

1975 WL 29650 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

April 1, 1975

***1 Re: Complaint filed by W. H. Griffin against John Martin and Chandler and Company.**

Mr. H. T. Owings, Jr.
Chief Investigator
S. C. Real Estate Commission
900 Elmwood Avenue
Columbia, SC 29201

Dear Mr. Owings:

You have requested an opinion from this Office based upon the following facts: Mr. Griffin entered into Chandler Company to offer for sale property owned by Mr. Chandler Company to offer for sale property owned by Mr. Griffin. The listing agreement stated that 'if during the listing period the property is sold by you' (The Chandler Company) or me, or any one else; or if you (Chandler Company) or any participating broker produce a purchaser ready, willing and able to purchase or if within three months after the expiration of this listing contract a sale is made to any person to whom the property has been shown by you (Chandler Company), by any other broker, by me, or by any other person, I agree to pay you (Chandler Company) a commission which is six (6%) per cent.' Thereafter, the Chandler Company procured a purchaser, Mr. Rogers, and Mr. Rogers and Mr. Griffin entered into a contract of sale to purchase the Griffin property. At some time following the signing of the contract, Mr. Rogers changed his mind and refused to purchase the property involved. Subsequently, the Chandler Company mailed a bill to Mr. Griffin for its real estate commission for producing a purchaser, and Mr. Griffin has filed a complaint because of said bill. From the before-going circumstances, you have requested an opinion as to whether or not the Chandler Company is entitled to a commission.

The prevailing rule of law pertaining to the question you have posed is that in the absence of any stipulation to a contrary effect in his contract of employment, a broker earns his commission when he procures a customer who is accepted by the principal and a valid contract is drawn up between them, although the customer subsequently defaults or refuses to consummate the contract. 12 Am. Jur.2d Brokers § 204, page 947; [74 ALR2d 437, 443](#), § 3, Broker Right to Commission. The aforesaid stated rule of law is sustained by the overwhelming weight of authority, and it has been adopted by the S. C. Supreme Court. See [Shackelford vs. Walpole](#), 259 SC 611, 193 SE2d 541 (1972); [Hamrick vs. Cooper River Lumber Company](#), 223 SC 119, 74 SE2d 575 (1953); [Fairly vs. Wappoo Mills](#) 44 SC 227, 22 SE 108 (1895).

The listing agreement contained no stipulation other than that the Chandler Company 'produce a purchaser ready, willing and able to purchase the property', and under the laws of this jurisdiction, the Chandler Company's right to compensation is not defeated by the failure or refusal of the purchaser to consummate or comply with the contract of sale. Therefore, under the facts presented in this case, it is the opinion of this Office that the real estate broker is entitled to its commission.

If we can be of further service to you in this matter, please do not hesitate to call upon us.

Very truly yours,

***2 Donald V. Myers**
Assistant Attorney General

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