

How Realtors® are paid

As a consumer in the real estate market, you will benefit from the services of an experienced Realtor throughout the home buying or selling process. Even though you may not be footing the cost, it's important that you understand how real estate agents are paid.

Basically, the people selling the house pay a commission to their listing broker based on a percentage of the selling price. The listing broker then splits this commission with both the buyer's broker and their respective agents.

Did You Know ...

- Sales Associates are self-employed, and receive no salary or benefits. They get no paid vacation time, insurance, company cars or expense accounts from the firm they work with.
- Sales Associates are only paid for results-if and when they successfully complete a property transaction.
- as independent contractors, Sales associates have ongoing out-of-pocket expenses similar to those of any small business.

Business Expenses:

- all property advertising
- advertising and marketing of their services
- marketing materials & direct mail
- for sale sign installation
- lock boxes, open house signs
- MLS access fees
- computer hardware & software
- long distance, cellular and paging service
- postage and courier fees
- business cards, stationery, office supplies
- business insurance
- continuing education courses
- monthly technology & office fees
- real estate license fees
- dues to local, state, and national real estate associations
- web site costs