

## Mac Mackenzie: a man of drive, vision, leadership and faith

Daily Pilot Real Estate gets some one-on-one time with this innovative Coldwell Banker agent who talks about success, honesty and psychology in real estate

By Rochelle R. Veturis

Sometimes you just know when you're in the presence of someone who has got it together. Upon meeting Mac Mackenzie, one instantly observes his outer enthusiasm and energy paired with an inner fulfillment and strength. Having led his team to sell 185 units in 2005, Mackenzie has proven he's configured a real estate strategy that works. Read on as he divulges what has made him successful, what the market is really doing these days and what he's had to sacrifice to be at the top.

**What would you say is the secret to your success?** It's a combination of things; I've been very fortunate. The reality of it is, we set out to accomplish a task: to come in the top three positions for units and dollar volume. We've been told that we took No. 1 in units and No. 2 in dollar volume out of some 18,000 real estate agents ... What was even more shocking was to be No. 1 of all the Coldwell Banker agents in units.

I think what contributes to that is that we have a focused team. I've got good leaders not just employees; people that can step in and help me access situations with our customers. Leadership's a funny thing. I've done this for quite a few years [approximately 15] and have found that it takes a pretty unique balance. You always hear people say, 'Well I have my personal life and I have my business life,' but for this operation, that's not entirely true. Business certainly outweighs your personal life. If you're going to accomplish a set of tasks like this you're going to have to have your wife and kids fully in tune with it. And it is stressful, but we wanted to take the company to a different level.

I've hired, employed and tried to mentor, as I was being mentored by others, the very best group of people. I took a group of committed people, got them to focus and through a lot of hard work and maybe the man upstairs really helping push it along, we got to accomplish a pretty unique task.

The question I'm asked all the time is: do we intend on doing it again? We haven't actually fully answered that question. This year, we're still looking on what we want to push the company to, but we're already working on increasing customer satisfaction because, we're in a different market. I think customer service and attention to customer service is probably going to be more important in trying to blow the lid off the top of the pot, so to speak. This is going to be a year of one-on-one contact with the customers.

What contributes to success overall is a lot of prayers, a lot of hard work and somehow finding an extra hour in a 24-hour day. We had the drive and a lot of good support along the way. We had good customers that were totally supportive. I told them what my goal was, and I would say, 'I need you to get to that goal, so why don't we work together?' It was a great example of rallying the team together with the consumer.

**How long have you had your "core" group?** Five to seven years. Two people in particular have really had an impact.

**And who are they?** I've had Sherry Stuffens with me for several years. She came to me from a high managerial position with a sign company here in Orange County. She got a little fed up with the

direction of the company and some of the things that were going on so she came and worked for me, just as public relations person. Within a year, she came to me and told me she could take over a big portion of the company. She was in her late 50s, usually a time when most people are slowing down and not making huge jumps forward, but said she was willing to die with her boots on if I would give her a shot. So I did. She was very instrumental in taking the company from a little \$20 million a year company to one that's well into the 60s and 70s, because she has allowed me to focus more on doing my job.



Mac Mackenzie

A few years ago, a young man in his very early 20s came to me through a recommendation from a personal friend. I let him sit around for a year and do nothing, figuring I was doing my friend a favor. His name is Dave Cannon and he turned out to be extremely well-gifted in management. His demeanor and overall social and psychological level are very opposite of mine. Where I am very high strung, very focused and driven with a blind fury to make my goals happen, he is calmer. So, the age difference – me in my 40s and David in his 20s – he's more of a 60-year-old and I was more the 20-year old. He brought a great sense of calmness to the team, and an ability to focus at a very young age without mentoring or much training at all.

Between the two of them and myself, we've been able to assemble the best of the best. We are doing the job of a 100-man office with less than a dozen people.

**Where do you draw your personal inspiration?** Primarily, a good fundamental grounding in my faith. A lot of it is that I've got a very strong family at home. I'm sure you hear that often but I can tell you, that if it weren't for that, it would be very difficult to do this job. My wife is probably the strongest person I've every met, and continues to be so.

**How long have you been married?** Almost 15

years.

**Any children?** I have three kids: a 12-year-old daughter and 10-year-old twins, a boy and a girl.

**You mentioned earlier that there's no such thing as a balanced life in real estate. Can you expound on that?** There is just no such thing. A balanced life in real estate is for those that do 10 to 12 transactions a year and they're doing it because they have a desire to do "something." But, to succeed, I've given up a lot. I've barely fed my children when they were babies. I maybe changed a couple of diapers. You leave at six in the morning and come home at nine at night, six days, sometimes seven days a week. And we were committed to do that because I believed that I had something that the industry was lacking: the perseverance to succeed. Most of the people I work for are sellers. I tell people all the time if you're going to hire me to sell your home, I'm going to be 100 percent committed to doing it. I'm not like a lot of other agents who try to split themselves between buyer and seller. If someone wants to buy your home I'll sell it, but I'm going to be with you in the trenches until it sells. I'm not going to disappear. I'll be with you, no matter what happens. Most agents aren't willing to go the distance.

**Why do you think that is?** Stress. Most people are afraid to tell sellers the truth, whether it's a good market or a bad market. It's a little easier in a good market ... I think a lot of agents have not told the truth about the economy and the market, and that started last year. We had economic forecasters telling us we were going to see a 15 percent increase and a four percent less supply for the demand. We were supposed to make all kinds of money this year. The consumer isn't ready to hear it. The difference now is being able to convey the truth and for that customer to be able to accept it.

**As far as psychology is involved, do you think agents would benefit from taking a few psych classes?** It probably wouldn't hurt. I've found that a home is a box of things to people. It's their spiritual beliefs, it's their physical beliefs, it's their emotional beliefs. It's like their cars, it has their ego involved. When you're coming in as a real estate agent, they may love you but you are still an outsider. If you tell any woman she doesn't look great in that dress, it's a high-risk endeavor. You let her go out and she doesn't look good you're guilty; you tell her it doesn't look good at the house, you're in trouble. It is better off to be in trouble in the beginning and have her looking great on the way out than to go through the whole party with her saying afterward, 'You lied to me.'

I think agents could use a good course in psychology and maybe some good spiritual beliefs too. Just be candid. Sellers' expectations are generally always higher than you can deliver. But, the agents fall into alignment with most sellers' expectations, which are undeliverable, so you have a conflict. Sometimes it's harder but it's easier in the end, to be honest.

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**I read in your bio that you're known for being a great negotiator. Is that an innate ability or something you've developed over the years?** It was probably a biological defect. Negotiations are an interesting thing, and probably everybody out there would contradict what I'm saying. I think that negotiations are really simple. There really isn't a lot to them because we, as agents, are never really talking to the buyer, and the buyer's agent is usually taking the position of being against us. It's like a battle.

What's most important is understanding the psychology of how to get that buyer there. That's what separates my business from the other agents. I know how to get the buyer to the home, and that is most of the battle. I often tell people that 90 percent of this is going to be getting the home into escrow; the other 10 percent is praying that it gets there. The next step is all about the psychology of whether or not the buyer is willing to stay in; Negotiations are easy, it's getting them to stay there that's tough.

Where we really earn our money is on the front and the back. If you take the whole thing as a 100 percent pie, 40 percent of this, right up front, is going to be the marketing of the home; 50 percent of it is the backside, keeping it in escrow. The other 10 percent is the negotiation. Every agent can



The Mackenzie family

negotiate real estate, but if you don't know how to market the home correctly, and you can't convey to the seller what needs to be done rapidly to deploy the resources in the time that you have, your 40 percent front end is going to die.

The negotiations are a no-brainer but then you get into escrow, and there's where the tricks are. You have mold inspections, termite inspections, physical inspections, mom and dad have to come see the home, then the other parents ... there's so much to it. Ninety percent of this business is what we're not trained for. Agents are not trained in how to market a home and get it sold. They're not trained in how to keep it in escrow. They're trained to take a listing.

**How have you closed the gap with your own company?** I placed a lot of investment in the resource of people, their education and mentoring them in how to prepare the customer. We take as much of a hands-on approach as possible. When I list a home I have Sherry immediately help me with the listing to make sure that she, the seller and myself are well involved. Then once it goes through the negotiations, which is all me, I ship it to Teri Popovich, who helps me make sure that the

interface of that new project, that escrow, is going well. The customer has a constant person there. If I tried to concentrate on keeping in escrow, 24 hours a day, seven days a week, I'd actually screw it up. But, as an above manager from kind of a helicopter viewpoint, I can direct it because I can see ahead. Most agents are afraid to let go. And today, we're not really reliant on our escrow people the way we were 10 years ago. The responsibility there has shifted. You have a real circle of problems with the industry, and we've decided to take those problems, throw them away, and fix them ourselves.

**So, would you say flexibility is an important component in playing this game?** Yes, to a degree. The consumer always wants you to be flexible and I think any good businessperson needs to be, but we take the responsibility of being rigid when necessary and fluid and flexible when necessary. You can't be flexible and fluid when it's time to stand up and get to the business of selling homes. You stand up, fight for your customer and sometimes argue with them a bit to make them see; they want to know the truth. Very rarely do I not have people come back and say to me, 'I'm very glad you stood your ground.' That's the ultimate compliment. I tell them, 'I don't want to be right, I just want to avoid a mistake. I'd rather you make as much money as possible, close escrow as soon as possible, and maybe it be a little rough during the process, but come out ahead.' I'd rather them hear that, than have them stroked and placated only to fail in the end; that's the ultimate lie. It's easier to be honest upfront.

**How did you know that real estate was what you wanted to get into, spend your life doing and give up time with your family for?** There never was an epiphany. I was the accidental tourist. I was the epitome of not knowing exactly what I wanted to do. I had a lot of thoughts. I considered going into law enforcement, doing military time and real estate was just a stopping point. What happened was, a little problem started in 1990 with the Middle Eastern countries. I got my license, I went to work and Desert Shield started. One day I was sitting in my office and Desert Shield became Desert Storm; the whole world changed.

I noticed the market falling apart and people not being able to sell their homes. My Father had been in the corporate world all his life, fixing companies that went down. I called him up and asked, 'What's the first thing a person does to fix things like you did?' He said, 'You go and find out what the problem is and do something opposite of what caused it and that might fix it.' I applied that science to real estate and next thing I knew I had a system that was working and people were excited to have me out to their homes. I was young, in my early 20s, fresh as a green stick. I had no clue, but I figured these people did it wrong this way; let's try it that way. The homeowners were elated and it worked. And I built from that.

**What do you think when you look back at how far you've come?** I look back and I laugh. I do. It has been a miracle and a blessing more than anything else. The business has actually helped a lot of people. I have a wife who is very charitable. We were married very young so she has always been



Former Secretary of State Colin Powell congratulates Mac Mackenzie at the International Business Conference, February 2006 at Moscone Convention Center, San Francisco.

with me while I've been doing this. As the business produced a bounty of 'left over,' so to speak, she became more charitable with it. I've seen a lot passed down through the community and it has had a huge effect.

**What are some of the organizations you and your wife contribute to?** We've kept it pretty quiet. But I can tell you for every dollar that we've donated or put into an organization, or personally handed out whether it's food or a blanket or what naught, I've watched the business grow by leaps and bounds. There was a time in my life I thought she was crazy, but I've looked back and it has been amazing. The business has had a lot of physical, emotional and spiritual influences helping it grow. From my standpoint, it's a pretty wild ride. Eyes wide-open, white knuckles and now we're in this market.

**With your track record I'm sure you'll come through.** I expect to, but then I live by a philosophy that I don't have any other choice except to succeed. Failure is not an option. I'm not here to fail and no one's hiring me to. So, you succeed. In good times and in bad, there's always a way to make things work; you just have to keep working at it.

**Since you're big on dishing out the truth, what do people need to know about this market if they're thinking about getting in?** As a homeowner, they've got to know that the person they've hired will stand up to them when they're wrong and stand up with them when they're ready to go to battle and win. You have to have someone that is courage-filled.

As for a new agent coming into the business, they need to know that we have one of the most unique markets possibly unveiling. California real estate has always been a great investment. If you look from 1970 to the present, you paid \$50,000 for a home and it's now worth a \$100 million or some other crazy amount. I'm exaggerating, but it is off the charts. The markets are cycling. They go up and they come down. It has done it year after year after year. I tell these young agents, 'Be prepared and don't believe everything you read. Be focused, be honest and educate yourself by knowing the inventory, talking to different brokers and agents, looking at what's happening and not waiting for it to come to you.' Go knock on someone's door and say, 'I'd like to help.' It truly works.

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