



Fixed Flat Fee

— Benefits —

Some are likely to believe that traditional commission based agencies act as an incentive to sell your property at the best possible price.

However, many don't consider that Flat Fee agencies often value properties at the same price as commission based agencies, yet only charge a fixed price.

Here are more reasons to consider a fixed flat fee instead.

1. Deceased Estate Properties

A deceased estate property is a term used when the former owner of the property has passed, and the property is open for auction. In many cases, you will find that family members live in different states or even countries to the family member that has passed. This makes it difficult to deal with admin, paperwork or renovations regarding the sale of their family members former home. This is where we step in to ease out the process and act as an intermediate.

In this case, it is more beneficial for the family to use an agency with a fixed rate, rather than one based on a commission fee. By using an agency with a commission fee, you will end up paying 3-5% of the final selling price, whereas a fixed fee agency could value the home at the same price, but at a fixed lower rate. Ultimately, saving you money.

2. Over-capitalized Properties

Over-capitalization is when you have invested more funds into the property than you'll gain back in future earnings with resale. Of course we all have desires, especially when it comes to creating our dream home and renovations are a great way to increase your property's worth, however, the more you do the more your return on investment generally decreases. The reason for this is that most people would rather consider buying a house in the location that are of similar value to the others.

Another example of over-capitalized properties is when the buyer purchased the home while the market was at its peak, and as the market dropped, the property's value decreased.

This is where you want to start questioning if it will be reasonable to use an agency that is based on a commission fee or save money by using an agency with a fixed flat fee instead.

3. Divorcees or Separated

Going through a divorce or separation is stressful enough, having to deal with the selling of a jointly owned property, only adds to it. Financial expenses can skyrocket during this time & you want to make sure that you are able to save where you can.

If all goes well and property settlement has been confirmed, it would be best to partner up with an agency that offers a fixed flat fee, as you'll be paying less than you would using an agency with a commission based incentive, this way, you can sell the home for its property value & earn more in accordance to the confirmed property settlement.



4. Investment Property

As life can be unpredictable, we want to be informed and prepared in every situation or circumstance. There are many cases in which we want to consider a more affordable route to undertake when deciding to sell our investment property. Here are some examples:

- Losing a partner, directly affecting your financial situation.
- Being unable to afford the mortgage due to loss of income or a cut-back on shifts.
- Expenses are more than what you are earning on the property.
- You've recently retired or started working part-time.

In these situations, we want to be able to rely on an agency that offers an affordable amount as we are already in a tight situation. A fixed flat fee agency will be able to sell your property at the best possible price at a fixed flat fee.

5. Downsizing

Downsizing is when you buy a smaller home to the one you currently have. This decision is often made by those who's children have left the home, are having difficulties dealing with the upkeep of their home or are finding the related costs hard to deal with.

It could also be that you are eager for a change, wanting to move closer to family members or looking for a change. Nevertheless, in this scenario, you'll be looking for a property that suits your current or future lifestyle.

Downsizing to a smaller home can be a real opportunity for those looking to save money. Using a flat fee agency will only increase your total savings.

