

MLS Rules and Regulations Renewal Training

What is this Class?

- Real estate is a complex, high-stakes industry and lots of trainings are required. Here at the MLS, we take our role in the industry, providing accurate, updated, comprehensive real estate data, very seriously.
- As a result, we have extensive rules and regulations in place.
- Due to changes in the market, practices, and technology, these rules must be updated from time to time.
- That is why the Board of Directors of this MLS requires you to take renewal training every two years.
- The purpose of this course is to walk you through how the MLS is constantly evolving and updating you on any changes that might impact how you share or use data in the MLS.
- This class is separate from the Code of Ethics (which is a requirement of NAR and your local REALTOR® board every two years) and is also separate from the continuing education that the Florida Department of Business Professional Regulation requires for license renewal.

Clear Cooperation

- One of the key promises that Stellar MLS makes to its customers is to offer the best data!
- Additionally, a central tenet of a multiple listing service is for participants and subscribers to cooperate, and to compensate each other for connecting buyers with sellers.
- Stellar MLS requires mandatory listing types to be submitted to the MLS within 5 business days of either

The Date the owners sign a listing agreement
or

The effective date of the listing agreement.

- In November 2019, the National Association of Realtors passed Policy Statement 8.0, to be adopted by all REALTOR-owned MLSs. This new policy requires that for any mandatory listing type, the listing **must be submitted to the MLS within 1 day of public marketing.**
- At Stellar MLS, Mandatory listing types include the sale or exchange of:
 - Single-family homes
 - Condominiums, Co-ops and townhouses
 - Vacant residential lots or parcels
 - Mobile homes with land
 - Duplexes, triplexes or quadruplexes
- Commercial listings, rentals, and property personally owned by listing agents are optional listing types.

What is Public Marketing?

Public marketing is any type of mass communication or any way that either a member of the public or another brokerage can find your listing. It does not include 1:1 communication with a potential buyer and discussions amongst agents in the same office. Some examples of public marketing include:

- Flyers Displayed in Windows
- Yard Signs
- Digital Marketing on Public Facing Websites
- Brokerage Website Displays (including IDX and VOW)
- Digital Communications Marketing (email blasts)
- Multi-brokerage listing sharing networks

Exempt Listings

- Sellers still may opt to sign an exclusion form in order to not publicize their listing in the MLS.
- Stellar MLS has broken the Owners Exclusion Form into two separate forms.
- There is a Temporary Exclusion Form that is to be used if a seller does want their listing in the MLS but needs more than 5 business days to get the property ready for entry or to show.
- There is also an Office Exclusive Form for sellers with privacy concerns, who prefer that their listing be marketed privately to individual buyers.
- However, even if a temporary or office exclusive form is on file, if any public marketing takes place, the listing must go into the MLS within one business day.

Finding and Submitting the Exclusion Forms

The listing exclusions forms can be found:

- 1) In the external links in Matrix
- 2) The Document Library at StellarMLS.com
- 3) Form Simplicity and Transaction Desk

The forms can be submitted by logging into Stellar Central Workspace, Under Quick Actions, right column of the home page, clicking on “Submit Owner(s) Exclusion”, and then “Owner’s Exclusion”. Here, each agent can see their own Exclusion forms and brokers can see all the Exclusion Forms submitted for their office.

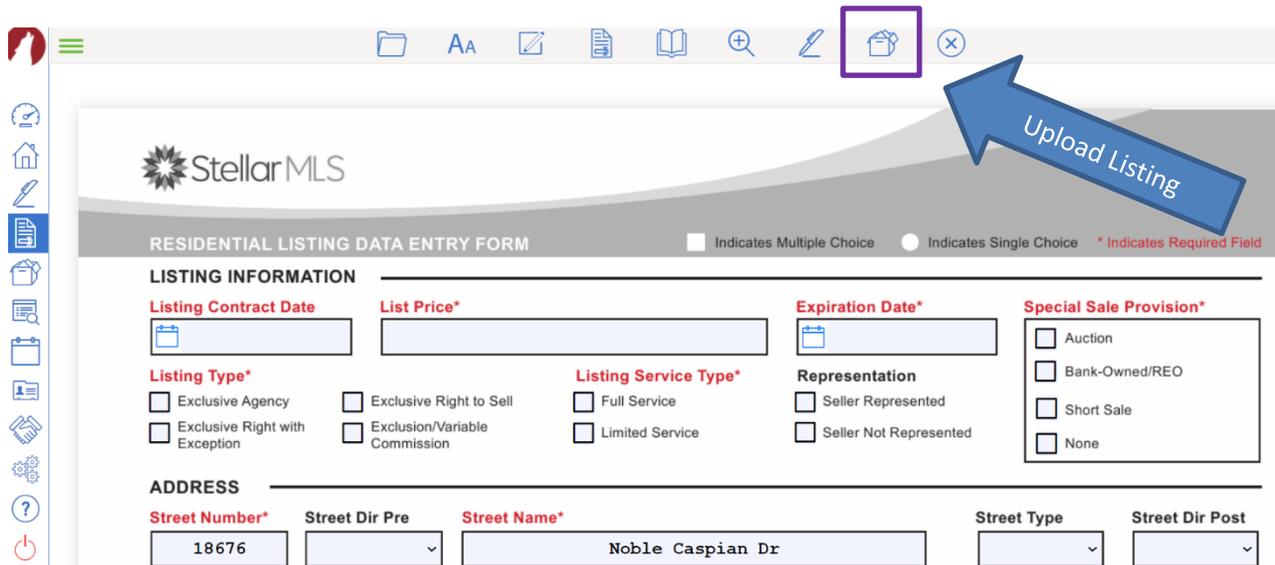
Reporting Violations

If you suspect that a residential listing is being withheld from the MLS, you now have a mechanism to search for exclusion forms and report violations to Stellar MLS

To search for an address to see if an Exclusion Form has been filed with Stellar MLS, go to your Stellar Central Workspace under Quick Actions select “Report Clear Cooperation Violation” button. You will then be able to type the address of the property in question to see if an Exclusion Form has been filed. If you do not find that an Exclusion Form has been filed or see that public marketing is taking place, you will need to upload proof of the public marketing of the property, such as a photo or screenshot. The Stellar MLS Data Integrity team will follow up to see if a violation exists.

Listing Data Entry Forms

- Once you are ready to enter your listing into the MLS, it is critical to first collect comprehensive data
- The MLS offers a comprehensive listing data entry form to help to collect data, and to also be signed by the seller.
- In addition to being able to download this from the External Links in Matrix, it is also available in Transaction Desk. If you access this form in Transaction Desk, you can both auto-populate it from public records, and then submit the listing as incomplete, saving you from double-entry.



The screenshot shows the StellarMLS web interface. At the top right, there is a button labeled 'Upload Listing' with a blue arrow pointing to it. Below this is the 'RESIDENTIAL LISTING DATA ENTRY FORM' header. The form is divided into two main sections: 'LISTING INFORMATION' and 'ADDRESS'.

LISTING INFORMATION

- Listing Contract Date:** A date picker field.
- List Price*:** A text input field.
- Expiration Date*:** A date picker field.
- Special Sale Provision*:** A list of checkboxes: Auction, Bank-Owned/REO, Short Sale, and None.
- Listing Type*:** A list of checkboxes: Exclusive Agency, Exclusive Right to Sell, Exclusive Right with Exception, and Exclusion/Variable Commission.
- Listing Service Type*:** A list of checkboxes: Full Service and Limited Service.
- Representation:** A list of checkboxes: Seller Represented and Seller Not Represented.

ADDRESS

- Street Number*:** A text input field containing '18676'.
- Street Dir Pre:** A dropdown menu.
- Street Name*:** A text input field containing 'Noble Caspian Dr'.
- Street Type:** A dropdown menu.
- Street Dir Post:** A dropdown menu.

SDEO Listings

- Sold Data/For Entry Only listings (SDEO) are transactions where the Stellar MLS subscriber brought a buyer to a property not listed in the MLS (such as a For Sale by Owner, New Construction, listing with an Owner Waiver or property outside of Stellar MLS's service area).
- Agents often take buyers to properties not listed in the MLS. These agents (and their brokers) still want credit for that listing on the MLS Market Reports. These transactions are also important for MLS statistics and for agents searching for comparable sales when valuing properties.
- In the past, there was an option under the Listing Service Type field to indicate a listing was Sold Data/For Entry Only, but this had several limitations.
- There are now new input forms for SDEO listings. These have a reduced number of required fields stripping out the details of the transaction and requiring information about the property.
- These listings will go directly to Sold. The listing Agent will always be marked as "Non-Stellar MLS" agent.

SDEO Rule

H. Sold Data For Entry Only. These entries are optional; however, Participants must adhere to the following guidelines.

- i. The listing cannot be uploaded until the transaction has closed.
- ii. Sales must be loaded within 30 days of the closing date.
- iii. Must upload one front exterior photo.

Offers of Compensation

- Keep in mind that a key purpose of the MLS is to give real estate professionals the opportunity to cooperate with other brokerages.
- The MLS has a section where you make your “blanket, unilateral offer of compensation”.
- There are three fields: one asking you what you would pay a Single Agent who brings you a buyer, another that asks you what you will pay a “Non-Rep”, or someone who has a “No Brokerage Relationship” disclosure signed with their buyer, and one field asking what you will pay a Transaction Broker who brings you a buyer.
 - Remember that Transaction Broker is the default relationship in Florida unless there is a Single Agent, or No Brokerage Relationship Disclosure signed).
 - This is only asking what you will pay the buyer’s brokerage, this is not asking what you will be paid by the seller.
- Federal Antitrust Laws and NAR Policy prohibit us from regulating how you split your commissions.
 - However, what you enter here should not be different than the notice given to the seller about the cooperation amount. For example, there is no rule saying that you have to offer a flat percentage, and oftentimes you see the offer of compensation as a percentage adjusted for a dollar amount.
 - Under no circumstances should the dollar amounts deducted from a percentage be referred to as an “MLS Fee” as that is misleading, making it sound like this is a fee charged by the MLS.
- Finally, these offers of compensation must be “blanket, unilateral” offers. No additional terms may be placed in the Remarks (such as you will only pay this amount if a full price offer is made or if the cooperating agent has an e-key).

New Construction Update

- Incomplete New Construction Documentation is one of the top violations in the MLS.
- For New Construction to be entered as Residential Property, there must be a Specific Structure, on a Specific Lot, being offered at a Specific Price.
 - If this does not exist, for example, if a builder has different floor plans, they will build for different prices, that could not be entered into the MLS as New Construction – only the lot can be listed under “Vacant Land”.
 - Pre-construction means the ground has yet to be broken, but there is still a specific lot, structure, and price. The builder MUST have an interest in the transaction for this to be entered in the MLS.
 - Under Construction means that ground has been broken but the construction has yet to be completed.
- For both pre-construction and Under Construction, specific disclosure requirements are required in the MLS. Please refer to Article 4.21 of the Rules and Regulations for details on Pre- Construction, and Article 4.22 for details on Under Construction.

Public Remarks

Public Remarks are a great place to sell exciting facts about a listing, but as these remarks are seen on customer reports and public sites, they can also get an agent into trouble.

There can be no identifying information, contact information, web sites, vendor information, lockbox or showing information, codes, open house information, owner name, inappropriate comments, etc. in Public Remarks, as these do show up on customer reports.

Public Remarks Autopop

- As we are constantly looking for ways to innovate the listing entry process for you and ensure compliance with our rules, the system will now auto populate the Public Remarks with required disclosures for certain types of listings.
- Now, if you check off “Short Sale” under the Special Sales Provision field, “Pre-Construction” or “Under Construction” from the Property Condition Field, “Fractional” under the Ownership field, or the checkbox to indicate virtual staging, your Public Remarks will be auto populated with the required disclosures from the MLS Rules & Regulations.
- Only the public remarks will be auto populated. You will need to refer to the MLS Rules & Regulations for these specific listing types to see if there are additional requirements for the Realtor Remarks, Photos, or Attachments.
- Note that when you check off these triggers, the auto-populated terms are in a hidden field. You do not see these in your public remarks when you enter your listing. There is no need to double-type these disclosures in the Public Remarks. Just proceed with the other comments you want to make about the property. Once you submit the listing, both the system populated remarks and your remarks will be merged together and visible.

Public Remarks (English Only)

This is a test. This is a test.



Characters Remaining: 1497

You will not see these auto-triggered disclosures in the Public Remarks as they will be in a hidden layer.

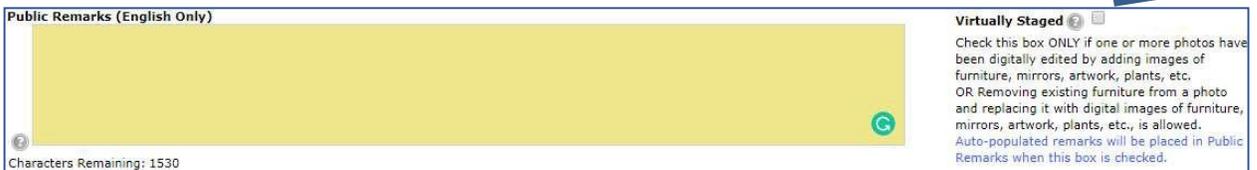
	County: Manatee Subdiv: BEAU VUE ESTATES Beds: 2 Baths: 2/0 Pool: Private, Community Property Style: Single Family Residence Lot Features: Cul-de-sac Total Acreage: Up to 10,889 Sq. Ft. Garage: Yes Attch: Yes Spcs: 2 Garage/Parking Features: Oversized LP/SqFt: \$199.87 New Construction: No Flood Zone Code: AE	Status: Incomplete List Date: 12/06/2018 List Price: \$299,000 Year Built: 1968 Special Sale: Short Sale ADOM: CDOM: Pets: Carpport: No Spcs: Heated Area: 1,496 SqFt / 139 SqM Total Area: 1,800 SqFt / 167 SqM
	<p>1 / 4 Enter a caption here. </p> <p>Short Sale, Under Construction, Fractional Ownership, This is a test. This is a test.</p>	

However, once you submit the listing the remarks will appear with the additional remarks you type.

Virtual Staging

- Virtual Staging is defined as using a photo editing software to create a photo or conceptual rendering of what the interior room(s) and/or interior of the property could look like if it were staged or lived in.
- In the past, this practice was strictly prohibited by the MLS, but as of July 2018, certain types of virtual staging are now allowed as long as it is properly disclosed.
- For interior photos, you may modify existing furniture or décor in a room or add virtual furniture and artwork to an empty room.
- You may not, however, cover up holes or damage of any kind, replace countertops, cabinets, flooring, etc., or change paint colors. You also should not make a room appear larger or smaller than it actually is or change the view of the property.
- Remember, virtual additions or replacements are not real; so be sure not to misrepresent the property.
- For exterior photos, you may add a table and chairs or potted plants on a patio or lanai, but you may not enhance the exterior features of the house itself in any way. You may also not virtually change landscaping or scenic views of the property.
- Virtual staging must also be clearly disclosed. Next the public remarks field when entering a listing, there is a check box to indicate if Virtual Staging was used. This will auto-populate the public remarks with a required disclosure (we discussed the auto-population in the previous section of this course). Additionally, for each photo that used virtual staging, you must add a caption that indicates “Virtually Staged”.

Check the box by the Public Remarks to trigger an auto-disclosure.



Public Remarks (English Only)

Characters Remaining: 1530

Virtually Staged

Check this box ONLY if one or more photos have been digitally edited by adding images of furniture, mirrors, artwork, plants, etc. OR Removing existing furniture from a photo and replacing it with digital images of furniture, mirrors, artwork, plants, etc., is allowed. Auto-populated remarks will be placed in Public Remarks when this box is checked.



Slot: 3

Virtually Staged

Done

Add a caption that says “Virtually Staged” to each Virtually Staged Photo.

Withdrawn Listings

- In 2018, the Withdrawn listing status was broken into two categories: Withdrawn Conditional and Canceled (previously Withdrawn Unconditional).
- In many listing agreements, there is a paragraph on “Conditional Terminations”, basically stating that if a seller were to withdraw a listing, until the date the conditions expire, the original listing broker is still entitled to their commission should the property sell.
- If a broker waives these conditions, or if the conditions expire, then the listing is Canceled and is free to be relisted by another brokerage.
- For Conditionally Withdrawn listings, the date the conditions expire must be entered

into the MLS, and on that date, the system automatically changes the status to Canceled.

- If you are prospecting for Withdrawn listings, be sure to use the Canceled status and not the Withdrawn Conditional Status. Also, prior to relisting withdrawn property, if you find a Withdrawn Conditional listing in the MLS (not canceled), the original broker may still have claims to compensation.

First Photo

A common MLS violation is having an incorrect photo in the first slot. When entering photos in the MLS, the front photo must be one of the following:

- 1) A front exterior photo – without any broker signage or identifying information
- 2) A water view taken FROM the listing – a generic water view not taken from the property cannot be used in the first slot
- 3) An aerial shot from a non-copyrighted source. Remember that Aerial Shots from Google Maps or similar sites are copyrighted and cannot be used in a listing.

If a water view or aerial shot is used in the first slot, then a front exterior photo must be in the second slot.

Pending Listings

When a listing is under contract, the status must be changed to pending within 2 business days, and an expected closing date must be indicated. If this expected closing date is ever delayed, be sure to go back into your listing to update it.

This is the most common MLS violation!

Listing Manipulations

Another common (and costly) MLS violation is Listing Manipulations.

Keep in mind that all MLS listings have two days on market counts. The Active Days on Market (ADOM) count is tied to a listing ID and is reset whenever a new listing ID is activated. The Cumulative Days on (CDOM) count is tied to a property ID and is not reset to 0 until a listing has been expired or withdrawn for 60 days.

There are only two valid reasons for creating new listing number:

1. Execution of a new listing agreement by new office
2. Execution of a new listing agreement on a property by the same brokerage dated 30 days or more after expiration or withdrawal of original listing.

Creating a new listing ID prior to 30 days from an expired/withdrawn listing from the same office to make it appear as new is a listing manipulation subject to a \$500 fine.