Redfin expands 1% listing fee to 18 new markets

Half a percent might not seem like much, but Redfin has gotten a lot of mileage out of snipping that from its 1.5 percent list-side commission in some markets. Now the high-tech brokerage, which went public at the end of July, has rolled out this lower 1 percent fee to 18 additional markets, including New York City, Los Angeles, Portland (Oregon), Houston and the entire states of New Jersey and New Mexico (see the rest at the bottom of this article). The lowered fee is subject to a minimum of $3,000 to $5,500 depending on the market. And it does not include the 2.5 to 3 percent buy-side commission that a seller would typically pay to buyer’s brokers. That means Redfin's seller clients who benefit from the discount will usually pay a total commission ranging between 3.5 and 4.5 percent. Redfin once charged a 1.5 percent list-side commission across the board, but it has tested the 1 percent fee in a number of markets over the last few years. Glenn Kelman In each of tho...

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