

WHITE PICKET REALTY

HOUSTON - 2x BATTLE OF THE BROKERS CHAMPION

FREE GUIDE FOR HOUSTON AGENTS

The Houston Real Estate Agent Earnings Guide

What Houston agents actually earn in 2026 —
without the bait-and-switch numbers and without
the discouraging pessimism.

BY ALAN R. HERNANDEZ

Founder & Broker - White Picket Realty Houston
20 years in Houston real estate - Author of *The Modern Agent* (2026)

TABLE OF CONTENTS

What's inside.

Most income content for real estate agents is one of two things: a recruiting brochure that quotes only top producers, or a discouragement piece that quotes only the bottom quartile. Neither is useful if you're trying to decide whether to enter the business — or whether your current production is on track. This guide is the honest middle. Real Houston numbers. The math behind a deal. What a realistic year one, two, and five looks like. And the variables that actually move the number. Read it through once. Then come back to the calculator on the landing page and run your own scenario.

Chapter 01 - The Honest Range (4 sections)

What Houston agents actually take home — without the cherry-picked numbers.

Chapter 02 - The Math Behind a Single Deal (4 sections)

What actually happens to a commission check between closing and your bank account.

Chapter 03 - Target Income Tables (5 sections)

How many deals it takes to hit a specific take-home number.

Chapter 04 - Year One: What's Actually Realistic (4 sections)

What a realistic first year looks like — month-by-month, deal-by-deal.

Chapter 05 - Years 2-5: The Growth Trajectory (4 sections)

What the compounding looks like when systems start to do their work.

Chapter 06 - The Brokerage Variable (5 sections)

How brokerage structure quietly determines how much of your earnings you actually keep.

Chapter 07 - The Leverage Variables (What Actually Moves Your Number) (3 sections)

Three changes that move your earnings more than anything else.

Chapter 08 - The Hidden Costs (4 sections)

What agents forget to budget for — and what it does to the real take-home.

Chapter 09 - The WPR Comparison (4 sections)

How the WPR economic model changes the take-home number for Houston agents.

Chapter 10 - Your Realistic Plan (4 sections)

What this year actually needs to look like to hit your number.

CHAPTER 01

The Honest Range

What Houston agents actually take home — without the cherry-picked numbers.

The wide answer

The honest answer to 'how much do real estate agents make in Houston' is: the range is enormous. A part-time agent who closes 3 deals a year takes home roughly \$12,000-\$20,000 net. A full-time agent at the 50th percentile of Houston production takes home in the range of \$55,000-\$85,000 net. A top-quartile producer takes home \$130,000-\$220,000. A genuine top producer — the top 5% — clears \$300,000 net and up. The variable that matters most is not the brokerage, the market, or luck. It's whether you treat real estate as a full-time business or a part-time job.

Median Houston agent production

The typical Houston Realtor closes 5-8 transaction sides per year. Houston's average sale price was approximately \$330,000 in late 2025 (HAR data). At an average 2.7% per-side commission, that's \$8,900 in GCI per side. A 7-deal year (mix of buyer + seller sides) produces approximately \$60,000-\$65,000 GCI. After brokerage splits, fees, and self-employment tax — net take-home of \$32,000-\$42,000 in the middle of the bell curve. This is the number nobody puts in the recruiting brochure.

The top quartile gap

Top-quartile Houston agents close 15-25 transactions per year. The difference between median and top-quartile is not 2x — it's closer to 4x net income, because the brokerage cap (a fixed cost) gets paid once but the production above it goes 100% to the agent. An agent at WPR who closes 22 deals at \$330K average will keep dramatically more per incremental deal than the same agent closing the same volume at a brokerage with a 70/30 split and no cap.

The 'agents who fail' number

Industry data suggests 50% of new agents leave the business within 2 years. The reasons are not skill-based. They're business-model based: no leads, no follow-up systems, no marketing, no mentor accountability. Half the new-agent washout could be prevented with a brokerage that actually provides those four things. Pick the right brokerage and your odds of being a full-time agent at year 3 go from a coin flip to ~80%.

CHAPTER 02

The Math Behind a Single Deal

What actually happens to a commission check between closing and your bank account.

A typical Houston transaction

Assume a \$330,000 sale (close to Houston's average price). The total commission is typically 5.5-6% of the sale price — let's use 5.5% as a current 2026 baseline. Total commission is \$18,150. This is split between the buyer's-side brokerage and the seller's-side brokerage — typically 50/50, so each side earns \$9,075. From your side's \$9,075, your brokerage takes its split before you see anything.

Brokerage split on a single deal

At a 70/30 split brokerage (typical for new agents): you keep \$6,353, brokerage keeps \$2,723. At an 80/20 split: you keep \$7,260, brokerage keeps \$1,815. At a 95/5 desk-fee model: you keep \$8,621 minus your monthly desk fee allocation (~\$200-\$500 per deal effective). At WPR's \$6,500 annual cap model: until you hit the cap, the brokerage takes a small per-deal piece; after the cap is paid, you keep 100%.

Fees that come out of every check

Per-deal fees most agents don't budget for: transaction coordination fee (\$150-\$400 if you don't have your own TC), E&O; insurance per-deal allocation (~\$50-\$100), franchise fee at branded brokerages (6% of commission to corporate, separate from your split, at KW and others), and the agent association's transaction fee (\$25-\$75). On a \$9,075 gross commission, these can easily eat another \$400-\$600 before split.

What's left for taxes and your business

From your post-split take, you owe self-employment tax (15.3% on the first ~\$168K, dropping to 2.9% above) plus federal income tax. As a 1099 contractor with deductible business expenses, your effective tax rate often lands at 22-28% of taxable income. A \$6,353 deal commission becomes roughly \$4,500-\$4,900 take-home after taxes and your own business costs (marketing, mileage, MLS dues, etc.). Plan around that number, not the gross.

CHAPTER 03

Target Income Tables

How many deals it takes to hit a specific take-home number.

How to read these numbers

Each row below is rough math — your actual numbers will differ based on your brokerage structure, average sale price, and your business expenses. The numbers assume Houston's ~\$330K average sale price, a 5.5% total commission, and a 50/50 split between sides. Tax estimate is 25% effective. Brokerage cost estimate is \$7,700/year (WPR's cap + monthly) net of \$250/deal marketing back. Adjust based on your actual setup.

To take home \$50,000

You need approximately 9-10 transaction sides per year. That's roughly \$86,000 GCI gross. After WPR's effective brokerage cost (~\$5,200 after marketing back) and 25% taxes, you net around \$60,000. To net \$50K cleanly, 8-9 closings is enough if you're solo without major expenses. This is realistically achievable as a part-timer transitioning to full-time, or year-one for someone with a strong sphere.

To take home \$100,000

Approximately 16-18 transaction sides per year. That's \$145,000-\$160,000 GCI. After brokerage and taxes at a low-cost brokerage like WPR, you net \$100,000-\$115,000. This is the realistic Year 2-3 target for a full-time, system-driven agent with the right brokerage support. Without a low-cost brokerage, you'd need 20-22 deals to hit the same take-home — meaning your brokerage structure is worth roughly 4-5 free deals per year.

To take home \$200,000

Approximately 30-34 transaction sides per year. That's \$270,000-\$300,000 GCI. At WPR you're well past your cap by transaction 8-9, so the next 22+ deals keep 100% commission minus per-deal expenses. Net of taxes, \$200K+ take-home. This is the top-quartile Houston agent — uncommon but very much real. Most are running a small team or have a strong referral funnel from past clients.

To take home \$300,000+

Approximately 45+ transaction sides per year, OR a team model with leveraged sides under your supervision, OR a higher average sale price segment (luxury homes at \$800K-\$1.5M+ where each side pays double the typical commission). The top 5% of Houston agents reach \$300K+ net through one of these three paths. The brokerage structure matters less here — the variable that matters is the leverage model.

CHAPTER 04

Year One: What's Actually Realistic

What a realistic first year looks like — month-by-month, deal-by-deal.

Months 1-3: licensing, onboarding, sphere

Realistic income: \$0-\$3,000 net. You're not closing many deals in the first 90 days, regardless of effort. You're getting licensed, completing onboarding, getting your sphere of influence (SOI) into your CRM, and learning the tools. If you close 1 deal in your first 90 days, that's normal and good. The work you do here pays in months 4-12, not week one. Budget for this gap before you start.

Months 4-6: first momentum

Realistic income: \$8,000-\$18,000 net (cumulative through month 6). If you ran the right plays in months 1-3 — sphere call-throughs, open houses, BET training — your first two closings should land in this window. Average new-agent expectation: 2-4 transaction sides total by month 6. Lean into Lofty AI follow-up and the broker-funded marketing during this stretch — it compounds.

Months 7-9: production rhythm

Realistic income: \$14,000-\$28,000 net (incremental, months 7-9 only). By month 9, you should have 5-7 closings under your belt. This is when the year-one math starts to feel real — you can see what your trajectory will be. Critically: you're hitting your brokerage cap somewhere in this window if you're at WPR (\$6,500). Every deal after that month is dramatically more profitable.

Months 10-12: cap and compound

Realistic income: \$18,000-\$40,000 net (incremental, months 10-12). Capped out at WPR, the back third of your year carries disproportionate weight. A solid year-one Houston agent at WPR finishes with \$55,000-\$75,000 net take-home, 10-12 total closings, and a sphere database now populated with happy past clients who become Year 2's referral engine. This is the realistic, not-cherry-picked first year.

Years 2-5: The Growth Trajectory

What the compounding looks like when systems start to do their work.

Year 2: the inflection point

Realistic year-two income: \$80,000-\$130,000 net. Year 1's past clients begin sending referrals. Your sphere has seen you in the business for a year and now takes you seriously. Your Lofty database has enough scale to feed a steady drip. Most agents close 13-18 deals in year two. Critically: nearly every Year 2 dollar is high-margin because you've already paid your brokerage cap early in the year.

Year 3: top quartile if you ran the plays

Realistic year-three income: \$120,000-\$180,000 net for a solo agent who executed the system. 18-25 transactions. This is the year you're considered a 'real' agent in your sphere — past clients refer their adult kids, your social presence has compounding traction, and your business has predictable monthly revenue. Top quartile income for Houston Realtors lives in this zone.

Year 4-5: the platform years

Realistic year-four-and-five income: \$150,000-\$300,000+ net depending on the model. Years 4 and 5 are where agents diverge: some plateau at solo \$150-180K (perfectly fine career), others move to a team model that pushes them to \$250-400K+, others move into investing (the ALGO track at WPR) and add a second income stream. The brokerage you chose in year 1 affects how much capital you have to make these year-4 decisions.

The variable that controls all of it

Years 1-5 income is not random. It's the cumulative effect of four variables: (1) how many people know you sell real estate, (2) how fast you follow up with new leads, (3) what percentage of past clients refer you, (4) how much marketing fund you have access to. The brokerage you join controls items 2-4. The agent controls item 1. Get all four right and Year 5 looks dramatically different than year 1's expectation.

The Brokerage Variable

How brokerage structure quietly determines how much of your earnings you actually keep.

Two agents, same production, different outcomes

Take two Houston agents both closing 18 transaction sides at \$330K average price. Both gross \$89,000 in GCI. Agent A is at a 70/30 split with \$80/mo tech and \$200/transaction admin fees. Agent A nets ~\$56,000 after brokerage costs. Agent B is at WPR (\$6,500 annual cap + \$1,200/yr fees – \$250/deal marketing back). Agent B nets ~\$84,000 after brokerage costs. Same effort. \$28,000 difference. That's the brokerage variable in real numbers.

The split-only model

Traditional 70/30, 80/20, or 60/40 split brokerages are the most common Houston structure. They look simple ('give the broker 30%') but on volume they're expensive. An agent producing \$100K GCI gives up \$30K under a 70/30 model — every single year. The agent never owns their commission rate. The brokerage gets a fixed percentage of all future production, including the years when the agent has zero broker help.

The capped model

Capped models (eXp, WPR, others) put a maximum dollar amount on what you can pay the brokerage in a year. After that cap, you keep 100% of commissions. For Houston agents producing 15+ deals/year, the cap saves real money — typically \$15,000-\$40,000 per year vs. a comparable split-only model at the same production. The catch: you have to do the production to benefit. Capped models are less generous to agents producing 5-10 deals/year.

The desk-fee model

Desk-fee brokerages (some RE/MAX models, others) charge a fixed monthly fee — usually \$800-\$2,500/month — and you keep ~95-100% of commissions. Math favors this for very high producers (30+ deals/year). Math punishes this for everyone else. If you close 6 deals at \$330K, the desk fee can eat 20-30% of your net income before taxes.

How to actually compare

Don't compare brokerages on marketing materials. Take your actual or expected production — number of deals \times average sale price \times commission rate — and run it through each brokerage's structure. The output is two real numbers: 'I'd take home \$X at Brokerage A' and 'I'd take home \$Y at Brokerage B.' That's the only comparison that matters. The Brokerage Switch Playbook has a worksheet for this.

CHAPTER 07

The Leverage Variables (What Actually Moves Your Number)

Three changes that move your earnings more than anything else.

Transaction count is the biggest lever

Going from 8 deals to 12 deals (+50%) at the same average price is a bigger earnings change than going from \$300K average price to \$400K (+33%) at the same deal count. Why: the brokerage cap is fixed, so the additional deals are nearly pure profit, while the price increase still gets split with the brokerage on every dollar.

Average sale price is the second lever

Specializing in a price band 30-50% above your local average shifts your earnings substantially. Houston has neighborhoods where the average sale is \$250K and neighborhoods where it's \$750K+. Same effort per transaction. Worth strategically choosing the geographic area you build expertise in.

Time-to-follow-up is the hidden lever

Industry data shows leads contacted within 5 minutes are 9x more likely to convert than leads contacted in the first hour. Most Houston agents contact new leads in 2-6 hours. Whatever your current conversion rate is, cutting your average response time from hours to minutes through an AI follow-up system (like Lofty's automated first-response) effectively doubles your effective lead count without any new marketing spend.

CHAPTER 08

The Hidden Costs

What agents forget to budget for — and what it does to the real take-home.

Annual recurring fixed costs

MLS dues (\$350-\$650/year), local association (\$300-\$500/year), state association (\$150-\$300/year), NAR dues (~\$185/year), E&O; insurance (\$300-\$700/year), Supra/lockbox (\$150-\$250/year), CRM if not brokerage-included (\$400-\$1,500/year), website if not brokerage-included (\$400-\$1,200/year). Total floor: \$2,300-\$5,000/year regardless of how much you produce. Brokerages that include the CRM and website (like WPR) save \$800-\$2,700/year on this line alone.

Variable per-deal costs

Listing photography (\$150-\$400/listing), home staging consultation (\$150-\$300/listing), social media ads on a listing (\$100-\$400/listing), MLS-related fees per closing (\$25-\$75), title-company gifts (\$50-\$200/closing), closing gifts to clients (\$75-\$250/client). Plan on \$300-\$900 in marketing expense per transaction unless your brokerage funds the marketing on your behalf.

Vehicle and time costs nobody tracks

Average Houston agent drives 12,000-25,000 miles per year showing properties. At the IRS standard mileage rate (2026: ~\$0.70/mile), that's \$8,400-\$17,500 in deductible business expense — which is good for taxes but also money you actually spent on gas, insurance, depreciation, and maintenance. Time cost: agents spend roughly 20-30 hours per closing not directly compensated (lead nurturing, paperwork, showings that don't convert). Factor this into your effective hourly rate when comparing to W-2 alternatives.

Self-employment tax — the big one

As a 1099 agent you pay both halves of FICA: 15.3% on the first ~\$168K, then 2.9% above. This is on top of federal income tax. A W-2 employee earning \$100K pays ~\$7,650 in employee-side FICA. A real estate agent earning \$100K self-employment income pays \$14,130 in SE tax — nearly \$6,500 more. Set aside 25-30% of every commission for taxes from Day 1.

CHAPTER 09

The WPR Comparison

How the WPR economic model changes the take-home number for Houston agents.

What WPR's structure is

WPR charges Houston agents: \$100/month flat fee, \$6,500 annual cap (limited time), no per-transaction fees from WPR, and contributes \$250 per closing to the agent's marketing fund. Tech stack included: Lofty AI CRM, IDX website, BrokerSumo back office, Dotloop transactions. After the \$6,500 cap is paid, the agent keeps 100% of commission for the rest of the year.

How that translates to take-home

For an agent producing 12 deals at \$330K average (\$89,100 GCI), WPR's effective brokerage cost is approximately \$4,700 after the \$250/deal marketing back. That same agent at a 70/30 split would pay roughly \$26,700. The math difference at this exact production level is \$22,000 per year. That's the practical impact of the cap-plus-marketing-back structure.

Where the model doesn't favor you

WPR's model favors agents who produce. If you're closing 2-3 deals a year, the \$6,500 cap is uneconomical compared to a 70/30 split where you'd pay less in absolute terms. Be honest with yourself about your production trajectory. WPR is designed for agents either currently producing 8+ deals/year or willing to lean into the systems to get there. If you're a casual part-timer with no plans to scale, a split-only brokerage may be a better fit.

Where to find out

Run the math against your real production. Use the calculator on this page (or the WPR vs eXp Realty calculator at [/vs/exp-realty/](#)) to see your specific number. Or have a 15-minute conversation with Alan directly — calendly.com/wprbrokeralan. WPR's recruiting position isn't 'we're cheaper than everyone' — it's 'run the math on YOUR production and let the numbers tell you the answer.'

CHAPTER 10

Your Realistic Plan

What this year actually needs to look like to hit your number.

Reverse-engineer from your target

Pick a target net take-home. Work backward: divide by your effective per-deal take-home (gross commission minus brokerage cost minus taxes) to get your required deal count. Divide your deal count by 12 to get your monthly cadence. That cadence is your real plan. If you need 15 deals/year, that's 1.25 deals/month average — meaning every month you need at least one new conversion-quality conversation.

What weekly behaviors produce that cadence

To average 1.25 deals/month you typically need: 8-10 new prospect conversations per week, 2-3 buyer or seller appointments per week, 15-25 sphere touches per week (calls + emails + social presence), and 1 piece of visible content per week (post, video, or newsletter). The brokerage's systems should make these activities easier, not harder. If your current brokerage doesn't help with three of those four, you're paying it for the wrong things.

The 90-day commitment

Pick one of two paths. Path A: stay at your current brokerage and commit to 90 days of full-volume activity (the four weekly behaviors above) to see if the systems work. Path B: run the Brokerage Switch Playbook framework and consider a move. Either path is acceptable. The unacceptable path is staying in passive mode for another year and expecting different income.

If you want to talk it through

Alan keeps 15-minute confidential conversations open for any Houston agent thinking through these numbers — whether you're considering WPR, evaluating a different brokerage, or just running your year-ahead plan. No pitch, no pressure, just the math against your specific situation.
calendly.com/wprbrokeralan/quick15mincoffeechat

OUTRO

One last thing.

Earnings in real estate are within your control — far more than they are in a salaried W-2 job. The variable that matters most is not your market, your luck, or your raw talent. It's whether the brokerage behind you has actually built systems that compound your effort. This guide will tell you the numbers. The brokerage you choose will tell you how much of those numbers you actually keep. Choose carefully.

Alan R. Hernandez · Founder & Broker, White Picket Realty Houston

Alan R. Hernandez · Founder & Broker, White Picket Realty Houston · admin@teamwpr.com · (832) 532-9229 · join.teamwpr.com

Want to run the math against your specific production? **Book a 15-minute confidential chat with Alan →**