders to call prospects with whom you want to follow-up with on a more frequent basis (other than your usual 90-day call schedule because you think they might be getting close to making a real estate decision). A Contact Group is the simplest way to track prospects you need to call frequently but do not have a formal appointment to call.

**You should only schedule a follow-up phone call as a future task if, and only if, you MUST call a prospect on a specific date.** This keeps your task list free from clutter and prevents you from becoming overwhelmed by 800 future tasks. Use contact groups to track large numbers of non-date specific follow-up telephone calls that need to be made more frequently than the normal three-month (90-day) prospecting schedule.

### Use the following system to track prospects using Contact Groups:

Create three contact groups with the following names: **Weekly, Bi-Weekly, and Monthly.** You will add contacts to the appropriate group as you are making your cold calls.

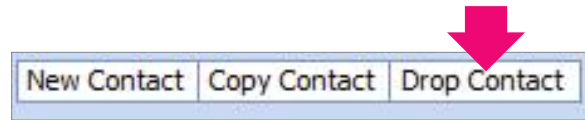
1. From the **Save to History** box, click **Save**.



2. Add the group name to **Contact Groups** box (i.e., "Monthly").



3. Click the **Drop Contact** button to drop the current record and advance to the record on the call list.



What do the group names mean?

**Weekly group.** Contacts that you believe warrant a phone call every week. Contacts in this group will be called weekly, typically on a Monday or Friday.

**Bi-Weekly group.** Contacts that you believe warrant a phone call every two weeks. Contacts in this group will be called every two weeks, typically in the middle and at the end of the month.

**Monthly group.** Contacts that you believe warrant a phone call every month. Contacts in this group will be called monthly, typically at the end of the month.

As the appropriate time of the month rolls around, just pick your contact group(s) and make your calls. Using this system, you would call the **Weekly** group every week. Around the 14th of the month, you would call the **Bi-Weekly** and **Weekly** contact groups. At the end of the month, the **Bi-Weekly**, **Weekly** and **Monthly** contact groups would be called.

This system works well because real estate is a cyclical business, meaning you tend to do the same activities every month. So it is very easy to remember to call the appropriate contact group.

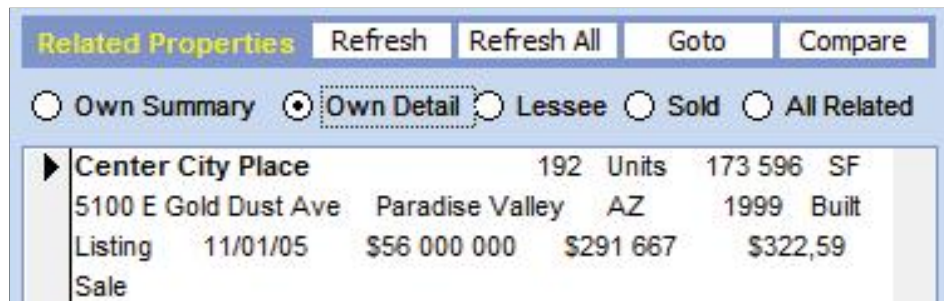


**TIP:** Create a contact group named Wrong Numbers. As you are making your cold calls and come across a wrong number, just add that contact to the Wrong Numbers group. This is a quick and easy way to recall the contact records that require phone number research.

## Using the Related Properties Section To Make Painless Cold Calls

Nothing is more helpful than having organized information at your fingertips while you are on the telephone. When you can talk to a prospect about his properties, discuss other properties that are For Sale or have Sold and what the surrounding rents are near his buildings during a normal phone conversation with him, you establish credibility and sound like a commercial real estate expert. Who cares that you clicked a few buttons and all of the information just popped-up. You get the credit while your database does all of the work. So, let's get you familiar with the **Related Properties** section on the **Companies & Contacts** tab.

On the **Companies & Contacts** tab in the lower right-hand portion of the screen is the **Related Properties** section. You have several ways to view the information in the list box.



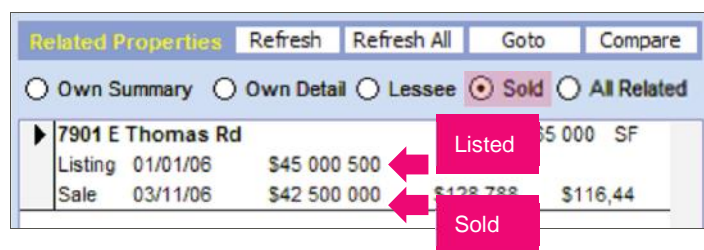
Select one of the following radio buttons:

**Own Summary.** The box will display a one-line property summary that shows all of the currently selected contact's owned properties. Use the scroll bar to move up and down the list box.

**Own Detail.** The list box will display a list of properties owned with a summary of Property, which includes details such as property address, listing information, square footage, units, year built and last sale data. This setting gives you the "need to know" basics on the real estate owned by a contact without having to click over to the **Property** section of the program.

**Lessee.** The list displays all of the leases that the contact is connected to as a tenant. Other details such as the property address, square footage, lease expiration date, renewal date, option date, lease rate and total lease consideration are all displayed.

**Sold.** The list will display the selected contact's history of sold properties.



**All Related.** The list will display properties that the selected contact is related to and the relationship (Owner, Manager, Listing Agent, etc.). This is a useful feature when you are trying to figure out what properties a property manager or a real estate broker is related to.

## The Compare Button (Analyze Properties On the Fly)

Next, let's explore the **Compare** button on the **Related Properties** section. This button activates the Auto Compare feature, which instantly gives you access to Rental, Sale and For Sale comparables customized for any property



in your database. **This amazing feature lets you analyze a contact's properties or leasehold interest in an instant, making it a powerful tool to use while you are on the telephone.**

### Auto Compare feature

1. Select **Own Detail** radio button. Click once on the gray box next to a property's name and the box will highlight in black.



2. Click the **Compare** button and the "Auto Compare" screen pops-up. The subject property will be listed in the bar at the top of the window. Enter your search criteria and click the **Search** button. Your objective is to narrow your search criteria to only query other properties that are similar to the property which is the subject of your comparison.

The screenshot shows a 'Search' window with various input fields. A pink arrow points to the 'Enter criteria' text, and a pink callout box says 'Click search'.

Field	Value
Units	142 - 242
Square Feet	
Year Built	1979 - 2019
As of Date	04/09/2014
City	
County	
Sub-Market	
Maximum Miles Away	5.00
Use Selected Properties	<input type="checkbox"/>

First, select a range of Units or Square Feet that is about 20% lower and 20% greater than the Subject property. If the subject property is an apartment building, you will probably want to search by Units. If the Subject is a strip center, you will more than likely want to search by Square Feet. Rarely would you search by both Units and Square Feet. **Example:** For a 50-unit apartment building, you would enter Units=40 to 60. Enter 16,000 to 24,000 square feet for a 20,000-square-foot strip center.



*Note:* Your properties MUST be geocoded for the radius search to work (see Mapping).



3. Select the appropriate radio button to see comparable Sales, Offerings and Properties (rental comps are available for apartments and storage only) that meet the existing search criteria. A list of matching properties will appear in the list below the radio buttons.



**Tip:** Adjust your search criteria to narrow or broaden your search results. After you change the search parameters, click the **Search** button to view your search results.

4. At the top of the Auto Compare window, the program will display a summary of the Sale Comparables, Offerings (For Sale properties), Rent Comparables (apartments and storage only) and will compare each category to the Subject property.

Sale Comparables		Offerings	Rent Comparables		
Total Properties		Properties	Properties	Subject	Comparables
Sales \$/Unit		Avg. Price	Units	69	
Sales \$/SF		Avg. \$/Unit	Square Feet	127 500	
Avg. CAP		Avg. \$/SF	Avg. Unit SF	1 848	
Avg. GRM		Avg. CAP	Avg. \$/Unit	\$2 978	
		Avg. GRM	Avg. \$/SF	\$0.62	
			Avg. Occ.	90.0%	
			Avg. Year Built	1998	
	Subject Value From Sales				
	By \$/Unit				
	By \$/SF				

Sale comparable summary

Estimated subject value from sales

Summary of comparable properties for sale around subject

Rent comparables vs subject rents



**Reminder:** The Auto Compare search function will function to save you from repetitive input by remembering the parameters that you entered into it from a previous search and will adapt those settings to the current Subject property.

5. You can map the properties in the list by pressing the **Map** button or query the properties in the “Show Detail” list by pressing the **Goto Selected** button.
6. Close the window to return to the Contact screen.

## Cold Calling Statistics and Printing a Call Report



Easily check your cold calling effectiveness and generate a cold call report from within the program.

After you have completed your daily cold calls, you should always review your call statistics. Your goal is to beat the numbers from the prior week. If you make it into a game, you will improve your call results over time. Consider it a personal challenge never to end the week without calling at least one more prospect this week than you did the prior week.

- 1 Select the Period Types from the dropdown
- 2 Click the Update Sales Statistics button
- 3 Click the Report button

Update Sales Statistics
Period Types Monthly

Sales Statistics

Date Ranges	01/1/2015 01/02/2015	12/1/2014 12/31/2014	11/1/2014 01/11/2014	10/1/2014 01/10/2014
Cold Calls	0	0	0	0
Reached	0	0	0	0
1st Meetings	0	0	0	0
2nd Meetings	0	0	0	0

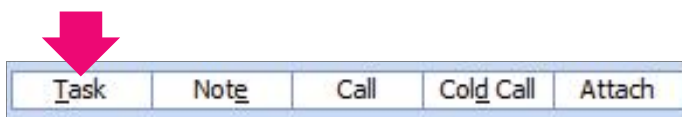
Note:  
Sales Statistics are derived from the 'Sales Type' field on the History screens.

Report

Always try to beat the numbers from the week before!

## Track 1st Meetings and 2nd Meetings

To track 1st Meetings and 2nd Meetings, you must set the “Sales Type” drop down box to 1st Meeting when you are scheduling a new **Task** with a contact on the **Companies & Contacts** tab.



## So What Exactly Is a 1st Meeting and a 2nd Meeting?

When you meet a prospect for the very first time, it is considered a 1st Meeting. At that meeting, you should try to uncover the prospect's needs and ask for the opportunity to solve the need. If their need is to sell their property, you would prepare a proposal for the sale of the property. If they want to sublet their space, you would prepare a proposal to lease the space. It is considered a 2nd Meeting when you have the follow-up meeting to present your proposal that solves the prospect's problem. You can have numerous 2nd meetings (or arm-twisting sessions as we like to call them) with your client until you get their business.

## Power Moves

1. Daily prospecting is the key to making a lot of money in commercial real estate. Devote two hours of every day to prospecting on the telephone. Do nothing else during this scheduled time and do not allow any interruptions. Record your call results for each prospect reached in their respective contact record. Your goal with each phone call is to meet the prospect because people do business with people they know.
2. Cold Calling is a specialized activity and there is no other software program on the market that can effectively manage the process like

REALHOUND®. If you are migrating to REALHOUND® from another software program, congratulations cold calling just got easier for you!

3. When you are on a call always remember that your Creator gave you two ears and one mouth with the intention that you would use them proportionately. The best calls that you will ever have with a prospect are the ones where you just listen and let them talk.
4. Here is the good news about cold calling...the people that you call on the telephone are not going to remember if the last call that you had with them was good or bad. So the only thing that really matters is that you are on the phone daily.
5. You will never get the data in REALHOUND® to be 100% perfect all of the time, because the real estate market is dynamic and is constantly changing. If you are a single user with no help, budget your time between money-making activities and database upkeep. Whatever you do, do not get so absorbed in the upkeep of REALHOUND® that you use it as an excuse not to prospect and grow your business.
6. The key to cold calling is just to do it. Pick-up the phone and call your prospects. For the most part, you will find that people are very nice and you just never know what you might learn from the person at the other end of the line.

Always try to beat the number of calls that you made the previous week. Make a game out of it like “dial-for-dollars”. You just never know when you will hit the jackpot!



*"In all affairs, it's a healthy thing  
now and then to hang a question  
mark on the things that you have  
long taken for granted."*

Bertrand Russell

## 6

## Chapter Six

### *Lick & Stick Your Way to New Clients*

#### **Direct Mail and Listing Marketing Reports**

Direct mail is a highly effective way of prospecting in commercial real estate. There is a system to direct mail that you must master and practice regularly in order to maximize your direct mail results. When done correctly, you can expect a 350% or more return on your investment in direct mail.

Direct mail can work independently from cold calling, but when done in conjunction with each other, they create a powerful lead-generating machine that will make you very successful. Most commercial real estate agents favor direct mail over cold calling because they are too scared to pick up the phone, even though direct mail alone is not as effective in a competitive market. You must combine cold calling and direct mail to have maximum impact in your market. This two-prong approach has been demonstrated to maximize lead generation and income.

REALHOUND® is the only commercial real estate software that lets you track each phase of your marketing and tie it directly to your contacts and property. If you have listings, you can easily generate push-button marketing reports for your clients and even review a history of who responded to your marketing, saving you hours of work every week.

#### **Direct Mail vs. Cold Calling: Which Is Better?**

The difference between cold calling and the use of direct mail can be compared to the difference between a Queen and Pawns in the game of chess. Pawns are numerous but weak. A Queen is strong but scarce.

Direct mail is the Pawn of your prospecting game. Your Pawns are weak but numerous and you just never know when they will capture some business for you. They cover the game board by sheer numbers and help you establish your brand. They are not too effective in bringing in a tremendous amount of leads, but they do pay for themselves and create brand awareness in the marketplace.

Cold calling is the Queen of your prospecting game. Your Queen is quick and nimble and can go where she is needed in an instant. She is very effective in bringing in new business but does not cover the entire game board. Your Queen will always capture business away from your competitors' Pawns if you have good timing and call a prospect during the investigative phase. In other words, a well-timed telephone call to a property owner or tenant will always generate more business than a random mailer.



*“Direct mail and cold calling work best when done together.”*

Direct mail and cold calling work best when done in conjunction with one another. You could not possibly call everybody in your farm every single week, but you can send mail to them weekly. Your mailers are a gentle reminder that you are active in the marketplace and are willing to help prospects with their needs. Mailers fill the gap between your quarterly phone calls. Your quarterly cold calls are at random (that is, you never know when you will reach a prospect). Your mailers are not random because they go out in predetermined intervals and always show up in your prospects' mailbox.

## The Secrets To a Successful Direct Mail Campaign

And now I'd like to share some of the secrets of a successful direct mail campaign. All too often commercial agents will send two or three mailers to their farm per year and get poor results. They then grumble to themselves that the mailing was not worth the money and effort. The truth of the matter is that their campaign lacked consistency. Or rather, the only thing consistent about their mailing campaign was their inconsistency.

A successful mailing campaign has these five critical elements: regular contact intervals, accessibility of the message, simplicity of design, a call to action and a take-away.

### The most critical element

The most important element to direct mail is **regular contact intervals**. All too often people will send two or three mailers to their farm and get no or very few results. By maintaining regular contact with your farm, you will start to generate a significant amount of inbound telephone calls from prospects requiring your services. It takes approximately four to six months of consistently mailing to your farm to get decent results from the mailing campaign. At the beginning of your mailing campaign, you should send out one mailer a week for the first four weeks. From that point on, send at least one mailer every two weeks for the rest of your commercial sales career. You will still obtain some results if you send only a monthly mailer to your farm, but we don't recommend this approach. Ideally, you should mail to your farm every week.

Direct mail works on the principle of probability and response rate. It is highly probable that someone in your farm is interested in buying, selling or leasing real estate right now. The big question is, will they call you first? The response rate in a competitive market is approximately  $\frac{1}{4}$  to  $\frac{1}{2}$  percent per mailing. Sending out mailers is purely a numbers game—the more you send out, the greater the number of responses you'll receive.



**Caution:** If you fail to send mailers to your farm for more than 6 weeks, you run the risk of having to start your marketing campaign all over again with the initial weekly mailers. What that means to you is that you will have to wait another four to six months for your mailers to become fully effective again.



## The second critical element

The second critical element in a successful direct mail campaign is the **accessibility of the message**. When your message arrives in your prospects' mailbox, it is competing against at least 10 other pieces of mail for attention. Typically, people will look for a bulk mail stamp or some other indication on an envelope to determine if a mailer is junk mail. If it does not pass their initial "sniff test", it is immediately discarded as junk mail. For this reason, you should not send your marketing materials in envelopes or with a bulk mail stamp.

A postcard is the best choice for direct mail because your message is immediately received when the postcard is viewed. Plus, it is the most inexpensive form of mail that can be sent. When your prospect receives a postcard, they will look at the front and, if it is designed well, turn it over to read the back. Your message is received, and the mailer has achieved some level of success.



**Tip:** If you must send advertising materials to your farm in a standard envelope, try to make the envelope look different from every other piece of junk mail in the prospects' mailbox. You might try using the following techniques to get your envelope opened:

- *Have your own handwriting made into a font and have your printer print directly to the envelope instead of a label.*
- *Use a first class stamp instead of metered mail.*
- *Create a red-colored hand stamp at your local office supply store that says "Market Information Enclosed" and use it to stamp the front of your envelope.*

## The third critical element

The third critical element is that the mailer should be simply designed. The front should not be cluttered; the recipient must clearly understand the subject matter of the postcard easily. The following are some headlines that work well:

- *Just Sold*
- *Just Listed*
- *For Lease*
- *Just Leased*
- *Are you thinking about selling?*
- *Do you need some growing room?*
- *Do you need another location?*

An uncluttered design on the front of the postcard and a good property photograph will get them to turn over the postcard to get more details. The back of the card should have the following elements:

- *4 to 6 word small headline*
- *A short 25 to 30 word write-up (tell the story!)*
- *A tagline (i.e., “Don’t sell your property without talking to me first.”)*
- *Your name*
- *Contact information with email*
- *Company logo*
- *Your professional photo*

The back of your postcard should be neat, uncluttered and professional.

#### The fourth & fifth critical elements

It is essential that your mailers **ALWAYS** have a **call-to-action** and a **take-away** on them. A call-to-action asks the prospect to do something, such as pick up the telephone and call you. A **take-away** is something that a prospect gets if they do contact you. Giving a prospect something for free is the most compelling reason of all for them to contact you.

The following are good examples of successful **call-to-actions** with a **take-away**:

- *Call for a free property valuation*
- *Call for a free sales survey*
- *Call for a free market survey*
- *Call for a free rent survey*
- *Call for a free lease analysis*



**Reminder:** Everybody loves to get something for free, so give it to them. Oh, there is just one tiny catch—they have to agree to meet with you to get it. If a prospect refuses to meet with you, but wants you to do a lot of work for them, there is a good chance that they are just wasting your time. Guard your time wisely. It is the most valuable commodity that you have and, once expended, can never be reclaimed.



**Tip:** If a property owner calls to take you up on your offer for a free valuation or sales survey, this is what we call in the business a very large clue. It would be a good assumption that that owner is thinking about selling their property sometime soon. Go meet them as soon as possible and stick to them like glue.



**Caution:** If a prospect has called you as a result of a mailer, there is a strong possibility that they also contacted your competition. Do not be afraid to ask them if they have talked to or plan on talking to anyone else. Never assume that you are not competing for their business.

Make sure your mailing campaign incorporates all five ingredients to ensure that you are sending the right message to your prospects. A successful mailing campaign has all five of these critical elements:

1. Regular contact intervals
2. Accessibility of the message
3. Simplicity of design
4. Call to action
5. A Take-away

Direct mail is a highly effective way of prospecting in commercial real estate, but you must master the system and practice it regularly in order to maximize your direct mail results.

## Email Blast Marketing

Email is probably the most abused type of advertising in the history of the modern world because it is the next best thing to free.



**Warning:** If you want to get both your company's email and your personal email address blacklisted, have a strong desire to pay stiff fines or face criminal charges; continue to send regular email blasts from your office account. Always, always, ALWAYS use a third party email blast service to send email blasts and stay on the right side of the law!

Most people are numb to email marketing and will ignore messages that aren't new listings or recent sales activity, not to mention that spam filters will kill about 40% or more of your emails before they hit your prospect's inbox.

**If you insist on sending email blasts, make sure that it is through a third party email blast service so you comply with all Federal, State and Local laws. This includes the laws in the State in which the email was received.**



**Reminder:** Spend the money to set yourself apart from your competition—send direct mail or spend the extra buck on a professional email blast. Besides, unlike spam filters, your neighborhood postman won't screen your prospects' mail for them!

## Marketing Reports Are Easily Created Using Marketing Campaigns



*"You should always give your clients a weekly marketing report on their listings."*

REALHOUND® tracks all of your marketing through the **Marketing Campaigns** tab. This feature is ideal for tracking and managing all marketing associated with your listings. If you were to send out a Just Listed postcard to a group of building owners or tenants, you would enter it into marketing campaigns. REALHOUND® would automatically update each contact record to show that you sent them a postcard and would also update who responded. If you got a call as a result of a sign that was posted on a property, it would be tracked and tallied with the rest of the property marketing.

This feature is ideal for multiphase marketing campaigns such as those involved in the marketing of a property or space. To communicate your marketing efforts to your client, simply click a button to print out a marketing report and send it to them.

### The Listing Marketing Report - A Staple In Your Arsenal

The listing marketing report is a staple in your arsenal of essential brokerage services. Ideally, marketing reports should contain the different marketing stages, results and the names of people who had an interest in the listing. Your marketing report should be sent to your client weekly and also be made available in "real time" for your client to view over the Internet. With the proper software technology, it should take no more than five minutes to generate a weekly professional looking "paper" report and no time whatsoever for your clients to view "real time" reports directly on the Internet.

Marketing reports should be used to win new business, manage an owner/landlord's expectations, substantiate who you marketed a listing to and demonstrate to your clients that you are "working the deal". Always remember that the fastest way to lose a listing at renewal time is by being inconsistent with your reporting methodologies or, even worse, by not providing your client with a marketing report at all.

Your listing proposal should contain a marketing section and, within that section, you should have the first two pages of your most successful marketing campaigns displayed as an exhibit. This will show that you actively market your listings and are not just an order taker. During your listing presentation, emphasize the fact that your competition does not provide this level of service and that most brokers invent their marketing reports. In fact, when pressed to do a marketing report, other brokers will guess at the response rates. This type of sloppy work should be a harbinger of "ill things to come" with your competition's work product if your prospective client does decide to hire the other guy.

What do you do when your client (owner or landlord) is unrealistic about pricing? You have tried to market the property their way and now it is time for your client to get a dose of reality. You could just "tell" them that their price and/or terms are unrealistic (like every other broker) or you could

“show” them ALL of the comments from real people in the marketplace who have looked at the property and passed on the deal. The Listing Marketing Report is the ideal tool to manage your client’s expectations because it is a written record of factual conversations with real people about their property. If your client is truly motivated, he will need to adjust the offering to make a deal and the right feedback will help get him to that point.

Maybe you are about to lose a listing to your competition or, even worse, one of your clients is waiting until after your listing agreement expires to do a deal on the side with someone that they “know”. A marketing report will be able to quickly substantiate who you have shown the property to in the event of a commission dispute.



*Reminder:* You should always keep a record of who you have sent marketing materials to and who has responded to your advertising. REALHOUND®’s Marketing Campaigns greatly simplifies this process.

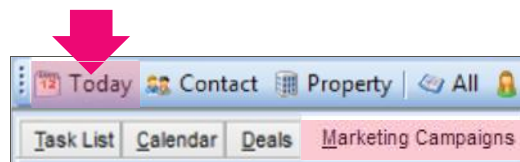
Marketing reports should be consistently used for every listing to report marketing effectiveness, help win new business, manage an owner or landlord’s expectations and substantiate who you marketed the property to during your listing period.

### Create a Marketing Report

Let’s say that you just listed a property and you want to keep track of your marketing and all corresponding results. Maybe you would like to market your listings using the following six different stages: signage, direct mail, newspaper advertising, Internet listing services, a broker mailer and an email blast.

Every broker has a different approach to marketing and the program is customizable to your style of marketing. All you have to do is follow these easy steps:

1. Go to the **Today** section and select the **Marketing Campaigns** tab.



2. Next to the grey box with the asterisk (\*), click the **Property Lookup** icon. Find your subject property on the list, highlight the property’s name and click the **Select** button. Enter in a brief but descriptive name (a property name or space followed by the listing expiration) for your new marketing campaign in the description field, or enter in the listing expiration date.

Marketing Campaigns			Show Completed Campaigns? <input type="checkbox"/>		
Property/Description	Visibility	Created	Completed		
48TH Street Central Center	Administrator	All	02/11/2006	No	
48TH Street Central Center 01/11/2015					
La Vista Park	Administrator	Team	06/07/2006	No	
Just listed					
9301 East Shea Boulevard	Administrator	All	10/11/2006	No	
* Description			02/01/2015	No	

- Go to the **Stages for this Marketing Campaign** box. Enter a **Description** and an order for each of the six phases of your marketing. To continue with our example, we will enter all six stages of marketing: Property signage, Email Blast, Just Listed Postcard, Internet Listing Service, Newspaper Ad and Broker Mailer.

The arrow shows the currently selected property

9301 East Shea Boulevard	Administrator	All	10/11/2006	No
Listing expires 02/2015				
*			02/01/2015	No

Fill out these fields for each Stage of Marketing

Stages for this Marketing Campaign	
Stage #	1
Description	Email Blast
Marketing Type	Email
Cost	\$0
Comment	Set task for John
Stage #	2
Description	Cold Call Emails

Select the correct Marketing Type

Each stage must be properly filled out with the proper stage number entered and Marketing Type selected.

- Enter the order in the **Stage #** field. Select your first activity, Property Signage, and complete the information in the blank fields. You should always enter in the **Start Date** (your start date is the day that you actually sent out a mailer or the first day you ran an ad), **Description**, **Comment**, and select the correct **Marketing Type** in the drop down field. The **Complete Date** is the day that you stopped a particular stage of marketing and is not critical to your advertising report. Enter the appropriate information for each stage of marketing.



### Sample Stage Descriptions:

Sample Description	Marketing Type
Property Signage	Sign
Email Blast	Email
Postcards (Just Listed, Reduced, etc.)	Direct Mail
Flyers (mailed)	Direct Mail
Mailer to 3 <sup>rd</sup> Party list (3,500 Contacts)	Direct Mail
Newspaper Ads	Newspaper
Magazine Ads	Magazine
Website Posting	Internet
Meetings	Meeting
Cold Calls	Call
Fax Blast	Fax
Confidentially Agreements (Signed)	Other
Marketing Packages	Other
Property Tours	Visit
LOIs	Other
Offers	Other
Best & Final	Other
Other????	??

Once you have entered your initial marketing stages, you have the option to save them as a template, so you don't have to enter them again for future listings. Click the **Save Template** button to save your newly created Marketing Stages template. The **Apply Template** button will load the previously saved marketing stages template into your Marketing Stages window.

**Default Template**

Apply Template

Save Template

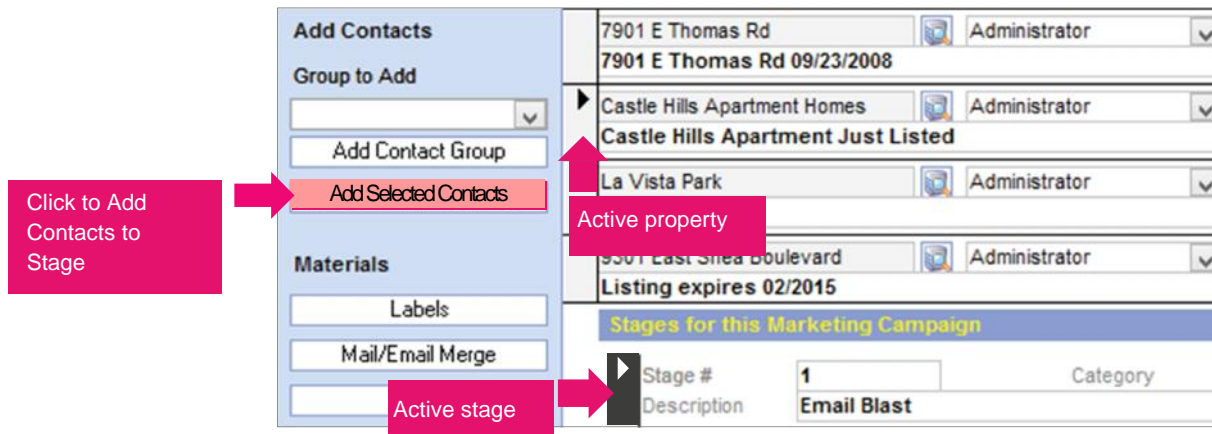
Here is what the marketing report looks like now:

Campaign	Just listed	Property	La Vista Park 7857 N Granite Reef Rd Scottsdale	AZ	8525
<b>Stages</b>					
Stage	Description	Contacts	Date		
1	Email	15	10/08/2014		
2	Mail Postcard	24	23/09/2008 - 18/08/2014		
3	Cold Calls	3	23/09/2008 - 25/08/2014		
4	Send Packages	0	27/08/2014		
5	Psted On Internet	0	12/12/2014		

- Marketing stages are either passive or active. If you send a mailer to a list of contacts in your database, it is considered active marketing. If you have an active marketing stage, you will link contacts from your database to that the marketing stage. In other words, if you send postcards to contacts in your database, you will link those contacts to the marketing stage. Mailers, email blasts and fax blasts are all examples of active marketing.

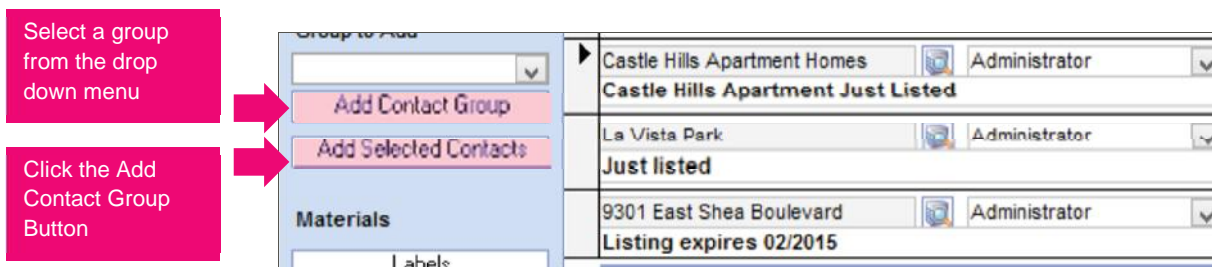
Contacts now need to be added to the Postcard stage.

- Query the contacts that you want to mail postcards to in the **Contact** section of REALHOUND®.
- With your contacts selected in the **Contact** section, return to the **Marketing Campaign** tab.
- Locate your listing campaign and select the Postcard Marketing stage.
- Click the **Add Selected Contacts** button.



Alternatively, you could attach all of the contacts in a Contact Group to a marketing stage by selecting the contact group and clicking the **Add Contact Group** button.

Remember to add contacts to *active* Marketing stages as you are doing or complete the stages.



- Passive marketing stages are marketing events that bring contacts to you. Newspaper, website postings, Internet listings, offers, property tours and signage are all considered passive marketing because the contact comes to you. If you have a passive marketing stage, you will link contacts from your database to the marketing stage. In other words, if you receive a sign call, send out a marketing package, conduct a property tour, receive an offer or receive an inquiry from an Internet ad, you must attach a contact to the appropriate marketing stage.

Let's say that someone called you regarding one of your listings because they saw a sign posted on the property. You talked to them for a while and then sent the caller more information. You need to link

- a) In the **Contact** section on the **Companies & Contacts** tab, select your contact activity type. In this case, it is a **Call**.

b) On the **Save to History** pop-up window, select the marketing stage from the **Campaign/Stage** drop down.

c) On the same window, select an **Activity** that best describes the result of your conversation or action taken.

d) On the same window, enter your call comments in the **Comments** box at the bottom of the screen.

e) Click the **Save** button to close the window and return to the contact screen.

Here is what the marketing report looks like now:

**Make More Money** – REALHOUND, Inc.® - 114

Notice what happens to the Contact Detail when the same contact who called you, prompted by the property signage, now tours the property and makes an offer—a complete contact marketing history will be added to the report



**Reminder:** If someone calls prompted by your advertising and they are not a contact in your database, you should always enter them into your database. You just never know when you will need their name and number in the future.

7. To create a marketing report from the **Marketing Campaigns** tab, select a Marketing Campaign and click the **Report** button.

**Reports**

Include Phone ☐

Include All Activities ☒

Extended Stages ☐

Detail Type  
Results Only

Report

**Other**

Goto Contacts

Report options

Creates a marketing report

Go to all contact records in a stage

8. Once you have completely finished with this Marketing Campaign and no longer need to work with it (for example, when you sell the building or lease the space), change the completed status from **No** to **Yes**. The marketing campaign will disappear from the list. We highly suggest that you never delete a marketing campaign.

Marketing Campaigns		Shows completed campaigns		Show Completed Campaigns?	
Property/Description	User	Visibility	Created	Completed	
48TH Street Central Center	Adminis	All	02/11/2014	Yes	
48TH Street Central Center 01/02/2015					
7901 E Thomas Rd	Administrator	All	23/09/2014	No	
7901 E Thomas Rd 09/23/2008					
Castle Hills Apartment Homes	Administrator	All	02/11/2014	No	

## Track a Newsletter or Non-listing Related Advertisement

You will always want to maintain a record of what marketing materials you have sent to the contacts in your database as well as who responded to your marketing. This includes the marketing pieces that advertise your services.

Let's say that you are sending out your quarterly newsletter. You want to send it to everyone in your farm. Follow these easy steps:

1. From the **Marketing Campaign** tab, create a new campaign but leave the property name blank. Add a description, such as “Newsletter 2nd Quarter, 2015”.

The screenshot shows a software interface for creating a marketing campaign. At the top, there's a form with fields for 'Property Name', 'Description', 'Marketing Type', 'Start Date', 'Complete Date', and 'Comment'. The 'Description' field is filled with 'Newsletter 2nd Quarter 2015'. A red callout box with a white arrow points to the 'Property Name' field, which is empty, with the text 'No property name'. Below the main form is a section titled 'Stages for this Marketing Campaign' which contains a table with columns for 'Stage #', 'Description', 'Marketing Type', 'Cost', 'Start Date', 'Complete Date', and 'Comment'. The first row shows 'Stage # 1', 'Description Newsletter 2nd Quarter 2015', 'Marketing Type Direct Mail', 'Start Date 04/01/2015', and 'Comment Newsletter sent to Database'.

2. Create your Marketing Stage and attach your Contacts to that stage or you can add contacts as they contact you.  
You can search for contacts that responded to your marketing and print a marketing report on the **Marketing Campaign** tab.
3. Once you have completely finished with this particular marketing campaign and no longer need to work with it, change the completed status from **No** to **Yes**. The marketing campaign will disappear from the list.

## Review a Contact's Marketing History

A contact's marketing history can be viewed from their individual contact record by clicking on the **Marketing** tab.

Companies & Contacts			
History	Buyers & Tenants Needs	Marketing	Cold Calls & Call Lists
List			
Marketing Campaigns and Presented Properties			
Date	Property	Marketing Campaign	Result
14/08/2014	Castle Hills Apartment Homes	Castle Hills Apartment Just Listed	
	Castle Hills Apartment Homes		
	Email Blast		

## Power Moves

1. Direct mail and cold calling work best when done together. You could not possibly call everybody in your farm every single week, but you can send mail to them weekly. Your mailers are a gentle reminder that you are active in the marketplace and are willing to help a property owner with their needs. Mailers fill the gap between your quarterly phone calls.
2. Make sure your mailing campaign incorporates all five ingredients to ensure that you are sending the right message to your prospects. A successful mailing campaign has all five of these critical elements:



- a) Regular contact intervals
  - b) Accessibility of the message
  - c) Simplicity of design
  - d) Call to action
  - e) A take-away
3. Direct mail is a highly-effective way of prospecting in commercial real estate. You must master and regularly practice the system of marketing to maximize your direct mail results.
  4. The most important element of direct mail is the frequency of contact. All too often, people will send only two or three mailers to their farm and get no or very few results. But by maintaining regular contact intervals with your prospects, you will start to generate a significant amount of inbound phone calls from property owners requiring your service. Ideally, you should mail to your farm weekly.
  5. REALHOUND®'s Marketing Campaign feature is ideal for tracking single and multiphase marketing campaigns such as what is involved in sending out a newsletter or marketing a listing.
  6. The best way to lose a listing at renewal time is by not giving your client weekly marketing updates during the listing term. Traditionally, listing marketing reports required a tremendous amount of time, labor and effort to create, but with REALHOUND®, you just click a button. Marketing reports should also be used to win new business, manage an owner or landlord's expectations and substantiate who you marketed the property to during your listing period.





*"Change is inevitable. Growth is optional."*

Unknown

## 7

## Chapter Seven

### *Your Personal Money Machine*

#### **DealFinder and Tenant Wizard**

Everyone knows that money does not grow on trees. If it did, everybody would have it and nobody would want to work. So we have come up with a way to make your work easier...DealFinder, Tenant Wizard and space/property auto-matching.

These features are going to put a lot of money in your pocket. Do you like money? Of course you do! So the next time somebody in your office makes fun of REALHOUND®'s quirky name, just smile, nod and tell them that you have gone to the dogs. After all, there is nothing wrong with being the Top Dog in commercial real estate. So, you better start practicing your howl right now.

Everyone at some point in time has had a prospect who only wants a building in a very specific location. You know the type... "I want a 1990s or newer constructed office building in east Phoenix, east of SR-51 and within the Camelback business corridor. It needs to have at least 15,000 SF available..." If you are like most brokers, you will have a general idea of the properties that might fit his needs as soon as he begins outlining his needs to you, but after a few days have passed, you have mentally moved on. Six months later, your prospect has closed with another broker.

This can be avoided by always setting up individual Buyers & Tenant Needs and by using DealFinder and Tenant Wizard.

#### **Introducing DealFinder & Tenant Wizard**



*Big Money  
Made Here!*

DealFinder and Tenant Wizard were designed to take the pain out of matching buyer and tenant needs with available properties while managing lists of both buyers and tenants. You can now effectively manage hundreds of buyers' and tenants' needs and maintain even the most complex requirements. The program automatically matches needs against available inventory in your property database. When a match is found, the program will display the matching records. As you show the matching properties or space to individual contacts, a history of shown properties can be stored in a contact's record.

Consistently tracking buyer and tenant needs is a vital component to your success in commercial real estate. Once you have a well-maintained database of active buyers and tenants and a track record of successful deals, you are well on your way to becoming the market leader. With each new sale and lease transaction, your reputation for getting the job done grows in the marketplace. Eventually, new clients will seek you out for your expertise.

**TIP:** Maintaining your database in this fashion will allow you to quickly find buyers and tenants for your own listings. The quicker you find a buyer, the quicker you will cash a cheque.

Invariably, there is always someone out there who has built their business on just listing properties (or space) and could care less about maintaining a database of buyers and tenants. If you don't think buyers and tenants are important, try closing a deal without one!

The simple truth is that if you are not showing properties to people in the marketplace, then someone else in your market is—meaning, you are leaving money on the table for your competition. If you're selling institutional grade properties, we acknowledge that you think your business model is different and that you know who all the buyers are in the marketplace. We also acknowledge that when a property closes for a price that you never thought possible with a buyer who you never heard of, it is just a market anomaly!



**Caution:** About 80% of all potential buyers and tenants will just waste your time. Make sure that every prospect is qualified, has the money and is properly motivated before you invest more than 5 minutes of your time on them. You must qualify your prospects by asking them the right questions up front. Always, Always, ALWAYS enter the **Deal Probability** on the **Buyers & Tenants Needs** tab for each need that you record and a need expiration date.

At least 30% of your income should come from representing buyers and/or tenants in the marketplace. Clients that you represent are oftentimes loyal when they want to sell their deals or renew their leases and will give you a call before they do decide to sell.

## DealFinder

DealFinder gives you the ability to find and manage buyers in your database who want to purchase properties that match certain criteria that you have already specified for them under the **Buyers & Tenants Needs** tab (in the **Contacts** section of the program).

This feature is extremely useful when you are trying to locate a buyer for a property that is For Sale but you have not entered that property into your database. You need to manage a list of clients in a 1031 tax deferred exchange and manage a general list of buyers. **Example:** You go to a meeting and another broker pitches a deal that requires \$2,000,000 down. After the meeting, you search DealFinder for buyers that have at least \$2,000,000 and a deal probability of 65% or greater. Next, you run the deal past those buyers who qualify. **Yes, this feature can make you a lot of money!**

## Using DealFinder

DealFinder is located in the **Today** section of the program on the **DealFinder** tab. Let's continue with the above example and search for buyers who have at least \$2,000,000 and a deal probability of 65% or greater.

1. Enter in the down payment and deal probability into the blank fields. Click the **Search** button.

**Search For**

Property Type

Listing Price  
 -

Down Payment  
 \$2 000 000 -

Target in the next # days

1031 Exchange Buyers

Days to Nomination

Probability Greater Than  65%

Show Expired Needs?  No

Property Status

Since Listing Date

**Search**

2. All of the contacts with matching buyer needs will be queried in the **Buyers** window.

Buyers							
Company/Contact	City	Target Date	Price/Down Payment	Exchange	Probability	Not	
Administrator			\$7 000 000	No	85%	12/	
Administrator			\$3 000 000				
Alton Partners				No			
Alton Peters							
Avalon Associates				No			

3. Select a Buyer to show their property need in greater detail. You may also edit the buyer's need from this window.

Fremont Bank		\$7 000 000		No	85%
Evelyn Lewis		\$3 000 000			
Deal Type	Physical	Financial			
Expires	12/12/2015	Type	<input type="text"/>	Price	\$7 000 000 \$10 000 000
Target Date		Sub-Type	<input type="text"/>	Down Pmt	\$3 000 000 \$3 500 000
Deal Probability	85%	Year Built	<input type="text"/>	CAP	
Investment	No	Class	<input type="text"/>	GRM	
Net Lease	No	So. Ft.	<input type="text"/>	Occupancy	
1031 Exchange	No				

4. On this tab is the **Matched Properties** window. By selecting a buyer on the screen above the window and pressing the **Show Matched** button (don't forget to click the Search Internet button to find online listed properties), properties in your database with their For Sale status marked as Yes that meet the selected buyer's criteria will be displayed in the **Matched Properties** window.

Matched Properties								Show Matched	Goto Property
Property	Property Type	SF - Units	Listing Date	Price	\$/SF - \$/Unit	CAP	Status		
▶ Doheney Building Phoenix	Office	4 224							
48TH Street Central Center Tempe	Office	13 976	01/08/2006	\$10 000 000	\$716 \$5 000 000		Otm/available		
Preston Plaza Scottsdale	Office	3 840							
11054 North Frank Lloyd Wright I Scottsdale	Retail	25 000	21/11/2014	\$1 495 000	\$60	6.0%	FSBO		

Offering (For Sale)				Match Buyers	
For Sale	Yes			In Escrow?	No
Status	Otm/available				
Listing Price	\$10 000 000	Listing Date	08/01/2015	CAP	
\$/SF	\$142,98	Expire Date		GRM	
\$/Unit	\$105 263				
Listing Broker	Chester Hill & Company - Anita Hill - 510-830-0988				

The **Matched Properties** window shows you a list of properties that match the selected buyer's need. Click the **Goto Properties** button to query the list of properties in the **Property** section. Print the property list (run an availability report) and send it to your client!

## Tenant Wizard



Tenant Wizard gives you the ability to find and manage multiple tenant needs in your database for contacts who are looking to lease space that match certain criteria that you have already specified for them under the **Buyers & Tenants Needs** tab (in the **Contacts** section of the program). The Tenant Wizard feature is extremely useful when you are either trying to locate a tenant for an available space, but that space has not been entered into your database, or when you want to manage a list of tenants looking for space.



*Example:* You receive a flyer from another broker marketing 20,000 SF of office space. You would search the Tenant Wizard feature for tenants who have a need for 20,000 SF of office and then run the deal past all of your prospects who qualify. *Yes, this is another feature that can make you a lot of money!*

## Using Tenant Wizard

Tenant Wizard is located in the **Today** section of the program on the **Tenant Wizard** tab. Let's continue with the above example and search for Tenants who have a need for at least 20,000 SF of office space and a Deal Probability of 65% or greater.

1. Enter in the **Square Feet Available** and **Deal Probability** into the blank fields. Click the **Search** button.

**Search For**

Property Type

Square Feet Available  
 20 000 -  20 000

Ask Rate - \$/SF/Month  
 -

Target in the next # days

Probability Greater Than  
 65%

Show Expired Needs?  
 No

Since Listing Date

Range of SF & Deal probability

Click to search

2. All of the contacts with matching Tenants Needs will be queried in the Tenants window.

Tenants					
Company	Contact	City	Target Date	Square Feet Available	Probability
	Jenny Hawkins			17,000	65%

3. Select a contact to show their Tenants Need in greater detail. You may also edit the Tenants Need from this window.

Company	Contact	City	Target Date	Square Feet Available	Probability	Expi	
Baylin & Baylin Associates	Debbie Baylin			17 000	25 000	6500%	01/01

Deal Type		Physical		Financial		Location	
Expires	01/01/2015	Type	Office	\$/SF/Month		Submarket	Phoenix-Mesa
Target Date		Sub-Type		\$/SF/Year	\$8.00	City	
Deal Probability	6500%	Year Built		Occupancy		County	
Investment	No	Class				State	
Net Lease	No	Sq. Ft.				Postal Code	
		Avail.SF	17 000	25 000	Comment		

4. On this tab is the **Matched Available Spaces** window. By selecting a tenant need on the screen above the window and pressing the **Match Available Spaces** button (don't forget to click the search Internet button!), properties in your database with spaces available for lease that meet the selected tenant's criteria will be displayed in the **Matched Available Spaces** window.

Matched Available Spaces											
Name	Address	City	Postal Code	Spaces	Sq Ft Available	\$/Month	\$/Year	\$/SF/Month	\$/SF/Year	Lease Type	Listing Date
332 E Camelback Road	332 E Camelback Road	Phoenix	85012	401	2 000	\$1 400	\$52 800	\$2.00	\$26.40		
332 E Camelback Road	332 E Camelback Road	Phoenix	85012	403	2 000	\$4 600	\$55 200	\$2.30	\$27.60		

## Matching Buyers To Listed Properties

1. Use the DealFinder feature.



- From the **Property** section, on the **Overview** tab click the **Match Buyers** button.

- From a contact record's **Buyers & Tenants Needs** tab, select a Need and then click the **Show Matched** button.

## Matching Tenant Needs To Available Space

- Use the Tenant Wizard feature.
- From the **Property** section, on the **Available/For Lease** tab, click the **Match Tenants** button.

- From a contact record's **Buyers & Tenants Needs** tab, select a Need and click the **Show Matched** button

## Present and Record Properties Shown To Clients

As you show properties to your clients, you need to effectively enter into their contact records a history of those properties that you have shown them. The following method works for an individual contact or a large number of contacts.

### Record properties shown (presented) into a contact's history

1. In the **Property** section, select the property or properties that need to be presented to a contact or contacts. Make sure that you have NOT selected your entire Property database by mistake.

Property Name	Address	City	Square Feet Range	Units Range	Type
<input checked="" type="checkbox"/> Mirabella	6534 E Chaparral Rd	Scottsdale AZ 85251		Built 1996 Sq Ft 109 600 Units 84	Apartment
<input checked="" type="checkbox"/> The Gables	6230 E Continental Dr	Scottsdale AZ 85257		Built 1977 Sq Ft 87 600 Units 114	Apartment

Record: 1 of 2

Check All Uncheck All Drop Unchecked Available/Leases List Sales List

2. On the **Contact** section of the program, select all of the contacts that you are going to present the property or properties to. Once again, make sure that you have NOT selected your entire Contact database by mistake.

Company	Contact Name	City	State	Postal
<input checked="" type="checkbox"/> Trickster Development	Bruce Trickster	Beverly Hills	Ca	90210

Record: 1 of 10

Check All Uncheck All Drop Unchecked Export Contacts Export Emails Export to Exc

3. In the **Contact** section of the program, go to the **Companies & Contacts** tab of the first contact that you are going to present the properties to. Click the **Note** button to bring up the **Save to History** pop-up box.

Companies & Contacts | History | Buyers & Tenants Needs | Marketing | Cold Calls & Call Lists | List

Entity Type: Individual Contact  
 Company: Inmon Developers  
 Contact: Maxine Inmon  
 Title:   
 Position:   
 Address: 10645 N Tatum Blvd Ste 200-258  
 City: Phoenix  
 State: AZ  
 Postal Code: 85028  
 Country: United States

Work: 602-448-9840  
 Cell:   
 Home:   
 Phone 4:   
 Phone 5:   
 Fax:   
 Email:   
 Email 2:   
 Web:   
 User: Administrator  
 Visibility: All

New Contact | Copy Contact | Drop Contact | Task | **Note** | Call | Cold Call | Attach

4. From the **Save to History** pop-up box, complete the following:
  - a) Select **Presented** from the Sales Type drop down box.
  - b) Check the box next to **All Selected Properties** if you want all of the queried (selected) properties on the **Property** section OR select the **Property Lookup** icon next to the Property field to select a SINGLE property.
  - c) Check the box next to **All Selected Contacts** if you want this activity attached to all of the currently selected contacts OR leave the box blank to attach the activity to the CURRENT contact record.
  - d) Enter your comments in the **Comments** box.
  - e) Click the **Save** button when finished.

Save to History

**History Details**

Start Date/Time: 04/01/2015 9:28 PM  
 Type: Note  
 Sales Type: **Presented**  
 Sales Result:   
 Description:   
 Visibility:   
 Attach this Note to a Group or All Selected Contacts or All Selected Properties  
 Contact/Property Group:   
 All Selected Properties: ☒  
 All Selected Contacts: ☒

**Comments**

Presented 3 apartment properties

Cancel | Save & Drop | Follow-up Task | **Save**

Change the sales type to PRESENTED

Adds the All Selected properties

Adds the All Selected Contacts

Add Comments

Click Save when finished

5. The Program will make a note for each property in each

Marketing Campaigns and Presented Properties			
Date	Property	Marketing Campaign	Result
04/01/2015	The Gables Note	Presented	
04/01/2015	Mirabella Note	Presented	

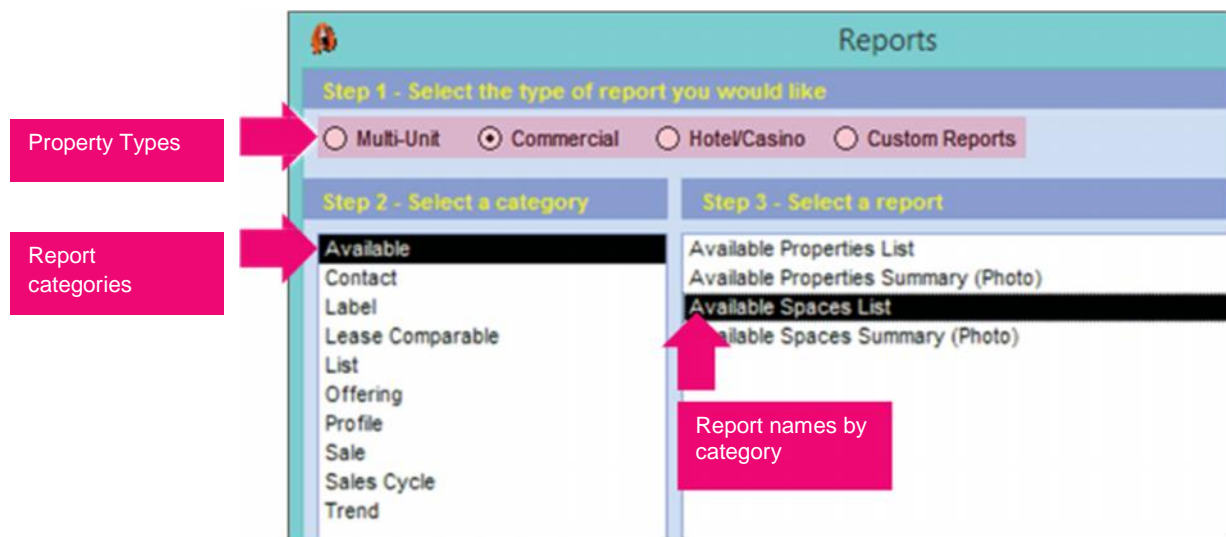
## Print an Available Space or Property Offering Report

Once you have determined which properties or spaces that you wish to show your client, generate and print an availability report to send them. Here's how:

1. Click the **Reports** button.



2. Select the correct property type radio button. Select the **Available** report category and then the specific report type that you want to generate.





OR

**Reports**

**Step 1 - Select the type of report you would like**

☐ Multi-Unit ☒ Commercial ☐ Hotel/Casino ☐ Custom Reports

**Step 2 - Select a category**

Available  
Contact  
Label  
Lease Comparable  
List  
**Offering**  
Profile  
Sale

**Step 3 - Select a report**

Brochure (Photo)  
**Offering List**  
Offering List (Owner)  
Offering List Detailed  
Offering List Detailed (Legal)  
Offering List Detailed (Owner/Broker)  
Offers Summary

3. Select the desired report options and click the **Preview** button to create your report.

**Step 7 - Preview your report before printing it**

Note: You must have an on-line default printer setup, or reports will not display. Also, if a report is not displaying, try removing any background setup in the options

**Preview**

The preview should appear as follows:

**Property Listings**

Listings within the last 30 days are highlighted.

	City	Built	Units	SF	For Sale	Listing Price	\$/Unit	\$/SF
Property Name: 11054 North Frank Lloyd Wright B								
1 11054 North Frank Lloyd Wright B	Scottsdale	1997		25 000	Yes	\$1 495 000		\$60
Property Name: 17025 N Scottsdale Road								
1 17025 N Scottsdale Road	Scottsdale	1999		60 000	Yes	\$10 200 500		\$170
Property Name: 48TH Street Central Center								
1 48TH Street Central Center	Tempe	1986		13 976	Yes	\$10 000 000		\$716
Property Name: 5743 East Thomas Road								
1 5743 East Thomas Road	Scottsdale	1990		40 000	Yes	\$7 500 900		\$188
Property Name: 73RD St Centre								
1 73RD St Centre	Scottsdale	2003		10 000	Yes			
Property Name: 7400 East McDougal Drive								
1 7400 East McDougal Drive	Scottsdale	1980		60 000	Yes	\$12 450 500		\$208
Property Name: Aloha								
1 Aloha	Scottsdale	1977	95	69 940	Yes	\$10 000 000	\$105 263	\$143
Property Name: Arrow Trails								
1 Arrow Trails	Scottsdale	1988	300	330 000	Yes	\$54 000 000	\$180 000	\$164
Property Name: Barton Creek Hillside								
1 Barton Creek Hillside	Scottsdale	1999	508	620 900	Yes	\$65 000 000	\$127 953	\$105
Property Name: Casita Del Rio								
1 Casita Del Rio	Scottsdale	1978	264	257 487	Yes	\$33 000 500	\$125 002	\$128
Property Name: Castle Hills Apartment Homes								
1 Castle Hills Apartment Homes	Scottsdale	2002	500	676 083	Yes	\$110 000 000	\$220 000	\$163
Property Name: Castle Ridge Apartments								
1 Castle Ridge Apartments	Scottsdale	2005	300	285 000	Yes	\$12 000 000	\$40 000	\$42
Property Name: Center City Place								
1 Center City Place	Paradise Valley	1999	192	173 596	Yes	\$56 000 000	\$291 667	\$323
Property Name: Lakeview Valley								
1 Lakeview Valley	Scottsdale	1997	416	503 700	Yes	\$58 700 900	\$141 108	\$117
Property Name: Oak Tree								
1 Oak Tree	Scottsdale	1981	244	246 880	Yes	\$27 000 500	\$110 658	\$109
Property Name: Park Manor								

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## Power Moves

1. DealFinder and Tenant Wizard were designed to take the pain out of matching buyer and tenant needs with available properties while managing lists of both buyers and tenants. You can now effectively manage hundreds of buyer and tenant needs and maintain even the most complex buyer requirements with ease. The program automatically matches needs against available inventory within the property database. When a match is found, the program will display the matching records. As you show the matching properties or space to individual contacts, a history of shown properties can be stored in that contact's record.
2. About 80% of all potential buyers and tenants will just waste your time. Make sure that all prospects are qualified, have the money, and are properly motivated before you invest more than five minutes of your time on them. You must qualify your prospects by asking them the right questions up front. Always, Always, ALWAYS enter the Deal Probability on the **Buyers & Tenants Needs** tab for each Need that you record as well as a Need expiration date.
3. At least 30% of your income should come from representing buyers and/or tenants in the marketplace. Clients that you represent in this way are oftentimes loyal when they want to sell their deals or renew their leases and will give you a call before they do so.
4. If you have an assistant, then it should be their responsibility to maintain your database and match buyer and tenant needs to available properties regularly, leaving you time to focus on other money-making activities.





*"The beginning is always today."*

Mary Shelley

## 8

# Chapter Eight

## *Financial Analysis, Stacking Charts and Leases*

### Comparison Tools

Every new real estate agent fresh from passing their state exams knows just enough to be qualified as a real estate “order taker”. Just tell them what you want and they will scour their local listed universe, returning everything in the marketplace—even if it makes no financial sense whatsoever.

By contrast, commercial real estate professionals add value to their client relationships by understanding that there are ramifications behind all real estate purchase and leasing decisions. As professionals, they are trusted advisors to their clients, giving them helpful advice during each stage of a real estate transaction.

To help facilitate your advisory relationship with your clients, REALHOUND® has built several property analysis and comparison tools right into the program. Each tool is integrated to the property database, saving you the hassle of repeated data entry and giving you the ability to quickly generate the desired analysis or report.

### Underwriting and Financial Analysis

Built within the software is a powerful financial analysis tool that is extremely easy to use. Not only does it calculate both leveraged and unleveraged IRR, but will also calculate a new price if you change the IRR!



**Warning:** Make sure you understand what the financial analysis model is telling you about the property BEFORE you try to explain it to a client or take it on a listing presentation. It is *YOUR* responsibility to check the accuracy of *ALL* analyses, comparisons and reports that are generated by any software system.

### How to use the Underwriting analysis tool

1. Query the property that you want to run the analysis on.
2. Before you get started, enter the rents or asking rates for the property. For leased investments, enter in the rate information for the property in the **Asking Rates** and **Available Square Footage** sections on the **Facilities** tab.

Overview Detail **Facilities** Amenities Available/For Lease Leases

**Asking Rates**

For Lease Yes

\$/Month \$18 000 - \$36 000  
 \$/Year \$216 000 - \$432 000  
 \$/Month/SF \$3,00 - \$6,00  
 \$/Year/SF \$36,00 - \$72,00  
 Term (mos.) 96 -

**Available Square Footage**

Total SF 6 000  
 Direct SF 6 000  
 Sublease SF 0  
 Office SF 0  
 Retail SF 6 000  
 Max. Contig. SF 4 000  
 Min. Divisible SF 2 000  
 Full Floor No   
 Divisible No   
 Vacant Total 6 000  
 Vacant Direct 6 000  
 Vacant Sublease 0

**Terms**

Lease Type   
 Rent Type   
 TI Allowance  
 Expense Stop  
 Base Year  
 NNN Charges  
 CAM Charges  
 Escalations

Autp calculate averages from the availability tab

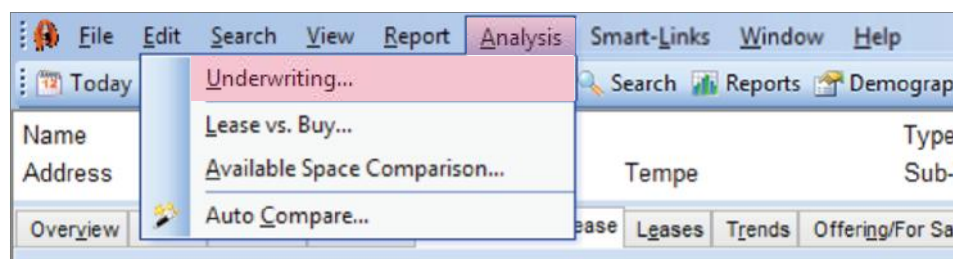
For Apartments and Storage property types, select the **Unit Types** tab and enter in the rental data. Follow the directions on the right side of the screen.

Overview Detail **Unit Types** Amenities Offering/For Sale Sales Loans Expenses Own

**Current Unit Types as of** **Snapshot D**

#	Size (Bed/Bath)	Floor Plan	Occ.	Square Feet		Rent		
				Low	High	Low	High	\$/SF
▶ 46	1/1	<input type="button" value="v"/>		477	500	\$825	\$850	\$1,7
8	2/1	<input type="button" value="v"/>		750	750	\$925	\$925	\$1,2
4	2/1	<input type="button" value="v"/>		800	80	\$950	\$950	\$1,7

3. Select **Underwriting** from the **Analysis** menu.



4. Click the **New** button to start a new analysis and enter in a **Description** to name your analysis.



Value - Cypress House

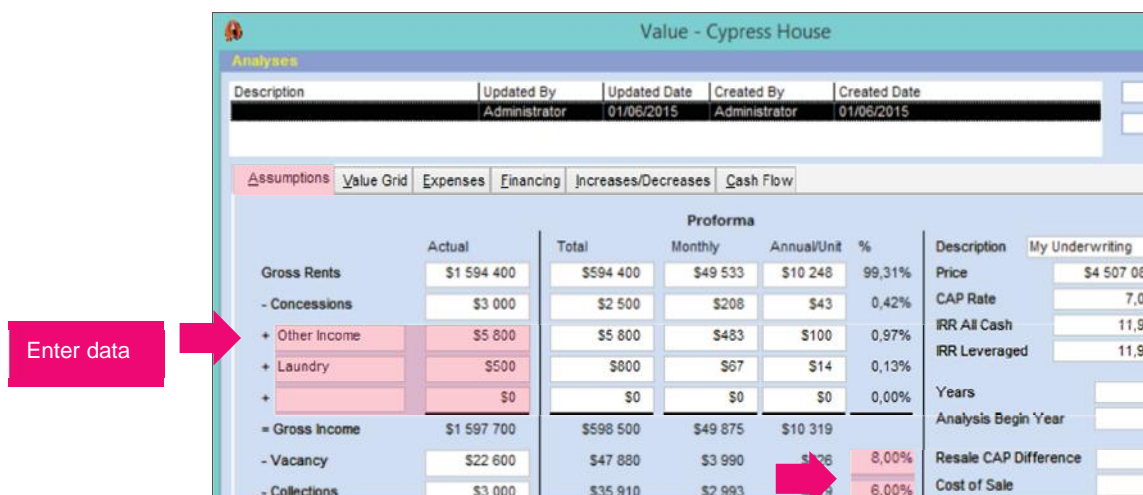
Analyses

Description	Updated By	Updated Date	Created By	Created Date
	Administrator	01/06/2015	Administrator	01/06/2015

New  
Delete

Assumptions Value Grid Expenses Financing Increases/Decreases Cash Flow

5. Enter data in the blank fields. The program will auto calculate fields based upon your input. You can change the IRR, CAP, etc. to adjust the price. Click the **Report** button to print a report.



Value - Cypress House

Analyses

Description	Updated By	Updated Date	Created By	Created Date
	Administrator	01/06/2015	Administrator	01/06/2015

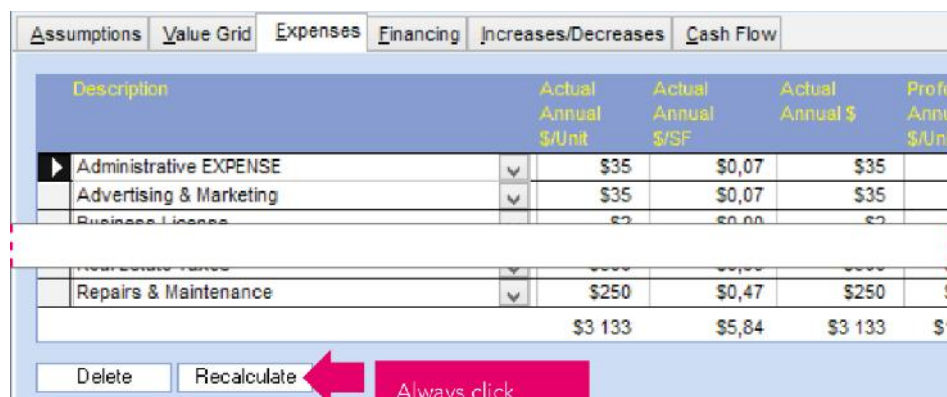
Assumptions Value Grid Expenses Financing Increases/Decreases Cash Flow

Proforma

	Actual	Total	Monthly	Annual/Unit	%	Description	My Underwriting
Gross Rents	\$1 594 400	\$594 400	\$49 533	\$10 248	99,31%	Price	\$4 507 086
- Concessions	\$3 000	\$2 500	\$208	\$43	0,42%	CAP Rate	7,00%
+ Other Income	\$5 800	\$5 800	\$483	\$100	0,97%	IRR All Cash	11,91%
+ Laundry	\$500	\$800	\$67	\$14	0,13%	IRR Leveraged	11,91%
+	\$0	\$0	\$0	\$0	0,00%	Years	
= Gross Income	\$1 597 700	\$598 500	\$49 875	\$10 319		Analysis Begin Year	
- Vacancy	\$22 600	\$47 880	\$3 990	\$36	8,00%	Resale CAP Difference	
- Collections	\$3 000	\$35 910	\$2 993	\$69	6,00%	Cost of Sale	

Enter data

6. Enter the property **Expenses**. Click the **Recalculate** button after any changes have been made.



Assumptions Value Grid Expenses Financing Increases/Decreases Cash Flow

Description	Actual Annual \$/Unit	Actual Annual \$/SF	Actual Annual \$	Proforma Annual \$/Unit
Administrative EXPENSE	\$35	\$0,07	\$35	
Advertising & Marketing	\$35	\$0,07	\$35	
Business License	\$2	\$0,00	\$2	
Repairs & Maintenance	\$250	\$0,47	\$250	
	\$3 133	\$5,84	\$3 133	\$1

Delete Recalculate

Always click recalculate after changes

## 7. Enter in financing data.

Assumptions | Value Grid | Expenses | **Financing** | Increases/Decreases | Cash Flow

	Amount	Duration (Years)	Fees (Points)	Interest Only	% LTV	Amount Increment
First Loan	\$3 082 847	10	0	No	68,4%	\$100 000
Second Loan	\$0	0	0	No	0,0%	0,250%

Rate Increment: \$448 841  
Debt Service: \$2 827 527  
Total Payments: \$2 827 527

Enter data

Interest Rates

	First Loan	Second Loan
2006	8,00%	0,00%
2007	8,00%	0,00%
2008	8,00%	0,00%
2009	8,00%	0,00%
2010	8,00%	0,00%
2011	8,00%	0,00%
2012	8,00%	0,00%

Initial Payment Matrix

Loan	First	7,250%	7,500%	7,750%	8,000%	8,250%	8,500%	8,750%
\$2 582 847	\$30 323	\$30 659	\$30 997	\$31 337	\$31 679	\$32 024	\$32 370	
\$2 682 847	\$31 497	\$31 846	\$32 197	\$32 550	\$32 906	\$33 263	\$33 623	
\$2 782 847	\$32 671	\$33 033	\$33 397	\$33 764	\$34 132	\$34 503	\$34 877	
\$2 882 847	\$33 845	\$34 220	\$34 597	\$34 977	\$35 359	\$35 743	\$36 130	
\$2 982 847	\$35 019	\$35 407	\$35 797	\$36 190	\$36 585	\$36 983	\$37 383	
\$3 082 847	\$36 193	\$36 594	\$36 997	\$37 403	\$37 812	\$38 223	\$38 636	
\$3 182 847	\$37 367	\$37 781	\$38 198	\$38 617	\$39 038	\$39 463	\$39 890	

8. Enter in **Increases/Decreases** for each year of the analysis.

Assumptions	Value Grid	Expenses	Financing	Increases/Decreases	Cash Flow	
Fiscal Year	Rent Growth	Concessions	Other Income Growth	Vacancy	Collection Loss	Expenses Growth
2007	3,00%	2,00%	5,00%	5,00%	5,00%	2,00%
2008	3,00%	2,00%	5,00%	5,00%	4,00%	3,00%
2009	3,00%	3,00%	6,00%	4,00%	5,00%	3,00%

9. **Cash Flows** tab displays the financial analysis cash flows.

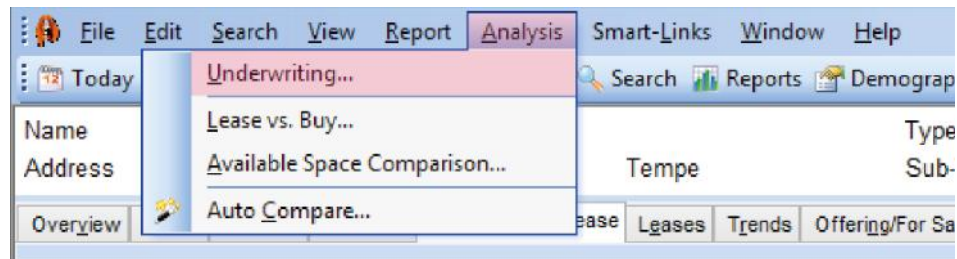
Assumptions	Value Grid	Expenses	Financing	Increases/Decreases	Cash Flow
		2006	2007	2008	2
- PROPERTY TAX		\$3 000	\$6 000	\$12 000	
- CAPITAL EXPENSE		\$0	\$10 000	\$10 000	

## Lease vs. Buy Analysis

The Lease vs. Buy Analysis feature is a fast and easy way to compare the financial aspects of purchasing a property (and leasing out any unused space) to leasing the same property. The comparison even takes into consideration leasing out any unused space when purchasing a property.

### How to create the Lease vs. Buy comparison report

1. From the **Analysis** menu, select **Lease vs. Buy**



2. Enter data in the blank fields on the **Lease vs. Buy Report** screen.

3. Click the **Preview** button to view and print a report.

Property Listings						
General		Lease		Buy		
Square Feet	12 000	Square Feet	12 000	Purchase Price	\$12 450 000	Expenses/SF
DCF Discount	0.00%	Rate/SF	\$0.00	Appreciation	0.00%	Expense Increase
Tax Rate	0.00%	NNN Charges/SF	\$3.00	Sale Fees	0.00%	% Improved
		Annual Increase	0.00%	% Down Payment	0.00%	Vacancy Rate
				Loan APR	0.00%	Depreciation Yrs
				Loan Duration	30	
Projections						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
LEASE						
LEASE PAYMENT	\$	\$	\$	\$	\$	\$
+ NNN CHARGES	36 000	36 000	36 000	36 000	36 000	36 000
- TAX SAVINGS	10 080	10 080	10 080	10 080	10 080	10 080
= NET LEASE COST	\$25 920	\$25 920	\$25 920	\$25 920	\$25 920	\$25 920



## Stacking Charts

Stacking charts is a way of representing a building's vacancy and in-place leases graphically. Stacking charts is most often used for office properties.

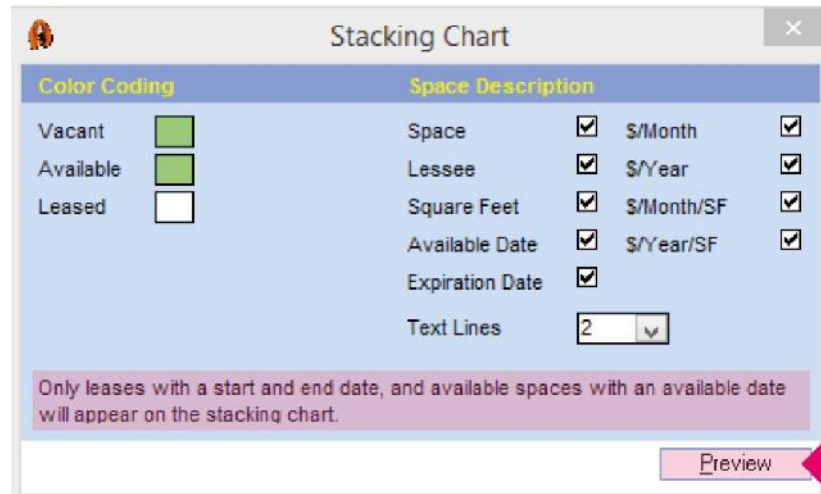
### How to create stacking charts

1. Query your subject property.
2. Input the property's in-place leases under the **Leases** tab (including the Space, Floor, Rate, Start Date and Expiration Date) and the property's available space under the **Available/For Lease** tab (including the Space, Floor, Availability Date and Rate). If this data is not entered correctly, the stacking chart will be incomplete.
3. From the subject property's **Available/For Lease** tab or **Leases** tab, click the **Stacking Chart** button.



Overview   Detail   Facilities   Amenities   Available/For Lease   Leases   Trends   Offering/For Sale								
Stacking Chart   Lease vs. Buy								
	Vacant	Space	Floor	Sq Ft	Rate			
				Available	\$/Month	\$/Year	\$/SF/Month	\$/SF/Year
<input checked="" type="checkbox"/>		1	12	123	\$345	\$4,140	\$2.80	\$33.66
<input checked="" type="checkbox"/>		7	11	300	\$900	\$10,800	\$3.00	\$36.00

4. Select your options and click the **Preview** button



**Color Coding**

Vacant ☐

Available ☐

Leased ☐

**Space Description**

Space ☒ \$/Month ☒

Lessee ☒ \$/Year ☒

Square Feet ☒ \$/Month/SF ☒

Available Date ☒ \$/Year/SF ☒

Expiration Date ☒

Text Lines

Only leases with a start and end date, and available spaces with an available date will appear on the stacking chart.

**Preview**

5. Below is an example of a sample Stacking Chart

7400 East McDonald Drive						
Floor 2	Vacant #205 - 1,500 SF - \$232/Month - \$2,784/Year - \$1.85/Month/SF	Available #206 - 1,000 SF	Vacant #207 - 1,000 SF - \$222/Month	Vacant #208 - 1,000 SF - \$212/Month	Vacant #209 - 1,000 SF - \$12/Month	Vacant #210 - 1,000 SF - \$2,784/Year - \$1.85/Month/SF
Floor 1	Available #200 - 1,000 SF	Available #201 - 1,000 SF	Vacant #202 - 1,000 SF - \$345/Month - \$4,140/Year - \$3.00/Month/SF	Vacant #203 - 1,500 SF - \$335/Month - \$3,996/Year - \$2.57/Month/SF - \$2.00/Year/SF	Vacant #204 - 1,000 SF - \$2,784/Year - \$1.85/Month/SF	Vacant #205 - 1,500 SF - \$232/Month - \$2,784/Year - \$1.85/Month/SF

## Available Space Comparison

The Available Space Comparison feature will compare the financial aspects of different spaces using a Discount Rate and over a set term.

### How to create the Available Space Comparison report

1. Query the properties with the spaces that will be compared.
2. From the **Available/For Lease** tab, enter in the space information, rates and financial aspects of EACH space that is to be compared.

Vacant	Space	Floor	Sq Ft Available	\$/Month	\$/Year	\$/SF/Month	\$/SF/Year	Lease Type	Term
<input type="checkbox"/>	200	1	1 000	\$230	\$2 760	\$0,23	\$2,76	Sq/year	2
<input type="checkbox"/>	201	1	1 000	\$234	\$2 808	\$0,23	\$2,81	Office	3
<input checked="" type="checkbox"/>	202	1	1 000	\$345	\$4 140	\$0,35	\$4,14	Medical	2
<input checked="" type="checkbox"/>	203	1	1 500	\$333	\$3 996	\$0,22	\$2,66	Per Month	1
<input checked="" type="checkbox"/>	204	1	1 000	\$323	\$3 876	\$0,32	\$3,88	Office	2
<input checked="" type="checkbox"/>	205	2	1 500	\$232	\$2 784	\$0,15	\$1,86	Medical	3
<input type="checkbox"/>	206	2	1 000	\$500	\$6 000	\$0,50	\$6,00	Office	1
<input checked="" type="checkbox"/>	207	2	1 000	\$222	\$2 664	\$0,22	\$2,66	Office	3

3. Under the **Analysis** menu, select **Available Space Comparison**.
4. Select the spaces to be compared, and then add the Discount Rate. Finally add the number of years and click the **Preview** button to view and print a report.

Select the spaces

Scroll to add more lease details

Input the Years and Discount Rate

Click preview

Selected	Order	Name	Address	Expense Stop	City	Space	Floor	Sq Ft
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale	208	2	1 000
<input checked="" type="checkbox"/>		23535 North Scottsdale Road	23535 North Scottsdale Road		Scottsdale	110	2	1 500
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale	208	2	1 000
<input checked="" type="checkbox"/>		73RD St Centre	5552 N 73rd Street		Scottsdale	1005	1	2 000
<input checked="" type="checkbox"/>		73RD St Centre	5552 N 73rd Street		Scottsdale	1010	1	2 000
<input checked="" type="checkbox"/>		332 E Camelback Road	332 E Camelback Road		Phoenix	404	4	2 000
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale	210	2	1 500
<input checked="" type="checkbox"/>		332 E Camelback Road	332 E Camelback Road		Phoenix	403	4	2 000
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale	200	1	1 000
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale	203	1	1 500
<input checked="" type="checkbox"/>		5743 East Thomas Road	5743 East Thomas Road		Scottsdale			6 250
<input checked="" type="checkbox"/>		73RD St Centre	5552 N 73rd Street		Scottsdale			1 500
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale			1 000
<input checked="" type="checkbox"/>		Deheney Building	4445 Indian School Road		Phoenix			2 000
<input checked="" type="checkbox"/>		7400 East McDonaId Drive	7400 East McDonaId Drive		Scottsdale			2 000

General

Years: 5

DCF Discount Rate: 0,00%

Preview

## Power Moves

1. Commercial real estate professionals add value to their client relationships by understanding that there are ramifications behind all real estate purchase and leasing decisions. As professionals, they are trusted advisors to their clients, giving them helpful advice during each stage of a real estate transaction.
2. To help facilitate your advisory relationship with your clients, REALHOUND® has built several property analysis and comparison tools right into the program. Each tool is integrated to the property database, saving you the hassle of repeated data entry while giving you the ability to quickly generate analyses. Use these tools to facilitate your advisory roles and deepen the professional relationship with your clients.
3. Make sure you understand what all property analyses, reports and comparison tools are telling you about the property, market or space BEFORE you try to explain it to a client or take it on a listing presentation. It is YOUR responsibility to check the accuracy of ALL analyses, comparisons and reports that are generated by any software system.



*"When you get to the end of your rope, tie a knot and hang on."*

Franklin D. Roosevelt

## 9

## Chapter Nine

### *Increased Market Share and Agent Retention*

#### **Increasing Your Value Proposition**

The strength of the traditional Broker-Agent business model is the network of agents formed for greater financial benefit. In this environment, agents cooperate by sharing and working on each other's listings. There are strengths and synergies gained through greater numbers, and value added to each individual agent cooperating in the group.



*“An agent's time is always best spent prospecting and not doing mundane time-consuming research.”*

However, just providing a broker with a desk, a few subscription data sources, and an office full of agents is not enough. A broker needs to continually add value to the Broker-Agent relationship in order to keep pace with changes in the industry and foster an atmosphere of cooperation between the agents and the company. The best way for a brokerage company to add value is by continually investing in technology that will benefit both the agent and the company.

#### **The Solution for Increased Market Share and Agent Retention**

Ideally, changes made to a broker's value proposition will benefit both the broker and the agents working for him. This occurs when the agents and the broker make more money from their association rather than their disassociation. For an agent to make more money, he must focus on the fundamentals of the business by consistently prospecting. An agent cannot effectively prospect if he does not have the ability to quickly access current owner, tenant and associated property information.

Most brokerage companies provide access to data subscription services and let their agents diligently mine those services for data. But merely providing data services to agents is not enough because these services are inexpensive and easily obtainable if an agent were to leave his broker. Some additional problems with subscription data is that there is an over-abundance of information, most is of poor quality and it is extremely time-consuming for agents to mine. Therein lies the opportunity for a broker to increase their value proposition to their agents.

Given a choice, most agents would choose to import their property data on a regular basis if they knew the information was accurate. So a broker must reduce the amount of time-consuming research that each agent does in order to increase the amount of time that an agent can spend doing the most productive activity in real estate sales—*prospecting*. From this fundamental activity springs a pipeline of transactions that leads to increased revenue for both the agent and the broker.

The broker supplies the CRM software and uniquely researched property data to his agents so his agents can prospect from the supplied data.

REALHOUND® Classic will provide your company with the tools that will increase agent productivity and drive more dollars to your bottom-line.

## **The Right Fit for Your Corporate Real Estate Business – Do it Smarter, Do it Better**

Traditionally, CRM solutions for the commercial real estate industry have been designed either as one-size-fits-all, or as poorly adapted versions of rigid monolithic enterprise systems that were intended for use in other industries. These flawed approaches do not account for the unique customer relationship management (CRM) needs and processes that are an inherent part of the commercial real estate business. This, in turn, always leads to low user adoption rates and failed implementations.

Our approach is different, because our CRM is an industry-specific, process-orientated solution that was designed specifically for the business of commercial real estate. It is based on a detailed understanding of the unique needs of the industry and incorporates a property database that directly integrates to a CRM component—creating one seamless system. In that way, we deliver a purpose-built, flexible CRM solution that helps you achieve your business objectives quickly while avoiding any significant or costly customization.

Our CRM is flexible and is the only solution in the world that allows for multiple integrated deployment methods. Users can access data remotely, on their laptop 30,000 feet in the air, using a compatible smart phone, on a desktop computer and from a client/server configuration. You can even grant your clients access to marketing results, offer activity, timelines and documents directly through their web browsers. And setup is easy, taking just hours—not months!

## **Power Moves**

1. The strength of the traditional Broker-Agent business model is the network of agents formed under a broker working together as a cohesive unit. In this environment, agents are cooperating with each other by sharing and working each other's listings.
2. Commercial brokers need to manage and supply property-level data to their agents to reduce the amount of time consumptive research that each agent does on a regular basis. This will increase the amount of time that an agent can spend doing the most productive activity in real estate—*prospecting*. The broker supplies the property data to his agents and his agents prospect from the supplied data.
3. Agents do not want to share the contact data that they have so painstakingly collected with other agents. At the same time, it is in the broker's best interest to have each agent's data in a centralized database, because the broker's resources have contributed to the compilation of each agent's data. If an agent leaves, the broker is entitled to their share of the data.



## E

## Epilogue

Alas, our little journey comes to a close. But do not despair because we have much more in store for you. After each major upgrade, we will add friendly advice to this guide that will help you become more effective in using our program in your daily quest to make money.

We hope you can forgive us for our attempt at making dry subject materials light-hearted. However, if forgiveness is not in your heart, we have also provided you with a 400-page unabridged user's manual that also doubles as the cure for the most chronic case of insomnia.

***For a free trial and personal product tour of REALHOUND®, visit us on the Internet at [www.realhound.com](http://www.realhound.com), send an email to [sales@realhound.com](mailto:sales@realhound.com) or call us at (949) 309-2810.***

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