

SOUND OFF *Marlene Recchia*

What types of listing agreements are available to sellers?

A real estate brokerage contract or listing agreement is a contract between a real estate broker and a home seller that specifies what services the broker will provide in order to sell a property. There are three main types of contracts:

Exclusive right to sell listing contract: This contract is the most commonly used in our region when selling one's home. The most important part of your agent's job is to market the home to the public and to other agents who work with buyers. Regardless of who sells the home even if



the seller sells it to a friend the listing agent will be due a commission. If you want full service from a company and your home properly exposed to the market-

place, this is the way to go.

The Multiple Listing Service (MLS), open houses to the public and more importantly for agents, constant exposure on all social media, web site exposure and whatever it takes to keep that home in the eyes of buyers and to get the home sold for the most money that can be obtained under current market conditions. Both listing and selling agents get paid a commission with this listing contract.

Exclusive agency listing contract: The seller is represented by a broker but the owner reserves

the right to sell the property themselves and not pay a commission. The broker is free to cooperate with another brokerage, meaning the second brokerage could bring an able buyer whose offer the owner accepts. The broker would be paid a listing commission that is shared with the selling broker. The owner pays this commission.

Open listing contract: An open listing lets the owner sell the home by themselves. It is a non-exclusive agreement, meaning the owner may execute open listings with more than one real estate

broker and pay only the broker who brings an able buyer whose offer is accepted by the seller. The big difference is an owner will only pay a selling broker's commission which is about one-half of the typical fees.

The owner is not represented under this contract. The owners only pay a fee to the agent who is representing the buyer. However if the owner finds their own buyer, the owner will not owe anyone a commission.

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