

OVERVIEW AND KEY REPORTS

agentprofitplanner© provides answers to important financial questions that busy real estate agents have previously found difficult to satisfy. Developed by an experienced real estate practitioner and with testimonial for top performing agencies around Australia, this simple to use program enables agency owners to generate a range of valuable information.

- **U**nderstand the 'real' break-even point of the business.
- **C**learly understand what level of the business needs to generate in order to achieve the owners desired return.
- **C**arry out scenario or 'what-if' analysis to test the effect of changes in sales staff structure and/or operational expenses
- **G**enerate a series of simple financial and activity performance measurement reports
- **D**esign individual remuneration packages for each salesperson.

The system uses a complex (hidden) set of algorithms to account for the complexities of calculating outgoings on an infinite range of sales incentive structures to provide the agency manager with a clean and simple series of outputs that allow the development and execution of a plan for profit growth with clarity and confidence.

Once the financial and sales activity targets have been established for the period ahead, then action plans can be developed in the key areas of recruitment, new client creation and client retention to support the progression toward the desired profit objectives.

The following reports are saveable in printable .pdf format.

KEY PERFORMANCE TARGETS REPORT

FINANCIAL TARGETS		SALES ACTIVITY TARGETS		
Net Profit Target (\$)	223,084	SALES		
Net Profit Target (%)	22.38	Average Commission per Sale		10,000
Total GCC Required To Produce Net Profit Target	996,923	Unconditional Transactions Required	Number	Commission
Desk Cost Per Salesperson	45,775	p.a.	99.7	996,923
Break Event Revenue Per Salesperson At Notional 50% Individual Cost Of Sale (Commission, Additional Employment Costs)	91,550	Monthly	8.3	83,077
		Weekly	1.9	19,172
		EXCLUSIVE LISTINGS		
		% of Listings expected to convert to Unconditional Sales		95.0
		Exclusive Listings Required	p.a.	104.9
			Monthly	8.7
			Weekly	2.0
		LISTING PRESENTATIONS		
		% of Listing Presentations expected to convert to Listings		33.0
		Listing Presentations Required	p.a.	318.0
			Monthly	26.5
			Weekly	6.1
		PROSPECTING ACTIVITY		
		No. *personal contacts required to generate one listing opportunity		10
		No. of Contacts Required	p.a.	3180.0
		*personal contact with (a) client database (b) new contacts	Monthly	265.0
			Weekly	61.0

OWNERS INCOME SUMMARY	
OWNER NAME	TOTAL PROJECTED INCOME
OWNER: SALES PRODUCER	
Principal 1	357,668
	357,668
OWNER: NON-SALES PRODUCING	
Owner 1	0
Owner 2	0
Owner 3	0
Owner 4	0
	0
TOTAL	357,668

SALES STAFF STRUCTURE SUMMARY

SALES STAFF STRUCTURE PAGE OF SCENARIO: [BREAK EVEN NOVEMBER 2014]

[ABC REAL ESTATE AGENT] 12 MONTHS TO [DECEMBER 2015]

Name	% Total Sales (est)	Gross Comm	Debit (D) Non Debit (N)	Salary / Retainer (S)	Allowances (A)	S + A	S + A + C	Override	Super	Workcover	TOTAL	% Gross Comm
PRINCIPAL/OWNER												
Principal 1	27.0 %	\$ 269,169	D	\$ 0	\$ 0	\$ 0	\$ 134,584	\$ 0	\$ 0	\$ 942	\$ 135,526	50.3 %
	27.00	\$ 269,169					\$ 134,584	\$ 0	\$ 0	\$ 942	\$ 135,526	50.3 %
EMPLOYED SALESPeOPLE												
Salesperson 1	35.0 %	\$ 348,923	D	\$ 40,000	\$ 10,000	\$ 50,000	\$ 171,907	\$ 0	\$ 14,976	\$ 4,857	\$ 191,741	55.0 %
Salesperson 2	23.0 %	\$ 229,292	D	\$ 40,000	\$ 8,500	\$ 48,500	\$ 114,646	\$ 0	\$ 9,819	\$ 955	\$ 125,420	54.7 %
Salesperson 3	15.0 %	\$ 149,538	D	\$ 40,000	\$ 8,500	\$ 48,500	\$ 74,769	\$ 0	\$ 6,130	\$ 596	\$ 81,496	54.5 %
	73.00	\$ 727,754					\$ 361,323	\$ 0	\$ 30,925	\$ 6,409	\$ 398,656	54.8 %
TOTAL	100.00	\$ 996,923					\$ 495,907	\$ 0	\$ 30,925	\$ 7,351	\$ 534,183	53.6 %

SALARY & COMMISSION SUMMARY (Individual Salespeople)

SALARY AND COMMISSION SUMMARY			SALESPERSONS PAYOUT		
Name: Salesperson 1					
SALARY/(RETAINER)					
	Year			Year	Quarter
Salary	\$ 40,000		GCC	\$ 348,923	\$ 87,231
Allowances	\$ 10,000		Salary (S)	\$ 40,000	\$ 10,000
	\$ 50,000		Allowances (A)	\$ 10,000	\$ 2,500
Debitable or Non-debitable Salary (D or N)	D		Commission (C)	\$ 171,907	\$ 42,977
Superannuation	9.3 %		TOTAL: (S + A + C)	\$ 171,907	\$ 42,977
Workers Compensation	3.0 %		% GCC: (S + A + C)	49.3 %	49.3 %
			(less) Other Debits (D)	\$ 0	\$ 0
			TOTAL: (S + A + C - D)	\$ 171,907	\$ 42,977
			% GCC: (S + A + C - D)	49.3 %	49.3 %
			Over-ride Commission (O)	\$ 0	\$ 0
			TOTAL: (S + A + C - D + O)	\$ 171,907	\$ 42,977
			% GCC: (S + A + C - D + O)	49.3 %	49.3 %
			Supperannuation (Sup)	\$ 14,976	\$ 3,744
			TOTAL: (S + A + C - D + O + Sup)	\$ 186,884	\$ 46,721
			% GCC: (S + A + C - D + O + Sup)	53.6 %	53.6 %
			Workers Compensation (W)	\$ 4,857	\$ 1,214
			TOTAL: (S + A + C - D + O + Sup + W)	\$ 191,741	\$ 47,935
			% GCC: (S + A + C - D + O + Sup + W)	55.0 %	55.0 %
COMMISSION STRUCTURE					
Deduction from Agents Gross before S/P commission calculation	0.0 %				
Over-rider: Percentage of Total Office GCC	0.0 %				
Commission Thresholds					
Lower	Upper	Agents Net %			
\$ 0	\$ 150,000	45.0 %			
\$ 150,001	\$ 250,000	50.0 %			
\$ 250,001	\$ 500,000	55.0 %			
\$ 500,001	\$ 700,000	60.0 %			
\$ 700,001	\$ 1,000,000	60.0 %			
\$ 1,000,001	\$ 11,000,001	60.0 %			
SALESPERSON PERFORMANCE INDICATORS					
	Year	Quarter			
Average \$ Commission per transaction	\$ 9,200	\$ 9,200			
No. Unconditional Transactions Required	37.9	9.475			
Average conversion ratio (List/Sell)	90.0 %	90.0 %			
No. of Listings Required	42.14	10.54			
Listing Appointment Success Rate	33.0 %	33.0 %			
No. of Listing Appointments Required	127.7	31.925			
No. of *contacts required to create Listing Opportunity	10	10			

BUDGETED PROFIT & LOSS STATMENT

BUGETED PROFIT AND LOSS OF SCENARIO: [BREAK EVEN NOVEMBER 2014]		
[ABC REAL ESTATE AGENT] 12 MONTHS TO [DECEMBER 2015]		
<u>PROJECTED SALES COMMISSION REVENUE</u>	\$ 996,923	100.0 %
COST OF SALES (COS) - VARIABLE COSTS		
SALES STAFF SALARY/INCENTIVES		
Owner/s: Personal Production		
Salary / Commission	\$ 134,584	13.5 %
Over-ride Commission	\$ 0	0.0 %
Statutory Costs	\$ 942	0.1 %
Employed Sales Producers		
Salary / Commission	\$ 361,323	36.2 %
Over-ride Commission	\$ 0	0.0 %
Statutory Employment Costs	\$ 37,334	3.7 %
Sub Total	\$ 534,183	53.6 %
OTHER VARIABLE COSTS		
Property Advertising (after VPA)	\$ 15,000	0.0 %
Gifts For Clients	\$ 7,975	0.0 %
Property Advertising (internet) p.a.	\$ 15,000	1.5 %
Other	\$ 0	0.0 %
Other	\$ 0	0.0 %
	\$ 79,754	8.0 %
	\$ 0	0.0 %
Sub Total	\$ 87,729	9.5 %
ADMINISTRATION OR MARKETING FEE INCOME (Deduct)	\$ 46,173	
TOTAL COST OF SALES (COS)	\$ 575,739	57.8 %
GROSS PROFIT	\$ 421,184	42.2 %
OPERATING EXPENSES (OE) - FIXED COSTS		
SALARY/WAGES (including statutory costs)		
Administrative/Support Wages	\$ 75,000	7.5 %
Statutory Employment Costs (Admin/Support staff only)	\$ 0	0.0 %
Payroll Tax (if applicable)	\$ 0	0.0 %
Owners Salary/Wages	\$ 0	0.0 %
OTHER OPERATIONAL COSTS		
Marketing & Promotion (non-property related)	\$ 15,000	1.5 %
Bank charges	\$ 750	0.1 %
Cleaning	\$ 2,500	0.3 %
Communication (phones, ISP)	\$ 8,500	0.9 %
Computer Support	\$ 1,500	0.2 %
Function Expenses	\$ 2,000	0.2 %
Insurance-General	\$ 2,500	0.3 %
Insurance-Professional Indemnity	\$ 2,750	0.3 %
Interest Charged	\$ 250	0.0 %
Lease of Equipment	\$ 4,500	0.5 %
Legal & Accounting	\$ 2,750	0.3 %
Maintenance & Repairs	\$ 750	0.1 %
Subscriptions	\$ 5,000	0.5 %
Printing/Photocopier consumables etc	\$ 3,100	0.3 %
Security Monitoring	\$ 0	0.0 %
Seminars & Training	\$ 2,500	0.3 %
Travel Expenses	\$ 1,000	0.1 %
Postage	\$ 2,500	0.3 %
Rent (including outgoings)	\$ 40,000	4.0 %
Registration & Licencing	\$ 1,750	0.2 %
Electricity	\$ 5,500	0.6 %
Other	\$ 3,000	0.3 %
TOTAL OPERATING EXPENSES	\$ 183,100	18.4 %
TOTAL EXPENSES (COS + OE)	\$ 773,839	77.6 %