



THE ROAD AHEAD: MONEY TIPS FOR NEW AGENTS

Most real estate agents are pretty happy people. In a job satisfaction survey by U.S. News & World Report, working agents rated their careers as above average in flexibility, work/life balance and upward mobility.

Yet, according to leading industry educator Tom Ferry, 87% of new agents fail within the first 5 years.

That's an interesting conundrum - until you consider that most new agents begin their careers without regular salaries, without health benefits and often with little or no savings.

"It's so important to save early," said Barbara Leonhardt, a career agent with Century 21 in Fullerton, CA. "It's a good idea to put money away from each closing to save for quarterly taxes."

New agents need to be careful about what they spend and keep track of every expenditure for tax time, she said.

Here are more money tips to help new agents survive in those critical first years:

- **Don't sell yourself short** - Interview with several brokers before deciding where to work. Choose a brokerage that offers extended training, a good suite of free tools and services and a culture that values energy and commitment.
- **Make a business plan** - and stick to it! Having a plan helps you stay focused, develop good daily business habits, and set realistic goals.
- **Stay on top of your budget** - When money is tight, every dollar counts. Should you make that purchase? Replace that whatever? Use what you have until you are certain you need something newer - and can afford it.
- **Continue your education** - The more you know, the better practitioner you will be. Ask to be mentored by agent you admire. Take free or low-cost online classes, including classes that give you specialty designations, such as residential (CRS) or military relocation (MRP) specialist or 'green' or diversity certification.
- **Get recommendations** - and use them! Little speaks to potential clients more than recommendations from past clients. Get referrals you can follow up with from everyone you work with and endorsements that will serve you well in social media marketing.

