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6 STEPS TO 7 FIGURES

PAT HIBAN



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NEW YORK TIMES & USA TODAY BEST-SELLER

6 STEPS TO 7 FIGURES

A Real Estate Professional's
Guide to Building Wealth

NEW
CHAPTERS



FOREWORD BY **GARY KELLER**
Co-Founder of Keller Williams Realty



6 STEPS TO 7 FIGURES



6 STEPS TO **7 FIGURES**

A REAL ESTATE PROFESSIONAL'S GUIDE
to building wealth

PAT HIBAN



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Pat Hiban

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INTRODUCTION

WHY I'M THE GUY TO SHOW YOU **HOW TO GET TO \$1,000,000**



ABOUT A YEAR AGO, I WAS AT A REAL ESTATE CONVENTION IN Atlanta, Georgia, for three and a half days. There were probably tens of thousands of attendees. At the end of the first day, I watched from the hotel lobby as a large group of people left to catch a van, on their way to do some after-dinner dancing. I realized all of them had probably eaten already and showered, too. Funny, I thought to myself, *it feels as if it were still midday*. I realized I hadn't eaten since breakfast, and I was still carrying my seminar book and free nylon bag with free stuff from the vendors; I hadn't even made it back to the room to put them down. I looked down at my pocket schedule, where I had circled several different courses offered that day, each of which I had wanted to attend. I hadn't made it to any.

From the moment I set foot in the hotel hallway that connected the seminar rooms, I had talked real estate, nonstop. Now I knew why my wife hated to come to these things. As a seminar presenter, I wore a special name-tag ribbon and a medallion around my neck that made me a target for people who wanted to connect with a top

producer. I became a magnet—and I loved it.

Person after person approached me and asked me questions about my real estate business—and theirs. I talked about my days as a beginner all the way up to what I was doing at the time. I was on a natural adrenaline rush. By the end of the day, I had a yellow memo pad full of notes about the newest and latest trends in the market—what was working for everyone else. I realized I had gotten just as many great ideas and information from the dozens of attendees I had met that day as they had gotten from me.

As I lay in bed that night journaling about the day, I realized people really were curious about what I do, and how I do what I do. I think of myself as being modest about my accomplishments, and I used to feel that my last twenty-four years of experience in the real estate business weren't much to talk about. My epiphany that night after the conference was that I was wrong. I guess I really have done something that most people desire to do. I've made millions and not killed myself doing it—and I came from fairly humble beginnings. I took a job that's usually riddled with interruptions, stress, and long hours, and I've made it into one that's fun, funny, and full of free time. I've sold more than a billion dollars' worth of residential real estate—house by house. My average sale price at the start was \$91,000, and over the years I've raised it to closer to \$450,000. I've had a team as large as fifty-four people and as small as me, myself, and I. I've hired, fired, and been quit on by hundreds of agents and staff members. I've also managed to keep the best ones for more than fifteen years. If there's a way to get sales leads that's out there, I probably not only know about it but also

have done it—and probably more than once. I’ve met thousands of buyers and thousands of sellers, and I’ve negotiated thousands of contracts. In fact, I’ve negotiated fourteen different contracts in one day, and I’ve held on to listings for over two years that never ended up selling. Most business authors and seminar speakers are just that: professional authors and speakers. In contrast, I am a working real estate salesperson. As I write this introduction, I am looking at my watch so I won’t be late for a meeting with a client. I’m in the fields. I’m on the ground.

In this book, I’m offering a transparent look into my life, my real estate operation, and my day-to-day activities—yesterday and today. I’ve written it to share with you the lessons I’ve learned about how to make money in real estate without working too hard. I’ve been selling real estate successfully for twenty-four years, and for the past sixteen years, I’ve been building a team of terrific people who have helped my business grow even more.

Twenty-four years ago, when I first started selling real estate, I made only \$13,200 a year. I still have that 1099 form tacked to my bulletin board in my office, to keep me humble and to let everyone else in my office know that I started at the bottom. But since then, I’ve had enormous success in my career: I’m one of the few active real estate agents who have sold more than \$1 billion worth of residential real estate, and for two years in a row I sold more than five hundred homes, with gross annual commissions of more than \$5 million. Of course, I didn’t do that alone: I achieved that success with a team of fifty-four people. That was before the bottom dropped out of the real estate market—but I’m still working, and

I'm still successful, because I've found new ways to sell houses and new types of houses to sell.

So how did I get from a yearly rate of \$13,200 in commissions to \$5 million in commissions? And when the bubble burst, how did I deal with a 65 percent drop in statewide transactions? How did I go from working with no banks on foreclosure properties to working with more than forty, and handling more than three hundred listings for them—in only eighteen months? How can you replicate my success in real estate in your own life? That's what you'll find out in this book.

Because my career and my success have been in real estate, I wrote this book for real estate professionals, although the lessons I've learned about expanding my business are applicable to many other businesses as well. After all, the basics of what I learned were how to manage my own time more effectively and efficiently and how to manage other people better, so that we could all make more money and have more time off—the goals of almost every businessperson. However, my hope is that the information in this book will be especially helpful to real estate professionals of all kinds.

My goal is to show how you can develop a system that will allow you to net a half-million dollars or more while working only four days a week—and while being involved in other money-making activities that are branches of your primary business. I also want to show you how you can create more free time for yourself; I believe it's important to do something besides just working, so you can keep your mind active and not get bored with doing the same old thing, day in and day out.

I've written this book for anyone who wants to "have it all." You want to be rich, but you also want to have balance in your life; you want to have a life outside of work, but you also want to make a lot of money. I think that deep down, everybody really wants that, but only a few really push forward to get it. Maybe you're already successful—either in your company or in your region—and maybe you're even the top-performing person in your office. But maybe you're not *feeling* successful, or maybe you're successful only at work but not in your personal life. If you're feeling out of balance, as though you're working too hard to make money, then this book is also for you.

I believe this book is useful whether you are brand new in the real estate business and looking for a step-by-step process for success or a seasoned real estate pro looking to increase your profits and spend less time working. I hope this book will help you and that you'll return to it again and again for advice: "What did Pat do when this happened to him?"

People ask me all the time why I got into real estate and whether it was because I love houses. Honestly, that wasn't the reason. When I was a kid, I didn't say to myself, "Gee, when I grow up, I want to sell real estate." I was born seventeen months after my older brother, Michael, who was very verbose and active. I, on the other hand, was very slow to develop. I didn't speak until I was five, and my parents took me to a shrink to see if I was just super-shy or actually mute. I was labeled as learning disabled in the first grade and put into special education classes. When I did learn to speak, I mixed up many consonants, the most severe being

R and W. I sounded like Elmer Fudd—I said “wabbit” instead of “rabbit”—until close to middle school. In fourth grade I was picked to do the morning announcements, and I was so afraid I wouldn’t be able to read them that I purposely walked very slowly on the way to school, dragging my feet until my brother yelled at me and left me in the woods, going on to school by himself. I showed up exactly half an hour late and missed my chance at stardom. I would never have been pegged as a future agent who would master the kitchen-table listing appointment and go on to deliver monologues in several very successful TV commercials.

I was just an average kid, growing up in a single-parent household. My parents divorced when I was twelve, and my mom was a schoolteacher who had to raise all five of us alone. I didn’t have any special talents: I wasn’t musically gifted, and I certainly wasn’t a sports star. I tried out for lots of teams, but I was too uncoordinated to play well—in fact, I was third string on the lacrosse team during my freshman year, and I dropped to fourth string during my sophomore year. I got worse!

I didn’t have any strong interest in doing anything in particular, even by the time I went to college. I wasn’t a 4.0 student; I graduated with a 2.6 average. I didn’t major in anything practical like business or accounting; instead, I majored in sociology because I took many random courses and waited too long to declare a major, and a sociology major required the fewest courses. In other words, I chose it simply so I could graduate on time, with the rest of my class. And when I graduated, I didn’t know what the heck I was

going to do. All I knew was that I wanted to make money. My point is that if *I* could become successful—in all ways, financially and emotionally—so can you.

There's a song by the Talking Heads called "Once in a Lifetime" with the lyrics, "and you may ask yourself, 'Well, how did I get here?'" As I asked myself that question over and over again in writing this book, key principles rose to the top. I believe that if you implement all six of these principles and don't give up, it will be literally impossible for you to fail. You will have to succeed.

This book describes what I've learned about real estate sales, about customer follow-up, about managing, motivating, inspiring, and keeping people accountable. It also shares my thought processes on delegating, taking real estate success to the next level, and breaking the workaholic tendencies that many independent businesspeople and small-business owners tend to have. This book is intended to be a guide to making more money, more efficiently, in less time. And who doesn't want that? My hope is that this step-by-step guide will pave the way for you to be more successful in your career. Good luck!