



Keeping it Real

by Penelope Biver

Great Things Happen In Small Agencies

You rarely see their names above your head on a 10-foot billboard, and they probably aren't the first to come to mind if asked to name some real estate companies. But independent real estate offices are everywhere - as present as your corner grocer, DVD rental store or Thai restaurant. As more and more individuals become disillusioned and dissatisfied with corporate America and demand more attention - personal attention and attention to detail - more and more privately owned real estate companies are opening doors.

Ed Schwind of Schwind Realty & Development literally cut his teeth in business working for his parents' greenhouse from the age of four until he was 22. Then while working as a programmer analyst, he began to try his luck in another field-selling real estate part-time for Century 21 SGR.

"I was selling condos in a cab at lunch time while I was working another job, and got to become the Lister of the Year [in our office] while I was part-time," says Schwind. He began making more money at real estate than he was at the full-time gig, so he quite, and was soon a "mega-broker" with two agents and an assistant working under him. Realizing that he had been seeding a company of his own, Schwind left Century 21 to start his own real estate sales office.

Schwind is one of an increasing number of real estate professionals who have decided to break away from corporate "roost" and build nests of their own. Like most of these bold and ambitious individuals, Schwind's reasons for starting his own brokerage were alternatives – remedies, if you will – to the bumps and roadblocks that can hinder success when you're selling for a big company; roadblocks that are often inherent to the nature of the bigger real estate conglomerates.

"The reason I opened an office was because I saw the different things offices were doing and I just wanted to make a nicer environment – more high tech, easier to work with, et cetera, in order to make more money for everybody."



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Just four and a half years in, Schwind Realty & Development employs 15 agents and three support staff members in its comfortable offices in the heart of the North Center neighborhood, and expects to do \$40 million in sales this year.

These independent firms have much in common: they want and claim to have the ability to be more sales-focused and client-focused as a sheer result of being just that: smaller.

"I'm not paying a big overhead and trying to take care of the desk rental/head ratio," Schwind says. "I just want to work with a small number of good people."

Because of lower overhead, smaller offices can afford to be choosy. Schwind admits that he's picky about the type of person he wants working with him. He also doesn't mind taking on agents who sell part-time.

Smaller firms aim to offer agents more relaxed work environs, all boasting creature-comfort-style offices, but with all the same amenities as the big leagues – all in the name of cultivating sales instead of just filling desks.

"We have probably one of the nicest offices in the city," Schwind says with confidence ... "Nice layout, nice colors, nice fireplace ... so when you walk in you feel comfortable, instead of walking into a place where you feel frustrated."

It's no secret that there is a lot of activity going on in the offices of bigger companies, which can at times lead to chaos and frustration for agents as well as clients, which can ultimately lead to bumps on the road to closing and that's precisely what these "indie" agencies work hard to prevent.

"Most of the business that agents do out there is self-driven, and their clients are going to come to them because of the work they've done," says Schwind. "So the term 'you build it and they will come' is pretty much what I've done."

Schwind had been doing some smaller building development, and is rebuilding his new construction/developer's rep business. And in the spirit of reciprocity, he's sharing the knowledge and wealth with his agents.

"I'm trying to do projects together with agents, so the goal here is to get everybody to invest together and work together. That's what we're striving for."

Independent agencies appear to grow largely as a reaction to the negative experiences many professionals have had with the big-name companies. Also, in an industry that relies in localized expertise and involves personal, emotional decisions, it's no mystery why buyers and sellers would trust the neighborhood agent down the street. In defense of the big guys, however: there may be safety in numbers. And in a world where brand-name recognition is one of the biggest catalysts to sales, they must be doing something right. They might, however, want to take heed and learn a thing or two from the "little guy".

