

Demystifying the commission...

How much do Realtors really earn?

- A property selling for \$350,000 (commission is negotiable). To illustrate at 6% of the sales price the commission would be --- \$21,000
 - Broker coop would be 3% \$10,500
 - Company split 70/30 or 60/40 or 50/50 \$6,300
 - Minus listing expenses for 2.5 months -\$1899
 - Net commission before taxes \$4,401
 - Federal tax at 20% - \$880
 - State tax at 5% -\$220
 - Net Commission to Realtor - **\$3,301**

30 - 40 %

Most people are a bit surprised when they realize the cost of a listing. \$750-\$1000 mo

- 1st month – 1 new listing \$1133+-
- Advertising 2x local news ad, color 300-400
- Open home guide 2 x 10-25
- Magazine ad in color pages 200-400
- 50 mailers (around listing) 65
- Sign company (deliver,install,remove) 49
- Creating and printing property flier(color) 250
- Virtual tour 99-150
- Broker tour refreshments 100
- Websites and domain names 50-150
- Staging ?