

Frequently Asked Questions About The FLAT FEE Concept



When you offer services that are very different than the traditional or normal services, many questions are asked.

The public may not understand and therefore be afraid of a new concept.

Competitors may inadvertently make wrong or misleading comments about a new concept.

We at FLAT FEE have created the following Frequently Asked Questions and Answers brochure to help you make informed decisions about selling your home.

Q. Why did you open FLAT FEE?

A. We opened FLAT FEE simply because we knew it was time. We knew that the public were demanding change, and the traditional real estate model could not continue. We made the bold decision to lead the change rather than follow later.

Q. Do you follow the same rules and regulations as other real estate companies?

A. We do follow the same rules and regulations as all other real estate companies. All real estate companies and REALTORS are governed by the Real Estate and Business Brokers Act, as well as the Real Estate Council of Ontario's (RECO) code of ethics. We are members of the Ontario Real Estate Association and the Canadian Real Estate Association. We have trust accounts like all other real estate companies which are reviewed by RECO periodically.

Although the way we are compensated for selling homes may be slightly different, we do follow all the rules and regulations that govern REALTORS®.

Q. Are your Listings on a local board's Multiple Listing Service (MLS®) system?

A. **YES!** All the homes we list for sale go on the local board's Multiple Listing Service (MLS®) system, unless otherwise instructed by the homeowner. The local board's Multiple Listing Service (MLS®) system is the strongest tool any REALTOR® has to sell your home.

Q. Do the homes you have listed go on MLS.ca?

A. **YES!** The homes we have for sale are also uploaded to the public web site MLS.ca by the local real estate boards. MLS.ca has become a valuable tool for promoting homes for sale. So many households have access to the Internet now and a larger percentage of people are looking to this medium to start or facilitate the search for their next home.

Q. Do you advertise your listings in the papers?

A. **YES!** We have a large marketing budget for advertising the homes we have listed. In most cases our advertising budget is larger than most other Realtors in our marketing areas and can even be greater than larger companies than ours. We have been able to allocate more money to advertising by keeping other costs lower, and that becomes a huge benefit to you.

Q. Do you do Open Houses?

A. **YES!** We will hold public open houses to assist in the promotion of your home. In fact, where permitted, we even allow home owners to hold their own open houses. You see, we really have stepped out of the real estate "box" and looked at this business differently.

We have found that many homeowners want to participate in the sale of their home if it could save them more money. We looked closely at the real estate rules and regulations and found that there is nothing preventing a homeowner from conducting open houses or showing their own home to the buying public. We created a program which provides our clients the ability to hold their own open houses. Significant savings are available if homeowners are able to find a buyer for their home.

Q. How can you provide your services so much cheaper than other REALTORS?

A. This is a very important question, as many people may feel that we must cut corners in order to reduce our fees. This is just not true, in fact, what we cut was wasted overhead.

We have set our real estate organization up quite differently than the traditional real estate organizations. Where others have large offices to carry, we are much more streamlined and efficient. Where others typically have a Broker/Owner that makes his/her living from the fees charged to the Realtors working for them, our Broker/Owners or territory leaders actually earn their living through selling homes. Where others may have hundreds of Realtors competing against one another for your business, we operate as a team to better serve our client's needs. Where other Brokers have each of their Realtors operate their own marketing programs, we take advantage of economies of scale by pooling the resources of a number of Realtors to provide more and better marketing for our clients.

As you can see, we have reduced the unnecessary overhead from a real estate company, spent more money to market the homes we have for sale, and passed the savings onto our clients.

Q. Why do other REALTORS not offer their services at lower fees?

A. As the last answer indicated, the majority of the other REALTORS cannot or will not offer the same services for the fees that we charge because their overheads are so much higher than ours. They must pay large fees to their Brokerages in order to work there. They are all independent REALTORS, so they do not pool their resources to offer more advertising. But, the main reason they do not provide the services for the lower fees is their companies have office policies that dictate what they are going to charge for their services, which allows them all to compete against one another on a level playing field.

None of the above helps to sell your home!

Q. Do you pay other REALTORS the same commission?

A. This is one of the truly unique features about our company. We allow you the client, to decide how much is offered to the other REALTOR. We strongly recommend that the fee offered be equivalent to the standard in your area, but you will have the ultimate choice. If your home is in a popular area and will sell fast you may choose to offer a bit less than normal. If you have a little more time to sell you may want to offer a little less than normal. If you are in a hurry to sell your home you may choose to take some of your savings and offer it to the other Realtors as an incentive. You get the idea. You really have more say in the fee you pay with our company.

Q. Do other REALTORS show your listings?

A. **Absolutely!** We could not sell the number of homes we sell without the other REALTORS showing our listings. In this day of computers and the Internet the public are much more informed than ever. They often tell their REALTOR what homes they want to see because they have seen them on MLS.ca. If their REALTOR tells them they do not want to show them a home not only would that be against the REALTORS ethics, but the public would no longer want to deal with that REALTOR. Most of our clients do offer the Buyers REALTORS the same fee that is being offered by competing listings so why would the Realtors not show our listings?

Q. What's the catch?

A. We actually do get asked this all the time, and there truly is no catch to our real estate services! Certain conditions do not have to occur to take advantage of our savings. You do not have to commit to buying another home with us. You do not have to hope the same Realtor that listed your home finds the buyer, to save money.

Your home just has to sell and you save money.