

Welcome . . .

Performance Realty Solutions (PRS) is a commercial real estate sales and technology training company committed to providing you with the best results-based training in the industry.

Keep on Prospecting

You can't survive on one deal at a time!

I have been in commercial real estate for 30 years, and my experience has taught me to *never stop prospecting and looking to generate new business*. You can't take it one deal at a time; you can't expect every pending deal to close. In fact, the average success rate for most agents is between 30% and 40%, so out of every ten deals you work on, only three or four will close.

This is a fairly low success rate compared to other types of sales. When you add the typical closing cycle (four to six months) to this low close ratio, you can understand why it's so important to have a number of deals in progress. How can you achieve this? By prospecting. Always.

Balance prospecting with pending deals

Unfortunately, most new agents stop prospecting as soon as they begin working on a few deals. So when a deal closes or is lost, these agents begin to panic and say to themselves, "I'd better hurry up and start prospecting again because I'm not working on anything!"

Another mistake many new agents make is to stop prospecting when they have a few deals pending. Working on three or four deals simultaneously may feel like a full-time job, but there is always time to prospect, even if you dedicate just a few hours a week to it. Prospecting

can be tedious, but it is the key to success in commercial real estate.

Types of prospecting

Before you get discouraged by the thought of incessant prospecting, let's define what prospecting is. Prospecting can take on many forms, one of the most popular being cold calling. Cold calling in commercial real estate is much different than cold calling for other types of sales. In our industry, an agent is usually offering the prospect a property or a value added service. Another form of prospecting is networking. Because real estate is a business built on relationships, this method is perhaps the most effective. Simply put: Referrals are keys to success. Some of the best groups and individuals to network with include:

- business groups;
- other agents; and
- commercial real estate organizations.

To increase your chances of finding new business, take on an active role within those organizations. In addition, volunteering for a local charity is a great source of networking. Even seemingly ordinary social settings offer opportunities to network, so keep your prospecting radar on! You may hear something said in passing that could result in a deal. Don't be bashful—get out there and make your presence known.

Prospecting by mail

Another way to get out there—and I recommend this strongly—is to write and send newsletters. By sending newsletters you are providing valuable insight and information that can result in people wanting to do business with you. Give your readers *current* information on *important* issues,

such as market conditions, recent deals within your real estate farm, pending developments, local zoning changes, and real estate hearings. Today's readers are busy and bombarded with mail, so don't send them information they can't use on topics they don't care about.

Some agents try marketing themselves with promotional gimmicks. Notepads with contact information on them, refrigerator magnets with photos, and miniature calendars are just some of the items I have received over the years. I threw them all in the garbage—except one. The only promotional piece I kept was from an area agent who gave detailed information of recent and pending sales. Why did I keep this one? The agent provided valuable information. When you prove to your prospects that you are an expert in your field, they will trust you to handle their needs.

Master the Cold Calling Mindset

Eight tips for turning a dreaded task into a valuable tool for success

If you're like most agents, you see cold calling as a challenging and unpleasant aspect of prospecting. And for many good reasons: It's monotonous, you are repeatedly rejected, and your odds are of making a successful contact are slim.

Yet successful agents get the results they want from their cold calling efforts. What are they doing that you're not? Here's how to go about cold calling the *right* way.

1. **Don't make excuses.** Tell yourself that although it may seem fruitless and exhausting, cold calling is absolutely necessary for success. As the saying goes: No pain, no gain.
2. **Make a game out of it.** Set some goals and reward yourself for making a certain number of calls each week. Keep a point system for every positive call you make and see how many positives you can achieve.
3. **Have an opening script.** You don't want to sound robotic, but prepare what you are going to say. Remember, you have only a few seconds to "hook" the listener.
4. **Do not take rejection personally!** The person you are calling doesn't even know you, so how can you take it to heart?
5. **Pace yourself.** If you make too many calls in too short a time, you will burn out quickly. Cold calling requires high energy, so take your time.
6. **Stand up while talking.** Standing up creates energy by increasing your blood flow. Increased energy produces enthusiasm, a key ingredient of successful cold calling.
7. **Do not leave messages on voice mail.** Don't fool yourself—prospects will not call you back. Chances are, they didn't want to hear from you to begin with.
8. **Do not mail anything.** If the person asks you to send information in the mail, resist and ask the prospect to meet you in person instead. When prospects ask for information by mail, they're usually just trying to get you off the phone without being rude.

These are just some of the tips and methods that are taught during the "5 Steps to Success" training program. Performance Realty Solutions uses extensive role play exercises to teach the art of cold calling.

Next Issue... Credibility and Trust



Training for the Commercial Real Estate Professional

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