



How Professional Realtors Get Paid

“what is the fee for your professional realtor’s services”

SELLERS SIDE [LISTING]

- Initial commission established when property is listed between the seller and their listing agent [ie 4%, 4.5%, 5%, 5.5%, 6%, 7%]

- Portion or Co-op Commission [CC] is offered to the buy side representation [Keller Williams] [ie 2%, 2.5%, 3%, 3.5%] CC=2.5% -100 [example]

- Example
 \$300,000.00 Sale Price
 6% Total Commission to be paid in deal = \$18,000.00
 3.5% paid to Listing Agent | Company = \$10500.00
 2.5% paid to Buyer Agent | Company = \$7500.00

Note: Listing Agent and their company split the total commission [ie 50% of \$10,500.00 = \$5250.00] vs the Buyer’s Agent at 50% would receive: \$3750.00] - little unbalanced.

Why do I set my own Commission as a Realtor?

- I am a Professional Realtor®
 I have a set commission rate for my professional services, skills, and representation. As in any profession that is commission based, it is up to the Professional Realtor to determine their value and fee for services. Currently in Real Estate the Listing Agent | Seller selects the Co-op commission that is offered to the Buyer’s Agent & Company in the transaction.

Question: why should someone else be setting the fee for the services that I provide you as my client?

- I am not a discount Broker
 There are a number of discount brokers listing and marketing homes for consumers in today’s market. The Co-op commission can range from \$50 - 2% from these companies. Because I am NOT a discount broker - I feel it is appropriate to negotiate with each of my buyers to determine appropriate compensation for the services I provide throughout a transaction.

Feel free to contact my Managing Broker of **Keller Williams - River North** office: **Nick Libert** with any questions/concerns about my track/sales record and qualifications: nick@nicklibert.com, (312) 493-0920

BUYERS SIDE [PURCHASE]

- Sam Powell of Keller Williams commission for Representation is 3%, per Exclusive Buyer’s Representation Agreement

- All or Portion of 3% fee is provided through Co-op Commission [CC] as stated on the Listing Sheet [ie CC = 2.5% - 100]

- Any difference equal to 3% total owed KW can be built into Buyers total purchase price, or added to buyer’s total closing costs and paid at closing in the form of a Certified Bank Check made out to Keller Williams

- Example
 \$300,000.00 Sale Price of Property
 3% due to KW Agent | Company = \$9000.00
 2.5% paid per Listing Sheet [CC] = \$7500.00
 0.5% dif due built into buyers closing costs = \$1500.00

Note: KW Agent and KW split the total commission [ie 50% of \$9000.00 = \$4500.00]

How is the Difference paid as the Buyer?

- Payment Option 01
 Make an attempt to negotiate with the listing agent regarding the Co-op commission being paid out. Make it apart of the terms of the deal per your buyers request. As long as the number work out and the seller is getting a sales price they are comfortable with, and the buyer is paying what they are comfortable paying - than there is everything right about the terms of the contract.

- Payment Option 02
 Bring a Certified Bank Check to closing made out to **Keller Williams** for the difference equaling the 3% commission. This is the best option if you have the funds liquid in a bank account and do not wish to build them into your loan.

- Payment Option 03
 Build the difference into the contract offer, [ie ask for .05%, 1%, 1.5%] back at closing to cover some/all of your additional closing costs. Note that there are limitations through the lender[s] regarding how much we could ask for back. 3-6% typically is the range limit, specific to each buyer’s financial situation.