



THE FINS ARE STARTING TO APPEAR ABOVE THE WATER

“There is no greater incentive for success than the winds of disaster blowing up your arse”- Anthony Fountain (1982)

G’day there,

Having spent time this Easter both reading the financial and real estate segments of publications such as *The Australian*, *The Sydney Morning Herald* and *The Australian Financial Review* and watching Australian and US financial reporters on the *Sky TV Business Report*, any delusions I may have had, and there were virtually none, on where we are heading financially certainly disappeared.

Doubtless however, there will still be many who see the hue of the sky as being bright and not a gathering storm and whilst I firmly believe this year and its economic climate will offer savvy agents potentially their best year for decades, many will fall by the wayside as the “shark fins appear in the water”.

So, if we are to avoid being eaten by the economic ”shark”, what are the key factors we need to be aware of?

Apart from keeping costs under control (what percentage of your costs are advertising by the way? - over 8% there should be a warning light glowing), the two main ones to my mind are:-

- listing rates (the old maxim of “*list and live*” is still very valid) and
- days on market - the longer they are, the less your turnover and therefore the less the gap between income and expenses

And what is the best way to succeed in both fields?

A properly run auction component to your business for if you are working your auctions properly, then the **prospecting** side is taken care of with your weekly canvassing around the auction property/s and your **days on market** problem is likewise taken care of, if for no other reason (and there are a lot more as is shown in our one day *From Signup to Sale course*) than an auction has a definite time line from both the buyers and vendors points of view.

I am not saying that auctions should comprise all your business. I doubt if there is an agency in Australia that fits that scenario (although many of the leaders have a very high auction ratio) although, having said that, I also doubt if there is a leading agency that doesn’t have an auction component of some size.

All too often I hear the BS statement “oh, auctions don’t work here” and all that tells me is that the agent uttering the words doesn’t, or *probably more accurately doesn’t want to*, understand either or both the auction process and

how powerful it can be!

Don't be blinded to the potential that auctions can unlock for you. I invite you to attend one of our *From Signup to Sale* courses and see if "the light can come on" and thus get you into the lifeboat and away from the circling fins!

These courses are run both as an open group and within office or franchise groups. They can be tailored to your individual needs and for more specific information, email us at academy@fountainandco.com or direct to myself at my below email address.

And yes, the quotation I used at the head of this Newsletter (sorry if it offended you in any way) was one of the BIG lessons in life I was taught and I learnt it well, as hard as it was at the time.

Who got me into that situation? Me

Who got me out? Me

As the old but true saying goes "if it's to be, it's up to me".

Carpe diem

Tony

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