

REPORT 7

HOW TO AVOID HIGH COMMISSION CHARGES

- 1. Negotiate** a lower Commission fee! With your agents
Use up to three or more competing agents, they should all have different fee structures.
Don't go for the highest fees it's all the same amount of work to sell a property at \$1,500,000 or at \$150,000.
- 2. FLAT FEES** You could use internetrealty.com.au Selling commissions FLAT fee AT \$5,500 inc GST for properties below \$300,000 Plus marketing fee from \$500
For all properties above this the fee is calculated at 1.75% of the selling price plus a marketing fee from \$500
- 3. Sale By Owner.** For sale By Owner (F.S.B.O)
Advantage Saving on Agents Fees. Note marketing fees usually apply.
- 4. Disadvantages** When the purchasers are in negotiations with the seller, they will discount your asking price by their perceived commission rate that you would have been charged. This means they buy your property and you in effect are still paying commission however it now goes to the purchaser not the agent who are trained to negotiate a sale at a higher price.
- 5. Marketing charges** Magazine and newspaper advertising are expensive you will be asked to pay for the advertising separately or indirectly in the high commission charges. To save you money internet realty uses the internet primarily as a marketing tool with high results and low costs.
- 6. Buyers** feel reluctant and uncomfortable to negotiate directly with the seller, some will not even attempt to negotiate and simply move onto a listed Agents property.
- 7.WEB** Most of the **major WEB sites** will not allow FSBO's "for sale by owners", the sites are for Real Estate Agents only. This will cut out about 80% of your buyers in the market place.
Remember low selling fees for all suburbs all properties