

# **FREE GUIDE**

## **10 ESSENTIAL questions to ask before buying ANY real estate franchise.**

**We've crafted these questions to help brokers - seasoned and new - so that they can make the right choice for their real estate venture.**

### **1. "Will I pay a percentage or a transaction fee per closing?"**

Why this is important to ask: Not understanding these numbers can cost you THOUSANDS. For example, when you're charged a percentage fee, this arrangement generates more profits for the company itself than it does for you. In the case of a transaction fee, if the dollar amount per transaction is not capped, you or your Agents will end up paying much more to the company.

### **2. What are the monthly desk fee charges to Agents?**

Why it's important to ask: Be aware that companies who offer high commission splits want to make up some of that loss revenue by charging monthly desk fees plus additional fees to Brokers or Agents.

### **3. Do you offer an additional income stream and is it based on a Multi-Level System?**

Why it's important to ask: Often companies who offer additional income streams are using a multi-level concept where Agents help the company attract other Agents to join that office. This becomes a problem because many of those Agents want to only recruit other Agents and not sell real estate. Besides, the money they receive is often low.

### **4. Tell me about your support system for Franchise Owners and their Agents.**

Why this is important to ask: No one wants to be sold a franchise and then be forgotten, with no one to connect with at the company. You're looking for a detailed explanation of when and how a Broker and Agents can access or contact their support staff.

### **5. What staff is needed to be employed at an office?**

Why this is important to ask: Obviously you need a management team staff, but they come with a cost just like any other aspect of your business. Ideally, you are looking for a company to offer you a plan to help you pay for them where it cost you little or no money out of pocket.

## **6. Are your company Executives reachable and how often?**

Why this is important to ask: Think about those moments when you need answers to pressing questions - the kind that only someone experienced with a company can help with. If the top leadership is not available, you'll be on an island by yourself in these situations.

## **7. Explain who will be the person who will guide me once I buy your Franchise?**

Why this is important to ask: This question addresses the same issue that our question about reaching top executives reveals. Will the person who sold you the franchise be there for you to assist you as you open your office? If not, you are on your own again.

## **8. Do you offer a retirement program for the Franchise Owner and their Agents?**

Why this is important to ask: Even if you love what you do, it's unlikely that you want to work without an end in sight. It's important to know if the company offers such an incentive besides regular commission because retirement benefits are becoming more prevalent for independent contractors.

## **9. Do you offer a beneficiary program for the Franchise Owner and their Agents?**

Why this is important to ask: Often real estate professionals devote 5, 10, or more years to a company, but for the Agent/Broker if the unthinkable happens, many companies don't reward this loyalty. Ask this question to ensure your family will be provided beneficiary benefits.

## **10. Does your program provide an opportunity for the Franchise Owner and their Agents to earn more than 100%?**

Why this is important to ask: For over 50 years real estate commissions splits have fluctuated high and low, if the company limits the income potential they offer, it's should be a big concern because Brokers and Agents now seek to earn much more.

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At EXIT Realty, we believe real estate professionals shouldn't operate alone when building their futures.

Our proven system is based on 25+ years of experience helping leaders achieve the level of growth they deserve - we provide the guidance and resources they need for long-term success.

**To learn more about how we help real estate franchise leaders build their futures, you can schedule a quick conversation. [Click to BOOK a 15 Min Call.](#)**

