



July 16, 2024

## LBOR Listing Agreement

### Summary of Changes & Rationale

#### PARAGRAPH 1: Compensation

Paragraph 1 has been updated to include language required as a result of the NAR Settlement. The lines following the first line ending in "...for services rendered, as follows:" are intentionally consistent with the language in the Buyer Agreement, and open for a Broker/Agent to describe in detail the Broker's Compensation.

**IMPORTANT: THE AMOUNT OF COMPENSATION REFLECTED MUST BE OBJECTIVELY ASCERTAINABLE AND MAY NOT BE OPEN-ENDED.** Compensation may not be expressed as "to be determined" or "from the transaction." Clearly state the amount or rate of compensation.

**Rationale:** This language allows the Broker/Agent an open area to state their compensation. The open lines support all business models.

(1) SELLER agrees to pay Listing Broker, as compensation for services rendered, as follows:

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(the amount of compensation reflected must be objectively ascertainable and may not be open-ended)

a. Unless otherwise specified, said compensation to be due and payable on the happening of any of the following events, to wit:

(1) If a sale or exchange is made or a purchaser is found who is ready, willing and able to purchase the property before the expiration of this listing, by the Listing Broker named above or by SELLER, or through any other person at the above price and terms, or for any other price and terms SELLER agrees to accept; or

(2) Such compensation shall be paid if property is sold, conveyed or otherwise transferred within \_\_\_\_\_ days after the termination of this agreement or any extension thereof to anyone to whom the property was shown or submitted prior to final termination. However, SELLER shall not be obligated to pay such compensation if a valid Exclusive Right of Sale agreement is entered into during the term of said protection period with another licensed real estate broker and the sale, lease or exchange of the property is made during the term of said protection period:

SELLER is advised that Broker commissions are not set by law, regulation or policy of any real estate trade association. The compensation paid to a real estate broker is always fully negotiable when entering into an Exclusive Right of Sale Agreement.

**The required disclosure must remain in the Listing Agreement:** Broker Commissions are not set by law, regulation or policy of any real estate trade association. The compensation paid to a real estate broker is always fully negotiable when entering into an Agency Agreement.

#### PARAGRAPH 18: Correction of the connection to Paragraph 19, and not 18.

The reference to paragraph 19 has been updated to connect to the correct paragraph in the Listing Agreement.

(18) **SELLER'S Acknowledgment of Potential for Broker to Act as TRANSACTION BROKER.** SELLER acknowledges that Broker may have clients who have retained Broker to represent them as a BUYER in the acquisition of property. If a BUYER client becomes interested in making an offer on SELLER'S property, then the Broker would become a Transaction Broker **unless designated agents have been appointed pursuant to paragraph 19**. A Transaction Broker Addendum to their Agency Agreements with the Broker must be signed by the BUYER prior to writing an offer to purchase the property and by the SELLER prior to signing the purchase contract. As a transaction Broker, Broker would **assist the parties with the transaction without being an agent or advocate for the interests of either party**, and would not, without prior consent of both parties, disclose any information or personal confidences about a party which might place the other party at an advantage.

## PARAGRAPH 21: Cooperation

Paragraph 21 has been updated to include language specific to Cooperation and Compensation.

The Seller and Broker will use this section to clearly state that the Broker is authorized by the Seller to:

- Offer Cooperation to Buyer Brokers and/or Transaction Brokers.
- Offer Compensation to Buyer Brokers and/or Transaction Brokers.
  - Including the specified amount of Compensation paid to Buyer Broker and/or Transaction Broker.

(21) Cooperation means sharing information on listed property and making property available to other brokers for showing to prospective purchasers when it is in the best interest of the SELLER. Compensation refers to offers of compensation for Buyer Brokers or Transaction Brokers. Kansas Law permits real estate brokers, with the written agreement of the SELLER, to share the commission with a transaction broker, subagent or agent for the other party.

\_\_\_\_ SELLER agrees that the Broker may:

Offer to BUYER'S Agents:	Cooperation:	YES _____ / _____	NO _____ / _____
	Compensation:	YES _____ / _____	NO _____ / _____
	<u>If Yes, Compensation will be: _____</u>		
Offer to Transaction Brokers:	Cooperation:	YES _____ / _____	NO _____ / _____
	Compensation:	YES _____ / _____	NO _____ / _____
	<u>If Yes, Compensation will be: _____</u>		

There are no other changes to the Listing Agreement.

Please reach out to Rob Hulse with any questions at (785) 842-1843, or by email at

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