

## COMMISSION

### 11/13/18 - Increase Your Earnings by Learning How to Increase the Commission Rate & Learn How to Set Up LeadStreet Zip Codes

- "Will you reduce your commission"
  - *"Thank you for asking about my commission Mr. Seller. I'm so glad that you value my services and you invited me to list your house for sale. It's a big task and I am honored to assist you with it."*
  - *"I can see you are also a great negotiator, that's what I like about you. We are going to enjoy working together, aren't we."*
  - *"When you say 'lower commission', what type of reduction are you asking for?"*
    - **Address their reasoning. If their request is because they think you make money hand-over-fist, be prepared to educate them how you pay the other brokerage, your broker split, Uncle Sam, your marketing expenses, office overhead (including MLS and Realtor® dues), and you get to keep the small slice of pie that's left to feed your family**
  - *"Before I pay anyone, I have to pay Uncle Sam. If you can make that expense disappear, I'll work for free." ( we all know we can not avoid paying our IRS taxes)*
  - *"When you shop at Neiman-Marcus, you can relax because everything is done for you, and first class too, right? They can't offer all of those wonderful luxurious services for Wal-Mart prices." (That will infuse a bit of humor too)*
  - *There's always the simple style approach revered by seasoned agents: "No. Any other questions?"*
- "Will you cut your commissions, other agents will?"
  - *"You know, you're right, there are some agents out there that will and I'm a little concerned...can I tell you why?" (Yes)*
    - *Because for most of my clients this is either their most valuable possession or one of their most valuable possessions and "If an agent is willing to discount their fee when negotiating with you what are they going to do at the negotiating table when a lot more than 1% could be at stake?"*
    - *"If the other agent can't defend the money he/she gets paid to earn a living how do you think he/she will protect your money when they are negotiating on your behalf?"*
      - (The more conviction you have the less you will get objections like this - If you sound hesitant; your prospect will begin looking for ways to debate your commission)

- *"If they will reduce their price at the listing table, what will they do at the negotiating table? I will be tough and professional on both my fee and your price, particularly at the negotiating table."*
  - *"Commissions aren't as negotiable with agents that sell homes daily. They are only negotiable with realtors who don't believe in the services that they offer."*
  - *"I'm sorry I'm not permitted to reduce that amount."*
  - *"No, You see I don't know how to discount what I do or the services I provide. I'm sure that makes sense to you."*
  - *"I only work with sellers who want premium service, since that is the best way to help you achieve the highest possible price in the shortest amount of time."*
  - *"Let me ask you, have you ever purchased an item in the past based primarily on price and later found out the value and quality was not nearly as good as you thought?" (wait for response)*
  - *"I work 12 - 14 hours a day for my clients to find the right buyers and negotiate the best deal for my clients. I don't compromise on my service, and I don't sell your house short. That's the kind of agent you want representing you, isn't it?"*
    - **(If No):** *"OK, I will respect your decision on that. If your house doesn't sell, or if you're not happy with the results, can I be the first agent you call? Great, then grab a pen and write my number down where you'll have it handy."* (Try for control here to see if they are real - then give them your information).
- When negotiating offers, repairs or at closing the seller may say "I need more money from the sale, can you help by cutting your commission?"
- *"Unfortunately my commission is not a part of this negotiation. But if you want to push back, let's push back against the buyers in a counter offer."*
  - *"Let's take it back to the buyers to see what they say."*
  - *"So what you're saying is that after I've done my job in bringing you a ready, willing and able buyer, you'd like me to reduce the amount that I get paid for it."*
  - *"Here's why that is difficult: If your boss asked you to do your job and you did it perfectly, but then withheld \$2,000 out of your paycheck since the company was having a bad month, how would you feel?"*
  - *"When we first spoke you told me that you wanted to move because . . . (Insert motivation here – ie. larger house, closer to family, job, and etc.) if that is still the case, then you have a decision to make about what is more important to you. My job is to get your home sold, but you have to make the choices about your personal decisions, and then I follow your direction since I work for you. So you*

*need to decide whether this extra money is more important than... (repeat motivation – ie. being closer to family) . . . to you?”*

- Buyer agent : Would you be willing to reduce the commission you receive?
  - *“No. The good news is that you don’t have to pay me a commission. The agent that represents the seller of the home you ultimately purchase will share a portion of their commission with me for finding a buyer to purchase the home. So you don’t have to pay me a thing!”*