

# Why Flat Fee Realtors Make the Most Sense



**AZ FLAT FEE**

• FLAT FEE, FULL SERVICE, REAL ESTATE •

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# What Is a Flat Fee in Real Estate?

A flat fee is a flat rate charged by real estate agents for listing and selling your property, among other services. It refers to a fixed charge a seller pays an agent instead of the percentage-based commission.

A traditional agent usually receives a fee-based commission that's usually calculated at a fixed percentage of the property's sale price. A flat fee agent works differently as they charge a fixed rate regardless of the final sale price.

Working with flat-fee realtors makes the selling process easier. For instance, one of the biggest reasons people work with flat fee real estate brokers is that they're able to negotiate offers on your behalf, saving you thousands of dollars, which you can spend on other things like a down payment.

## Advantages of Hiring Flat Fee Listing Realtor

1. Get more profits from your property's sale
2. Save money on commissions
3. Experienced realtors handle the sale of your property
4. Enjoy a stress-free sales process



# Are Flat Fee Realtors Good?

**Yes, flat-fee realtors are good because they're less expensive to work with than full-rate realtors.** Although you will pay a certain fee, it's only a small amount when compared to the 3-6% commission you would normally pay.

While going at the For Sale By Owner (FSBO) might save you a lot of commissions, selling your property without accessing the MLS database is not recommended, since it's through the MLS that buyers and agents find your property.

## Reasons to Hire Flat Fee Realtors

- ☒ Have Lower Costs
- ☒ Require Less Commitment
- ☒ Use the Latest Technology
- ☒ Offer Personalized Services
- ☒ Offer a More Efficient Sales Process

There are many reasons why you should use full service flat brokers. They'll ensure your home is listed on specific MLS relevant to homebuyers in your area.

You'll also have realtor access to help you sell your home faster. A study revealed 90% of buyers bought their house through an agent that subscribes to your local MLS.

# 6 Things a Full Service Flat Fee Estate Broker Can Do for You

## 01 Conduct a Comparative Market Analysis

The realtors pull statistics from the area, check the property value of neighboring homes, and use this data to determine the value of your house. This is crucial since **getting the right price is the most challenging task for FSBO sellers.**

## 02 Take Professional Photos of Your Home

Full service flat-fee agents usually work with a real estate photographer to determine the best photos to get prospective buyers immediately. Some agents will also have a stager and stage your property which has shown to **increase the sales price** and reduce the time it takes to sell a home.

## 03 List Your Home on the MLS Database

Flat fee brokers list your house on the MLS once they have photos, an attractive price, and a strong description. The description is your opportunity to tell buyers information not captured in the photos such as:

- What school district is your home close to?
- Proximity to local amenities
- Type of neighborhood

## 04 Market Your Property

After listing your home, full-service brokers put for sale signs and a box of fliers or a link to virtual flyers in your yard. They also market your home online and list it in local home publications.

## 05 Hold and Schedule Open Houses

Flat fee real estate brokers schedule showings for potential buyers to walk through and view your house. **It's crucial your realtor becomes an expert on your property** because they will be showing off your house.

## 06 Negotiate the Sale

A good full service agent should get you the **best price for your property** and have experience negotiating sales. The agent should let you know if the transaction you are about to reject is a good one.





# Flat Fee vs Commission Real Estate

Many real estate brokerages are offering alternative commission models to meet consumer demand and challenge the traditional model. **With traditional commission real estate, the seller pays the broker 3% of the sale price to sell their property, while flat fee brokers sell your property for a predetermined flat fee instead of a percentage-based commission.**

Below is a table to showcase the similarities and differences between these two models.

Real Estate Service	Flat Fee, Full Service Realtor	Commission Based Realtor
Organizes and hosts showings	Yes	Yes
Lists homes for sale on MLS listings	Yes	Yes
Helps with marketing, paperwork, & photos	Yes	Yes
Negotiates with potential buyers	Yes	Yes
Explains benefits of specific offers	Yes	Yes
Saves sellers money with a low flat fee	Yes	No

**While it might look like flat fee realtors are pretty similar to commission based realtors, don't be fooled. This key difference highlighted in yellow can save you thousands of dollars!** Take a look at the chart on the next page to see how this plays out in a sale.

# The Major Distinguishing Factor Between Flat Fee vs Commission

The major distinguishing factor between flat fee and commission real estate agents is their rates. **You can save thousands of dollars if you hire a flat fee realtor rather than a commission-based realtor.** Here’s how much you can save, assuming a 3% listing fee for a broker and a \$3,500 flat rate for the listing.

House Sale Price	Commission-Based Listing Cost	Flat-Fee Listing Cost	Your Potential Savings With a Flat Fee Realtor
\$400,000	\$12,000	\$3,500	\$8,500
\$750,000	\$22,500	\$3,500	\$19,000
\$1,000,000	\$30,000	\$3,500	\$26,500

## Which Model Is Better?

Both flat fee and commission-based real estate models are great. However, you will pay a commission agent for comprehensive services, at a premium. **With flat fee agents, you will get all the same comprehensive services for a fraction of the fee.**





# Can You Avoid Paying Realtor Fees?

Yes, you can avoid paying realtor fees, and the main way to do this is by selling your property yourself without using an agent. Realtor fees are the compensation realtors receive after assisting you to sell or buy a home. It's also the percentage of your home's selling price and is split with the agent of the buyer. Traditional realtors charge 2.5-3% commission for the buying and listing sides, **which amounts to 6%.**

## Ways to reduce or avoid realtor fees include:

- Finding agents that offer a flat fee
- Negotiating your realtor's commission
- Working with a discount real estate agent
- Selling the property on your own
- Comparing realtors against one another

## Find Companies That Charge a Flat Fee

Companies that charge a flat fee typically offer more services compared to discounted brokerages. Their fees are generally lower than other realtors. Some of these companies are able to charge less because they pay their realtors a salary rather than a commission. This eliminates the sales pressure to buy.

## Sell Your Property Yourself

You can save up to 6% of your property's value if you opt to sell your home yourself instead of using a real estate agent. **Typically, that's more than \$30,000 for the average property.**

However, you will have to do difficult things agents charge you for like accessing the MLS database and scheduling repairs. There have been many different studies showing that **homes sold by the owner result in a final sales price that is less than the commission most agents charge.**

## Work With a Discounted Realtor

Consider working with a discounted brokerage firm. **Beware though - these firms usually only provide basic services such as listing your property for a flat fee on MLS.** If you need help with making a counteroffer or marketing your property, they generally won't assist you.







# Frequently Asked Questions About Flat Fee Services

#1

## Are Flat Fee MLS Services Legal?

Yes. There are certain states with minimum service laws require licensed flat fee MLS companies to offer a complete set of services like providing counsel and negotiating offers rather than just listing your home on the MLS.

#2

## Do Realtors Avoid Flat Fee Listings?

No, if a 2-3% commission is offered, a realtor won't avoid a flat fee listing. They get the same amount whether it's a full-commission or flat fee listing.

#3

## What Are the Terms of Full Service Flat Fee Brokers?

Terms can vary depending on the brokerage, including the period of time you can access MLS and their own rates. Typically, lower-rate brokers will specify a shorter time, such as six months while higher-rate brokers give you unlimited access to the MLS.

#4

## Can I Save Money With a Flat Fee MLS Service?

Yes, you can save money, and flat rate MLS services are a great option if you're interested in FSBO. When using a flat fee MLS service, you will be performing the tasks yourself, so it's not always worth your time. You can try the FSBO route using a flat fee MLS and if it doesn't work, hire a full-service flat fee agent.



# Ready to get started? Schedule a call and let's connect!

Phoenix Area: 480-771-1564

Tucson Area: 520-500-1783

## Connect With Us

AZ Flat Fee is a top-rated, full service, Arizona Flat Fee realtor with a low \$3,500 flat fee. Don't be fooled by others with a flat fee MLS listing that don't offer full services!

