

BERKSHIRE HATHAWAY HOMESERVICES
GEORGIA PROPERTIES

MID-YEAR REPORT

JANUARY - JUNE 2015



REAL ESTATE REDEFINED



Forsman
**DAN
FORSMAN**
President & CEO

UPDATE FROM THE CEO

Congratulations to our associates and employees for an outstanding first half of 2015. I am pleased to provide our 2015 mid-year report that highlights your accomplishments and provides insight into our plans for the second half of the year. Your advanced skills, persistence and the support of our affiliated partners have delivered exceptional results for our clients and customers. There are some incredible success stories and many of our associates are having the best year of their career.

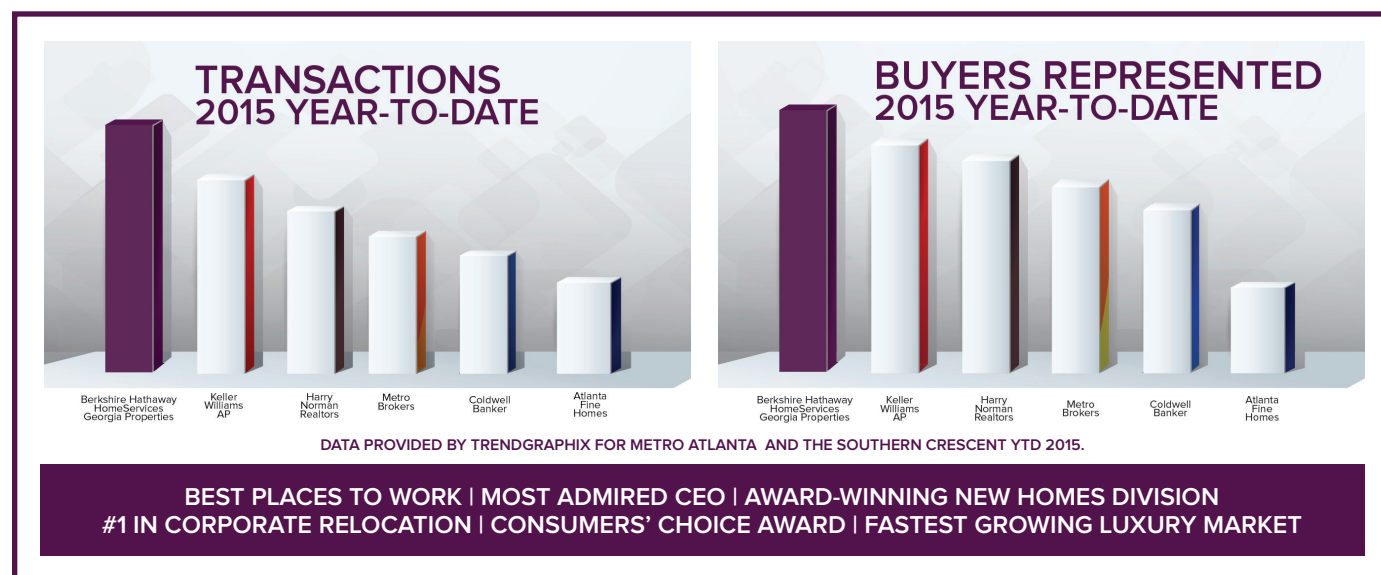
I believe we have just scratched the surface of our potential as an organization and am very proud to be part of such a talented team.

FIRST HALF ACCOMPLISHMENTS

	FIRST HALF 2015	FIRST HALF 2014	PERCENTAGE INCREASE
Pended Units	6139	5094	+20%
Pended Volume	\$1,660,320,545	\$1,245,168,200	+33%
Closed Units	5332	4564	+17%
Closed Volume	\$1,424,612,483	\$1,110,833,470	+28%
Net Agent Count	1316	1128	+17%
Mortgage	297	167	+78%
Closing & Title	1243	1018	+22%
Home Warranty	1377	985	+40%

As you can see, our company performed very well in all categories. Pendings, closings, agent count and all our affiliated partners volumes are positive relative to last year.

Congratulations to all the associates and employees of Berkshire Hathaway HomeServices Georgia Properties. Once again, our company is **ranked #1 in transactions, listing sales, buyers and listing inventory** as reported by Trendgraphix, RealValuator, Collateral Analytics, Broker Metrics and Smart RE Data.



FIRST HALF ACCOMPLISHMENTS



- **New Homes Services Division:** Our award-winning division, led by Lori Lane, represents some of the most well respected Builders and Developers in the Atlanta market. They continue to be recognized with multiple awards by the Greater Atlanta Home Builders Association Professional Awards. Currently supporting over 70 communities, they are the proven leader in New Homes Sales and Marketing in the Atlanta Market.



- **Commercial Real Estate:** Our Commercial Real Estate Division, led by Tony Floyd and supported by Dotene Stephens has increased our volumes by 21% versus last year. We have added some exceptional commercial agents and are committed to building the most professional team in the business. There are some very large transactions in queue so look for a big finish in 2015.



- **Luxury Real Estate:** We kicked off a major initiative late last year for our Elegance Campaign. The beautiful imagery on our billboards, print ads and other marketing has created a powerful impression of our company. Closed units over \$500,000 are up 48% and closed units over \$1 million are up 60% compared to last year.



- **Corporate Relocation:** Under the leadership of Kathy Connelly, her team and our relocation certified associates have done an outstanding job serving the needs of our third party partners and their corporate clients. We continue to be recognized for service excellence as evidenced by our most recent 2014 Partner in Quality award from WHR Group Employee Relocation. Our Corporate Relocation team has been very busy with major group moves including Mercedes, Norfolk Southern, State Farm and others.



- **Property Management:** Joanie Cullity and her team continue to grow our property management division and now support nearly 700 properties. We have implemented new systems and are working on several new initiatives to continue to improve our service delivery for our associates, landlords and tenants.

BUILDING THE TEAM

Under the leadership of Toni McGowan, our brokers have done an amazing job of building our associate base with high-quality agents. Our agent count has grown from 1,000 at the beginning of 2014 to over 1,300 today. **Growing the size of our organization allows us to leverage economies of scale that benefit everyone.**

Our TeamBuilder program continues to be an important source of new agents and an important source of income for many of our associates. Help us build our team and enjoy the financial benefits of income to fund your business. **TeamBuilder payments in the first half of 2015 were almost \$100,000.** This was a **16% increase** over the payments for the same period last year.

Together, we are creating an amazing company with the best, brightest and most productive associates in the industry.



SPECIAL RECOGNITION



Teresa Smith - National President of NAHREP

Congratulations to our own Teresa Palacios Smith for being inducted as the new national President of NAHREP (*National Association of Hispanic Real Estate Professionals*). Dan Forsman and Kathy Connelly attended the gala event in Washington D.C. Dan was honored to introduce Teresa as she was installed in her new role.

David Allsteadt - Chief Financial Officer

In January, David Allsteadt joined our team as Chief Financial Officer. David brings a wealth of experience to our team and will help lead our accounting and analytics to a new level of quality.

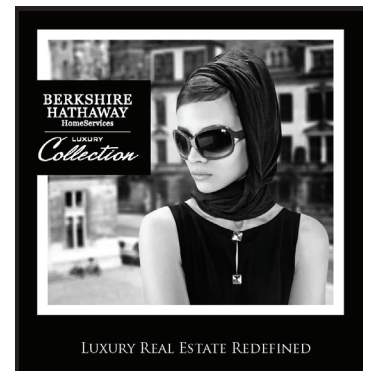


FIRST HALF INITIATIVES & EVENTS



Kickoff 2015: We were pleased to bring Tom Ferry to Atlanta for a special kickoff event for our team. Tom is world-renowned as a trainer and coach. We also introduced the *BreakThrough By Design* program. **Agents participating in our BreakThrough by Design program increased their gross commission income by an average of 46%!** We are excited to announce that Tom Ferry will be back for our 2016 kickoff at the Cobb Galleria on January 21, 2016. Please mark that date on your calendar.

Elegance Campaign/ Elegance Collection: The Elegance Campaign on our billboards and print ads has really turned heads. Our partnership with Tucker & Associates has also helped us get very visible PR coverage. The Luxury Living Show at Phipps Plaza was another big success this year. We were pleased to have Bill Harrison as our special guest at the Luxury Collection event at Ansley Country Club in March. We also had a Luxury Collection educational event at the beautiful new PIRCH showroom in Buckhead. Our company is clearly the leader in growth for luxury homes and we are closing in on the traditional players. The Elegance Collection program now offers new very high-quality marketing options for our agents who have signed up for the program. Check out the intranet or contact the team at LuxuryRedefined@BHSGeorgia.com.



New Marketing Materials: We introduced new Advanced Property Marketing System and Advanced Buyer System materials for 2015. We recently added several new inserts for the ABS that can help you with buyers. **These new buyer inserts are available from the company store and on the intranet in the buyer section.** The Video Books also continue to be very effective tools for listings.



MEGA Open House Events: Our MEGA Open House events have been a huge success this year. Our associates have sold more properties and generated more new relationships than ever before. **MEGA Open House events have proven to be a great opportunity to generate new listings from the pre-event and post-event marketing.**

Home Partners of America: The “Lease with a Right to Purchase” program allows agents to earn full commissions for rental opportunities. Everybody wins with this exceptional program. Our company had **over 90 closings in the first half of 2015 with an average sales price of \$270,000.** Look for new online lead generation ads coming soon that can help produce even more leads for this program.



\$50,000 Sweepstakes/ TV Ad: The BHHS television ad was ranked the **#1 real estate television ad by Inman News**. That ad has generated a lot of awareness and traffic to our company. The video is available on the intranet to leverage in your local marketing. BHHS also did a super job with the **\$50,000 sweepstakes in partnership with Chip and Joanna Gaines of the hit show *Fixer Upper* on HGTV**. This was the most successful campaign that HGTV has ever seen with 1.54 million registrations. Congratulations to Barbara Wakefield, a Lawrenceburg, KY housewife and grandmother, who won the grand prize. *"We are stunned and so blessed,"* said Wakefield, who lives on a farm outside Lawrenceburg with Richard, her husband of 50 years. *"We are retired and will put the Sweepstakes money to good use."*



Veterans Program: Our Veterans committee led by Andy Willis, was launched in 2014 and has continued to develop new ideas including a new Veterans pin, specialized training and support for Veterans programs available to our clients. We are very thankful for each of our Veteran Realtors® and their service to our country. Check out our Veterans Committee Facebook page at: **Facebook.com/BHHSGAVeteransTeam**



The Sunshine Kids: Our team really shined at the first annual Mayors Cup Challenge benefiting the Sunshine Kids Foundation. The event was held at Dunwoody Country Club on June 1st. Thanks to all the players, sponsors, volunteers and spectators. Visit **MayorsCupGolf.org** for more information.



All of our branches have been challenged to raise money from local events. East Cobb hosted a "Change Week Challenge" fundraiser. Our 85 North office held a Treasure Sale. North Fulton is getting ready for their big auction in October. The Sunshine Kids is a priority for us in 2015. **Our goal is to raise over 100,000 this year** and we are well on our way!

Paperless Transactions/ Personal Information Security: Cyber security is increasingly complex and will be very important for all companies. **We must become more aware of how our personal information and our client information is used in all platforms.** This is why we have implemented DocuSign/ DocuSign Transaction Rooms. This is also why we implemented our Exchange email platform and will be migrating to Office 365 this fall. We cannot have our sensitive client information on smartphones, tablets and laptops that can be lost or stolen. Thanks to everyone for helping us move toward a more secure paperless workplace.



SECOND HALF PROGRAMS



Onboarding: We are planning to launch a new program to improve the onboarding experience for new agents and employees. The onboarding experience would include the streamlining of the administrative process, the simplification of passwords, a more effective introduction to our websites and marketing tools as some of the issues that will be addressed. Led by Monique Accetta, our new approach will be a model for the industry. **We believe that a great onboarding experience gives our associates and employees the best chance to be successful.**

Consumer Surveys: What do consumers find when they search for you? We will be launching a new program called RealSatisfied for consumer surveys in September. This will include several different options for displaying agent ratings and testimonials. Our ratings will publish to Realtor.com and are very “Google friendly.” We will also be launching new programs with Zillow and Trulia including optimizing your online profiles. **We want your online identity to benefit your business and help you create more leads.**



 **real**satisfied

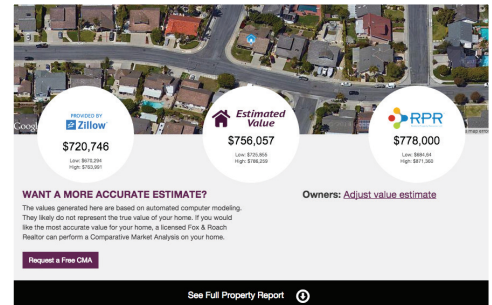


Lead Generation/ Lead Response: We are always working on new ways to generate more revenue for our associates. We are renewing our strategic partnership with Tom Ferry and will continue to leverage BreakThrough by Design and other programs from his team. **Our agents participating in BreakThrough by Design increased their gross commission income by an average of 46%!** In addition, we are testing a variety of online marketing and social media paid advertising campaigns. One area we need to improve is our lead acceptance and lead response. Industry studies show that lead responses need to be 5 minutes or less. **Have you checked your intranet leads lately?**

New Agent Insurance Options: Dergalis and Associates has several new options including a **new 3% matching product for agents.** They have some excellent options for medical, life insurance and a program to help agents automatically take out money for taxes. We will be announcing local events to explain these programs in more detail very soon. More information will be available on your agent intranet.



Home Values: Look for a new release of our Home Value Estimates in August. **This new solution will offer 3 value estimates including Zillow, Collateral Analytics and RPR.** The consumer will be able to adjust their own value estimates plus save, share and print. They can also set reminders to be notified as values change. This powerful innovation is another great tool for lead generation. We have been averaging over 30,000 address inquiries per month and there are many success stories of new clients as a result.

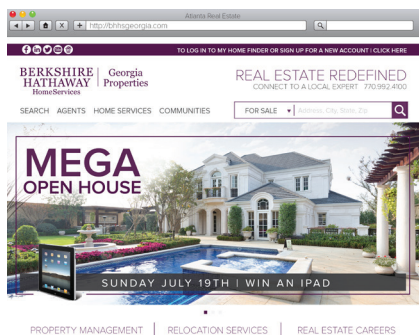


Enterprise TV: We are excited to introduce our new Enterprise TV platform in August. This allows us to produce content for our flat panel TVs, desktop PCs and even a mobile app later this year. We plan to display listings, special company messaging & announcements plus live video broadcasts. Over time, we want to expand into retail locations to co-brand and build our local digital ad network to expose our listings.

Help Desk: We will be adding resources and new software this fall to build our agent help desk. Initially, this will be focused on technical support. Over time, we expect to expand our help desk into general agent support. As more agents work virtually, **we want to support you anytime, anywhere and on any device.**



Microsoft Office 365: This fall we will migrate our email platform from Exchange to Office 365. This new cloud-based platform will provide many advantages plus establish a powerful foundation for future additions.



New Website Capabilities: Look for some exciting new options for our online marketing in the second half of 2015. We have already added SOLD properties without registration for both our websites and mobile app. We will be adding **Agent SOLD Properties** so you can display your past results for both sellers and buyers. We are working with RealTrends to design a new company website plus some additional options for our associates. Reliance has already launched several new agent templates with large widescreen images that are responsive and fit different screen sizes. Look for an innovative, responsive, universal search that will be available later this year.

Family of Services: The trifecta of affiliated services including Mortgage, Closing & Title and Home Warranty are a very important part of our business. Our **“Heat Is On”** campaign is in full swing to increase the focus on these important services and help us achieve our goals for the summer. Thank you for supporting HomeServices Lending, WNCW and HSA Home Warranty.



HomeServices Insurance: We are excited to announce the formal introduction of HomeServices Insurance. We will be offering homeowners insurance plus a full range of other insurance products for our clients and customers. **HomeServices Insurance will become another important member of our family of services.**

FINISH STRONG

The American Dream of Home Ownership is alive and well. Recent evidence shows that household formation is growing substantially. Many potential first time buyers are moving out of their parents homes and into homes again. Growing families with children need more space. Baby boomers are “on the move” to smarter living options and to be closer to their children and grandchildren. Wealthy individuals are growing in numbers and driving the luxury market. International and multi-cultural clients are becoming a larger part of the mix. New homes are growing as fast as they can build. Costs are rising which makes prices higher. That is good for resale. The Greater Metro Atlanta area is a wonderful place to live. Individuals and companies see the opportunity and are coming to our area in larger numbers. The future for real estate looks very bright!

The question is – what are you going to do to take advantage of that opportunity?

Take the time to assess your first half results. If you had it to do over again, what would you do differently?

The inches we need are around us everywhere. There are always things we can do to be better.

Ignore the noise and focus on the things that matter the most.

As Tom Ferry says, ***“If it is not on your calendar, it does not exist.”***

Manage your time carefully and prioritize your activities on your calendar.

You have to take the roast out of the oven. In other words, do not wait to get everything perfect.

Many agents spend too much time ***“getting ready to get started”*** and never achieve their goals. Just get started and adjust as you go.

Innovation is rewarded. Execution is worshiped. Revenue creating activities should be the focus of your execution.

We support our family. This means that we support our family of companies including HomeServices Lending, WNCW, HomeServices Insurance and HSA Home Warranty to elevate the service and experience for our clients and customers.

The future is ours! Engage! Surge! Excel!

A handwritten signature in black ink that reads "Dan Forsman". The signature is fluid and cursive, with a large initial "D" and "F".

Dan Forsman
President & CEO



BERKSHIRE
HATHAWAY

HomeServices

Georgia Properties



HOMES ARE WHERE MEMORIES ARE MADE.

“A home is one of the most important assets that most people will ever buy. Homes are also where memories are made and you want to work with someone you can trust.”

-Warren Buffett, Chairman
Berkshire Hathaway Inc.

COMING TOGETHER IS THE BEGINNING.
KEEPING TOGETHER IS PROGRESS.
**WORKING TOGETHER...
IS SUCCESS.**

YES
BEFORE **NO.**

YOU CAN **SEE A LOT**
JUST BY **LOOKING.**

The inches we need are
EVERYWHERE AROUND US.

**WORK
SMARTER
NOT JUST
HARDER**

CLIMB THE LADDER **OF SUCCESS**
and **TAKE** YOUR FAMILY
WITH YOU.

LIVE YOUR LIFE
NOW.

Work
Harder
Than You
Think You
Did
Yesterday.

Always **RAISING**
our level of **AWARENESS.**

BEGIN
WITH THE **END**
IN MIND.

We
are the
THEY.

Ignore the
NOISE.

A visionary
sees light in
the dark.

DO THE
RIGHT
THING.

Simplicity
IS GENIUS.

WE SUPPORT
OUR FAMILY.

We'll figure
it out.

Honor
Your *Promises.*

Make things
HAPPEN.

FINISH STRONG



Berkshire Hathaway HomeServices Georgia Properties

BHHSGeorgia.com