

# REAL ESTATE

## Marketing 2



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# TYPES OF LISTINGS

- **OPEN LISTING**
- **EXCLUSIVE LISTING**
- **MULTIPLE LISTING**

# TYPES OF LISTINGS

## **EXCLUSIVE LISTING**

In this arrangement, the real estate agent has sole exclusive rights for selling the property and for receiving the commission.

# TYPES OF LISTINGS

## **OPEN LISTING**

This scenario occurs when a Vendor lists a property with multiple agents. In such an instance, there is no element of co-broking and competition amongst agents can be fierce.

# TYPES OF LISTINGS

## **MULTIPLE LISTING**

This occurs where an agent is granted exclusive rights for listing, but where other agents are allowed to sell the property. Generally the agent with the listing right will share a pre-determined portion of the commission if it has been sold by another agent.

## MULTIPLE LISTING SERVICE (MLS)

According to the **National Association of Realtors (NAR)**, a **Multiple Listing Service (MLS)** is “a private offer of cooperation and compensation by listing brokers to other real estate brokers”.

*Note: The Realtor's Association of Jamaica is an affiliate of the NAR.*

## MULTIPLE LISTING SERVICE (MLS)

Multiple Listing Services (MLS) in the real estate industry are multi-broker organizations that drive exposure for property listings.

They ensure cooperation between buyers' and sellers' brokers in most of North America and some other parts of the world. More than 80 percent of homes sold in the U.S. are on the MLS.

*RESO: Real Estate Standards Organization*

## MULTIPLE LISTING SERVICE (MLS)

Multiple listing systems (MLS): Multiple listing systems (MLS) are used by real estate agents, acting for sellers to share information about properties with other agents who may represent potential buyers and/or who may wish to introduce prospective purchasers on a Commission sharing basis.

*Real Estate Agency and Brokerage, 3rd Edition - RICS*



# DISAMBIGUATION

It is important to note that a Multiple Listing Service, is at its simplest an agreement of co-operation amongst agents **not** requiring any employment of technological solutions.

It is common for contemporary references to be made to Multiple Listing Systems, referring ostensibly, to automated, electronic databases.

# HISTORY

According to the NAR



...In the late 1800s, real estate brokers regularly gathered at the offices of their local associations to share information about properties they were trying to sell. They agreed to compensate other brokers who helped sell those properties, and the first MLS was born, based on a fundamental principal that's unique to organized real estate: *Help me sell my inventory and I'll help you sell yours.*

# DISTRIBUTION

- ROUGHLY AROUND 600 IN THE UNITED STATES – *This fluctuates year on year*
- LESS THAN 50 IN CANADA
- 1 IN JAMAICA – OPERATED BY RAJ



# The Need for Real Estate Associations

*In order for Multiple Listings to be successful, associations of real estate agents were created.*

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These associations enabled the exchange of information among agents to ensure that listings were getting full market exposure.



# Some Benefits of MLS's

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- Data Sharing amongst agents
- Quick access to listings for agents
- Agent specialisation
- Increased market exposure for owners while simultaneously providing buyers with a comprehensive and detailed listing
- Financial security for listing agents
- Increased Market Transparency



# Some Benefits of MLS's

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- Cooperation between Agents need not take place under formal arrangements within Real Estate Associations. It is possible to, for example, co-broke or to share the commission between the listing agent and the buyer's agent.
- Part and parcel of an MLS is the requirement for brokers to co-broke.



# LISTING FUNDAMENTALS

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- **THE PROPERTY TO BE LISTED;**
- **THE LISTING PERIOD**
- **PROPERTY REGISTRATION;**
- **THE NAME OF THE SELLER;**
- **THE LISTING AGENT.**

# Excerpts of RAJ MLS Agreement

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- **THE MULTIPLE LISTING AGREEMENT**
- Excerpts of what can typically be contained in an agreement follow  
*(these were taken from the RAJ)*

# Excerpts of RAJ MLS Agreement, cont'd.

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- **COMPLETE DISCLOSURE OF PROPERTY**

- The seller agrees that the listing agent will obtain information regarding the property from any person, corporation, or governmental authority for the purposes of selling the listing legally and ethically.

- **CO-OPERATION AMONG AGENTS:**

The seller agrees that the listing agent will work co-operatively with other members of the RAJ.

# Excerpts of RAJ MLS Agreement, cont'd.

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- **COMMISSION FOR THE SELLING AGENT:**

The seller understands that the listing agent will allocate a percentage of their commission to a co-operating agent if that agent represents the successful buyer.

**COMMISSION FOR THE LISTING AGENT:**

The seller agrees to pay the listing agent the specified commission if the property is sold within the listing period.



# Excerpts of RAJ MLS Agreement, cont'd.

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- **MAINTAIN THE PROPERTY IN THE MLS® SYSTEM:**

The listing agent will list the property into the MLS® and maintain the listing in active status until it is sold or the end of the listing period is reached.

# Excerpts of RAJ MLS Agreement, cont'd.

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- **ADVERTISE AND MARKET THE PROPERTY:**

The listing agent and co-operating agents will advertise, present and market the property in addition to negotiate offers on the property.

- The listing agent will present all written offers to the sellers up to the sales contract being signed by both parties.



# PROPERTY PORTALS

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- As indicated previously, Multiple Listings Services are often taken to mean exclusively automated electronic databases.
- A web enabled electronic database of property listings need not be based on a restrictive an exclusive agreement amongst real estate associations; in fact it may exclude them altogether.
- These websites make money by charging agents fees to advertise on their websites.



# PROPERTY PORTALS, Cont'd

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The advent of the internet and PropTech firms have presented an enormous opportunity for disruption in the Real Estate Agency space.

With fees/commissions ranging from a low of 1-2% in the UK to on average 5-6% in North America, the potential for huge savings is clear.

The inherent disadvantage of property portals are that they are not “member” organisations and may therefore not represent the best interests of agents.

Thus, the extent to which these portals succeed with depend on several factors including the regulatory environment of the host country, as well as the extent to which Real Estate Brokers are drawn to these new spaces.



# PROPERTY PORTALS, cont'd.

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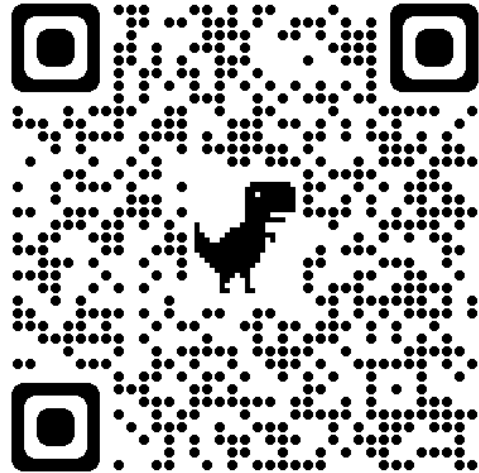


# PROPERTY PORTALS

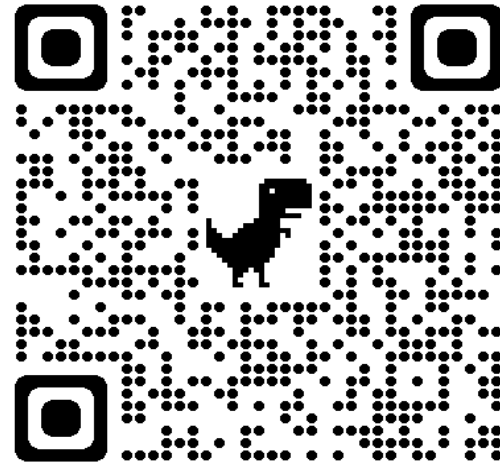
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JAMAICA CLASSIFIEDS



JAMAICAN HOUSES FOR  
SALE



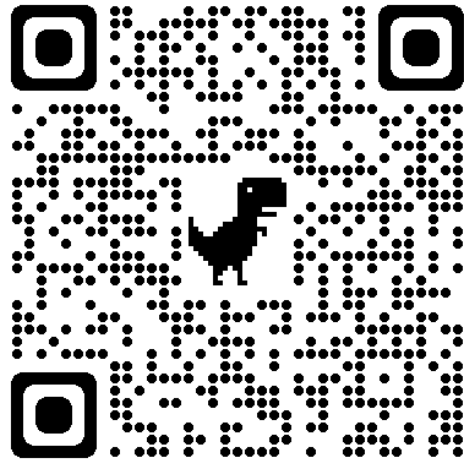
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# PROPERTY PORTALS

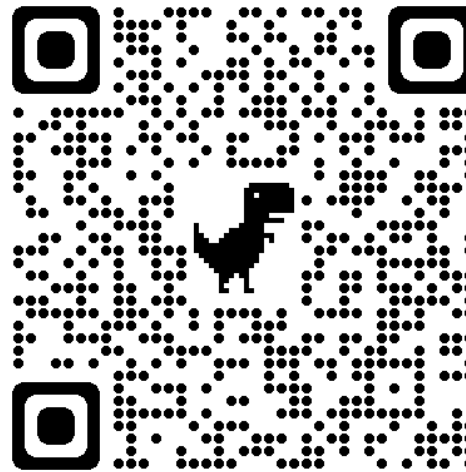
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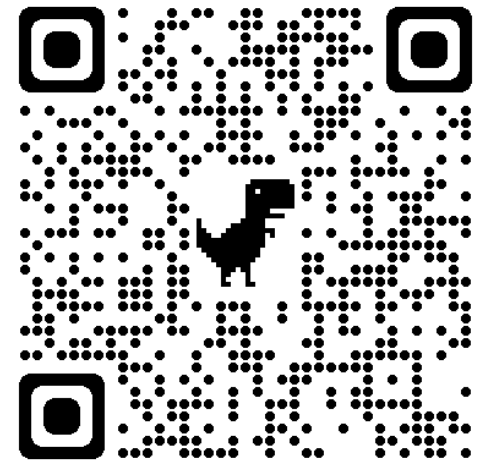
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PURPLE BRICKS



**THANK YOU!**