



## COMMISSION IMPOSSIBLE:

### HOMEOWNERS CALL FOR GREATER TRANSPARENCY ON HIGH STREET ESTATE AGENTS FEES

- *93% of high street estate agents do not list their commission rates or fees on their website*
- *83% of homeowners want high street estate agents to be more transparent on what commission they charge*
- *Purplebricks call for high street agents to publicise their commission rates to make homeselling fair for all*

**London, 26<sup>th</sup> January 2018:** January marks one of the busiest times of the year for the housing market and with over £4.1bn spent on estate agent fees in 2017 alone<sup>1</sup>, consumers are calling for high street estate agents to be much more transparent and end the confusion around their commission fees.

New research from Purplebricks, one the UK's largest estate agents, has revealed that 83 per cent of homeowners want high street agents to be more upfront about their costs on commission<sup>2</sup>.

Further research released today of 100 high street chain and independent estate agents across over 1,500 branches in the UK highlights the lack of clarity on this issue<sup>3</sup>, with statistics showing that 93 per cent of high street estate agents currently do not list their commission rates or fees on their websites and only two per cent publicising an exact percentage or fee.

With nearly two thirds (63 per cent) also failing to provide a quote or figure over the phone and a further 83 per cent of those agents stating that they would need to see the property first, sellers are being left in the dark with what is a fair price and made to negotiate the cost with estate agents face-to-face in their homes.

This lack of clarity often leads to many homeowners agreeing to the first figure or negotiating a fee without knowing whether or not they have been given a fair price.

As part of the research commissioned by Purplebricks, 72 per cent of homesellers agreed the first fee quoted to them and almost a fifth (18 per cent) admitted that despite negotiating the fee down,

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<sup>1</sup> Figured based on 1,219,730 million transactions in 2017 (ONS), the average sale price of £226,071 in 2017 (Land registry) and an average commission cost of 1.5% (Purplebricks)

<sup>2</sup> Research of 2,000 UK homeowners who have sold before – conducted in December 2017 and carried out by Research Without Barriers

<sup>3</sup> Desk research of 100 chain and independent high street estate agents with a total of 1,564 branches across the UK – estate agents sourced from Rightmove

it was only after the process was complete that they realised they still paid more than they should have.

**Lee Wainwright, CEO, Purplebricks UK, comments:** “The lack of transparency from high street estate agents around their commission fees is the reason why for some, homeselling is not fair at all. With no regulation currently in place around the publication of commission fees, two next-door neighbours with identical homes could easily pay completely different rates, for the same service, from the same high street agent. That is completely unfair and why we at Purplebricks clearly display our fair, fixed fees on our website. We are now calling for high street estate agents to do the same and end this lack of transparency in our industry once and for all.”

Purplebricks charge a flat fee of £849 and £1,199 in London and surrounding areas.

**Alice Beer, consumer rights champion , says:**

“With such a lack of clarity over commission rates, consumers run the risk of overpaying when it comes to selling their home. If high street agents simply displayed their commission fees online, sellers would have the opportunity to do their research before inviting agents to their homes for valuations, thus allowing them to make an informed decision on which agent to proceed with and what price to pay.”

**-ENDS-**

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