



Staying in Compliance with MLS Rules: The 10 Most Common Violations

*The following is a guide to a subset of the RMLS Rules and Regulations. The RMLS Rules and Regulations and the MLS Rules and Regulations Compliance Guidelines take precedence over this summary. As a NorthstarMLS subscriber, you are responsible for complying with **all** rules and regulations described in those documents. For a copy of the complete rules, visit www.northstarMLS.com.*

RMLS Rules are designed to facilitate an orderly database of listing information so that participants may better serve their clients and the public. Compliance with the rules will provide accurate, timely, and objective listing information for all participants. The following are some of the most commonly violated rules, as well as the rules that result in the highest fines. If you have questions, contact the RMLS Rules and Regulations Administrator at 651-251-3205.

- 1. Accurate and complete data:** Any information requested on the Listing Input Form in red ink (or an asterisk) is required information and must be included. All information entered in the property listing, whether required or optional, must be accurate. Some common examples of incorrect information:
 - a. Designating a nonconforming bedroom as a regular bedroom;
 - b. Entering the wrong MLS Area Number;
 - c. Incorrect PID Number (or adding in special characters, such as hyphens);
 - d. Incorrect Common Wall (yes/no) designation;
- 2. Enter a listing into the system or submit a Certification to Withhold within 3 days of the contract effective date:** As an agent, you rely on timely access to new listings to best serve your buyers. If you work with sellers, they rely on you to make their property available to the widest range of buyers as quickly as possible. To ensure these needs are met, listings must be entered into NorthstarMLS no later than the third calendar day after the effective date of the listing contract (including weekends, but excluding state or federal holidays). If your customer wants to withhold the listing from the MLS, you must submit a Certification to Withhold form to RMLS within three days of the contract effective date (using the same counting guidelines as those for listing input).
- 3. Promotional information in Public Remarks, Financial Remarks, Driving Directions or Media Uploads:** The RMLS Board of Governors has reaffirmed a basic tenant of NorthstarMLS as a database of information describing properties for sale. It is not to be used for marketing and promotion of agent, listing office or third party services. The purpose of the Public Remarks field is to provide information about the listed property to agents and potential buyers. The purpose for Media Uploads is to add additional photos, documents such as inspection reports or supplemental

information about the property, and URL links to unbranded virtual tours of the property. Financial Remarks can be used to describe financing, closing costs, buyer incentives specifically related to the property, or as a continuation of Public Remarks. Driving Directions can be used for driving directions specifically related to the property only.

When entering text in any of the 4 public fields, Public Remarks, Media Uploads, Financial Remarks and Driving Directors, it is important to only describe the physical traits of the property for sale and its vicinity and incentives provided by the seller to the buyer specifically related to the property and with specific purpose. For example, you may **not** include:

- a. the listing agent's name or phone number;
- b. any kind of agent, broker or third party promotional material (such as incentives to use a preferred mortgage or title company).
- c. Incentives offered by agent or broker or other third party.
- d. Commission details intended for agents only.
- e. Web Links: If you link out to a virtual tour, it must only describe the property for sale and its vicinity, however it must include the listing broker office name in no larger than 10 point font (to be in compliance with Commerce Department regulations). No other contact or promotional information is allowed, including links to other areas of the Web site where there is promotional information. Virtual Tours are the only web links allowed in any field in your listing.
- f. You may list the name of the builder or brand names (for example "Anderson Windows") to the extent that they describe the property. Do not add any marketing/promotional messages.
Acceptable: Built by Acme Homes of Minnesota, Inc.
Unacceptable: Built by Acme Homes of Minnesota, Inc.—Minnesota's premiere builder of quality homes.
- g. In Public and Financial Remarks stating buyers incentives are acceptable. **DO NOT** add any incentives to the buyer or the buyer's agent that are not specifically related to the property.
Acceptable: Seller will pay \$3,000 towards closing costs. Seller will pay Association fees for one year. Price Reduced by \$15,000.
Unacceptable: Free Plasma TV for buyer. Seller will give trip to Mexico to buyer and buyer's agent. \$500 Gift Card.

There are many ways agents may promote and market their business outside of the MLS. Keeping the MLS database free of agent/business promotion allows you to share valuable property information (that you pay to access) with your customers without encouraging them to go around you to contact other agents directly or to leave you for one of your competitors.

- 4. Upload a photo within 3 days:** Having one or more photos on a listing greatly enhance the visual impact and interest expressed by potential buyers. Your seller depends on timely entry of the photos so that they will appear on reports and Broker Reciprocity Web sites. In fact, your seller will likely go to one or more of these sites to see their listing.

A property photo must be loaded onto NorthstarMLS within three days of the listing's entry on the service (the three days includes weekends but excludes state and federal holidays). A photo is

required for any listing that is property type Single-Family, Multi-Family or Commercial/Mixed Use; AND has Previously Owned, Completed New Construction or Model property selected in Construction Status. A photo is required regardless of listing status (active, temporarily not for show, pending, sold, cancelled, or expired). The photo has the following requirements

- a. No broker/agent/builder signs or promotional materials are allowed.
- b. No text (regardless of message) is allowed on any photographs submitted.
- c. The photo must only depict the property for sale or its vicinity.
- d. Do not copy photos from the listing of another Participant and upload them to your listing. Use your own photos.
- e. The photo must be fully appropriate and may not be digitally altered in a manner that does not accurately reflect the property and its surroundings.

- 5. Move Listings to “Temporarily Not Available for Show” Status when unavailable for showing for 24 hours or longer:** You may occasionally need to enter a listing into NorthstarMLS before it is available for show (i.e. to refinish floors, seller on vacation, etc.). The “Temporarily Not Available For Show” (TNAS) status makes this possible. To do this, enter the listing as “Active,” then immediately Fax a Change Form (available from your office or the NorthstarMLS Welcome Screen) to your REALTOR® Association, requesting that the listing needs to be moved to TNAS Status. When the property is available for showings, including an open house, it must then be changed back to “Active” status within 24 hours of being available. While in TNAS, no showings whatsoever may occur, even by the listing agent or office. Also, listings do **not** accrue Market Time while in TNAS status.
- 6. Enter a status change on a listing within 24 hours of the change:** If you’ve ever called to schedule a showing only to find that the property is pending and the Listing Office neglected to change the status, then you probably understand the importance of timely entry of changes. It ensures that listings are up-to-date, and you are providing your customers with the most current information. If there is any change in the property status (such as cancellation, pending sale, closed sale, change in price, TNAS status), you must edit the listing to reflect the change within 24 hours (not including weekends and state or federal holidays). If there is a contingency on the offer and you want to continue showing the property, you may leave the listing in “Active” status. However, your office is required to disclose that there is a contingency when scheduling a showing.
- 7. Make the listing correction within 48 hours after a Fine Invoice is issued:** Most fines include a notice to correct the data (changing inaccurate or missing data, removing promotional information, canceling a duplicate listing, changing a listing status, etc.). The fine will increase if the correction is not made within 48 hours (including weekends and excluding state or federal holidays). This rule does not impact most agents, but is in place to discourage flagrant disregard for the RMLS Rules.
- 8. Keep your NorthstarMLS ID and password private:** Your access to the MLS is one of the things that makes you valuable to your customers. RMLS ensures that only authorized agents, appraisers and office staff may access the system to protect this advantage and ensure that there is no inappropriate use of the data that can harm you or the industry. Do not share your NorthstarMLS password under any circumstances with anyone, including colleagues, customers, non-member agents, friends and family. Also, be on guard for moving companies and other third party companies that may attempt to strike a deal with you to share your access (if you are contacted for this purpose,

please inform RMLS immediately).

9. **Entering a listing into the MLS only when you have a signed listing contract:** The listing broker must have the seller's written authorization to list the property. Do not list the property in anticipation of the signature—you must have the signature in hand. If the property was previously listed with another office, the first listing must be canceled or expired on MLS before the new listing may be entered.
10. **Unauthorized use of MLS data:** In addition to data accuracy and timeliness, RMLS protects the data from unauthorized use. Sections 10 and 11 of the rules specify authorized uses of MLS information.

Examples of **acceptable** use:

- a. Reports for prospective buyers
- b. CMAs & comparables prepared for a particular property and a particular person.
- c. Use of compilations for demonstration of market share or to compare firms is authorized as described in section 11.4.
- d. Marketing materials using any data you choose for listings in which you are the listing agent. The selling agent may also use the data for this purpose, but only after the sale has closed.
- e. Marketing materials with aggregate statistics drawn from the MLS and footnoted as "Based on information from the REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC for the period (*date*) through (*date*)."

Examples of **unacceptable** use:

- a. Use of compilations to compare the performance of **individual agents** (in a presentation to a potential seller). Because of how some teams and brokers report activity, statistics on individuals may be inaccurate and misleading.
- b. Providing a list of properties to a non-MLS member (such as a list of properties with "pending" status provided to a friend or relative with a moving company to help him get new business).
- c. Sending **unsolicited** data (usually mass mailings) on any properties not in Sold status for which you are not the Listing Agent or on any properties in Sold status that do not comply with the Sold Listing Data policy

Other rules to be aware of:

- Access a property only with proper authorization. Do not disseminate your property access information.
- The use of the term MLS or Multiple Listing Service is restricted in firm names, web addresses and web domain names.
- Enter a listing only once. No two active listings should have the same Parcel ID number.