

## Broker Business Planning Platform: Pre-Use Checklist

The goal of the Business Planning Platform is to provide Broker's assistance to define and exceed their annual statistical and profit goals through strategic business planning. Although the tool will display historic or average data for some of the required figures (allowing you to craft your forecast for your specific goals), you may want to gather the following information before logging in.

### ANNUAL INCOME and EXPENSE

1. Forecasting Method: Profit or Closed Transactions

2. Start Month & Year for Your Annual Forecast Period: \_\_\_\_\_ / \_\_\_\_\_

3. Adjusted Gross Commission from Residential Sales for Forecast Period: \$ \_\_\_\_\_

4. Statistical Area in Which Office Is Located:

A	Areas of 1 million or more population
B	Areas of 250,000 to 999,999 population
C	Areas of 100,000 to 249,999 population
D	Areas of less than 100,000 population

5. Total Sides Closed for Forecast Period: \_\_\_\_\_

6. Number of Producing Sales Associates for Forecast Period: \_\_\_\_\_

7. Average Monthly Expenses: \$ \_\_\_\_\_

Expense Percentages (of Total Income):

Item	Dollar Amount	Variable or Fixed Expense?
Advertising	\$ _____	
Sales Promotion	\$ _____	
Wages & Salaries	\$ _____	
Occupancy	\$ _____	
Comm & Technology	\$ _____	
Office Expenses	\$ _____	
General & Admin	\$ _____	
Ancillary Expense	\$ _____	

8. Annual Profit Goal: **ESSENTIAL!!!!!!! PROFIT AND RESERVES!**

Desired Profit for Forecast Period: \$ \_\_\_\_\_

*The Annual Profit Goal is how much profit you want to have at the end of a twelve-month period, also referred to as Net Income. Consider including an Annual Reserve Allocation - the amount you plan to set aside during the year to help support your business in the event of a shortfall in revenue (such as during an economic slow-down or decrease in the market leading to reduced revenues). It is recommended that each year you set aside an amount equal to one month's operating expenses and that you continue this pattern until you have three month's operating expenses saved.*

### **9. Annual Contract Percentages**

Number of Listings Taken per year (A): \_\_\_\_\_

Number of Listings Closed per year (B): \_\_\_\_\_

Number of Closed Sides (List & Sell) (C): \_\_\_\_\_

Number of Cancelled Sides (D): \_\_\_\_\_

Percent of Transactions – Listings Sold: % \_\_\_\_\_  
 $\% \text{ of Sides – Listings Sold} = [ (B) \text{_____} \times 100 ] / (C) \text{_____} = \text{_____}$

Percent of Listings Taken that are Sold: % \_\_\_\_\_  
 $\% \text{ of Listings Taken – Sold} = [ (B) \text{_____} \times 100 ] / (A) \text{_____} = \text{_____}$

Percent of Open Transaction that Close: % \_\_\_\_\_  
 $\% \text{ of Open Sides that Closed} = [(C) \text{_____} \times 100] / [(C) \text{_____} + (D) \text{_____}] = \text{_____}$

Average Days to Close: \_\_\_\_\_

*Average Days to Close is the number of days, on average, it takes you to close on a contract ("complete the deal").*

Average Days on Market: \_\_\_\_\_

*Average Days on Market is the number of days, on average, that a listing is on the market before a contract is signed, or the listing expires*