

Succession Planning for Brokerages

Key Elements of Emergency Succession Plan

- ✓ The name of a successor to the broker or a hierarchy of individuals to succeed the broker. Providing the appointed successor with a power of attorney will give the individual the ability to administer the winding up of the firm's business activities and may allow the individual to close transactions, depending on the state law.
- ✓ Instructions about the location of current client files, escrow accounts, and the brokerage's licensees.
- ✓ Information about former client files, bank accounts, contracts, insurance policies, and association/MLS membership information.
- ✓ Information about current liabilities.
- ✓ Information on how to access computer accounts, voicemail, and other important passwords.

Statutes and Commission Rules

- **Arkansas**

[Ark. R.E. Comm'n Rules § 7.7](#)

- **Idaho**

[Idaho Code § 54-2057](#)

- **Florida**

[Fla. Admin. Code R. 61J2-5.018](#)

- **Louisiana**

[La. Stat. § 1451](#)

- **Maryland**

[MD Bus Occ & Prof Code § 17-319](#)

- **Massachusetts**

[Mass. Gen. Laws ch. 112, § 87TT](#)

- **Montana**

[Mont. Admin. R. 24.210.601](#)

- **New York**

[New York Real Prop. Law § 441-a\(8\)](#)

- **North Carolina**

[21 N.C. Admin. Code 58A .0512](#)

- **Oregon**

[Or. Admin. R. 863-014-0160](#)

- **Vermont**

[26 V.S.A. § 2299](#)

- **Virginia**

[Va. Code § 54.1-2109](#)

Succession Planning Best Practices

- Identify possible successors.
- Expose successor to all aspects of business.
- Introduce to firm's key players.

Succession Planning Resources

- **General Resources**

- <http://hrcouncil.ca/hr-toolkit/planning-succession.cfm>
- <https://www.hrzone.com/lead/culture/six-steps-for-succession-planning-success>

- **REALTOR® Association Succession Planning Resources**

- <https://www.nar.realtor/ae/manage-your-association/human-resources-toolkit/retirement-and-succession-planning-resources-for-aes>

- **Blog about Succession Planning for Real Estate Professionals**

- <http://agentsboost.com/do-you-have-a-succession-plan-for-your-real-estate-business/>

- **Succession Planning Resources for Lawyers from the ABA**

- https://www.americanbar.org/groups/professional_responsibility/resources/lawyersintransition/successionplanning.html