Blueprint for Financial Success

Strategies for Solo and Boutique Brokerages

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DISCLAIMER

I’m not a financial advisor, CPA, or someone who secretly plays one on TV. The insights I’m sharing today come from my experience as a broker and entrepreneur, and from industry data. Think of this as practical guidance, not personalized financial advice. For anything specific to your business or taxes, please consult your favorite financial pro — ideally one who actually has those letters after their name.

OUR BLUEPRINT

1

My Story

successes | challenges | my why

2

Financial Foundation

tools | systems | people | plan

3

Planning for Growth

cash flow | managing expenses | taxes

4

Resources

you don't have to do it alone or reinvent the wheel

5

Q&A

let's chat

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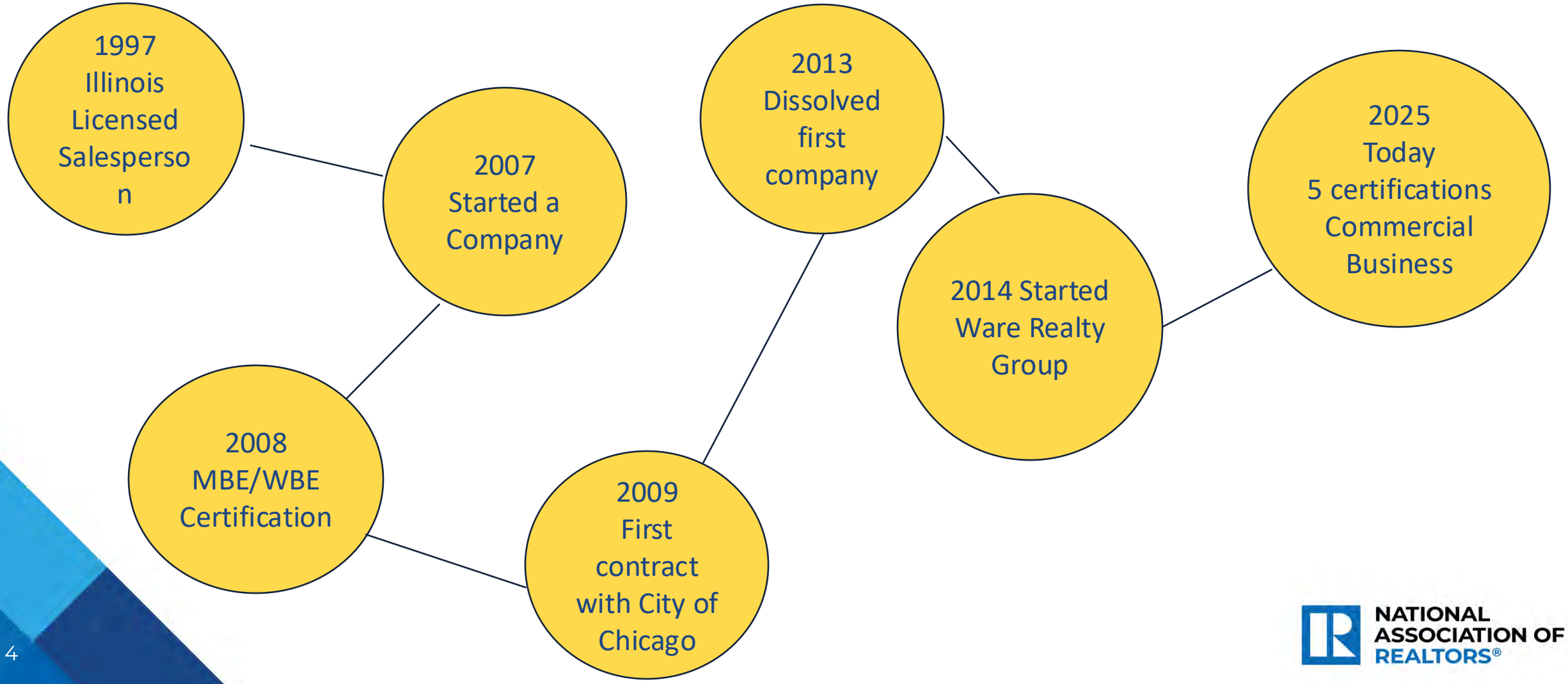
MY BUSINESS JOURNEY



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ABOUT ME

- Women's Council of Realtors President (2016)
- NARLA Class of 2018
- NAR Housing Issues Liaison 2023
- Chicago Association of Realtors President 2022
- RPAC Hall of Fame
- Don't drink coffee
- Android User
- Orangetheory enthusiast (over 600 classes)
- Morning Person

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KEY TAKEAWAYS

1

Learn how to build a financial foundation for your brokerage to ensure long-term sustainability and profitability.

2

Understand key financial metrics and strategies for managing expenses, cash flow, and planning for growth.

3

Discover tools and frameworks to scale your brokerage while maintaining financial health and independence.

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THE LANDSCAPE

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ACTIVITY (Poll #1)

How many solo brokerages/owners?

- 1-5 agents
- > than 5
- Just here to see what this is about?

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SOLO BROKERAGE SNAPSHOT

- 81% of firms operate from a single office
- Median number of licensees per firm: 2
- 87% of firms are independent non-franchised
- Firms with 4+ offices: median 118 licensees

*Statistics from 2023 Profile of Real Estate Firms

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REVENUE MIX AND GROWTH CHALLENGES

- Revenue Drivers for Small Firms:
  - Residential sales dominate
  - Diversification Opportunities (leasing, property management, commercial)

- Top Growth Challenges:
  - Maintaining sufficient business (67%)
  - Competition from non-traditional models (44%)
  - Profitability concerns (42%)

*Statistics from 2023 Profile of Real Estate Firms

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KEY REMINDERS

- You’re not alone: Most brokers are small & independent
- Scale smart, not big: Compete with efficiency & niche expertise
- Mind the margins: Profitability is the #2 industry concern

FINANCIAL FOUNDATION

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FOUNDATIONAL PILLARS

1

Business Plan – The What

- Defines **what your business is** and how it operates.
- Includes your **mission, services, target market, competition, and organizational structure**.
- Typically used when starting a business, applying for funding, or pitching to partners.
- Timeframe: Often 3–5 years.

👉 *Think of it as your "company blueprint."*

2

Strategic Plan – The How

- Lays out the **big-picture goals** for growth and sustainability.
- Focuses on **priorities, objectives, and strategies** (e.g., expand into commercial leasing, increase market share in South Shore).
- Identifies **milestones, resources, and accountability**.
- Timeframe: Usually 1–3 years, with annual updates.

👉 *This is your "roadmap" for getting from Point A to Point B.*

3

Financial Plan – The Fuel Gauge

- Puts numbers to your goals.
- Covers **budgets, cash flow, profit margins, expense management, and forecasts**.
- Helps you determine if your strategic goals are financially feasible.
- Timeframe: Annual budgets with monthly or quarterly reviews.

👉 *This is your "dashboard" — it tells you if you can afford the trip and when you might run out of gas.*

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NAR STRATEGIC PLAN (DRAFT)

- Build Trust Through Engagement
- Transparency & Value
- Build Growth Plans based on feedback
- Engage consistently
- Be transparent

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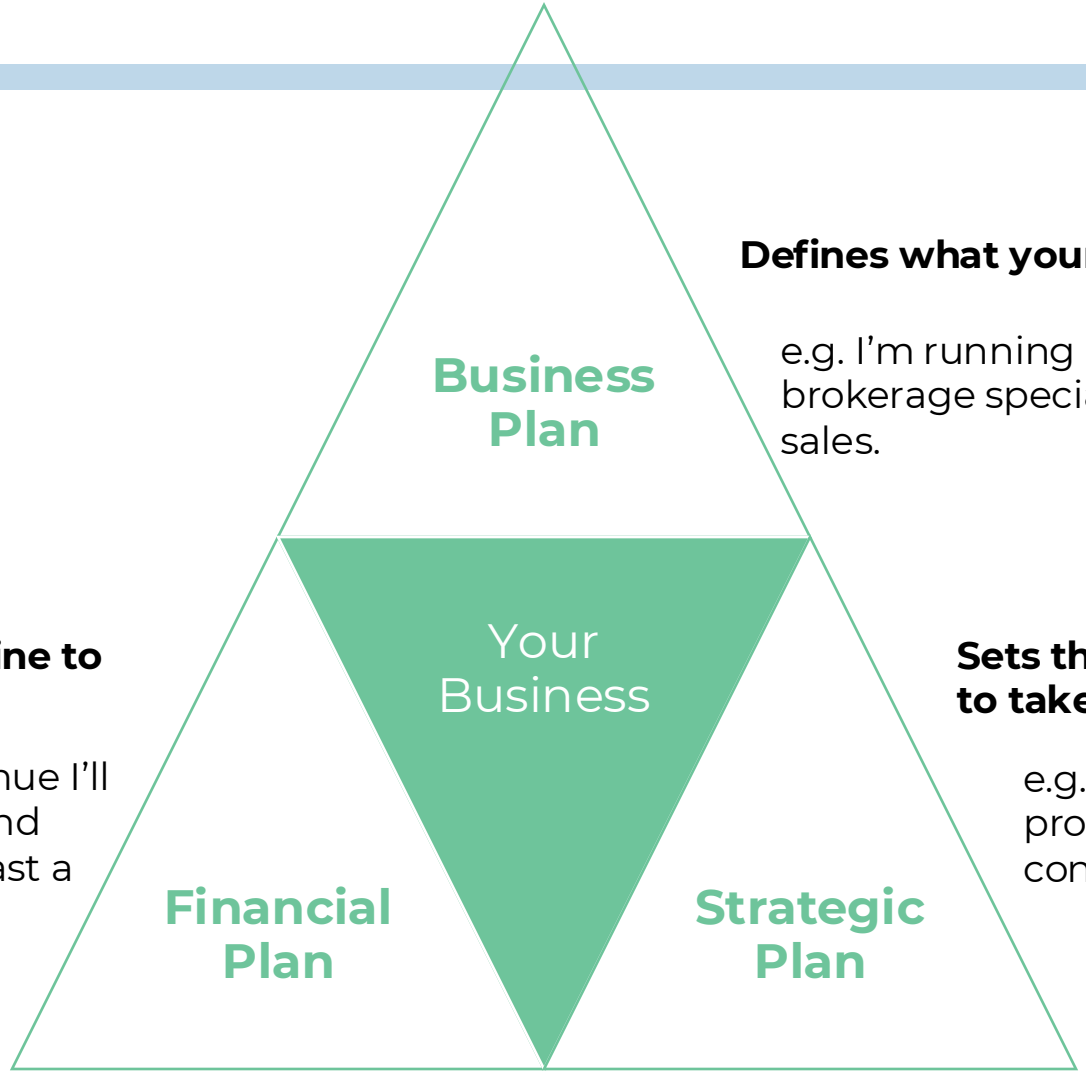
REVIEW



Defines what your brokerage is

e.g. I'm running a boutique real estate brokerage specializing in multifamily sales.

The resources and discipline to get there

e.g. Here's how much revenue I'll need to cover expenses, fund growth, and still keep at least a 15% margin

Sets the direction for where you want to take the business

e.g. Within 3 years, I'll expand to include property management and government contracts.

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ACTIVITY (Poll #2)

What is your biggest financial headache?

- Cash flow
- Taxes
- Bookkeeping
- All of the above

LET'S GET READY!

- Tools: business bank account, accounting software
- Systems: document organization, monitor financial performance
- Team: bookkeeper, financial advisor, accountant, attorney
- Plan: establish financial goals, plan for taxes, schedule time to review, adapt and adjust

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"That which is measured gets done"

john doe - someone

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KEY METRICS

- Categorize Expenses into "fixed", "variable", "operational", "professional development", and "compliance”
- Net Profit Margin (target 20-30% for solo brokerages)
- Allocate 25% - 30% for taxes
- Look for expenses you may be able to cut

ACTIVITY

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TIPS FOR BULIDING A SOLID FINANCIAL FOUNDATION

do

- Reconcile your accounts monthly
- File taxes, even if late, and set up a payment plan if necessary
- Have financial documents easily available, even if you don't pursue certification

avoid

- Personal transactions from your business bank account
- Lapsed taxes
- Bank account and Business name that do not match

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CASH FLOW AND EXPENSE TRACKING

1

Dedicated Bank Account

2

Accounting Software

3

Categorize & Track Your Expenses

Know where your dollars have gone, where they are and where you want them to go

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PLANNING FOR GROWTH

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"Taxes aren’t optional, but tax *planning* is. A little structure = less stress, more savings."

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TAXES

Know Your Entity Type – Sole Prop, LLC, S-Corp all affect taxes differently

 Quarterly Estimated Taxes – Set aside 25–30% of income for federal & state

 Deductible Expenses – marketing, dues, tech, car mileage, training, etc.

 Retirement Options – SEP IRA or Solo 401(k) to reduce taxable income

 Year-End Planning – accelerate expenses, track income, use a real estate CPA

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RESOURCES

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BUSINESS RESOURCES

- NAR - Center for Financial Wellness NAR - CRFW
- NAR Tools (Research, RPR, Edge Up, emails, etc.)
- Local Small Business Development Offices Small Business Development Centers (SBDC) | U.S. Small Business Administration
- Local Chamber of Commerce
- SCORE - Free Small Business Mentorship and Resources | SCORE

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PEOPLE | ORGANIZATIONS | AI

Other Brokers | Your People

Accountant | Experts

Small Business Development Centers

SarAI

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BONUS – Would you trust an email from:

- Walmart@gmail.com
- Starbucks@yahoo.com
- Nike@netzero.com
- Tigerwoods@me.com

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Q & A

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