

To: tclarke@nmcomreal.com  
Subject: Co-Brokerage Generates Heat  
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### **Co-Brokerage Generates Heat**

**What's the Best Way to Sell a Property? ...** This week's earlier Dispatch, [Do Co-brokered Deals Sell for More?](#) (Apr 5) generated many comments, both pro ("I'll use this in my next 'competitive' listing presentation") and con ("your Dispatch was downright outrageous"). Below three readers chime in. Next week, a prominent CEO shares his thoughts on this complex issue. Stay tuned.

[Alec Pacella](#) with Grubb & Ellis in Cleveland wonders why each side shouldn't pay its own broker. "In investment transactions, I am paid a fee by sellers to represent their interests. The fee is never a 'full' fee, but rather is reduced to reflect the aggregate dollar volume of the transaction... If buyers represent themselves, great. If they are represented by a broker, that's great too. However, why should a seller be expected to increase the overall fee that they are paying to also cover a buyer's broker -- a broker that is, or should be, looking out for the best interest of their buyer? If the buyer's broker is truly of service, then the buyer should not only agree, but strongly desire, to pay for their representation directly."



[Lowell Peabody](#) with NAI Hunneman Commercial in Boston echoed other readers' skeptical comments about the value of co-brokerage. "With the feeding frenzy for investment properties, especially the competition that most brokers create between buyers, I'm not totally convinced [of the value of co-brokerage]. Not that I don't believe in co-brokering deals, but I'm not sure it means significantly different results will be achieved."

But [Daniel Boardman](#) with New Mexico Apartment Advisors in Albuquerque believes co-brokerage is the best way to deliver value. "Our multi-family brokerage has refined an accelerated marketing model that seeks to maximize sales prices to 'perfect market' level. In our process, we try to generate a 'critical mass' level of interest in each property which we can then contain or 'pressurize' into a very limited offering time frame. For this to work, we must have a universe of buyers who have all simultaneously been made aware of the offering and who can move, in tandem, through the process of exploring it. This couldn't happen without cooperating buyer's brokers informing and representing their clients."

--Peter Pike / [ppike@pikenet.com](mailto:ppike@pikenet.com)

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