



AUSWIDE

REAL ESTATE SOLUTIONS

NEWSLETTER

October 2011

Hello again fellow agents



The RBA is expected to announce on 1st November that it will reduce rates by 0.25% to 4.5%, whilst the major banks standard variable rate will drop to around only 7.5%.

What effect will this have on the property industry will be seen in February next year when it starts its new direction, either flat for some time (years) or continuing downward. Even the once "bullet proof" suburbs are now showing signs they can no longer continue with their nonsensical rises.

As I mentioned in the July Newsletter, the downturn in property prices is continuing and it's just by what % prices will fall to correct the "boom bubble" that's well overdue. Queensland property prices across the board have dropped by 6.1% in the last year, so add inflation and the real loss in value of property is nearly 10%. If this continues and then gets further driven by the eventuality of the effect of the second Global Economic Crisis which only seems to be currently "deferred", then prices could really fall quickly.

THE NINTH COMMANDMENT OF SUCCESS

YE MUST REALISE THAT PLANS ARE ONLY DREAMS WITHOUT ACTION

YE WHOSE AMBITION CREEPS INSTEAD OF SOARS, WHO ARE ALWAYS UNCERTAIN, WHO PROCRASTINATE INSTEAD OF ACTING, STRUGGLE IN VAIN AGAINST FAILURE.

ONLY ACTION GIVES TO LIFE ITS STRENGTH, ITS JOY, ITS PURPOSE. HOW WILL YE PROCLAIM YOUR ABILITIES IF YOU ARE ALWAYS A SPECTATOR AND NEVER A PLAYER.



Commandment IX

No ship ever leaves port without a destination; and no army marches into battle without a plan for victory. So, why is it that only 3% of us set goals, and only one third of those who do, set realistic goals?

We must believe in advance (see the mental picture of the desired outcome) and consciously acknowledge that we have already achieved the goal.

SOME POSITIVE THOUGHTS FOR HANDLING THE LOOMING SECOND GLOBAL FINANCIAL CRISIS WHICH IS EXPECTED TO BE WORSE THAN THE FIRST ONE.



1. Teamwork makes it happen. A team will outperform a group of individuals every time. Remember: "What affects everyone can best be solved by everyone". And, a team without goals is just another ineffective committee.

2. The road to success is always "under construction".

3. Don't ask: "Are we going to do it?" rather: "How are we going to do it?"

4. Do we: "over promise" and "under deliver"; or "under promise" and "over deliver"?

5. Everyone has an invisible sign hanging from their neck that reads: "Make me feel important". Never forget that.

6. Build the quality in at the start. It might be too late at the finish.

7. Asking for help is a strength, not a weakness.

NOW AUSTRALIAN AGENTS HAVE AN EASY TO USE DATABASE SYSTEM CREATED SPECIFICALLY FOR PROSPECTING!



Winning Edge Solutions now has available a purpose built system for Agents wanting to grow their business and has just recently launched **Go Prospecting** on a national level.

General Manager Annelie Bailey says; "Prospecting is nothing new in business, especially in the real estate industry. However, with more and more restrictions through legislation such as Privacy laws, the **Do Not Call** register, No Junk mail etc. as well as demands on business resources and available time, Winning Edge Solutions has developed an easy to use tool for industry to connect with home owners and at a low cost. **Go Prospecting** is a system that does not require people to be IT savvy either."

So, what is Go Prospecting?

Go Prospecting gives the user owner details with 2011 verified names, addresses and telephone numbers and it also shows history of how long people have resided at an address going back to 2000. You can 'reverse search' by owners name, phone number, street, suburb or postcode, then call or mail merge to send letters to 100's of potential vendors or buyers, at a click of a button.

Go Prospecting is a Web based programme which gives you access anywhere 24/7 and is one of the first new software programs that is fully interactive with Microsoft Outlook. You can add contacts, set reminders, connect with your email and book appointments too. You have maps and images to show the property and to indicate the immediate vicinity too. All data can be edited on a securely and individually hosted web system.

If you are looking to build a stronger, larger prospecting database with potential vendors and investors then look no further. It could not be easier to use - nor cheaper! This is a truly unique prospecting tool.

Over 500 Victorian Agencies alone are now using Go Prospecting

As one Buxton agent said earlier this year **"Fifty percent of my contacts have been created from Winning Edge's Go Prospecting system and 13 out of my last 14 listings came from it..."**

If you want to know more, please see their Website:

www.winning-edge.com.au - and you can contact them on:

03 9646 1234 or email to info@winningedge.com.au.

HOW TO RATE YOUR STAFF - WINNER V LOSER

The winner is part of the answer.

The loser is part of the problem

The winner has a goal.

The loser has an excuse.

The winner sees an answer in every problem.

The loser sees a problem in every answer.

The winner sees an answer in every problem.

The winner says; It may be difficult, but it's not impossible".

The loser says; "It may be possible, but it's difficult".

The winner says: "Let me do it for you". The loser says: "That's not my job".

The winner sees a green near every sand trap.

The loser sees many sand traps near every green.

THE THIRD PERSON PRINCIPLE GETS BETTER RESULTS

Many people don't like being asked directly if they want to sell or buy real estate, so it's best to use the third person approach.



The Top Listers nearly all started in the Industry by effectively building a Network of contacts. And, they didn't ask those people they built their Networks from if they personally were thinking of selling or buying, they asked them if they knew of anyone who was, and if they did hear of anyone in the future, would they let the Agent know or refer the third party to them. And, they kept regular contact with their database of possible referrers.

This also works for Farming using a unique Door Knocking Procedure that gets great results.

The principle of "farming" is to allocate to each of your sales staff around 1,000 - 2,000 properties in your Listing catchment area to "farm".

Like any true farmer, you nurture the *crop* by regular contact. If you give up before at least a year, then there will be no annual crop to harvest.

Farming must be carried out at least every 10 weeks, so that the staff member fosters a relationship. The initial approach should be a soft, friendly relationship establishing. People who are at home when they call should be approached with the goal to get them to come outside their domain

Most people have a certain pride in their garden, so the idea is to appeal to their ego. The best way to do this is to greet them with. 'Hello, I'm Tom Smith from Smith Realty and I've just noticed that you have in your front garden. Its beautiful" Then move back to the garden. They will follow you, and then after talking about their beautiful garden or ornaments, pots or whatever, and establishing their name, you use the third person approach.

ARE WE AFRAID OF OUR VENDORS?



Neil Burling, a great auctioneer many of you would know, has always had a philosophy that as agents: 'We are too nice to our vendors.' Over time this truism is always far more evident when the market is falling. Some agents are too passive (even evasive) in telling vendors the facts. They continue to molly coddle vendors because they are "afraid" to tell them the "bad" news.

Regrettably, many of these agents are heading for extinction unless they adopt a change of attitude. Agents must always be assertive with vendors, because most of them will not have respect for, or give an agent their trust and confidence if they are not honest, even if the news is bad. Those other vendors who do not want to "listen" to their agent are not respecting them, and the agent must dissolve the agency - you can't sell an overpriced listing in a falling market.

And ,you can't afford to take on listings where the owner wants to "test the market" anymore, unless the owner is prepared to pay all costs of the promotion including your time. Remember, your time is worth between \$70 and \$100 per hour. If there is little chance of a sale, don't be afraid to say "NO". There will be plenty of listings from desperate vendors that you will sell.

To be successful in the upcoming market it's going to be all about finding a buyer for the property. Don't worry about what these buyers are prepared to pay. If you think a property should sell for \$700K, and the initial offer is \$600K, it will sell for a figure far closer to \$600K than \$700K. This market is going to be totally dominated by buyers.



You have to change your mindset about how to sell in this market; your vendor interests are only going to be best served by assertively giving them the "bad" news, (not be "nice" and get them to hang out for a better offer- which won't happen) and getting them the result they want - the SALE - even if it is a price you thought they would not accept.

These vendors will be desperate, many of them just one step ahead of the Bank Mortgagee Sale, and will take "unbelievable" prices. Don't worry what you vendor wants, just find the buyer who wants the property and you will be amazed at the sale price. You must not think other than: "I can get my vendor a sale but only at the price a buyer will pay; not what I think it will sell for, or what is a fair price".

Deals will be lost if you don't convince your vendors that they must accept the first offer that comes along, because if they don't, the next will be less. "Fear of Loss" is a great motivator of people, so being **assertive, not passive, with vendors will prove very beneficial.**

DEMONSTRATING "DUTY OF CARE"

At "Open House" you can demonstrate both professionalism and duty of care to your vendors, and prospective buyers and sellers, by including some or all of the following in your **WELCOME AND THANK YOU FOR COMING** handout for visitors.

This is a private residence and we ask that you please note the following:

1. Please do not smoke.
2. Please carry young children or hold their hand.
3. At the owner's request, please provide your details in the Guest Register.
4. Feel free to browse through the home (and grounds) at your leisure.
5. Our sales staff will be pleased to answer any questions you have regarding this property or others that may suit your needs.
6. We would be pleased to hear you comments on the property and it's presentation before you leave.
7. Again, thank you for your attendance.

RISK MANAGEMENT – YOUR OH&S POLICY!



Do you have an updated OH&S Policy that covers Workplace Harassment, Drugs & Alcohol, and Smoking? If not, then you are in breach of the law.

Also, you may not be aware that under Federal Occupational Health and Safety (OHS) laws, owners and operators of businesses with 20 workers or less are also required (like employers of over 20 workers) to identify foreseeable workplace hazards, assess the risk of harm from those hazards, then eliminate or control the risks. And the business's OH&S Policy must include these issues in it.

And, the new Legislation being introduced on 1 January 2012 will require employers to conduct a risk assessment of the employee's residence if they work from home at any time.

If your OH&S Policy needs revision then we have available for just \$220.00 an OH&S Pack which contains Procedures and a Policy Document (60 pages) in M/S Word format which contains all requirements and forms, and you can easily customise it for your office. Check for more details on our Website under the Products Tab.

Until our next Newsletter, best regards.

Alan Fleming