

# Property Pros



**MARK FERGUSON**  
Owner  
Ray White Taranaki

## Jazial Crossley

Mark Ferguson might still be teaching primary school kids if a friend hadn't been late to meet him for lunch in 1994. Killing time, he flicked through the newspaper and a job advertisement for real estate agents caught his eye.

Though completing his masters in education after hours at the time, Mr Ferguson phoned Ray White in Palmerston North about the real estate job and found property was an industry he could become passionate about.

**I was pretty committed to the education sector but I just got into property and I loved it.** I think what I loved about it was the people side of it and also you got paid. I saw good teachers getting paid same as not so good teachers and that was kind of frustrating.

**I started as a salesman and started up an office** with some other people, a Bayleys office, and then became part of the corporate team for Ray White and ended up in Taranaki by default.

**The first house I sold**, would you believe, was a Maori lease property in Grey St in Palmerston North that had been on market two years. No one had figured out a way to sell it. I suppose being green and naive I just put all my energy into it and sold it within three weeks.

I think when you get a little bit longer in the tooth you kind of realise it's not going to happen that easily; you are resigned to the fact it might not sell or it might sell, who knows – it's a hard market.

New salespeople just think they're going to get a listing and sell it and often they do.

They often sell stock that's been around for yonks, sitting on agency books a long time. It's good to see young people getting into the industry bringing that naivety into the business

**In my first year I didn't have any challenges** because I didn't have any expectations. I just had an expectation that I'd earn a certain amount and I just broke it down to the number of listings I had to get

and the number of presentations I had to do. There were no real challenges.

I hadn't been in the industry before and figured I'd set myself an income goal and just went for it. I think the first year in real estate is in a lot of ways the most fun year.

**I started the Ray White Taranaki office because** I part-owned a multi office franchise and I just wanted to get out of it and do something of my own. I had been in the industry 16,17 years and wanted to just get back with the people, listing and selling real estate.

I wanted to create a boutique agency flavour where people feel more comfortable dealing with real estate agents. I know it sounds like a cliché but we bought an old building, an old bank built in 1898. It's renovated inside and just gorgeous.

We've tried to create that flavour right throughout business so when you walk into my office you don't come through reception you come and sit down on leather couches and have an espresso coffee.

For us it was very much about creating an atmosphere of an environment to do business in. It's hard to do from big offices, hard to do when you're running a numbers game in real estate.

**A lot of people have business plans – I think they're all rubbish.**

They just make people feel good and think they know what they are doing, where they are going to go. We had an activity plan for whole year of what we were going to do for every day of that year – it was just all the simple stuff that got me going as a salesperson that we kind of re-engineered, re-applied to opening up and running the business.

**The first year of the new business we sold 71 properties for a total of \$17 million.** We come from a little market where at that stage our average sale price was \$238,000 so we did exceptionally well. We're only a two-salesperson team but we run an efficient sales unit with three PAs and we're about

to appoint another PA. Again, we just had naivety and expected to list and sell real estate.

We forgot about the recession and all that negativity, tried to create a choice in the market. We're just in a little town, Inglewood, and now we've got the dominant market share and we also trade lifestyle out of New Plymouth.

**The market is definitely worse than it was last year** and we thought last year was bad. There is just no volume in the market which is concerning and I think it's going to take another 18 months before see people starting to upgrade their property for the sake of upgrading. That type of market is just gone.

The people transacting at the moment are people having to, you know having to buy a house because they're having to relocate, divorce.

**Since I started, the industry hasn't changed that much.** We still do open homes, still list in newspapers except now we have cell phones and internet.

**I do invest in property, I love it – that's one of the reasons why I'm in real estate.** I believe in it. I believe it's the way to create wealth. Real estate is a time proven investment. If people hold on to it, it'll always grow in value.

It's nice to be able to tell people looking to invest our stories good and bad, the benefits, getting things wrong, tenant problems. At least that means you can bring a real flavour to it.

We have a duplex in Palmerston North, a two bedroom and a three bedroom returning \$500 a week that we purchased for \$310,000. We own the building [the offices] are in for which we paid \$420,000 plus GST.

We have a bach at Waitare beach north of Levin and some land and other properties down there as well.

**We have five kids aged 3 to 16** so they're our hobbies – it's just them really, a bit of golf and following kid's hobbies, sports. They keep us really busy.