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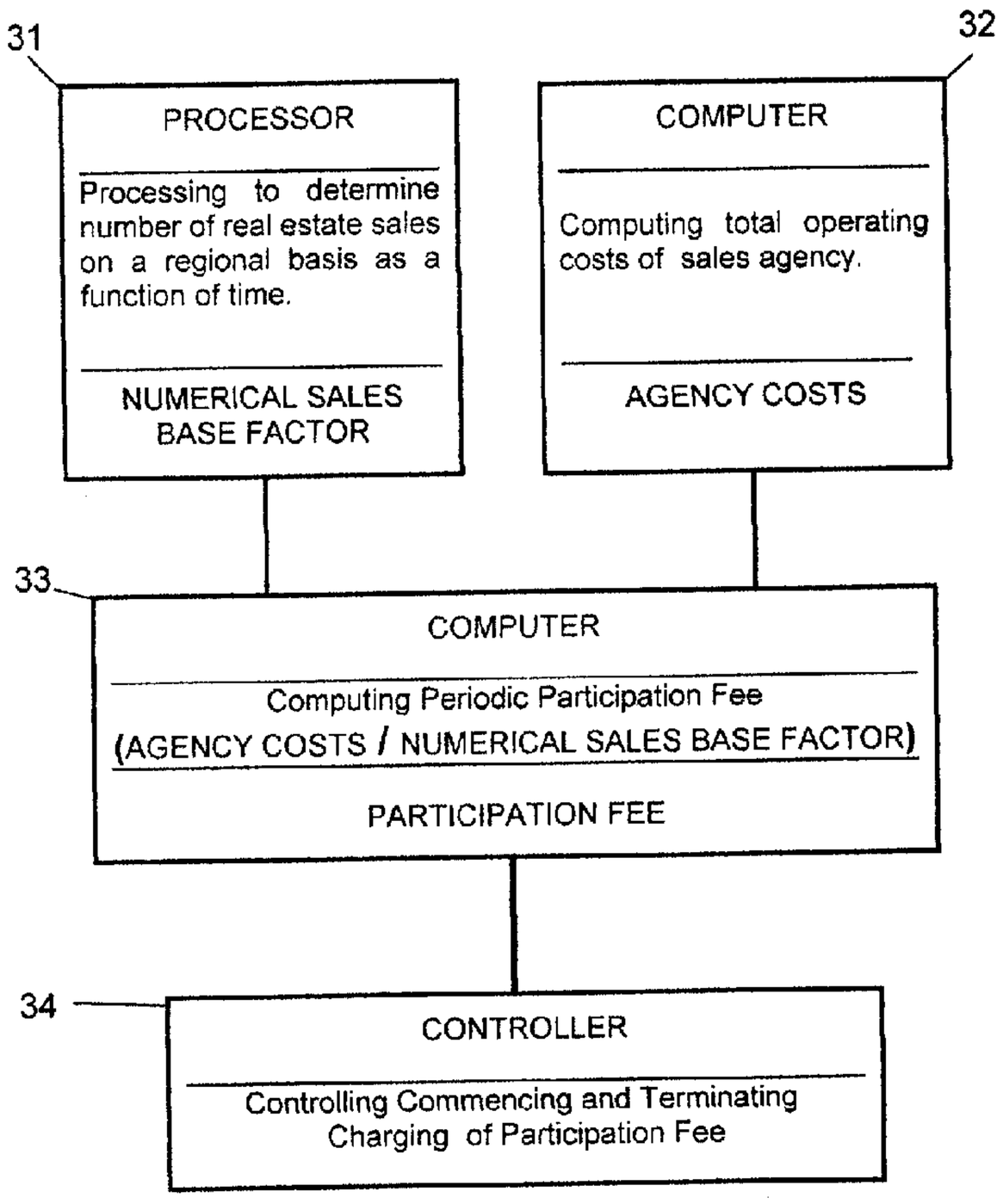
(54) **VENTE DE BIENS IMMOBILIERS SANS COMMISSION, MAIS A SALAIRE DE BASE**

(54) **ZERO COMMISSION TIME DOMAIN REAL ESTATE SALES**



(57) A new approach to the traditional method of selling real estate. Commission-based sales are completely replaced with fixed periodic time based payments by the seller to a commission free agent. The real estate sales system is thus converted from a commission domain to a time rate domain. Time based payments - for example weekly - replace traditional payment of a one time lump sum commission at closing. Cash stipends for firms and agents are steady and dependable and the sellers and buyers all benefit by a much shorter time on market.

ABSTRACT OF THE DISCLOSURE

A new approach to the traditional method of selling real estate. Commission-based sales are completely replaced with fixed periodic time based payments by the seller to a commission free agent. The real estate sales system is thus converted from a commission domain to a time rate domain. Time based payments - for example weekly - replace traditional payment of a one time lump sum commission at closing. Cash stipends for firms and agents are steady and dependable and the sellers and buyers all benefit by a much shorter time on market.

TITLE

Zero Commission Time Domain Real Estate Sales

FIELD OF THE INVENTION

The present invention relates to a new and novel business technique in the field of selling real estate. More particularly, the field pertains to the creation of a new contractual relationship between seller and agent which not only improves the real estate market but also rearranges the ratio of risk between a seller. And, in so doing changes the seller's payment structure by eliminating commission-based sales. A resultant reduction in selling time and enhanced real estate market is the end benefit.

EXPLANATION OF TERMS

Certain terms are used to introduce and explain the background of the invention, and, for convenience and completeness sake, such terms are summarized in this section. These terms are not meant to supersede the claims nor the definition of terms as defined within the four corners of the specification; but, rather, are meant to further the understanding of the invention and briefly introduce the technical art stage for a detailed teaching of the improvement in the art as provided by this invention.

Real Estate.

The term real estate or real property includes physical land and related structures such as houses, buildings, and the like.

Real Estate Agent.

A licensed individual - often State controlled - who is authorized to transact everything that is required for a real estate transaction. Included within the normal activities of such an agent are the acts of locating, appraising and showing property to

prospective purchasers, preparing and giving counsel relative to purchase and sales agreements, coordinating property closing transactions, liaison with legal assistance as required, assisting the buyer/seller with financing, and a host of similar activities that are commonly associated with the legal transfer of property ownership between a buyer and seller.

Most states require that such a broker have a license from the state in order to perform these functions. For purposes of this patent application, the term broker and/or agent are used interchangeably. Also, it should be understood that the everyday duties of an agent vary somewhat from one geographical region to another in accordance with the local financial and geographical practices of the particular region.

Full Service Real Estate Approach.

This is a known approach wherein a commission oriented broker/agent agrees to "list" an available property for a specified period of time. Such a listing may - but need not always - include multiple listings with real estate firms other than the one which does the listing. This approach is always commission or pre-payment sum driven and is directly tied to either the sales or closing amount.

In my invention a full service real estate approach is also guaranteed, but in contra distinction, my invention provides such service on a commission free basis. Instead, any seller money is paid periodically in a sales-price free amount that the seller agrees to up front upon listing. That fixed amount is non varying during my commission-free selling activity.

Property Disclosures.

These disclosures are provided by the real estate agency as part of the full service real estate approach. These disclosures include general property information that may vary slightly from region to region. Included in most areas is information relating to

water, electric, gas and telephone utility designations, sewer information, asbestos, radon, underground tanks, hazardous materials, liens, encroachments, lead paints, easements, zoning restrictions, rights of ways, conditions covenants and restrictions ("CCRs") and the like. Such a disclosure should also include an acknowledgement of known structural defects, needed repairs, water seepage in basements, and any uncommon aspects of the subject property.

Listing.

A term which evolved from a published list of properties for sale, normally in a given designated region. A "listing" in real estate terms is a contract between the real estate firm and a property owner setting forth the basis for an offer to sell. The contract is for the specific purpose of obtaining the services of the real estate firm in an effort to sell the property in question.

Commission.

A long standing, traditional compensation method of the prior art wherein remuneration to a listing firm or agent is based on a fixed percentage of the value of the sales price at closing. Closely related - but distinct therefrom - are other lump sum payment amounts which often are computed relative to the sales price. Such other similar approaches include one known as "Help You Sell" which takes a flat fee and simply hands the potential seller a so-called "assistance" package. This package, of course, fails totally to provide any real meaningful full service assistance. Also known are so-called FSBO or "For Sale By Owner" which does not take advantage of any real estate services at all.

Closing.

A contractual or legal term which defines the date and legal activities surrounding a property sales transaction. A closing is usually attended by Buyer and Seller, and their respective attorneys as well as the Seller's real estate broker. At closing, in the traditional real estate scenario, an agent or firm's commission is calculated, disbursements are paid and final payments are distributed.

Commission Basis Compensation.

The prior art payment to, or earnings of, a real estate firm or agent prior to the advent of this invention. Such remuneration is based strictly on a fixed percentage of the eventual selling price of the property, and is totally independent of any regular periodicity. An agent or firm earns the same amount regardless of the date of sale of the property relative to the listing date.

Time Based Compensation.

The payment to, or earnings of a real estate firm or agent, based on a pre-agreed regular periodic schedule in accordance with this invention. This form of remuneration is tied directly to passage of time only between a seller's listing and signed contract for the sale of his property. Such a sale may take one week or several, but my practice and experience has shown that the seller's time-based costs are less - often dramatically so - when compared to the commission-based amount for the same property.

Under my time based compensation the agent or his firm is paid his periodic stipend for valuable services rendered in a good faith effort to effect an immediate sale of the listed property. As set forth hereinafter, my experience and practice has proven that this approach is highly successful and provides a superior service at a considerable savings for all parties concerned - seller, buyer and broker. Moreover, the financial risk to the agent is reduced since he is the recipient of a more steady stream of earned reward.

Sales Number Base.

A numerical value which I have derived from both a practical and statistical analysis of vital real estate data, and which I use in my time domain business formulation. This base number, in accordance with my invention, is the best estimate of the number of real estate sales which are expected to be made by myself and/or my firm's agents on an annual basis.

Weekly Participation Fee.

A fixed periodic fee paid by the seller to a sale firm for services rendered toward the sale of the seller's property. This periodic participation fee, is developed from overall business costs (including agent earnings) and the specific sales number base described above. Accordingly, in this invention a pre-fixed dollar amount for services rendered is periodically paid by the seller to the agent and/or agency.

PRIOR ART BACKGROUND RELATING TO THE INVENTION

In the earlier days of this country, much of the real estate was handed down from generation to generation. Also as the population increased, larger real property grants and holdings were split up through sibling inheritance into many more smaller farms, ranches, and residential lots.

The population explosion combined with the industrialization of our country, has brought us to the point in real estate where property "handed down" by inheritance is now the exception rather than the rule. Today, a far more common practice is to subdivide and re-parcel holdings for transfer to others that are not at all family related.

Although the industry has grown markedly, there has been little if any evolution of marketing method as concerns property transactions. The only departure of any consequence in the dim past was a commercial-wide introduction and standardization of what are today known as "multiple listings".

This multiple listing structure is a method whereby listings are shared among many Real Estate Firms on the condition that a lump sum commission payment shall be divided between the listing and the selling firm. (Clearly, the same firm, in some instances, is one and the same.) In fact, this mutual multiple listing interaction among real estate firms has further solidified and entrenched the commission basis process.

All these events of the past century or so have contributed to amazing growth of the real estate market. That market, in turn, has further led to the evolution of larger and larger real estate firms together with national and international brokerage conglomerates.

With the population explosion of this century, the value of real estate has risen dramatically. Consequently, the commission basis structure has increased the hard dollar cost to the seller in direct proportion to this real estate increase. Legal fees and other closing costs have increased dramatically. These costs coupled with the fixed percentage commission often absorbs a larger share of any appreciated value a seller is seeking from real property transactions.

In today's real estate world, most sales agents affiliate with a larger firm. Their individual earnings are also percentage based. The commission for the firm is fixed, and in the individual agent's case, the percentage is a percentage of a percentage, meaning that the firm receives the industry standard fixed percentage of the gross sales price of the property, and the agent's commission is a portion of that percentage.

SUMMARY OF THE INVENTION

My inventive approach completely eliminates compensation tied to the value of the property. By detailed statistical analysis of real estate data on a region by region basis, I have developed a financial equation which allows a fixed time-based payment that is totally independent of the selling price. In accordance with the newly created financial equation for real estate transactions, I use a numerical sales base as a divisor

into all expected agency costs in order to establish a fixed periodic amount that is tied directly to the passage of time.

I have developed and put into practice, a novel business approach founded upon a new and unusual statistical base which completely eliminates and goes against the presently ingrained commission structure of the real estate market. My invention provides a fixed fee stream that is independent of the asking or closing dollar value for any given property.

With my time-based real estate approach, the seller pays a fixed weekly fee for all necessary full real estate services associated with selling property. By converting from commission to time for service, the risk factors between a broker and seller also change, with the end result being - on the average - a greatly reduced cost to the seller, a shorter listing time and an enhanced market.

Regarding risks, the seller takes a small weekly financial risk, in the form of the weekly participation fee. Such a seller is under no obligation to maintain that listing any longer than he chooses. (In order to guard against an occasional unruly seller, however, one may wish to establish a reasonable exit fee to the contractual obligations between the time domain agent and the seller.

In accordance with this invention, a seller can evaluate broker activity weekly, and can decide whether he is comfortable with the efforts being made to sell his property. Please note that under a traditional listing, the seller is often "locked" to an initial listing broker for six months to a year. Such a seller can only "hope" that reasonable sales efforts are made. With the inventive approach, however, the weekly participation fee of the invention guarantees marketing. Thus, signs, advertising and full marketing efforts are underway throughout the participation periods or the initial agreement becomes null and void.

Additionally, when the property sells promptly, the seller receives considerably more money for his property. This novel statistically-based structure also tends to set the

original listing value at a more reasonable amount, thus enticing more potential buyers. My invention has a proven record of dramatically decreasing the potential selling time. In a word, all forcing functions for the seller are positive, rather than negative. Both time and money are working in the sellers favor, rather than against the seller as is often the case in the prior art commission-based plans.

A further feature is the provision of a silent salesman in the form of banners at the property with open house advertisements showing show time availability. The seller is thus readily available to show the home as he alone best knows the various features of the property. As soon as serious interest is shown by a potential buyer, the agent is readily available to negotiate and provide the full service features discussed herein.

In short summary, my novel system creates financial advantages for both seller and agent and provides to both the largest value for each, while resulting in a significant average reduction in cost of sale for the seller. Additionally my invention assures a level cash flow for a selling agent, which cash flow that is independent of closing or selling price.

OBJECTS OF THE INVENTION

It is a object of the invention to provide a commission free real estate sales transaction

It is a object of the invention to provide all necessary full real estate services for a seller by associating such services with a time basis compensation schedule.

It is a object of the invention to provide a client with a fixed weekly participation payment for valuable real estate services rendered.

It is a object of the invention to provide a periodic payment structure between seller and agent that is independent of the property selling price.

It is a object of the invention to provide a real estate marketing system which furnishes reasonable salary and earnings to the agent while providing enhanced benefits to the seller.

It is a object of the invention to provide a near constant agent cash flow for a real estate firm's operations.

It is a object of the invention to provide a sales system which significantly reduces the average costs to the seller.

It is an object to provide a system which, by reducing the average cost to the seller, presents a reduced purchase price to candidate buyers.

It is a further object of the invention to employ periodic participation payments and eliminate commission so that the seller nets more money upon sale of his property.

It is a object of the invention to remain autonomous from agent commission sharing, thereby reducing costs and bother to the seller while enhancing the marketing activity in a real estate market place.

It is a object of the invention to reduce the time to sell by avoiding agent-related lump sum payments.

It is a object of the invention to create a system in which the seller shares the financial burden with the agent as a function of time.

BRIEF DESCRIPTION OF DRAWINGS

Figure 1 is a block diagram showing prior art commission-based real estate events.

Figure 2 is a block diagram and time chart of a time domain real estate system depicting real estate events and income as a function of time.

Figure 3 is a block diagram and schematic diagram of the analysis and business equation for my time domain real estate system.

Figure 4 is a financial chart showing the relative financial and time relationships of the inventive time-based system as compared to a traditional prior art commission domain scheme.

Figure 5 is a block diagram illustrating components of the time domain real estate system.

DESCRIPTION OF PREFERRED EMBODIMENT(S)

Prior art Figure 1 shows an industry standard commission structure. The first event in a traditional real estate sale is that of obtaining a listing 6 from a seller. Although considerable money and effort is spent by an agent, the next financial event does not occur until closing 8. At this closing the real estate agent receives his agreed upon commission in a lump sum as a fixed percentage of the selling price.

As shown in Figure 1, time is always a variable of the sale. As more time passes before a sale, the selling price tends to be subjected to a lower amount - often because of needs or anxiousness on the part of the owner/seller. Also, given the value of money, time passage, in fact dilutes the value of the property. Thus, if a property is sold as "X" dollars the first day it is on the market vs. "X" dollars a year later, the seller has lost the earning value of that money for a year. In fact, he has lost more. He has also lost the potential of appreciation of the property during the length of time the property has been price-locked on the market.

However, during this critical, and yet random length of time, the cost of the selling of the property (i.e. the commission) remains the same. Therefore, once the property sells, the seller is charged the same fixed percentage, whether the property sold in one day or one year.

Turning now to Figure 2 in my time domain system, events and financial transactions, by comparison, are significantly different. First, a listing 12 is taken by the agent from a seller. At the end of the first week, the first financial event occurs, that

being receipt by the agent of the fixed weekly participation fee. This event is repeated weekly until closing 14 occurs.

In my time domain system, cash flow remains constant throughout the sales time period. The seller, on the average, saves significantly over commission sales, because the time to closing, on the average, is considerably faster. A fixed participation fee payment begins to take effect upon initiation of the listing 12.

The seller may anticipate that it may takes six to eight weeks to reach closing 14. For financial planning purposes such a seller simply calculates the number of selling weeks multiplied by the fixed weekly participation amount. Such a seller need not make any lump sum payment to the agent at closing.

In developing my invention, I first listed, and evaluated each cost factor in the business of selling real estate as shown in Figure 3. In my analytical evaluation, I included, and estimated the dollar factors of advertising and promotion of real estate, travel, and all business overhead costs. To those annual estimated figures, I added my desired annual income, and the income of my staff.

A numerical sales base factor 24 is depicted in Figure 3. To obtain that factor, I listed, studied and developed statistical data on real estate transactions in my geographic area. Figure 3, depicts my financial analysis equation for the periodic time domain service. Having first analyzed the total cost 22 for all services (including earnings) I arrived at a total cost surrounding the advertizing and selling of property.

During statistical data collection, I analyzed the number of real estate sales (transactions per year) in my geographic region without specific regard to dollar values of such sales. A conservative number of anticipated sales for my firm on an annual basis was determined. Once confident of these numbers, I established a sales base number 24. This key element - the sales number base 24 - is thereafter directly driven only as a function of time.

Sales number base 24, Figure 3, is completely independent of value of sale and is a validated, conservative number representing real estate closing per year. Using that sales number factor 24, and the sum of business cost (including salaries 22) a weekly participation fee 26 is calculated. This weekly participation fee 26 is computed by dividing the sales number base 24 into the overall cost of doing business 22. I may then pay myself and my staff a periodic income for sales services that are being rendered on the client's behalf.

This weekly participation fee (for example, $39.95 per week) is thus my sole basis of payment for providing full real estate services from date of listing through the date that the seller's property goes under contract of sale. As soon as a contract of sale is signed, Figure 2, the weekly participation fee stops. Agent assistance through closing (see Figure 2) is provided to the seller free of any charge. This contractual condition assures the seller that participation payments are not due as attorneys, appraisers, lending agents and the like work through the final closing details. Any risk of vacations or unexpected closing delays are thus not assumed by the seller because the seller need not make any further participation payments.

Under this inventive approach my basis for payment in no way involves any form of a percentage of the sale. For the first time in the industry - to draw upon a mathematical comparison - my unique and inventive approach has translated the real estate market from a commission domain to a time domain as depicted in Figures 2 and 3.

The features of my system include numerous advantages over prior art commission basis compensation. Perhaps the most salient feature is an average reduction of cost and bother to the seller with improved service. Another critical feature results from employing a contractual draw from the seller's credit card account in order to pay the weekly fee. In this instance the seller may not have to experience any significant interruption in his living expenses cash flow.

Additionally, such a credit card draw may further improve the selling atmosphere. Note that my invention reduces the selling time for the client's home or property and does not financially interrupt the client's stream of household living cash as the seller awaits the shortened closing event provided by my invention. Please appreciate that in some instances even before the credit card account requires any payment by the seller, the property has sold and a closing is scheduled. After such a successful closing, of course, the client can fully pay off his credit card account.

In my home State of Maine I have established considerable commercial success that is directly attributable to this invention. For example during my early research, I was one single agent from among approximately 4,500 commission-based agents associated with about 300 different Real Estate companies across the State. Within a short time following the first commercial introduction of my invention, I added a sales partner. Thereafter, my partner and I have risen from the very lowest rung of the Maine Real Estate ladder so that we now rank as number 17 overall with a ranking of 20th in number of units sold in the entire State.

Perhaps even more striking, however, is the dramatic decrease in Time on Market (TOM) by my inventive approach as compared to that of the commission domain for the Bangor, Maine area. We have employed the invention under the adopted Trademark of FREE TO SEE within this Bangor area. The Bangor area is without a question, the most competitive market place in Maine.

The average time that property is on market for commission based operators is 233 days, while our FREE TO SEE approach reduces the time on market to an average of only 82 days. Indeed, that reduced time on market amount is expected to hold true or even improve in the near future. At FREE TO SEE we have a proven success rate of about 35 per cent with our final goal being to establish a 51 per cent or higher success rate. We have thus been saving our sellers an average of 151 days or about 5 months in

selling time. Price is everything in this market, and the elimination of the commission percentage has been a key feature that has attributed to our FREE TO SEE success.

Figure 4 depicts a chart which reveals a partial accounting of the financial advantages provided the seller by my invention. The chart of Figure 4 is mostly self explanatory and presents the strength and power of this invention in a dramatic manner. In Figure 4, the prior art commission domain column reflects typical commissions as a function of listed selling prices, ranging from $50,000 to $200,000.

By comparison, my time domain column shows the average number of weeks a seller can use my services as compared to a typical commission approach. In the real estate market in my region, the average time to a closing for traditional real estate is 11 months. Thus, for a $100,000 home, a seller would pay a commission of $7,000.00 at a 7% commission; but, with my inventive method based on the average Bangor "TOM", that same seller would only pay $239.65 in participation fees.

Another beneficial feature provided by my invention is a more consistent sales effort over time. Thus, in lean times, commission-based firms, though hungry, may in fact be less likely to put forth the best effort for the seller. Since their payment only occurs at closing when a property finally sells, their cash flow is random and sporadic. In lean times, human nature being what it is, such commission-based operators may be expected to cut financial corners on, for example, advertising outlays. Thus one might reasonably expect that the time on the market for commission-based approach will, in fact lengthen during such lean times.

By comparison, my time basis method remains strong during lean times, since a fixed weekly rate is being received. My invention thereby strengthens an agent's cash flow stream, and makes the advertising aspect of the real estate market much more secure and powerful for the benefit of the seller client.

Figure 5 illustrates components of the system for a real estate sales agency.

The system comprises processing means 31 for statistically analysing the number of real estate sales on a regional basis as a function of time in order to derive a numerical sales base factor; computing means 32 for computing, for the same time frame, the total operating costs of the sales agency; and computing means 33 for computing a periodic participation fee to be charged to clients of the sales agency by dividing the total agency operating costs by said numerical sales base factor.

The system will preferably also include control means 34 for commencing charging the periodic participation fee upon the seller's listing of a property with the agency, and stopping charging said participation fee when the property goes under a signed contract to sell said property.

While my invention has been described with reference to a particular example of a preferred embodiment, it is my intention to cover all modifications and equivalents within the scope of the following claims. It is therefore requested that the following claims, which define my invention, be given a liberal interpretation which is within the spirit and scope of my contribution to this art of time domain real estate sales system.

WHAT IS CLAIMED IS:

1. A time based compensation method of selling real estate comprising the steps of:

creating, re seller's property, a contractual relationship between seller and agent with agent compensation being an equal interval fixed rate participation fee paid by seller; and

setting said participation fee at a commission-free amount, which amount is arrived at independent of the selling price of the subject property.

2. The method of claim 1 comprising the additional steps of:

rearranging the ratio of risk between said seller and said agent.

3. The method of claim 1 comprising the additional steps of:

reducing the financial risk to the selling agent and hence increasing sales effort by said agent.

4. The method of claim 1 comprising the additional steps of:

reducing the average cash outlay to the seller; and

enticing the seller to list his property at a lower initial listing price than that which would be expected under a lump sum commission based selling structure.

5. A financial management method of compensation for full complement real estate services by a real estate sales agency comprising the steps of:

statistically analyzing the number of real estate sales on a regional basis as a function of time in order to arrive at a numerical sales base factor;

computing, for the same time frame, the total operating costs and earnings annually of a traditional sales agency; and

arriving at a periodic participation fee to be charged to clients of the sales agency by dividing the total agency operating costs by said numerical sales base factor.

6. The method of claim 5 wherein said participation fee is further characterized by:

establishing a fixed time-based payment amount for sellers, which amount is totally independent of the property selling price.

7. The method of claim 6 comprising the additional steps of:

accepting from the seller a credit card draw to cover the stipend paid to the agency; and

thereby temporarily reducing the immediate out of pocket cash outlay from the seller.

8. The method of claim 5 and further comprising the additional steps of:

commencing said full real estate services upon the seller's listing of a property with the agency; and

stopping said participation payments when the property goes under a signed contract to sell said property.

9. The method of claim 8 comprising the additional steps of:

establishing, by the participation payments, a near constant agency cash flow to support the operating costs of the sales agency.

10. The method of claim 9 and further comprising the additional steps of:

reducing, by said participation payments, the average net cost to the seller when the total amount of such participation payments are compared to a lump sum commission payment computed for an equivalent time period.

11. The method of claim 5 wherein said cost reducing step further comprises the additional step of:

eliminating all seller commission payments so that the seller nets more money upon the sale of his property.

12. The method of claim 1 and further comprising the additional steps of:

remaining autonomous from the practice of agency commission sharing, thereby reducing costs to seller; and

enhancing marketing activity in a real estate market by operating an agency with commission free time domain participation payments in direct contradiction with commission-based agencies.

13. The method of claim 1 and further comprising the additional steps of:

reducing the time to sell by eliminating agent-related lump sum payments; and

establishing a fixed periodic participation structure that is tied directly to the passage of time only.

14. A time-based real estate sales method comprising the steps of;

binding a seller to pay an agency a fixed weekly participation fee under a contract with said agency for full real estate services associated with marketing and selling property;

converting from a lump sum commission basis to periodic time-related payments by the seller for such service from said agency;

allotting the risk factors between a selling agent and the seller with the end result being - on the average - a reduced cost to the seller, a shorter listing time.

15. The time based selling method of claim 14 further comprising the additional step of:

releasing the seller from payment of said periodic participation fee when the seller's property is under a purchase and sale contract with a buyer.

16. The time based selling method of claim 15 further comprising the additional steps of providing the seller with a means of:

evaluating selling and marketing activity weekly; and

rendering the initial seller/agency agreement null and void if signs, advertising and full marketing efforts by said agency fail to materialize to the satisfaction of the seller.

17. The time based selling method of claim 15 further comprising the additional step of:

setting the original listing value of the property offered for sale at an amount that takes into consideration the absence of any commission fee thus enticing more potential buyers with lower listing prices.

18. The time based selling method of claim 15 wherein said risk allotting step further comprises the additional step of:

creating financial advantages for both seller and agent by the use of said commission-free periodic payments; and

resulting in a significant average reduction in both time on the market and cost of sale for the seller.

19. The time based selling method of claim 18 wherein said risk allotting step further comprises the additional step of:

assuring a level cash flow for the selling agent, which cash flow is independent of selling or closing price of the subject property.

20. A commission free method of selling real property by a real estate sales agency comprising the steps of:

statistically analyzing the number of real estate sales on a regional basis by time only in order to arrive at a numerical sales base factor;

computing the total operating costs and earnings of the sales agency;

arriving at a periodic participation fee to be charged to clients of the sales agency by dividing the total operating costs by the numerical sales base factor;

establishing a fixed time-based payment for each seller, which payment is totally independent of the property selling price;

providing full service real estate services on the seller's behalf in return for the periodic participation payments made by the seller to the agency;

commencing said full real estate services upon the seller's listing of a property with the agency;

stopping said participation payments when the property goes under a signed contract to sell said property;

establishing, by said participation payments, a near constant agency cash flow to support the operating costs of the sales agency;

reducing the net average cost to the seller when the total amount of such participation payments is compared to a lump sum commission payment computed for the same sales price;

eliminating all seller commission payments so that the seller nets more money upon the sale of his property;

remaining autonomous from agent's commission sharing, thereby reducing costs to seller; and

enhancing marketing activity in a real estate market by operating an agency with commission free time domain participation payments in competition with commission-based agencies.

21. The commission-free selling method of claim 20 and further comprising the additional steps of:

shortening the time to sell by reducing the cash outlay to seller.

22. The commission-free selling method of claim 20 and further comprising the additional steps of:

establishing a fixed periodic participation structure that is tied directly to the passage of time only.

23. The time based selling method of claim 22 wherein said complement of full service further comprises the additional steps of:

providing for a silent salesman in the form of banners at the property and other open house advertisements both designating availability time to see the property.

24. The time based selling method of claim 22 wherein said complement of full service further comprises the additional steps of:

guaranteeing the ready availability of an agent as soon as serious interest is shown by a potential buyer.

25. The time based selling method of claim 22 wherein said complement of full service further comprises the additional steps of:

assuring that the agent is readily available to negotiate with the potential buyer as part of said full service.

26. The method of claim 6 wherein said credit card draw step is characterized by the additional steps of:

eliminating collection risks on the part of the agent.

27. The method of claim 6 wherein said credit card draw step is characterized by the additional steps of:

eliminating the risk that the seller may accidentally lose his agency relationship accidentally through oversight of failure to make timely participation payments.

28. The method of claim 6 wherein said credit card draw step is characterized by the additional steps of:

further strengthening the agent's financial position.

29. A system for a real estate sales agency comprising:

processing means for statistically analysing the number of real estate sales on a regional basis as a function of time in order to derive a numerical sales base factor;

computing means for computing, for the same time frame, the total operating costs of the sales agency; and

computing means for computing a periodic participation fee to be charged to clients of the sales agency by dividing the total agency operating costs by said numerical sales base factor.

30. The system of Claim 29 further comprising control means for commencing charging the periodic participation fee upon the seller's listing of a property with the agency, and stopping charging said participation fee when the property goes under a signed contract to sell said property.

31. The system of Claim 29 further comprising processing means for evaluating selling and marketing activity on a periodic basis.

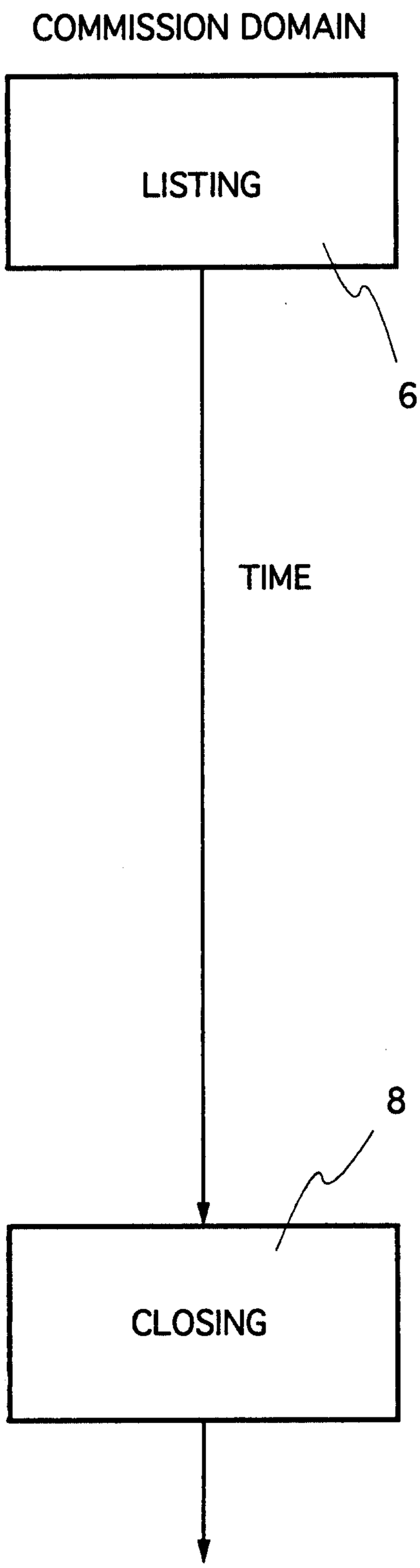


Figure 1 - Prior Art

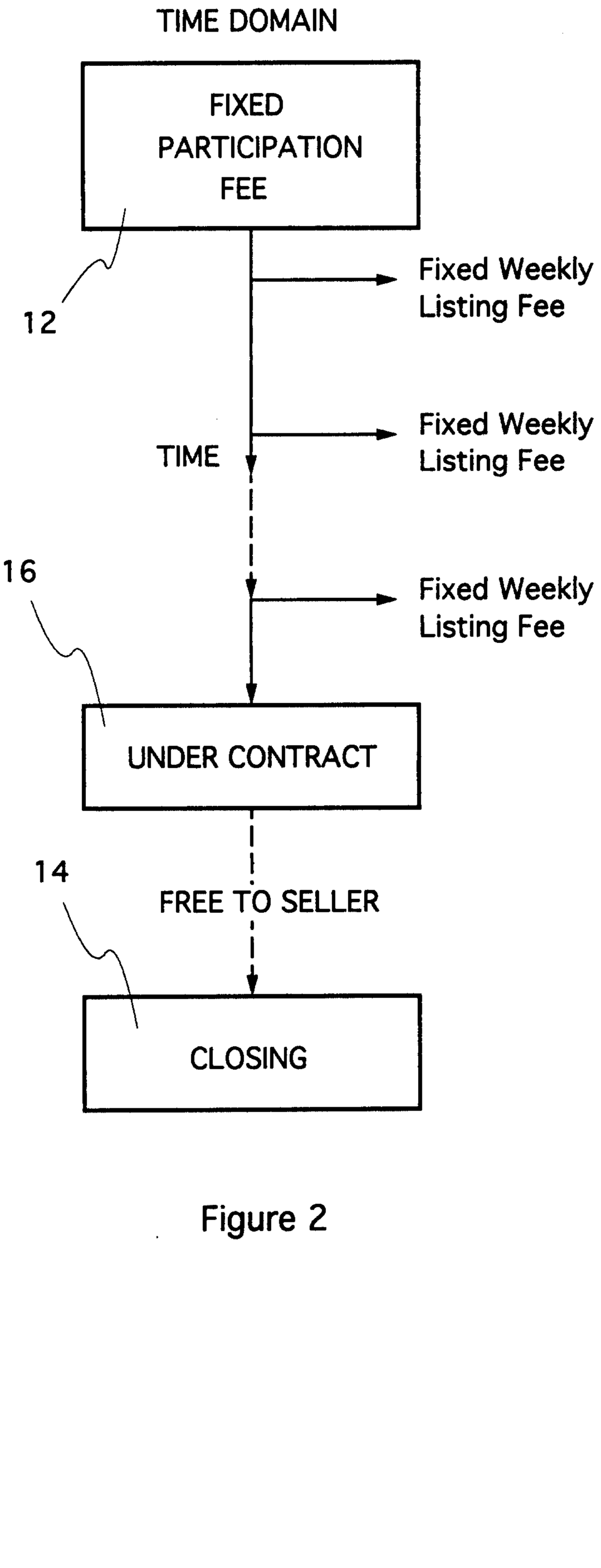


Figure 2

ANALYTICAL FINANCIAL FACTORS

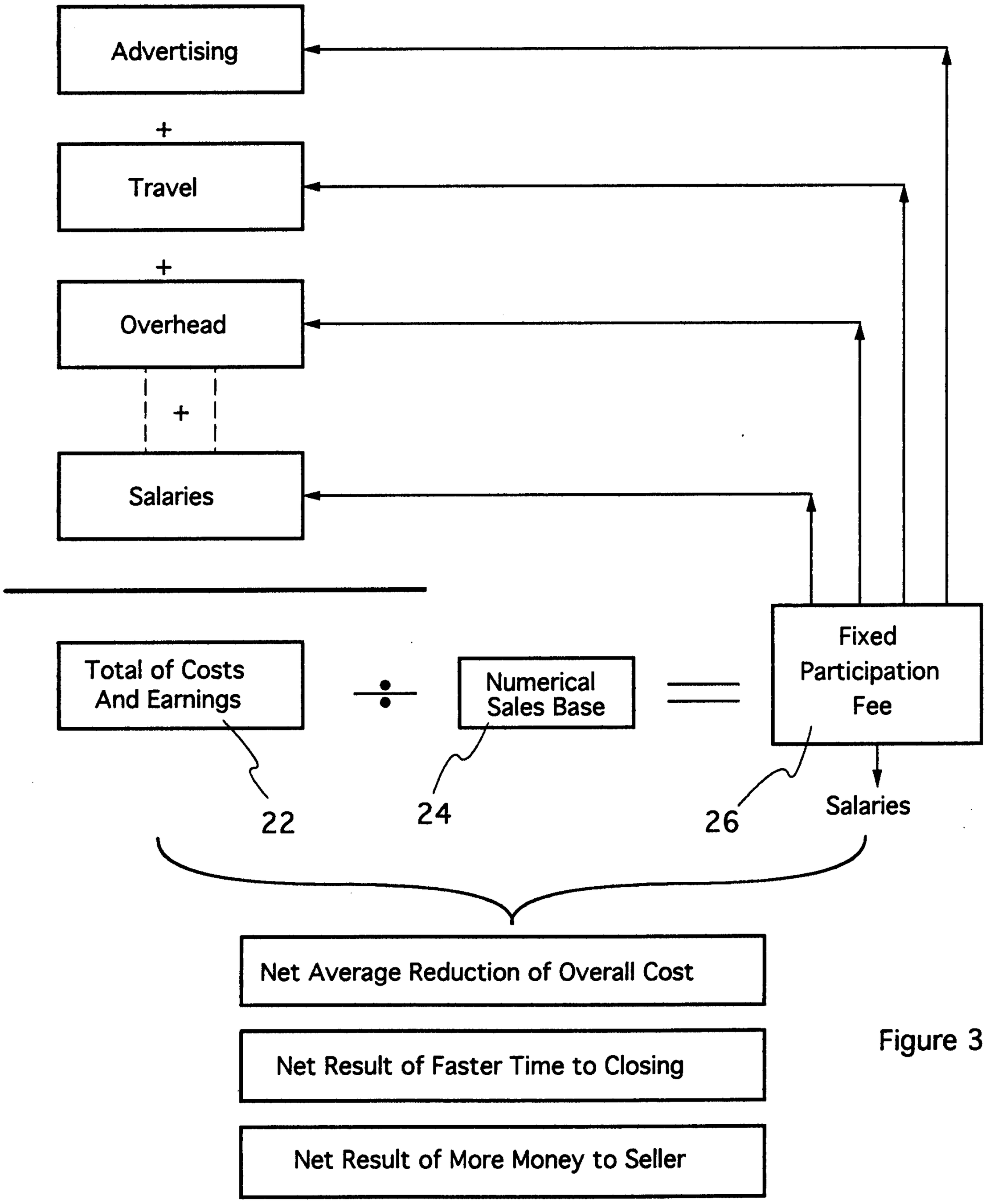


Figure 3

SELLING PRICE	COMMISSION DOMAIN (7%)	TIME DOMAIN Weeks	=	Years
$ 50,000	$ 3,500	88 Wks.	=	1 Yr- 3 Mo.
	$ 4,000	100		1 Yr- 11 Mo.
	$ 4,500	113		2 Yr.- 2 Mo.
	$ 5,000	125		2 Yr. - 5 Mo.
	$ 5,500	138		2 Yr. - 8 Mo.
	$ 6,000	150		2 Yr. -11 Mo.
	$ 6,500	163		3 Yr. - 2 Mo.
$100,000	$ 7,000	175 Wks.	=	3 Yr. - 5 Mo.
	$ 7,500	188		3 Yr. - 8 Mo.
	$ 8,000	200		3 Yr. -11 Mo.
	$ 8,500	213		4 Yr. - 1 Mo.
	$ 9,000	225		4 Yr. - 4 Mo.
	$ 9,500	238		4 Yr. - 7 Mo.
	$10,000	250		4 Yr. -11 Mo.
$150,000	$10,500	263 Wks.	=	5 Yr. - 1 Mo.
	$11,000	275		5 Yr. - 4 Mo.
	$11,500	288		5 Yr. - 7 Mo.
	$12,000	300		5 Yr. -10 Mo.
	$12,500	313		6 Yr. - 1 Mo.
	$13,000	325		6 Yr. - 3 Mo.
	$13,500	338		6 Yr. - 6 Mo.
$200,000	$14,000	350 Wks.	=	6 Yr. - 9 Mo.

Figure 4

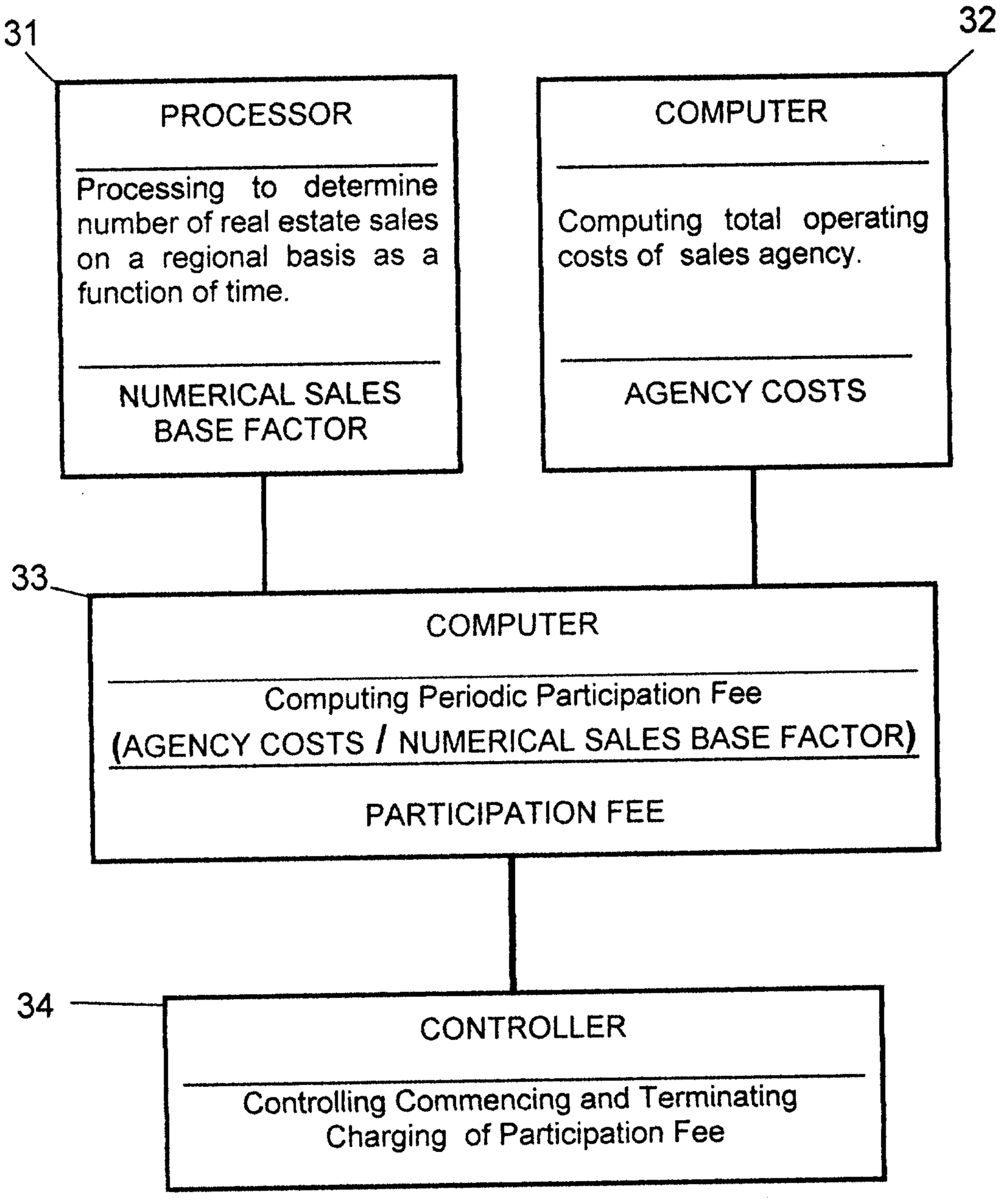

31
PROCESSOR
Processing to determine number of real estate sales on a regional basis as a function of time.
NUMERICAL SALES BASE FACTOR
32
COMPUTER
Computing total operating costs of sales agency.
AGENCY COSTS
33
COMPUTER
Computing Periodic Participation Fee
(AGENCY COSTS / NUMERICAL SALES BASE FACTOR)
PARTICIPATION FEE
34
CONTROLLER
Controlling Commencing and Terminating Charging of Participation Fee

Fig. 5