

4 Musts Of Listing Agreements

By Margy Grant

September 5, 2016 — The ultimate goal of a listing agreement is to give yourself enough time to sell a property at the highest price and for the best possible terms. But some terms are not negotiable. Here are answers to four common questions about listing agreements:

- **Must a listing agreement contain an end date?** Yes. Under Florida law,
- **May a listing agreement contain an automatic renewal clause?** No. Instead, you and the seller should choose a mutually agreeable termination date, which can always be modified or extended.
- **Will I lose my commission if a listing is under contract but the closing does not occur until after the termination date?** If you used a Florida Realtors' listing agreement, you are protected. It contains a provision stating that the agreement extends through the date of the closing, covering you, as the listing Realtor, and any cooperating Realtor. This clause is not an automatic renewal; it is just a pre-planned extension that points to a termination date as required by Florida law.
- **What happens if someone who saw a property during the listing period later buys it?** Some listing agreements contain a protection period clause that can safeguard you for a specific time after the listing expires. For example, the Florida Realtors Exclusive Right of Sale Listing Agreement states that the broker's fee will be due: "If, within _____ days after Termination Date ("Protection Period"), Seller transfers or contracts to transfer the Property or any interest in the Property to any prospects with whom Seller, Broker, or any real estate licensee communicated regarding the Property before Termination Date." If the property is not relisted but sold directly to a buyer who identified the property within the protection period, then a commission is due to the original listing Realtor.

One final thought: When negotiating a listing agreement with a seller who had previously listed with another firm, it is important to confirm the previous agreement has terminated and not renewed.

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