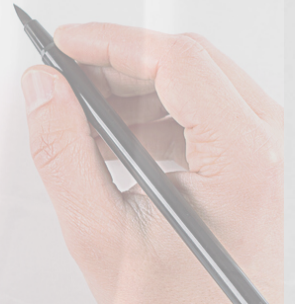


Change Management



Changing Brokerage



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Your Partner In Real Estate

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SAYING GOODBYE TO YOUR BROKER

Courtesy of Discover Benchmark

So, are you moving your real estate license to another brokerage?

Leaving your firm is a big decision for any real estate professional and saying goodbye to your current managing broker and the agents in your office can be difficult and stressful. If you are thinking about packing your bags and heading to a better opportunity at the firm down the street or across town, you need to consider how you are going to leave without too much “drama and trauma.” Why are you leaving your firm? You may be an agent who has invested a significant amount of time and money at your brokerage and find it hard to break the relational “umbilical cord” existing between you and your broker. Or, you might be an agent who feels your firm is not providing you with the broker support, tools and other services you need to grow your business. No matter your particular situation, moving to another brokerage will take some transition planning and good communication with the those you leave behind. Good preparation on your part will make for a smoother transfer of your business and will ensure there will be no “downtime” for you and your clients once you make the decision to move your license.

Know Why You Are Leaving

Agents leave their firms for a variety of reasons. Changing firms might be a result of you wanting a larger commission split, starting a team requiring additional office space, relationship issues with the broker and staff, or your need to change direction with your business and start fresh with a new company. Once you “pull the trigger” to leave, you need to feel comfortable in your decision and communicate it clearly to your managing broker and other agents. Be prepared for pushback from the broker as he or she will use every tool in their toolbox to keep you – especially if you are a producing agent whose contribution to the firm might be impacted by your departure. They will try everything they can to ensure your license stays on the wall including increasing your commission split, providing free or discounted office space, promising to advance your career with the firm into a more visible and responsible role, or giving you leads with little or no referral fees back to the company. Be prepared. They will pull out all the stops to keep you from walking out the door.

How to Have a “Drama-Free” Goodbye

The following are some key considerations when making the decision to leave your current broker:

Tell the Broker It is a Business Decision.

When you inform your broker you are leaving the firm, make sure they know your decision to change companies is based on what will be best for your business. More than likely, they will take your decision personally. Expect to experience any number of emotions from the broker including shouting, crying, silence, indifference, etc. I have heard of managing brokers in smaller firms actually cry in front of an agent because they feel the relationship between them and the agent was at a level equal to that of a family member or a close, personal friend. In other situations, brokers become upset because they feel the time and energy they invested in the agent should equate to long-term loyalty. Most of the time, if the broker shows any emotion it is anger because they are losing their share of your gross commission revenue and other fees that support the overhead of their office. No matter what the reaction the broker shows when you make your departure announcement, stay strong and remind the broker it is a business decision. They will get over it. This is about YOUR BUSINESS and what is BEST FOR YOUR BUSINESS.

Be Careful of What They Offer You to Stay.

Higher Commission Split

There will be a strong likelihood the broker will offer you a better commission split or lower cap if you are willing to remain with the company. This is the easiest way for them to entice you to change your mind. Unfortunately, in the years I have managed real estate offices, I quickly learned changing an agent's compensation to a higher split can impact the company's overhead, create a precedent that might force increasing splits for other agents and slow the growth of the firm due to a smaller volume of revenue. Additionally, in my opinion, high splits for agents are not sustainable for the long-term viability of a traditional brokerage. They might give you more now, but down the road, they will need to recoup their losses by increasing agent-related fees or reduce services and products they offer you and everyone else in the company. Remember, they have to make money, too.

Broker-Provided Leads.

The broker may offer you something besides money to keep you as part of their team. Leads comes in second behind money as an inducement. If you tell them you are needing to find a firm that can help you grow your business, they may use "broker provided leads" as an option for you. Leads can be enticing, especially if you are struggling in procuring new business. However, I know of few brokers, especially in smaller firms, who are willing to provide qualified leads to agents that don't want to keep them for themselves. Why? Because most managing brokers still need to sell real estate in order to supplement the salary they receive as the broker. In order to ensure they have this income, they will probably take the best "cream of the crop" leads and dole out all the other leads to their agents. These "other" leads tend to have lower prospect to client conversion rates and may not be a viable lead in the first place. I have discovered a broker's promises of leads to agents usually results in broken promises.

Non-Revenue Producing Activity.

The broker may react to your decision to leave them by offering you the opportunity to teach in-house classes, lead sales meetings, be part of an "agent leadership team", or serve on an "advisory" board. All of these activities may be well and good, but they consume a considerable amount of time away from your business and produce ZERO income for you. Remember, you are in this business to sell real estate and make money.

It's Time to Say Goodbye

Once you make your mind up you are going to transfer your license to a new firm, you need to have your departure plan in place and ready to execute. The following "action items" should be part of your plan:

- Do not tell anyone in your firm** you have decided to leave until after you have spoken with your managing broker.
- Inform your current clients** of your intent to move your license to a new firm.
- Call and schedule a time to meet with your broker.** Try to see if you can see him or her as soon as possible.
- Complete a Transfer Form** for your broker to sign. The broker must immediately hand your license to you once you ask for it.

Remember, **the broker owns your listings and buyer representation agreements.** Most brokers will be amicable in releasing your listings to you, although, some may want a referral fee in exchange for doing so. Sales contracts that are in process should remain with the firm. Any commission due at the closing should be paid to you under the compensation agreement you and your broker signed when you joined the brokerage.



CHANGING BROKERAGE CHECKLIST

HOUSEKEEPING

1. Activate Your License
2. Terminate Your Affiliation
3. Transfer MLS
4. Build Your Membership

STAGE 1

MAKE A PLAN

- | | |
|-------------------------------------------------------|--------------------------------------------------------------|
| <input type="checkbox"/> LISTING AND TRANSACTIONS | <input type="checkbox"/> INFORM YOUR PAST AND FUTURE CLIENTS |
| <input type="checkbox"/> SEPEARATE FROM CURRENT FIRM | <input type="checkbox"/> CONNECT TO YOUNG + CO TOOLBOX |
| <input type="checkbox"/> TELL YOUR BROKER AND TELL US | <input type="checkbox"/> START PRE BOARD |
| <input type="checkbox"/> LISTING AND TRANSACTIONS | |
| <input type="checkbox"/> SEPEARATE FROM CURRENT FIRM | |

STAGE 2

BEFORE YOU ANNOUNCEMENT

- | | |
|----------------------------------------|-------------------------------------------------------|
| <input type="checkbox"/> CALENDARS | <input type="checkbox"/> ONGOING WORKFLOW SPREADSHEET |
| <input type="checkbox"/> CONTACTS | <input type="checkbox"/> BUSINESS CARDS |
| <input type="checkbox"/> SPREADSHEETS | <input type="checkbox"/> BROCHURES |
| <input type="checkbox"/> CLIENT LIST | <input type="checkbox"/> SIGNS |
| <input type="checkbox"/> REFERRAL LIST | <input type="checkbox"/> NAME TAGS |

STAGE 3

AFTER YOU ANNOUNCE

- | | |
|-----------------------------------------------------------------------|------------------------------------------------|
| <input type="checkbox"/> ESIGN PLATFORMS SUCH AS DOCUSIGN/ OR DOTLOOP | <input type="checkbox"/> LANDING PAGE/WEBSITE |
| <input type="checkbox"/> ZIPFORMS | <input type="checkbox"/> EMAIL NEWSLETTER |
| <input type="checkbox"/> DROPBOX | <input type="checkbox"/> SOCIAL MEDIA ACCOUNTS |
| <input type="checkbox"/> NATIONAL AND LOCAL MLS CHANGES | |
| <input type="checkbox"/> LOGAL REAL ESTATE ASSOCIATION | |

STAGE 3

SPREAD THE WORD

- ☐ TERMINATE LISTINGS
- ☐ RESIGN WITH NEW BROKERAGE
- ☐ CREATE EMAIL CAMPAIGN
- ☐ SEND NOTES WIH NEW BUINESS CARDS
- ☐ CREATE AN DIGITAL CAMPAIGN FOR SOI

email scripts

that help...

Broker In Charge

Dear Broker In Charge,

This email is to notify you that I am leaving the company.

I am grateful for the opportunities I have been given while with your brokerage. I particularly appreciate the training I received from the management. I have already secured a position with a company closer to my business and professional needs. I intend to stop working on MM-DD-YYYY. Please let me know if there are anything housekeeping items I need to assist with regarding my transfer.

I wish you and the company the very best. Once again, thanks for everything. I can be reached on (xxx-xxx-xxxx) or (email address)

Best regards,

Your Name

Colleagues

Dear [nickname for coworkers]

Some of you may already know that today will be my last day at [company name]. Leaving this [great/wonderful] company behind has been a very difficult decision to make. During my [number] years at [company name], I have learned a lot. I have grown a lot and met some incredible people along the way. I will be starting a new chapter at [new company name] in a few short weeks. While I'm excited about this new adventure I also can't wait to see all the amazing things that you will all accomplish in your real estate careers!

This isn't goodbye, more of a see you later. My contact information is below if anyone wants to stay in touch and I will see you all for a few drinks after work. The first round is on [colleague's name].

Best, [your name].

Clients

Subject Yes, Im Moving Too

"Hi, XX,
This time, I'm the one making the move! I'm proud to announce I've joined the XYZ Real Estate team, and I hope you'll join me next time you need to buy or sell a home.

Learn more about my new agency at XYZ.com or email today to get an updated valuation on your home.

Thanks again for your continued business!

Sincerely,

Your neighborhood expert Jane Doe."

--

Your Name
Young + Co Real Estate
9635 Southern Pine Blvd., Ste. 103
Charlotte, NC 28273
(xxx) xxx-xxx |Direct Line
(xxx) xxx-xxxx |Fax



Send  

Recipients

Subject Yes, Im Moving Too

"Hi, XX,

I want you to be the first to know that I'm changing agencies. I will now operate as part of XYZ Real Estate — an agency well known for its customer service, local knowledge, and dedication to its clients.

Let me assure you: This move won't impact our relationship or my commitment to helping you find your dream home. That being said, if you would like to learn more about XYZ or my move, please visit us at 123 First Street, check out XYZ.com or email me at XX@XYZ.com. I'm happy to address any concerns you might have.

Now let's find you that dream home!

Sincerely,Jane Doe"

--

Your Name
Young + Co Real Estate
9635 Southern Pine Blvd., Ste. 103
Charlotte, NC 28273
(xxx) xxx-xxx |Direct Line
(xxx) xxx-xxxx |Fax



Send  

Recipients

Subject Yes, Im Moving Too

"Hi, XX,

I want you to be the first to know that I am leaving XYZ Real Estate. While I am unable to keep your listing in my new career at ABC Agency, I promise you will remain in confident and capable hands at XYZ.

Your new agent will be Sally Ride, a longtime agent with decades of experience in our market. She will handle all marketing, contract negotiations, and closing documents from here on, and you'll be hearing from her directly in the coming days. In the meantime, if you have questions or concerns, please email me at Jane@XYZ.com or call me at 123-456-7890. You can also contact Sally directly at 234-567-8901.

It's been my pleasure working with you the past few months, and I apologize for any inconvenience this change has caused. I wish you the best of luck in the sale of your home!

Sincerely,Jane Doe"

--

Your Name

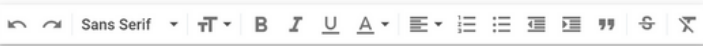
Young + Co Real Estate









8635 Southern Pine Blvd., Ste. 103

Charlotte, NC 28273

(xxx) xxx-xxx |Direct Line

(xxx) xxx-xxxx |Fax



To: Jane Doe <jane.doe@ABC.com>

Subject: Yes, Im Moving Too

"Hi, XX,

As of [XX date] I will no longer be a part of the XYZ team. On [XX date] I will move to ABC Realty, located at 123 First Street. My new office number will be 123-456-7890 and email Jane@ABC.com.

If possible, I would love to continue our professional partnership in my new career at ABC Realty. Though my locale will change, my ability to serve your clients and help you achieve your business goals will remain the same. I hope the feeling is mutual.

If you have any questions about how this career move will impact you, your business, or your clients, please don't hesitate to contact me. Here's to our continued mutual success!

Sincerely,

Jane Doe"

--
Your Name
 Young + Co Real Estate
 9635 Southern Pine Blvd., Ste. 103
 Charlotte, NC 28273
 (xxx) xxx-xxx |Direct Line
 (xxx) xxx-xxxx |Fax

*Stay
Fearless*



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R E A L E S T A T E