

# What Are the Services You Can Expect a Listing Agent to Perform?

The biggest cost of selling a home is the commission you pay to the agent who lists your home. That fee is typically in the 5 to 6% range. All your other

## REAL ESTATE TODAY



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fees, primarily title insurance, add up to less than 1% of the sales price of the home.

No one says you have to list your home with a real estate professional. You could always put a "For Sale by Owner" sign in your yard and put it on craigslist. You can pay a few hundred dollars to put it on a FSBO (For Sale By Owner) website, and post it on Zillow.com as a "Make Me

Move" listing. You can shoot your own pictures, maybe even a video.

However, if you choose to hire a professional, it would be nice to know what you'll get for your money and whether you'll net more for your house while saving yourself all that FSBO effort and expense.

So this week I thought I'd lay out the services you can and should expect from the agent you choose to hire for this job — both the legally required minimum services and those extra services which a good listing agent performs.

The biggest expenditure made by your listing agent will be to pay the agent representing the buyer. Roughly 95% of the time, the buyer is represented by a "buyer's agent" who does not get paid by the buyer or by you — that agent is paid by your listing agent. Whether you are paying your listing agent 5% or 6%, the agent typically offers 2.8% "coop" commission to the buyer's agent, leaving your

own agent from 2.2% to 3.2% commission for himself.

Even if you take the FSBO route, you could find yourself paying 2.8% commission to a buyer's agent, saving yourself only the listing portion of a listing commission. (Indeed, the majority of FSBO sellers end up listing with an agent after struggling with the by-owner approach.)

What if you hire an agent at 5 to 6% commission and he/she doesn't have to give 2.8% to a buyer's agent? Hopefully, you will have negotiated a listing agreement in which the commission is reduced by, say, one percent. This saves you on the commission while still rewarding and incentivizing your agent to sell the home.

Okay, having covered compensation issues, what tasks are you paying your listing agent to perform? The mandatory services required by the Colorado Real Estate Commission (CREC) are spelled out in Section 5 of the listing agreement. They include presenting in a timely manner all offers, accounting for earnest money received, keeping you fully informed throughout any transaction, disclosing any material facts about the buyer known by the listing agent, and advising you to obtain expert advice on matters beyond the agent's expertise, such as legal and tax matters.

Those are "uniform duties" of your listing agent,

even when he or she functions as a "transaction broker," which a listing agent must do when he has a client relationship with the buyer. If he does not have a client relationship with the buyer, then your agent has an obligation to promote your interests with "utmost good faith, loyalty and fidelity" and to share with you anything regarding the buyer which gives you a negotiating advantage, such as how desperate the buyer is to find a home, etc.

Nothing else is required by the CREC, but here are tasks which you should reasonably expect a full-service listing agent to perform:

- ◆ Assess the market and help you price your home to get the highest price for it
- ◆ Put your home on the MLS and other online resources to maximize its exposure
- ◆ Shoot quality photos and video as part of a comprehensive marketing plan
- ◆ Help you prepare ("stage") your home to show its best
- ◆ Advise you of likely inspection issues and recommend trusted vendors to fix them
- ◆ Install lockbox and engage showing service to manage showings and provide feedback
- ◆ Evaluate and negotiate competing offers
- ◆ Negotiate inspection demands
- ◆ Negotiate appraisal objection
- ◆ Guide you through the closing process

## Solar-Powered Green Mountain Home Backs to Open Space

If you drive far enough up the north side of Green Mountain, west of Union Boulevard, you'll find this great home at **14032 W. Exposition Drive**. Located on its own mini cul-de-sac, it backs to the Green Mountain open space. As you'll experience on the video tour at [www.GreenMountainHome.info](http://www.GreenMountainHome.info), you will hear only the sound of singing birds and the wind in the trees. You can neither see nor hear any busy streets or highways! With 5,713 square feet of living space, it has five bedrooms (including a second master suite on the main floor) and six bathrooms. The fenced yard includes water features and patios on two levels. The great room, living room, family room and other spaces make this a great home for entertaining. The large gourmet kitchen is open to the great room. Heat is by hot water baseboard (6 zones). The garage is also heated. After viewing the narrated video tour (which includes drone footage), be sure to come to our **open house this Saturday, June 11th, 1-4 pm**.



## Price Reduced on Solar-Powered Arvada Home With Main-Floor Master



This home at **6268 Holman Court** is unlike most of the homes in the Wildflower Ponds subdivision with its main-floor master suite. At last Saturday's open house, neighbors who didn't know such a floor plan existed gave it rave reviews. It will be open again this Saturday, June 11, 1-4 pm. Meanwhile, you can take a video tour of it at [www.ArvidaHome.info](http://www.ArvidaHome.info).



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