

“WRITE YOUR GOALS IN INK; YOUR BUSINESS PLAN IN PENCIL”

To be successful, an apartment locating business must be operated like any other business. You need to ask yourself some critical questions, and write a basic business plan that you review quarterly. Here are a few questions that relate specifically to an apartment locating business.

IDEAS TO CONSIDER BEFORE YOU GET STARTED

- The main reason to own a business that works, is so you don't have to.
- It's only a business if you can walk away, and it continues to grow without you.
- The job of the business owner is to write the systems and hire people to run them.
 - The people run the systems.
 - The systems run the business.
- 90% of all businesses are a series of events that can be replicated.

Personal Vision

Start the brainstorming process by considering these long-term questions about your personal vision. The way you think about your personal vision will feed over into your professional vision in the next section.

1. **What do you value most in life?** It could be faith, family, or freedom. There's no wrong answer.

2. **What do you want your personal life to look and feel like in five years?** What you do today will shape that reality.

3. What kind of person do you want to be for your family, friends, and clients?

4. If time and money were not an issue, how many weeks/months of the year would you work?

5. If time and money were not an issue, how many weeks/months of the year would you travel?

6. Where would you go on your first vacation?

7. Who would you want to go with you on vacation?

8. Approximately how much annual revenue do you need to create this personal lifestyle?

Professional Vision

Standards create the energy by which the best companies and most effective people produce results. The questions below will help create a very clear statement of what your business must ultimately do to achieve your professional vision.

1. Every successful business solves a problem. What specific problem are you solving for your clients?

2. Write a description of your ideal client. This will help you identify new prospects.

3. What is the minimum rent, credit score, and economic demographic of your ideal client? You may need to break them down into groups. (ex. \$800-\$1,000 clients, \$1,000 - \$1,300 clients, \$1,300+)

4. When you think of your business in the future, do you envision a virtual or brick and mortar office? Is it an office space, retail space, or pop-up shop?

5. Do you have more than one office?

6. Is your company local, regional, statewide, or multiple states?

7. How many support staff (admin/accounting) do you want to employ? For every admin person you add to your team, how many more transactions can you close? Based on your average invoice, how much more revenue does that one admin generate?

8. How many agent's do you want to sponsor?

9. What percentage of growth do you want to achieve each year? For example, a 10% increase in profits, or a 5% increase in profit margins.

10. Do you want to sell your company at some point?

11. Do you want to franchise your company at some point?

Financial Vision

The financial vision will help us set goals for your business. Every client measures value by different standards, but adding revenue to the bottom line is our core concern. We can't mathematically calculate growth, without knowing your long term financial vision to accomplish your goals.

Approaching lead generation from a mathematical position removes emotion and makes the process easy to understand and duplicate. Once we calculate the customer acquisition cost (CAC), and return on investment (ROI) on each lead source, we can focus on the lead sources with the highest ROI and lowest CAC.

*If you are not comfortable disclosing these numbers, please summarize the one's in bold.

FINANCIAL SNAPSHOT

Monthly fixed personal expenses (rent, mortgage, car, insurance)	
Monthly fixed operating expenses (rent, databases, email marketing, MLS) excluding marketing and advertising	

*SUBTOTAL MONTHLY EXPENSES	
Average monthly income last year	
*PROFIT OR LOSS (Average monthly income (-) Monthly expenses)	
*LAST TWELVE-MONTH AVERAGE INVOICE AMOUNT	
How many invoices do you need to collect to exceed your monthly expenses? (Monthly expenses (/) Last twelve-month average invoice amount)	
Estimated quarterly marketing budget to generate required leads?	

LEAD VOLUME AND CLOSING RATIO

Total number of prospects last quarter?	
Out of total number of prospects, how many were workable/qualified leads?	
How many qualified leads turn into a list?	
How many qualified leads respond to the list?	
How many times do you follow up with a lead before they respond?	
How many leads that respond, require an escort?	
What is your prospect to lead conversion rate?	
What is your lead to invoice closing ratio?	
What is the average closing cycle in weeks or months? First conversation to sending an invoice.	
What is the average number of days to receive payment?	

Locator Lead Funnel

The Locator Lead Funnel is a lead generation system by Rental Advisors that removes the emotion from generating leads, and transforms the process into a mathematical formula.

We teach our clients to focus on tasks they can control, so they can engineer their revenue regardless of market conditions. It's absurd to set revenue goals based on circumstances you have no control over like construction rates, commission rates, or average rental rate.

Our lead funnel focuses on two numbers; average invoice amount and closing ratio. When you calculate your average invoice by your closing ratio, the number of leads you need to add to your lead funnel each week becomes a mathematical formula, so your revenue can remain the same regardless of market conditions or time of year.

SAMPLE LEAD FUNNEL WITH 1 IN 10 CLOSING RATIO

	Variable		Variable		
Annual/Monthly Revenue	Average Invoice	Monthly Closed Invoices	Closing Ratio	Leads Needed Per Month	Leads Needed Per Week
\$100,000/\$8,333	\$600	14	1 in 10	140	35
\$100,000/\$8,333	\$700	12	1 in 10	120	30
\$100,000/\$8,333	\$800	11	1 in 10	110	28
\$100,000/\$8,333	\$900	10	1 in 10	100	25
\$100,000/\$8,333	\$1,000	9	1 in 10	90	23
\$100,000/\$8,333	\$1,100	8	1 in 10	80	20

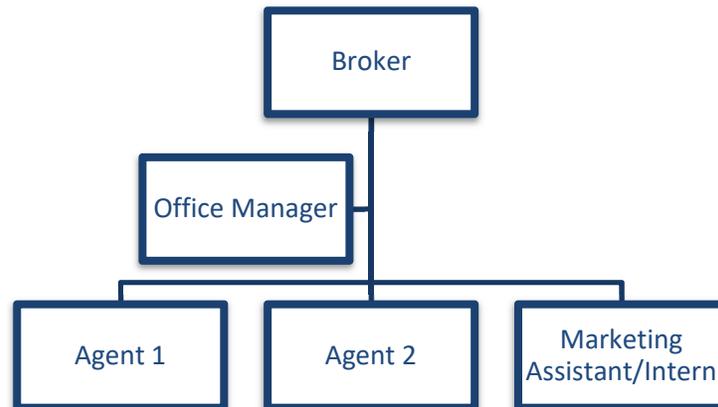
SAMPLE LEAD FUNNEL WITH 2 IN 10 CLOSING RATIO

	Variable		Variable		
Annual/Monthly Revenue	Average Invoice	Monthly Closed Invoices	Closing Ratio	Leads Needed Per Month	Leads Needed Per Week
\$100,000/\$8,333	\$600	14	2 in 10	70	18
\$100,000/\$8,333	\$700	12	2 in 10	60	15
\$100,000/\$8,333	\$800	11	2 in 10	55	14
\$100,000/\$8,333	\$900	10	2 in 10	50	13
\$100,000/\$8,333	\$1,000	9	2 in 10	45	11
\$100,000/\$8,333	\$1,100	8	2 in 10	40	10

Organizational Chart

Your organizational strategy provides each person a sense of commitment and accountability. Write a job description for every position. In the beginning, you may be filling every position, but as you grow you can outsource these positions. Each position should have basic systems written in an operation manual before you outsource it. The goal is that each position has duplicatable systems and processes as your company grows. Below is a list of positions to consider for an apartment locating company:

- Sales manager?
- Customer service managers?
- Leasing relationship manager?
- Accounting/Bookkeeping/Collections?
- CPA?
- Website design/IT?
- SEO company?
- Social media management/posting?
- Lead generation company?
- Licensed assistant to call for pricing, update lists, tour with clients?
- Blog writing?
- Mentoring program?



Sample

Time Allocation

Below are some additional questions to get you thinking about time allocation and lead generation. These are brainstorming ideas that you can share with us, or we can discuss later.

1. How much of your time is spent on administrative tasks each week?

2. How much of your time is spent on income producing activities (IPA's) each week?

3. If you hired a part-time assistant at minimum wage, or hired a virtual assistant to handle most of the administrative tasks, how many more leases could you close each week?

4. Would those extra leases cover the cost of hiring the assistant, or better yet create a profit?

Social Media and Email Marketing

1. Where do your prospects hang out online and social media? List as many platforms as possible.

2. Research how much it cost to advertise on each of those platforms weekly and monthly.

3. How many email addresses of past clients do you have in your contact list? Are the contacts in an database that can be exported?

4. Are you currently drip marketing them via email? It is proven your number one lead generator will always be email marketing.

5. How do you collect new email addresses? Are new addresses automatically added to an email marketing campaign?

6. How many connections do you have on LinkedIn?

7. Do you incorporate your LinkedIn connections into a drip email marketing campaign?

8. Do you follow new people on your social media channels every week?

9. If yes, do you ask for their business through a direct message and landing page?

10. Are you using a professionally branded email like @myapartmentlocating.com? (Research shows prospects respond nine times more often to professionally branded email versus free email like Gmail.)

11. Do you have multiple email auto-responders written for various types of prospects to weed out time wasters?

12. Do you have a contact manager/CRM to funnel all prospects, leads, clients, and referrals? If so, what's the name of the software?

13. Do you have a lead tracking system to measure all your lead sources? If so, what's the name of the software? Do you know the return on investment (ROI) of each lead source?

14. Do you use text messages to follow up with clients? Do you type them manually or use software to automate?

15. Do you use contracts and release forms with your clients?

THIS IS THE END OF THE FILL IN DOCUMENT WE NEED BACK FOR ONBOARDING PURPOSES. THE REST OF THE DOCUMENT IS FOR YOUR REFERENCE TO COMPLETE ON YOUR OWN TIME.

Business Checklist

- Write personal vision.**
- Write professional vision.**
- Budget:** Create a budget for the first six months and adjust for the second six months. There should be a clear benchmark of when you can scale and grow safely. The key is spending as little money as possible until your system is perfected.
- Organizational Chart:** Complete an organization chart showing exactly what positions are needed to satisfy your current professional vision. You can always add more later. Assign each position to a person on your team (your name may be in every box at first) and write a basic job description and task list.
- Operations Manual:** Start creating your operations manual now. Put the organization chart in the operations manual on a shared drive so all team members can contribute to it AS YOU GO.
- Create your systems:**
 - Team Collaboration Network: (Our team uses Google Business Apps but there are many other choices)
 - Business email addresses for everyone. Do not use free Gmail or Yahoo emails.
 - Client database/contacts
 - Shared documents (google business, dropbox)
 - Business texting/instant message. Should communicate with clients and team members.
 - Accounting/bookkeeping software. (I strongly advise to have an inexpensive CPA help you with this. Quarterly and annual accounting is a pain and can get you in a lot of trouble if done incorrectly).

- Apartment database/client lists.
- Client Database
 - Auto-responders.
 - Auto-drip emails for new leads.
 - Auto-drip emails for leads who aren't moving for 3+ months.
 - Auto-drip emails for clients so they become repeat clients.
 - Client database should sync with your phone
 - All team members should have access to the client database and contribute to notes and accuracy.
- Website
 - Is your domain easy to spell, easy to repeat, and easy to remember?
 - Lead capture forms should all go to the same place.
 - Lead landing pages attract clients from different sources.
 - Load Google Analytics so you can track results.
- Create social media pages. Do some research and make sure you can find the same username/handle on all platforms if possible. You want a unified brand between your domain/URL and your social media pages.
 - Facebook business page
 - Twitter feed
 - Google+ Page
 - Google My Business Page (online reviews)
 - LinkedIn business page (great for search results)
 - LinkedIn personal profile page for every team member, linked to your business page. (great for search results)

- Yelp
- Instagram
- Create a <https://buffer.com/> account so you can schedule your social media in one place. There are several social media schedulers available – Buffer is the one we like the best.

Systems

Systems is the means through which your company produces the results you want. Simple systems are put in place so ordinary people (or interns) can produce extraordinary marketing results.

Every system is a marketing tool. The simpler and more direct the system, the better results will occur and ultimately form your operations manual. Each system contains an itemized checklist with specific steps your team should take to create a satisfied customer. New people can be trained to perform at the same level as experienced team members by being accountable to their checklists.

Below is a list of sample tasks that need a system. Master a task, write it down, then find someone to run the system. Immerse yourself in the environment and get through the learning curve as quickly as possible by eating, sleeping, breathing, and living it 24/7.

Internal	Online/Social
<ul style="list-style-type: none"> ▪ Data/Create Lists ▪ Accounting/CPA ▪ Bookkeeping ▪ Client Database ▪ Business email (not free Gmail or yahoo email). ▪ Shared documents (google business, dropbox). ▪ Business texting/instant message. Should communicate with clients and team members. ▪ Operations manual with exact scripts and responses so everyone in the company responds the same way. 	<ul style="list-style-type: none"> ▪ Website ▪ Lead capture landing pages. ▪ Facebook business page ▪ LinkedIn business page. ▪ LinkedIn personal profile (online resume). ▪ Google+ page ▪ Google My Business Page (online reviews). ▪ Yelp ▪ Twitter page ▪ Instagram (optional)

Marketing/Tracking	Customers
<ul style="list-style-type: none"> ▪ Drip marketing system – must be tied to client database and lead capture database. ▪ Google analytics. ▪ Pay-per-click ads. ▪ Social media campaigns. ▪ Blog posts. ▪ Lead source tracking. 	<ul style="list-style-type: none"> ▪ Lead capture forms. All leads from all sources go to the same database. ▪ Auto-drip emails for new clients. ▪ Auto-drip emails for clients moving in 3+ months so you want to nurture them. ▪ Auto-drip emails for past clients to create repeat clients.

Income Producing Activities (IPA's)

Income Producing Activities (IPA's) are separate from administrative tasks. As a producer, you should focus 95% of your time on IPA's and leverage other people for the administrative tasks. Your revenue will be indirect proportion to the number of lists you generate each week. You are not an apartment locator; you are a lead generator. Fill your schedule with as many IPAs as possible. If you are working five days a week, work IN the business four days and work ON the business one day.

*Keep a calendar of what you do hour by hour for two weeks, so you can see where you are spending your time.

IPA's (working IN the business)	Administrative (working ON the business)
<ul style="list-style-type: none">▪ Locator lunches/networking▪ Visits top 20 apartment clients▪ Drop off invoices for satisfied apartment deals.▪ Tour clients▪ Calling all new leads that come through your website and CRM.▪ Lead conversion▪ Writing auto-drip emails▪ Writing blogs▪ Networking in places you can attract renters.	<ul style="list-style-type: none">▪ Bookkeeping▪ Filing▪ Follow-up with clients▪ Accounts payable▪ Accounts receivable▪ Calling for pricing/updating lists▪ Scheduling social media posts

Test and Measure

Now that you have a business model, you can start testing your systems with business development and measuring what works and what doesn't work. The business development phase is never complete. You will do it the entire lifespan of your business and you should schedule time to focus on it.

- Innovation – doing new things (not just thinking of new things). Innovation must be from the customer's point of view. Whether the system you are building or program you are designing is geared toward the renter or the apartment community, you must focus on the benefits for the specific customer.
- Quantification – measuring everything! This process is very time consuming if you don't set up tracking at the very beginning.
- Orchestration – producing a consistent and predictable result based on innovation and quantification. Orchestration is your unique way of doing business that provides consistent and predictable invoices and closed deals.