

I have been in real estate for over 18 years and witnessed the many changes in the industry. Clients often ask me...

"why should I choose a full-commission agent versus a discount agent?"

Well, I like to save money too...but for the right reasons. My wife and I work hard to earn assets and protect their value as best we can. We prefer full service professionals to help us save time, stress, and ultimately...money. But, to each his own. In this digital age, there are many levels of service to choose from. In real estate, each deal is unique and every seller is different, so the market has provided options. Here is how I answer the question.

First - if saving a dollar is important to you - look at NET GAIN rather than what you pay in commissions. The cost of selling a property doesn't stop at a percentage point. Selling a property includes additional costs such as preparation, staging, and inspections. Ask your agent who covers these costs for the seller and if they provide resources to help you.

Next, the number of days on market impacts your bottom line. Each day a property doesn't sell costs you mortgage payments. Further, "request for repairs and credits" can be thousands of dollars that sellers may not be prepared to pay. A full customer service agent can often negotiate that number down and help sellers come to an agreement with the buyer. They have acquired years of negotiation skills and deep relationships that can serve you.

Third, be aware that discount brokers or agents that advertise or claim reduced commissions can be somewhat misleading. The standard commission in this area is 5-6% total, so the listing agent gets 2.5-3% and the buyer's agent gets 2.5-3%. Both commissions are paid by the seller. SO...if you are told you can sell your property for 1.5% commission, you are still paying the other 2.5% to the buyer's agent which equates to 4% total.

The discount agent business model is transaction focused. It relies on volume. The agents are not necessarily service or area specialists; may not know the true market value of your home; or, live nearby to show your property easily. In addition, sellers should understand the concept of "dual agency". Though uncommon, California agents can legally represent both seller and buyer in the same transaction (a.k.a. dual agency), which means they also receive the entire 4% commission. If this is an agent's strategy, you should be aware and endorse it.

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Be cautious of an agent that claims to have their own "buyer pool". The overall goal is to maximize exposure in order to maximize price, which means putting your home on the open market to ensure all agents can present buyers and potential offers to you.

Your goal is to get the highest price for your home and close as quickly as possible.

Fourth, I would say you get what you pay for. Property presentation, marketing strategy, in person showings, knowledge of the area and community, network of buyers, strong agent relationships, communication, and negotiation can be complex efforts...if done well. In addition to navigating the Inspection, Appraisal, Loan Approval and other contingencies of a contract, each transaction poses different challenges. There is no textbook for complexities that arise; and full-service agents often have the skill and endurance to keep a deal from dying...and at the very least, keep clients from becoming frustrated.

Finally, pride and memories fill your home. Images on a website can't bring its story to life. To maximize price, definitely consider an invested, knowledgeable agent that can articulate the unique attributes and subtle nuances of your property that can add value to the sale price. **A full commission local agent that knows your neighborhood may list your home at a higher price because they know the value of its desirability.** No online discount brokerage or algorithm can provide this insight or intelligence.

Full service agents are less likely to cut corners because they invest their own time and money to market your property, create sales and marketing strategies, have in-house contract or even mortgage processes, and have access to resources and administrative support that discount agents may not. Furthermore, a qualified agent manages the entire process so it is efficient, transparent, and ideally, less stressful.

The sale of your home is typically your greatest asset or investment. I am often surprised how many people spend more time focused on saving a dollar rather than building value to add to the property and process that can yield a higher net gain. It's not a car. It's your home. At the very least you owe it to yourself or your estate to consider all avenues before making a decision.

We hope this article was helpful in your real estate education. If you have questions or want to learn more about The McCurdy Team, visit: mccurdyrealtor.com | [@pointlomalife](https://twitter.com/pointlomalife) | [#pointlomalife](https://www.instagram.com/pointlomalife) | call 858.225.9243







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