



Listing Agreements

Meeting with the Joa Realty Team

So, you've decided to sell your home and have a fairly good idea of what you think its worth. The first step will be meeting with you at your home prepared with a comparative market analysis (CMA) on your home and how it compares to the homes in your neighborhood.

The sales price will not be solely determined by how you think it should be priced. The market dictates the sales price. We will calculate an accurate sales price based on recent sales data of similar homes in your area.

Types of Listings

There are several different types of listing contracts, but very few of them are used. The "Exclusive Right to Sell" is the most common, but there is also the "Open Listing", the "Exclusive Agency Listing", and the "One- Time Show Listing."

Open Listing

The "open listing" is lets the owner sell the home themselves. This is a non-exclusive agreement, which means a home seller can give out such listings to every agent who comes around. Essentially, it gives real estate agents the right to bring buyers around to view their home. If their client buys your home, the agent earns a commission.

Therefore, once a home is listed as "open listing", it will not be marketed or put in the Multiple Listing Service by the real estate agency because real estate agents or brokers does not represent the seller, nor are they obligated to market the home. If the home fits the criteria for one of their clients, and it is convenient, they may be willing to show it to their client.

Exclusive Agency Listing

An "exclusive agency listing" is similar to "open listing" except it allows an agent to list and market your home, guaranteeing a commission if the house sells through any real estate agent or company. However, it reserves the right of sellers to seek out buyers on their own, in which case the seller will not have to pay any commission. Hence, "Exclusive agency" listings are not popular because there is little incentive for your agent and their company to market the home, spending money and time. However, the agency is allowed to cooperate with another brokerage in bringing in buyers in which the seller will have to pay commissions to both brokerages if it sells.

Exclusive Right to Sell

“Exclusive right to sell” listing is the most common type of listing in home sales. This gives your agent an exclusive right to earn a commission by representing the owner and bringing in a buyer either through another brokerage or directly. The most important part of the agent’s job is to market your home to other agents who work with buyers. Those agents will show your home to their clients. This is the reason Joa Realty has a team dedicated to each part of the transaction—a listing agent, who will be working with you, a buyer’s agent, who will show and bring the buyer, and the transaction coordinator, who will be in charge of the paperwork and contracts.

If you want full service from a real estate company, this is the only type of listing they will accept. Full service means an agent will place your home in the Multiple Listing Service, market the home to other agents, hold open houses, and other means of marketing. Your home must sell in order for your agent to collect a commission.

Other Terms & Conditions to Consider

Length of Listing

The duration of the listing agreement is negotiable. Common terms can be 30 days, 90 days, six months, one year or more.

Selling Commission

How much you will pay your agent depends on the conditions of the market. If there are many inventories and fewer buyers you might want to consider paying the selling agent more than you would in a market where inventory is tight and a buyers are fighting for few listings.

Cancellation of Contract

Check to see in what conditions you may cancel a contract—agency is not generating enough traffic, length of time it takes to sell the house, or simply dissatisfaction with the service. If your agent lets your cancel the contract at any time, the duration of listing agreement does not matter.

Expiration of Contract

If the contract should expire without mutual renewal or the parties elect to cancel the contract, the listing broker might supply the owner with a list of names of prospective buyers the broker produced. If any of those buyers approach the owner within the time period specified in the listing contract and successfully purchase the property, the owner could still owe a commission.