

MLS POLICY NOTICES

Please Post In Your Office. Be sure to read the MLS Rules and Regulations included in this section for all fines and fees. Below are a few very important issues to be disseminated throughout your office.

Please be aware: As stated in the MLS Rules and Regulations; All written, exclusive-right-to-sell and exclusive right of brokerage listings of residential properties, up to and including multiple units of four (4), and residential land located within the state of Rhode Island which have been taken by an MLS Participant must be reported within 24 hours (excluding Federal and State holidays) of the effective date or the placement of a sign on the property. However, if Participant advertises a property, excluding the placement of a sign, the property must be reported either as an MLS listing or a Non-MLS listing at the time the advertisement appears.

If the seller refuses to permit the listing to be disseminated by the Service, but still enters into agreement for sale, verbal or otherwise, with the listing agent for the sale of their property, the listing agent must notify the MLS of this Non-MLS listing by filing a non-MLS form. Failure to file the Non-MLS Certification Form within 24 hours will be handled administratively and will be subject to the lag fees structured for late entry of MLS listings.

For failure to file listings within 24 hours after all required signatures are received, a fee of \$100 per day will be charged for each calendar day until listing is filed (Maximum of \$500 for the first offense, \$1,000 for the second offense, \$2,500 for the third offense and each offense thereafter.

Listing Agreements -

The listing contract must be filled in completely. The license number on the first line of the contract is the principal broker's license number.

1. If the property is owned by more than one person **all parties** are to sign the listing contract in the proper area.
2. All crossovers or changes to a listing contract must be initialed by all the sellers and the listing licensee.
3. The listing and expiration date on the contract **MUST** match the dates entered as listing date and expiration date on the data form and in the system. The Listing Agreement is a legal contract, therefore the dates cannot be altered in the system without the seller changing the contract and initialing.

MLS will request, randomly, a percentage of new listings and status changes entered each month. The requested listing must be sent to the MLS office in the time allotted on the request letter or be subject to a fine of \$100 per day. When we receive documentation, we check the listing contract and data form for completeness and accuracy against the information entered into the MLS system. Be sure the list and expiration dates and list price on your contract match the dates and prices in the MLS system. For an incomplete/incorrect listing contract, the fine is \$50 per item.

Please refer to the Fee Schedule of the MLS Rules and Regulations for all fines and fees.

Public Remarks Section -

The remarks section is for **promotional information of the property only**, not the agent or firm. There is a \$50 fine for entering names, telephone numbers, bonus information, open

houses, websites or email addresses. Any of this information may be entered in the showing instruction field.

Waterfront vs. Water View Property Listings -

When advertising a listing in MLS as waterfront property, it must actually be **waterfront** and not water view or water access.

The definition for **waterfront** is “Real estate abutting a body of water like a lake, river, canal, or ocean”. In other words, the property must physically touch the water. If it is not possible to touch water without crossing over land that is owned by someone else, such as a neighbor, home owner’s association, land trust, the government, etc. even with an easement or deeded rights, the property is not water front.

Water view simply means that you can see the water from the property. Water views come in many variations, from limited to full out spectacular views.

Be sure to use these descriptions appropriately when listing a property in MLS.

Photo Policies -

Photos submitted to MLS must not contain company logos, promotional material, websites or legible company signs on property.

A copyright notice is permitted, provided that the name included is of a registered copyright holder with the U.S. Copyright Office. The copyright notice must be located in the bottom-right corner of the image and cannot exceed a font size of 12 points or one-eighth of an inch in height, whichever is larger.

For all property categories except vacant land, at minimum, one (1) photo of the property must be an exterior view of the structure.

A \$25.00 fine will be assessed for failure to comply. If, after notification, exterior photo is not submitted, the MLS photographer will take photo and the standard photo fee will be assessed.

7-Day Photos – All Realtor-Submit photos must be submitted to MLS within 7 days. After 7 days, the MLS photographer will take the photo and the office will be charged \$50.

Photos submitted to MLS must be of the property and the amenities included exclusively with the purchase of property...

For example: water views from the property, pristine trees and bushes, private beach, pool, condo amenities, etc.

Images not allowed per this policy include: scenes from the surrounding area, famous nearby landmarks, nightlife, etc.

Using other member’s photos -

Members are prohibited from submitting photos previously entered into the Service by another member or member firm without written permission from the photos original owner/licensee.

\$50 per offense

Transfer of Listing Photos -

When you order photos through a photographer, they continue to hold the copyright. This means that you cannot transfer or sell the photos to another licensee without the permission of the photographer.

Copyright laws prohibit the unauthorized use of original content - ranging from photographs and drawings to software and marketing materials. For more information on copyright law, please see <http://www.copyright.gov>

Inappropriate Images – Any image(s), including virtual tours, submitted to the Service of an inappropriate or indecent nature will be cause for severe fines up to \$2500 and/or expulsion from the Service.

Virtual Tours -

All virtual tours linked to by the Service must be a virtual tour of the respective property for sale, its views and amenities, or be subject to immediate removal.

Members are prohibited from submitting virtual tours previously entered in the Service by another member or member firm without written permission from the tour's original owner/licensee.

Disclosure of Compensation

When entering compensation in the "Compensation to Selling Broker" field, it must be in the form of a dollar amount or percentage of the gross commission. If any fees are to be deducted from the compensation, that too must be a specific dollar amount or percentage and payable to a third party. Compensation must be stated very clearly to the seller and other agents. For example – a deduction for an office administrator fee would not be allowed.

Variable Rate -

If you offer dual or variable rate commission (i.e. one in which the seller agrees to pay a specified commission, if the property is sold by the listing broker without assistance, and a different commission if the sale results through the efforts of a cooperating broker) the listing broker must disclose by including a "V" with the compensation offered.

Prospects Exempted -

If you take an exclusive right-to-sell contract with named prospects exempted (reservations) this must be disclosed by including an "R" in the "Compensation to Cooperating Broker" field.

Exclusive Right of Brokerage -

If you take an exclusive right of brokerage listing in which the seller/owner reserves the right to sell their property without paying the listing broker a commission or by paying a reduced commission if he or she sells to a prospect who has not been introduced or claimed by the listing agent. The exclusive-right-to-sell contract CANNOT be used and this arrangement must be disclosed by indicating "Exclusive Right of Brokerage Agreement" under the "Listing Contract" field.

Failure to disclose variable rate, named prospects exempted, or exclusive right of brokerage is a finable offense.

Concessions/Net Sales: A listing agent who plans to base a co-broke commission on the sales price excluding seller concessions shall input the listing with a **Net Sales (NS) designation in the compensation fields.**

If a gross commission established in a listing contract is subject to court approval or to lender approval; and that compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. The method by which the deduction will be calculated must be clearly communicated to potential cooperating brokers prior to the first showing. **However, if concession costs are to be deducted and a dollar amount or percentage is impossible to determine at the time of listing, then the listing broker must define the term “concession” in regards to that particular listing, in the “showing instructions” field and make it clear to the cooperating broker what their compensation will be based on.**

NOTE: Be sure to define “concession cost” in “compensation comments” or “showing instructions” if commission is to be based on the net sale.

Withdrawals/Cancellations - Withdrawal forms are requested by MLS through our Documentation Requests. **The entering of an incorrect withdrawal status is a serious violation and offenders will be fined at \$25.00 per offense.**