

Success In Real Estate Vol.4

Conversations with the top 15 achievers and their guiding principles



The Banking Specialist

From High-Flying Banker to Agent

Favourite Quote:

"Success is not final, failure is not fatal: it is the courage to continue that counts."

- Winston Churchill



Michael Ng

★ Awards ★

- 2007 PropNex Top 15 Champion Producer (2nd Quarter, 14th position)
- 2007 PropNex Top 30 Champion Producer (June, 28th position)
- 2007 PropNex Top 30 Champion Producer (May, 11th position)
- 2006/2007 IEA Achievers awards
- 2006 PropNex Top 50 Champion Producer (44th position)
- 2006 PropNex Top 10 Champion Producer (3rd Quarter, 8th position)
- 2006 PropNex Top 30 Champion Producer (Sept, 14th position)

Introduction

Once, Michael Ng worked as an assistant at a fruit stall, and later, a delivery clerk. But through his hard work and perseverance in taking a multitude of courses, as well as his star performance at work, he experienced a meteoric rise to become Vice President, Treasury Division, in OUB. However, when OUB was taken over by UOB, Michael was forced to hunt for alternatives. His journey took him to real estate. Now, many buyers and sellers are fortunately able to tap his specialist advice in banking.

Michael's Climb from Bottom to Top

When I was only 14, my father passed away. While my mother stayed at home to handle all the household chores, my elder brother and two elder sisters had to struggle to support our family. Their combined income was barely sufficient to meet our expenses. My grandmother also had to work hard and scrimp and save in order for us all to have a decent meal every day. To help ease my family's financial burden, I gave tuition in English and mathematics to primary school children, and also sold fruits at my brother-in-law's fruit stall.

Immediately after completing my National Service in 1971, I joined my brother-in-law's transport company as a delivery clerk. I drew a miserably monthly salary of only \$120. After a year, I began working at Tractors Singapore. In hope of commanding a higher salary, I strived hard to further my formal education by taking night classes. I successfully achieved my Higher School Certificate, and left the company. In 1974, I began my dream career in banking with Overseas Union Bank.

During my 27 years with OUB, I tirelessly took courses in accounting, banking, management studies, and marketing management. My hard work and perseverance paid off. I was consistently promoted. From starting as a clerk, I eventually climbed up to the post of Vice President, Treasury.

Undeterred

On a fateful day in December 2001, I was given a golden handshake when OUB was taken over by United Overseas Bank. I received 28 months salary as my retrenchment benefit, and said goodbye to my long-time career.

I didn't waste any time. While I was working temporarily at HL Bank in the treasury department, I went into business with one of my previous bank customers, manufacturing and selling curry puffs. We employed staff from

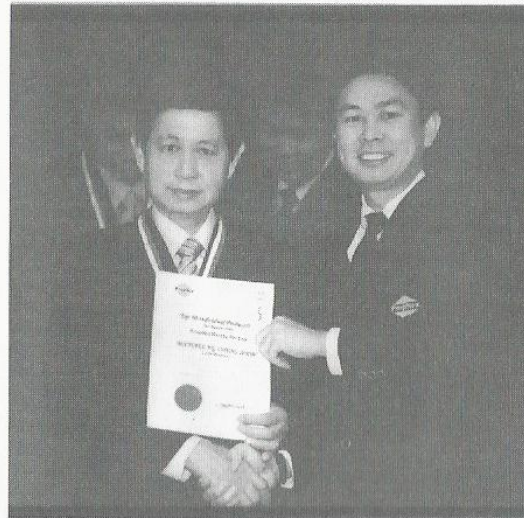
Malaysia and Thailand, and managed to grow the business considerably. However, due to my lack of experience and exposure in the food industry, as well as internal conflicts, my food venture failed. Within less than a year, I lost close to \$50,000.

Undeterred by failure, I ventured into the home cleaning business, and with a few ex-colleagues from OUB, I also set up a company providing accounting and consultancy services.

Yet Another Form of Business

Although I'd started other businesses, I still felt at a loss for what to do. Then one day, I saw a newspaper advertisement for a career talk PropNex had organised. After attending the talk, I signed up the next day.

Just as I was about to finish my CREST course in March 2005, I participated in a road show my manager, Steven Lau, had organised at Marine Parade. There, I met a middle-aged woman who asked me to rent out her condo at The Bayshore. Without giving me an exclusive, she asked me to proceed with the marketing process and call her when I needed to take clients to view her condo. From two advertisements placed in the Straits Times, I attracted ten potential tenants, eight of whom had co-broke agents. After conducting eight unsuccessful viewings with the co-broke agents' clients, I finally managed to rent out the condo to my second direct client within seven days.



Michael receiving the Top 14 Producer Award from Alan Lim

Though this was just a rental deal, it served as a stepping-stone into The Bayshore. Many of my deals since then have involved The Bayshore, and immediately after this rental deal, I also received a number of calls from friends and neighbours to sell their homes—a few private, and a few HDB.

Begin With the End in Mind

Two weeks after I completed my CREST course in March 2005, I managed to secure two exclusives—both two-bedroom condos at Bayshore Park. I advertised aggressively in the Straits Times and received a fantastic response. Excitement filled me when people called and asked to view the properties. As I showed them around on each viewing, all I thought of was the viewing itself and telling them how good the properties were. After three months, my exclusive expired, and I had closed no deal.

After analysing what went wrong, I realised I hadn't begun with the end in mind. I hadn't developed a clear understanding of my destination, which was to convince my potential client to buy after the viewing. Without having defined what I wanted to achieve before I took the clients to view the home, I was like a tour guide showing them around, only to say goodbye after the tour.

Now, I have learnt from my mistake. After reading Steven Covey's book on "The 7 Habits of Highly Effective People", I try to begin with the end in mind. I make it a point to clearly define what I want to achieve before I conduct viewings. I tell myself I must convince my client to buy the property after each viewing, and I visualise the possible challenges and the process that could possibly lead to the closing of the sale. The results have been amazing. Nowadays, I mostly sell units before the exclusives expire.

Making a Loss

My first HDB transaction proved to be a disaster. My client needed to sell her four-room HDB flat at Woodlands Ring Road. As her daughter was being sued by a bank over her credit card debts, I helped write a letter to her daughter's creditor, requesting for them to hold back the bankruptcy petition. It also proposed that my client repay them immediately after receiving the proceeds from the sale of her flat. Since my client was very poor, I also lent her money to clear the outstanding debt she owed to the town council. After almost two months marketing the flat, I finally managed to sell it. And within a week, I helped her buy a five-room flat.

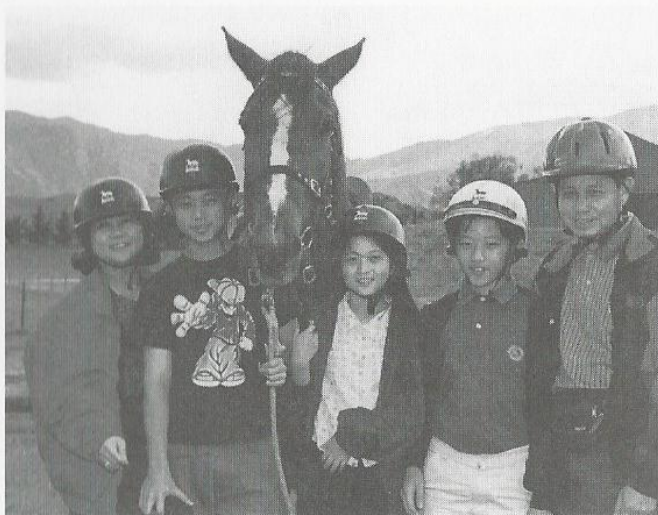
Two weeks before the first appointment date for the sale of the four-room flat, my client called, informing me that her daughter decided to let the bank sue her for bankruptcy. Hence, they refused to attend the first HDB appointment. They wanted to let both the sale of the four-room flat and the purchase of the five-room flat fall through.

I was devastated. Apart from having to apologise to the co-broke agents and tell them to cancel the deals, I had to suffer a tremendous loss of income: \$4000 lost commission for the sale of the four-room flat, \$3000 lost commission for the purchase of the five-room flat, and worse, the \$2000 loan to my client to clear her outstanding town council debt. All this did not include my advertisement cost of \$180 a week for two months, plus my valuable time and car fuel cost.

Despite this setback, I realised some things are just out of my hands, and my clients will do what they think is best for themselves, so there's no one I can fault.

Helping Others Build Their Wealth

Whenever I assist my clients in facilitating good deals, it warms my heart. One such case was a three-plus-one apartment at The Bayshore, which my client bought through me for about \$600,000 in early November 2006. Originally, he'd intended to buy a four-room HDB flat in Marine Parade, but after showing him several HDB flats, I encouraged him to purchase private property instead. I shared my reasoning with him. In light of the upcoming Integrated Resort at the Marina Bay, there was a high chance the condos in eastern Singapore would appreciate significantly. He took my advice and bought the Bayshore apartment. Less than a year later, his apartment rose in value to at least \$900,000.



Horse trekking in New Zealand with family

In my most satisfying deal, I sold yet another three-plus-one apartment at The Bayshore for \$960,000 in July 2007. At that time, the market price was between \$900,000 and \$930,000. I not only managed to sell it above the current market price then, but also above my client's targeted selling price of \$950,000. I made the sale at just the right time, for two weeks later, news of the sub-prime crisis surfaced and the property market took a breather. Seeing my client's face glowing with happiness heightened my own sense of satisfaction.

Speed Like a Sprinter

To deal with the problem of clients changing their minds too frequently

about buying or selling, the only solution we have as agents is to speed like a sprinter.

When opportunity strikes, grab it and react immediately. For example, I was selling a freehold Southaven II condominium near Bukit Timah. After some negotiation, the buyer agreed on my seller's final offer, so straight after the phone call, I rushed over to his home to collect his cheque, and then rushed to the seller's office to execute the option-to-purchase. In less than two hours, I sealed the deal.

Fast closing of the deal is essential, because if you're serving the seller, you'll fail as an agent if the buyer changes his mind because you failed to make him commit to the purchase immediately. Likewise, if you're serving the buyer, you'll also fail as an agent if the seller changes his mind because you didn't make him commit to the sale in the shortest possible time. After all, the role of a housing agent is to help solve the housing needs of both buyers and sellers.

Run Like a Marathon Runner

Aside from speed, we must also have the stamina and resources to stay on course in this business. Do not always expect or hope for immediate success. You have to be patient and be prepared for some initial failure. Until you reach your goal, you must persevere.

In one of my cases, I took a client to view Hillview Regency sometime in June 2006. Initially, nothing materialised. And due to the two "hungry ghost" months in the Chinese lunar calendar, my client ceased all home viewings. Following this, his wife gave birth to a baby boy. I persisted in keeping in touch, and bought them a gift hamper consisting of baby products. One month later, my client decided to resume his hunt for a new apartment, and hence, I took him to Guilin View, Lakeshore, and once

again, Hillview Regency. Eventually, he settled on Hillview Regency. Had I given up anywhere along this path that spanned several months, I would have lost a sale.

As Napoleon Hill once said, "Before success comes in any man's life, he is sure to meet with much temporary defeat and perhaps some failures." And in the words of John Quincy Adams, "Patience and perseverance have a magical effect before which difficulties disappear and obstacles vanish."

Employ Unique Knowledge

In this industry, which is getting flooded with more and more agents, we need to stand out from the crowd. How can we make our clients remember us? How can we give ourselves an added edge over the countless competing agents? One way is to use unique knowledge.

With almost thirty years of banking experience, I have an insider's knowledge of interest rate structures, how banks work, why banks quote fixed rates and why it's higher or lower, and through all this, I can advise my clients which package is better. Without waiting for bankers to talk to them, I can roughly judge the possibility of whether my clients will have their loans approved. This applies both to the buyers wishing to buy properties I'm marketing and the sellers wanting to buy new properties after selling their existing properties through me. Hence, using my banking knowledge, I can successfully convince sellers and buyers to engage me to respectively market their properties and search for their dream homes.

If you don't currently have any unique knowledge or special expertise in a particular area, you can always start reading up and learning through various sources. You too, can obtain leverage against other agents.

Be Confident

In November 2005, my client wanted to buy a three-bedroom apartment at The Bayshore. Unfortunately, after he paid the one percent deposit, the bank rejected his loan application due to an on-going legal suit against him for his failure to pay a certain debt. My client was crestfallen at the thought the deal would likely not go through.

Facing up to the challenge, I reminded myself that I had successfully solved problems worse than this when I was working in OUB. I was convinced I could help my client overcome this hurdle. Pondering the problem for one night, I finally managed to come up with a solution. Since my client was the one facing the credit problem, I advised him to replace himself with his wife as the purchaser, making her the borrower instead. In this way, the loan was approved and the purchase went through. My client then paid for the installments by transferring money into his wife's bank account. In due course, once he settled his credit problems, he managed, with a lawyer's help, to clear his bad credit history.

My client was so satisfied with my help that he has since referred many clients to me. In order to be successful in this industry, we need to have confidence in ourselves—to believe that we can solve the problems that come our way, and perform better than we have ever done before. Whenever you are struck by a problem, always remind yourself that you've successfully handled other difficulties and closed other deals. No problem is too tough for you. Picture yourself succeeding and hold that image in your mind. Never let it fade.

Quitters Never Win

In sales, there are bound to be countless challenges. You need to get used to these challenges and never let any of them dampen your spirit or stop you from continuing your good work. Never should you be afraid of obstacles

or let a fear of failure hinder you.

Sometimes, a happy deal closed can abruptly turn into disaster. In early January 2006, I closed my first deal of the year when the seller of a \$470,000 condo at The Bayshore received the buyer's cheque for the one percent deposit. However, the bank rejected the buyer's loan application due to an unpaid credit card debt. Hence, the buyer stopped the cheque payment the next day, busting the deal.

Despite my huge disappointment, I continued working on another deal. Less than three weeks later, my buyer agreed to buy a two-plus-one unit at The Bayshore for \$480,000. However, when I gave the seller the good news, he suddenly changed his mind and decided to rent out his property instead. Twice devastated this month, but still undeterred, I tirelessly took my buyer to view other units at The Bayshore until he finally picked a suitable unit almost a week later. On this particular day when I was about to close the deal, a power failure struck the whole condominium building. I had to climb all the way up the stairs to obtain the option-to-purchase from the seventeenth floor apartment, and race all the way down the stairs to let the seller execute the option. Miraculously, I'd achieved my mad dash in less than 20 minutes. I believe this was due to my intent focus on wanting to close the deal after two consecutive failures.

This goes to show you should never give up. As the old saying goes, "Quitters never win and winners never quit." You will not be able to win or achieve anything if you give up.

Treating the Customer Right

During times when we're caught up in our emotions and busy schedules, certain things that ought to be common sense may slip out minds. Here are a few reminders:

- Listen to your client's needs before offering any suggestions.
- Always put yourselves in your client's shoes.
- Sellers are usually proud of their home and want the best possible price. Try to market their properties as though you were marketing your own.
- Most buyers have limited financial resources, hence, they need to maximise their financial mileage. Try to find them value-for-money properties.
- When clients lose their temper, remain positive. Tell yourself they are not actually directing their anger at you but on something they are unhappy with. It could be their price target has not been met or that they are confused or unsure of something. By keeping your cool, you will be better able to help them solve their problem.

The Power of Visualisation

When I first joined PropNex as an associate realtor, I was greatly inspired when I saw other agents going up to the stage to receive recognition as champion producers during the 2006 PropNex Annual. At that moment, I began hoping to be one of them and started visualising myself standing onstage to receive the award.

My happiest moment arrived in February 2007 during the PropNex Convention and Awards Presentation 2007 – Conquering Your Destiny, when I was called upon to receive the Top 50 Champion Producer Award for the year 2006. My dream was fulfilled.

Acknowledgements

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Summary of Michael Ng's Key Success Factors:

1. **Begin With the End in Mind**
During home viewings, you must think of more than just showing your client around; you must aim to close the deal.
2. **Sprint Like a Sprinter**
It's essential to close the deal fast to reduce or eliminate the chances of the buyer or seller changing his or her mind.
3. **Run Like a Marathon Runner**
You must have the stamina and resources to stay on course in this business and persist till you reach your goal.
4. **Utilise Unique Knowledge**
To stand out amongst a sea of competing agents, you should build up a well of unique knowledge and use it to assist your clients.
5. **Be Confident of Your Abilities**
Everything is possible if you have faith in yourself.
6. **Quitters Never Win**
Don't let any obstacles or setbacks hinder you from your next success. You will not be able to win or achieve anything if you give up.



2008 Propnex Convention

HDB Hub Auditorium 29 Feb 2008