

AHRE

Real Estate Consulting Business Plan

Why Use a Consulting Business Model as an Offering to Clients and Customers.

- Gives clients options and we know how much people like options
- Puts them in the driver's seat during a time when they sometimes feel hopeless
- The potential to save consumers money is always beneficial
- With all the short sales and homes with little or no equity, consumers feel trapped in their home. This business model may just work better for them and in return help the housing market.
- Would help real estate licensees level their income
- Would force licensees & brokers determine their value
- Would increase level of service provided by agents
- May make an agent/broker unique in his or her market
- May change the perception of licensees from sales people to consultants or trusted advisors Win-win for both the agent and the consumer

Angela Harkins & Associates Real Estate, LLC

Strategic Focus

WHO We Will Serve

In my real estate consulting practice, I will focus on attracting and pursuing business from the following client-types:

1. Home-sellers who will share the risk with me
2. Home-buyers who will share the risk with me
3. FSBOs
4. Owners of expired & cancelled listings who want to know "What Went Wrong?"
5. Investors (who buy with intent to renovate and sell)
6. Past clients or referrals who want to position themselves to sell "in a few years"
7. Customers that want to "test the market"
8. Sellers who are stuck with little equity
9. Sellers going through the bankruptcy process and need a Market Analysis for the attorneys.

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Strategic Focus

WHAT Services We Will Offer

We will offer the following services to the client-types identified above:

Home-sellers who will share the risk

All the services I typically provide to my traditional sellers

Home-buyers who will share the risk

All the services I typically provide to my traditional buyers

For Sale by Owners

Staging

Level 1 Staging (2 hour walk-through with list of things to do)

Level 2 Staging (assistance with the process-hands on)

Level 3 Staging (working with my professional stager)

Market Analysis

Level 1 Market Analysis (basic CMA, no previewing)

Level 2 Market Analysis (comprehensive CMA, previewing included)

Consultation on improving marketability of home.

Providing professional photographs

Develop youtube video of property

Develop marketing materials

Assistance preparing the purchase agreement and disclosures, and explaining it to both parties (no agency taken)

Contract-to-Closing Assistance (no agency taken), including: order and review title work, monitor dates and deadlines, help negotiate inspection, attend appraisal, set closing, review closing figures, attend closing, general trouble-shooting, reminding of things to be done timeline (utilities, smoke certificate, Title V for Massachusetts Septic consumers, follow up with attorney's and lenders)

Owners of Expired and or Cancelled Listings Who Want to Know What Went Wrong

Meet with seller and go through the process of analyzing What Went Wrong, including:

Review of MLS Listing, Photos, Showing Process and Activity, Pricing and Any Obstacles to Sale

Recommend adjustments based on findings

Prepare a Plan of Action to improve chances of sale

Investors (buyers who find their own properties to renovate)

Level 1 Market Analysis of properties (basic CMA, no previewing)

Level 2 Market Analysis of properties (comprehensive CMA, previewing included, of property as-is)
Level 3 Market analysis of properties (Level 2 + estimate of renovated market value)
Preparation and explanation of purchase agreement and disclosures (no agency taken)
Presentation and negotiation of purchase agreement
Monitor dates and deadlines from Contract-to-Closing
Troubleshoot during Contract-to-Closing period
Review closing figures
Attend closing
Provide updated market activity reports during the renovation
Be available to answer questions about the value of contemplated improvements

Past clients looking to sell 6 mo – 3 years out

Provide a consultation to walk through property pointing out improvements to prepare the property for sale in the future.
Provide a market analysis and advise on not over improving for their market.
Advise on projects that will net them the best payback.

Sellers going through bankruptcy process

Provide an objective market analysis based on property condition and market conditions

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Compensation Model

HOW We Will Charge For Our Services

Sellers Who Want to Share the Risk

We will offer a shared-risk option to my seller clients. If they elect to pay a non-refundable retainer fee upfront, we'll reduce the listing commission from the "full" fee we charge when someone does not pay the retainer fee. Paying the retainer fee saves the seller money at closing because the reduction in commission results in a much lower overall fee even after paying the retainer fee upfront. Under this arrangement, we will encourage the seller not to reduce the amount we recommend they offer as a co-op to the buyer agent.

Buyers Who Want to Share the Risk

We will offer a shared-risk option to my buyer clients. If they elect to pay me a non-refundable retainer fee upfront, we will rebate some or all of the co-op commission we receive at closing.

For Sale by Owners (FSBOs)

We will offer Six packages to FSBOs; 1) CMA-only, 2) Staging Consultation, 3) Professional Photographs, 4) Marketing Materials, 5) Contract preparation, and 6) Contract-to-Closing assistance. I will charge a flat fee for a CMA (fee dependent on the level of detail desired, and based on an estimate of how many hours it will take to prepare and present the CMA). Contract preparation services will be charged by the hour, based on the MVHR. Contract-to-Closing services can be paid for by the hour (purchased in 3-hour blocks) or as a package; 50% upfront and 50% at closing.

Owners of Expired Listings Who Want to Know What Went Wrong

We will offer a What Went Wrong? Consultation for Expired Listings where we analyze their unsuccessful listing experience to help determine why their home failed to sell and what they could do differently in the future. The cost of this service will be a flat fee, payable in advance. If the seller wants to hire us to list his home, we will apply some or all of the payment toward the listing fee.

Investors Who Find Their Own Properties to Renovate and Sell

We will offer a variety of services to Investors who buy, renovate and sell properties that they find on their own. As each investor's situation will be unique, we will perform a Needs Analysis with them and then prepare a proposal based on their individual needs, goals and budget. Investors can pay us by the hour, by the project or possibly under a retainer arrangement.

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Compensation Model

HOW MUCH We Will Charge for My Service

My MVHR: \$ ___XXX_____ (Fiduciary)

My MVHR: \$ ___XX_____ (Functionary/Administrative)

Sellers Who Want to Share the Risk with Me

Non-Refundable Upfront Fee of: \$ ___X,XXX_____

Listing Contingent Commission of: ___X.X_____%

Buyer Agent Co-Op of: ___X.X_____%

Based on a \$200,000 sale, seller will save \$X at closing.

Buyers Who Want to Share the Risk with Me

Non-Refundable Upfront Fee of: \$ ___X,XXX_____

Portion of Contingent Commission Retained by at Me at Closing: ___X%_____%

Portion of Contingent Commission Rebated to Buyer after Closing ___X%_____%

Based on a \$200,000 sale, buyer will save \$X at closing.

For Sale by Owners (FSBOs)

Package 1: (CMA)

Level 1 \$ ___XXX_____

Level 2 \$ ___XXX_____

Package 2: Contract Preparation Service

Hourly Rate of \$ ___XXX_____

Package 3: Contract-to-Closing Service

Hourly Rate of \$ ___XXX_____, OR

Project Fee of \$ ___X,XXX_____, paid ___50___% upfront and ___50___% at closing

Owners of Expired Listings Who Want to Know What Went Wrong

Upfront Flat Fee of \$ ___XXX_____

Will apply \$ ___XXX_____ of the payment toward their listing fee if they list with us.

Investors Who Find Their Own Properties to Renovate and Sell

Pricing available upon request ;-]

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Marketing Plan

Here's How We Will Market Our Consulting Services:

1. Make an announcement to past clients
2. Add the ACRE® logo to my email signature
3. Contact Expired Listings and offer my "What Went Wrong?" consultation
4. Contact FSBOs and describe my FSBO consulting services
5. Add content to my website about consulting
6. Post to Facebook and Twitter
7. Blog about consulting-related topics
8. Include information about consulting in my listing presentations
9. Create a personal brochure describing my consulting services to offer at open houses
10. Keep my antenna up for opportunities to talk with non-buyers or sellers about consulting