

Listing Agreements in Indiana

Summary

In this section, you explored tasks related to representing sellers in real estate transactions. You learned what a standard listing agreement looks like, your responsibilities in preparing a listing, and how to best work with sellers.

Top Takeaways

- Entering into a listing agreement means that licensees owe their new clients various responsibilities, because of their agency relationship.
- Representation agreements (buyer or seller) are binding contracts and, according to Indiana law, must be in writing.
- In general, seller representation agreements outline the duties and responsibilities of each party, the listing price, the terms of the agreement (including compensation and how it will be paid), and information about the seller's property.
- Common listing agreement types include:
 - Exclusive right-to-sell.
 - Exclusive agency.
 - Open listing (non-exclusive).
- Different sellers will have different needs—talk to your sellers to find out their motivations for selling and any conditions or restrictions they may have.
- A listing presentation is an important tool to get to a signed listing agreement.
- Servicing listings includes these duties:
 - Marketing the property (MLS, signs, ads, flyers).
 - Preparing sellers and the property for showings (clean, declutter, depersonalize, repair).
 - Hosting open houses (scheduling, advertising, signs, logs, information packets).
 - Assisting the seller throughout the transaction.

Key Terms

Open listing agreement	Also known as a non-exclusive agreement; allows the seller to contract with multiple agents but only pay a commission to the agent who locates a buyer whose offer the seller accepts
Exclusive agency agreement	An agreement that allows sellers to work with an agent while still trying to locate the buyer themselves; if the seller finds the buyer, no commission is owed the agent
Exclusive right-to-sell agreement	An agreement that allows the listing agent to list the property and receive a commission no matter who brings the buyer to the table

Net listing	A listing agreement in which the broker contracts with the seller to receive all net proceeds from a sale above a specified sales price; only legal in Indiana if the listing agreement includes a maximum commission
Property disclosure statement	Identifies any defects or information about the condition of the property known by the seller

Take a look back at your notes for these items:

- Elements of a listing agreement in Indiana
- Residential real estate sales disclosure form
- Broker compensation in Indiana
- Net listings in Indiana