

San Luis Obispo Brokerage Announces \$7,900 Flat-fee Buyer Service to Help Home Buyers Post-NAR/DOJ Settlement

SAN LUIS OBISPO, CA, US, August 7, 2024 /EINPresswire.com/ -- San Luis Obispo Brokerage Announces \$7,900 Flat-fee Buyer Service to Help Home Buyers Post-NAR/DOJ Settlement

San Luis Obispo brokerage, [SLO County Homes](#), has introduced a new flat-fee buyer service in response to the recent NAR/DOJ settlement. This service offers home buyers a cost-effective option with a \$7,900 flat fee and an additional \$95 per showing.

Keith Byrd, Broker-owner of SLO County Homes, said, "With the shift in responsibility for the buyer agent commission now falling on the buyer, it can be a significant financial hurdle if the seller doesn't agree to cover this cost. Our flat-fee service offers an affordable, full-service alternative to the traditional percentage-based commissions, which could otherwise be a barrier to homeownership."

The Big Change that will Impact the Real Estate Industry

In 2024, the National Association of Realtors (NAR) reached a landmark settlement with the Department of Justice, leading to a significant shift in real estate commission structures. Starting August 13, 2024, San Luis Obispo County sellers will no longer be required to pay the buyer's agent commission. On this day, the Buyer Agent Commission (BAC) field will be removed from all active MLS listings. Any mention of commission in the MLS listing or agent private remarks will result in a \$2,500 fine and immediate removal of the MLS listing. This change aims to address concerns about inflated commissions and promote affordable services.

What's New in Commission Structures for California?

1. Seller's Obligation to Pay Buyer's Commission:

- o Previous Model: Sellers were responsible for paying the buyer's agent commission.
- o New Rule: Sellers are no longer obligated to pay this commission, offering a more flexible approach to commission payments.

2. Buyer Representation Agreement:

- o Buyers will need to sign an agreement (CAR Form BRBC) outlining the commission owed to their agent, potentially adding a sizeable financial burden on the buyer. A signed buyer

representation agreement is required before an agent can show a home.

3. Seller's Options for Commission Payment:

A buyer can ask a seller in the offer to pay for the buyer agent's commission. Following are the seller's options.

- o Full Commission: Seller covers the entire commission.
- o Partial Commission: Seller pays part, with the buyer covering the rest.
- o No Commission: Seller declines to pay any commission, leaving the buyer the one responsible to pay the full commission.

Financial Implications for Buyers:

- High Costs:

For a \$1 million home, a 2.5% commission amounts to \$25,000, which can be a substantial burden if the seller does not contribute.

- Negotiation Impact:

Requesting commission coverage from the seller reduces the seller's net proceeds, potentially impacting the strength of the offer.

How SLO County Homes is Adapting:

- Flat-Fee Pricing:

We offer a flat fee of \$7,900 for our buyer service, plus \$95 per showing. This model significantly reduces buyers' costs and enhances the appeal of their offers to sellers.

- Competitive Advantage:

What matters to a seller is how much an offer will net them. Two \$1 Million offers are submitted to a seller, one asks to pay \$25,000 for their agents commission and the SLO County Homes buyer asks for \$7,900. That's a \$17,100 advantage for the SLO County Homes buyer.

- Increased Seller Incentives:

With our fair pricing, sellers may be more inclined to cover the buyer's commission, due to the reduced overall transaction cost.

Market Impact:

- Brokerage Profitability:

Traditional brokerages may struggle with the shift from high commission rates and multiple fees. Our low-overhead, flat-fee model effectively addresses these challenges.

- Strategic Adaptation:

Brokerages must adapt to the new commission structure. SLO County Homes' model offers a sustainable solution that balances cost savings for buyers and sellers while achieving profitability.

As the real estate industry evolves, embracing innovative and cost-effective solutions like those

offered by SLO County Homes will be crucial for navigating the new landscape.

Contact:

Keith Byrd, Broker-owner

byrd805@gmail.com

<https://www.SLOcountyhomes.com>

Keith Byrd

SLO County Homes

+1 805-459-4723

[email us here](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/733583360>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.