

COMMISSION INSTRUCTIONS

The instructions for payment of commission are included in the Listing Agreement and the MLS or Cooperating Broker Agreement. Once these are provided to escrow this will dictate how much each sales office will receive.

Often we are asked to prepare a "Commission Confirmation" which is not an instruction to pay commission but a confirmation of the information already agreed to. Commission Confirmations are usually sent out with escrow opening packages to each brokerage office.

A Commission Instruction is required to be signed by the Seller and is typically sent out with their opening package showing the commission amount to be paid to each broker. If there is a subsequent change to the commission amount to be paid to each broker, then amended commission instructions would be prepared and sent out to the seller, listing and selling brokers to sign. This is especially important when there has been a change to the purchase price of the property.

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Source: Linda Laxson