



Agent/broker perspective: How to keep your commission in tact

Sometimes smart real estate customers feel more entitled to reduced commissions from their real estate agents, but agents can hold firm by educating buyers and sellers

BY ANTHONY ASKOWITZ   TODAY 2:00 A.M. 

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In this monthly column, [Anthony Askowitz](#) explores a hypothetical Miami real estate situation from both sides of the broker/agent dynamic.

With each passing year, a top Miami [real estate agent](#) is having to justify, explain and often compromise her commissions to increasingly savvy customers. How can her broker help her defend and retain more of her hard-earned money?

Agent perspective

Technology has enabled the modern real estate customer with a wealth of data, perspective and advice. With customers doing and knowing more, it has dramatically changed my role as a real estate agent.

For example, a July Quicken Loans survey showed that [Miami homeowners lead the U.S.](#) in correctly matching their home's estimated value with professional appraisers. Stocked with tools such as Zillow and realtor.com, my clients regularly send me comps and listings they would like to see in person.

I've been an agent long enough to remember when we were the only "gatekeepers" of this information, but those days are way in the past — and customers know it.

As a result, I am repeatedly and aggressively challenged to [justify and explain my standard commission](#) like never before.



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In a competitive marketplace, I find myself [compromising on my commission](#) just to get or [keep a listing](#), and it's having a real impact on my bottom line. I am working harder and more hours for less money than when I started my career.

What can my broker do to help me reverse this trend?

Broker perspective

I am delighted to know that Miami real estate customers are so market savvy — agents should want clients who are engaged and informed, as it often leads to quicker and smarter decision-making.

Here's the thing: a truly insightful customer also respects and appreciates the irreplaceable role of the agent, even in today's shifting marketplace. You know the cliché: an attorney who defends himself has a fool for client, and real estate is no different.

Technology and information in the hands of buyers and sellers can be great, but they are ultimately small fragments of a large and complicated process. Imagine the tip of a pyramid just peeking out of a large body of water: customers only notice the very top, without really seeing or understanding the size and strength of the entire, massive structure beneath the waves.

Having an experienced, non-emotional advocate to market, stage, negotiate, arrange inspections, manage appraisals, coordinate closings, advise on financing, etc., is an invaluable resource to the layman real estate client, and the professionals who oversee these assignments deserve every penny of their standard commission.

The sale or purchase of a home is usually the largest transaction most folks will ever make in their lifetimes, and the process involves juggling multiple moving parts to complete. Customers inherently know this, which is why they seek out agents in the first place.

The challenge, in my opinion, lies in educating buyers and sellers about [the scope and complexity of their jobs](#).

Agents sometimes take it for granted that their customers understand and appreciate everything they have to know and do to properly buy or [sell a home for the best value](#), but this is usually not the case. We need to "make" them see the whole pyramid.

How to meet halfway

In aggressive real estate marketplaces like Miami, where just getting a listing holds tremendous value, agents are more likely to be flexible on pre-contract terms, including commissions.

Once the listing has been secured, however, agents should immediately begin the process of carefully walking clients through all of their various tasks and assignments, making their extraordinary value abundantly clear with each conversation.

In other words, showing the clients the process must be part of the process.

This practice demonstrates transparency and makes clients less likely to nitpick over the commission at closing. Brokers can reinforce this procedure by making it a key element of the agent training process and by comparing and contrasting the commission percentages of agents who follow this system versus agents who do not.

Anthony is the broker-owner of [RE/MAX Advance Realty](#) in South Miami and Kendall, where he actively leads the activities of more than 170 agents. He is also a working agent who consistently sells more than 125 homes a year. In 2017, the Greater Miami Chamber of Commerce honored him with the R.E.A.L. award in the category of "Real Estate Broker – Residential."

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