



**Gateway
Real Estate**

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

Giving a real estate agent the **Exclusive Right to Sell** is the most popular and most recommended option for selling your home. This does not mean that there will not be other agents involved. Your agent is the listing agent and part of their job is to market your home to other agents who work with buyers. Those agents will show your home to their clients. Regardless of who sells the home, even if you sell it yourself to a friend, your listing agent will earn a commission.

The **Open Listing** option is mostly used by people trying to sell their home by owner who are also willing to work with real estate agents. Basically, it gives a real estate agent the right to bring buyers around to view your home. If their client buys your home, the agent earns a commission. There is nothing exclusive about an open listing and a home seller can give out such listings to every agent who comes around. With this option a home is not listed on Multiple Listing Service (MLS) but if your home fits the criteria for an agent's client they may show your home to their client.

The **One-Time Show** option is similar to an open listing in many respects, as it is most often used by real estate agents who are showing a FSBO (for sale by owner) to one of their clients. The home seller signs the agreement, which identifies the potential buyer and guarantees the agent a commission should that buyer purchase the home. This prevents the buyer and seller from negotiating directly later and trying to avoid paying the agent's commission. As with an open listing, agents will not invest in marketing your home and it will not be placed in MLS.

The **Exclusive Agency Listing** allows an agent to list and market your home, guaranteeing them a commission if the house sells through any real estate agent or company. It also allows sellers to seek out buyers on their own. This is not a popular type of listing agreement for there is not much incentive for agents to invest in marketing your home. If you come up with your own buyer, they have spent money they cannot earn back through the real estate commission.

Contact Prudential Gateway Real Estate with any questions about these options.

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