

Hints For Homeowners

It Doesn't Have To Cost 6 Percent To Sell A Home

(NAPSA)—If you're thinking about selling a home, you may have wondered: "What, really, does a real estate agent do to earn a 6 percent commission?"

In the past, real estate agents had to scour literal books of listings and drive clients around to see listings to make sales. But today's real estate process is much simpler—and increasingly digital. According to a 2017 study from the National Association of REALTORS®, 44 percent of home searches now start online. And as the search process moves online, almost all of the paperwork has, too, allowing agents to handle more business even more quickly.

So if everything's easier now, why are most agents still charging 6 percent?

It comes down to the time and money that agents spend finding new clients. "Many agents still find most of their business by cold calling, sending mailers or knocking on doors," explains Ben Mizes, CEO of online real estate brokerage Clever Real Estate. "The time it takes agents to find customers puts a floor on how low they are willing to go on commissions."

Clever works nationwide to solve this problem by matching customers with local Partner Agents, who sell homes for a flat fee of \$3,000 or 1 percent in listing commission. Clever is part of a growing trend in the real estate industry; discount firms like Redfin now operate in many U.S. metro areas and even local brokerages are increasingly discounting their rates. In a 2017 article, The Washington Post estimated that average commission rates nationwide will soon fall to 5 percent as agents compete more aggressively to win business.

Tech-focused entrants to the discount real estate space have the potential to accelerate the change. Unlike traditional brokerages, which expand one city at a time with local brick-and-mortar offices, Clever partners with agents all over the country.

Mizes says, "We have a full-time team dedicated to recruiting and vetting top-performing agents from major agencies. They provide the exact same full service that a top agent usually



Technology allows real estate agents to focus on building a strong core business.

offers, but when you come through Clever, they do it for our competitive prices."

Steve Huffman, a Keller Williams broker and Clever Partner Agent in Atlanta, says that discount prices don't stop him from providing a quality, full-service experience for his clients. "If you do a good job with discount clients, they can refer friends, and you have buyers who will call your yard sign," he explains. "The more listings you have, the more exposure you have."

Luke Babich, Clever's Chief Strategy Officer, explains why it's a win-win: "Our Partner Agents can focus on doing what they do best: selling homes. Meanwhile, the average customer saves \$9,000 in commission."

Among the emerging business models that are shaking up the real estate industry, tech-focused brokerages like Clever differentiate themselves by being human focused, too. "Real estate commissions are ready to be revolutionized," says Babich. "But we're selling homes the same way that they've been sold for the last half century—with great, attentive, professional agents."

With dramatic changes in the real estate industry—which some have said threatens to displace real estate agents—tech-focused brokerages like Clever differentiate because they are agent focused, too.

"In the end," concludes Huffman, "you're not losing money because you're gaining more clients."

To learn more about the ways that technology is changing the real estate industry, visit <https://listwithclever.com>.