

# SELLING PRIVATELY VS HIRING A REALTOR®

With the rise of for-sale-by-owner marketing companies and an extended seller's market across our local areas, you may be wondering if you really need to hire a REALTOR® to sell your home — perhaps you can sell your home privately and save the commission? It's a reasonable question to consider. After all, if you can sell your home for the same price that a real estate brokerage could and complete the sale with the same level of convenience and security that a brokerage provides, why go the route of a traditional real estate experience? An increasing number of consumers are leaning in this direction, and we've put together several important questions you should be asking during your research:

## CAN I ACTUALLY "SAVE" THE COMMISSION?

The lure of saving money is the primary reason most homeowners consider selling privately. The potential of undertaking all the sales work yourself and pocketing the commission you would have paid a professional may not be as straight-forward as it seems.

Buyers often equate a private sale with a "bargain". Since buyers know that you aren't paying a commission to a professional for the sale, they believe you'll discount the price of your home by the amount you "saved" and consequently offers from such buyers are less than the fair market value of your home. Discounting the price of your home when selling privately and yet doing all the work (and carrying all the responsibilities) that a REALTOR® would to sell your home may defeat any financial gains you hope to make.

## WHAT ABOUT COOPERATING WITH BUYER AGENTS?

Another financial consideration concerns cooperating with buyer agents: agreeing to pay a fair commission to sales professionals who represent buyers wanting to make an offer on your home. If you don't work with buyer agents, you'll miss out on many potential buyers who are exclusively working with agents in their MLS® home search. If instead you are open to cooperating and willing to pay buyer agents, your potential "savings" are greatly reduced, and yet you are doing all the work. You should consider if it is wise to pay a buyer agent to negotiate directly against you on behalf of their clients while you remain unrepresented.

## DO I PAY A MARKETING COMPANY IN ADVANCE?

When you hire a for-sale-by-owner marketing company, you usually agree to pay their fees in advance, — ranging from hundreds to thousands of dollars — whether you find the right buyer for your home or not. That's a lot of money without any guarantee of success! When you hire a Home Group Realty sales professional to sell your home, you only pay for actual results: our extensive brokerage services are provided completely free of charge if our efforts do not result in negotiating an acceptable buyer offer.

## WILL MY HOME ONLY BE ON THE PUBLIC REALTOR.CA?

Many private sales marketing companies promise access to the MLS® for your home through a partnership with a "mere listing" brokerage that is headquartered in a distant city. It's important to clarify whether your home will only be listed on the national REALTOR.ca website (designed for the public) or the local real estate board's exclusive and private MLS® (designed for local agents). Marketing your home to local REALTORS® through their private MLS® system exposes your home to many more buyers than just REALTOR.ca. The majority of buyers rely on the advice and recommendations of their agent, who use the local MLS® client tools to help make home searches easier and more effective. When you list your home for sale with a Home Group Realty sales professional, you are ensured to receive the widest possible exposure.

Learn about the HGR Journey at [homegrouprealty.ca/sell-with-us](https://homegrouprealty.ca/sell-with-us)

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