



NorthstarMLS Rules

PROMOTING A PROFESSIONAL INFORMATION RESOURCE:

- ACCURATE
- TIMELY
- CONSIDERATE
- COOPERATIVE

3 reasons MLS rules are important to your business:

1. Ensures the offer of compensation, making sure you get paid
2. Ensures you have current, accurate and complete property data
3. Ensures professional data sharing and cooperative behaviors

Understanding the Rules

Nearly 16,000 real estate professionals participate in the NorthstarMLS and contribute to the listing database. The MLS Rules are designed to ensure that every listing is current, complete, and accurate. Understanding and complying with the rules ensures a better system for all participants.



ACCURATE INFORMATION

- 1. Accurate and complete data:** All information entered in the property listing must be accurate to ensure the integrity of the data. Agents and customers rely on this data to make informed decisions. Incorrect information includes counting a nonconforming bedroom as a bedroom or entering an incorrect PID. Video assistance is available at blog.northstarmls.com by clicking on "Data Accuracy."
- 2. Make a listing correction within 48 hours after notification:** RMLS may send a notification to correct inaccurate data, remove promotional remarks or an inappropriate photo, etc. Mistakes or omissions must be corrected quickly to ensure the best MLS for everyone.
- 3. Entering a listing 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. If the property was previously listed with another office, make sure the previous listing is cancelled before entering the new listing.



TIMELY INFORMATION

- 4. Enter a listing within 2 business days of the contract effective date (or upload a signed Certification to Withhold):** You rely on access to new listings to best serve your buyers. Professional cooperation requires that listings be entered within 2 business days after the contract effective date. If your customer wants to withhold the listing from the MLS, upload a signed Certification to Withhold Form into Add/Edit within 2 business days.
- 5. Upload a photo to the listing within 2 business days:** Having photos greatly enhances the value of the listing to other agents, buyers, and the 4,000 websites that will display the listing. A photo is required regardless of listing status (active, TNAS, pending, sold, cancelled, or expired). The photo may not contain any broker/agent/builder signs, promotional materials, or any text (regardless of message). Make sure you either took the photo yourself or have written permission to use the photo from the photographer.
- 6. Change listing status to "Temporarily Not Available for Show" (TNAS) when unavailable for showing for 24 hours or longer:** If a listing is not available for showing, (to refinish floors, seller on vacation, etc.) change the status to TNAS. While in TNAS, no showings may occur (even by the listing agent) and listings do not accrue Market Time. Using TNAS avoids wasting agent time and frustrating buyers who want to see a property that is not available.

- 7. Update listing status:** If you've ever called to schedule a showing only to find that the property is under contract, then you probably understand the importance of timely system updates. Enter any status change (cancellation, pending sale, closed sale, change in price, TNAS) within 24 hours. If there is a contingency on the sale and you want to continue showing the property, you may leave the listing in Active status, but your office is required to disclose the contingency in the field titled "Contingency".



CONSIDERATE, COURTEOUS, COOPERATIVE

- 8. Avoid Promotional Remarks in Public Fields:** The MLS is a professional resource of objective property information; not advertising for agents, builders or any third party. Every agent should feel comfortable sharing MLS information with their clients, knowing they are not promoting another agent or service. Public fields include Public Remarks, Open House Remarks, Supplements, Virtual Tours, and Driving Directions.

When entering Public Remarks for your listings, describe only the physical traits of the property for sale and its vicinity and any incentives provided by the seller to the buyer specifically related to the property and with specific purpose. Common mistakes include:

- a. Do not add the listing agent's name, contact info, or any agent, broker or third party promotional material (such as incentives to use a mortgage or title company);
- b. Unbranded virtual tours are the only allowed web link. The tour must only describe the property for sale and its vicinity and cannot link out to another site.
- c. You may list the name of the builder or brand names (for example "Acme Windows") only to the extent that it describes the property. It is acceptable to add, "Built by Acme Homes," but not to add, "Built by Acme Homes—premiere builder of quality homes."
- d. Open House information is restricted to the designated fields, not in public remarks.
- e. Buyer incentives are acceptable when they are from the seller, relate specifically to the property, and can be on the HUD statement.

Acceptable: Seller will pay \$3,000 closing costs. Price Reduced by \$15,000.

Unacceptable: Free Plasma TV. Seller will give trip to Mexico. \$500 Gift Card.

- 9. Upload only appropriate Photos:** Photos must accurately depict the property for sale. The rules prohibit any inappropriate photo, including:
- a. Any photo that does not depict the property for sale or its vicinity (for example, the house next door, a different condo, a model, empty lot, etc.).
 - b. Photos that have been digitally altered in a manner that does not accurately reflect the property and its surroundings (removing power lines or a water tower, adding a lake front, etc. O.K. to remove a non-permanent structure).
 - c. Company logos or cartoons.
 - d. Photos of an obscene nature.
- 10. Do not copy photos from the listing of another Participant:** RMLS protects the copyright of a photo on behalf of the listing broker. Only use another agent's photo with written permission.
- 11. Keep your NorthstarMLS ID and password private:** Access to the MLS is one of the things that makes you valuable to your customers. Do not share your password with anyone, including colleagues, assistants, customers, friends and family. Be on guard for third party companies that attempt to use your access (if you are contacted for this purpose, inform RMLS).

12. Use MLS data within rule guides: Rules 10 and 11 specify **authorized** uses of MLS data. If a particular use of data is not specified there, then it is likely not authorized. You may use the data to generate reports for prospective buyers, CMAs prepared for a particular property and particular person, or generate statistics to demonstrate market share or to compare firms.

The data may not be used to compare the performance of individual agents, to market or send any service solicitation (such as a list of Pending listings to a moving company to generate business), to send **unsolicited** data (usually mass mailings) on any properties not in “Sold” status for which you are not the Listing Agent, or to send **unsolicited** data (mass mailings) on any properties in “Sold” status that do not comply with the Sold Listing Data policy.

13. Access a listed property only with authorization: Access to a property must be arranged with the listing broker *even if the property is vacant*. Do not provide property access to anyone else without specific permission from the listing broker. If a mistake occurs, contact the Listing Agent immediately to let them know what happened. Respecting privacy and security is an important professional responsibility.

14. Commission offered in the MLS must be either a percentage of the gross sales price or a flat dollar amount: RMLS requires that the MLS offer of commission be based only on a percentage of gross sales price or flat dollar amount. Common violations include statements such as, “Commission not paid on seller concessions,” and “Commission based on net.” There is nothing to prevent these kinds of changes being negotiated outside of the MLS. However, the listing broker may not **require** (through statement on the MLS) the cooperating broker to accept a different commission rate. A clear, unconditional offer of compensation is essential to preserving the contract relationship between brokers that is created by participation in the MLS.

Administration of RMLS Rules

How are MLS violations identified? Violations may be reported to the RMLS by Participants, staff, or consumers. Violations are also identified electronically. RMLS allows anonymous reports and focuses on providing accurate, timely data rather than who reports the violation.

Why does RMLS send Notifications to the broker and not to the agent? The broker is the MLS Participant. The broker is responsible for any violation and ensuring that corrections are made. Each broker determines whether the office or the agent pays a fine.

How much time is given to pay the fine? A fine must be paid within 30 days or an additional fine will be assessed. Failure to pay fines may result in the suspension of MLS services for the entire office.

What if I disagree with a fine and want to contest it? If you believe that a violation did not occur, you may request an MLS Compliance Hearing. The process is described in the MLS Rules and Regulations Compliance Guidelines.

Who creates the rules? The rules are approved by the RMLS Board of Governors upon recommendation by the Rules & Regulations Committee (with input from users, advisory committees, legal counsel, and the National Association of REALTORS®). The RMLS staff role is to interpret, educate and consistently enforce.

Fine Amounts

Over 96% of compliance notices result in either no fine or a fine that is waived. The table below lists violations and the fine assessed. Repeat violations result in higher fines. Correction deadlines include weekends but exclude state/federal holidays.

<u>Rules Violation</u>	<u>Fine</u>
<ul style="list-style-type: none"> • Incorrect or Missing Data • Entering a listing as “Active” that is not available for showing 	a. First offense - Notice to Correct within 48 hours (no fine with notice) b. \$100 fine if not corrected within 48 hours, escalating every 48 hours not corrected
<ul style="list-style-type: none"> • Promotional or any contact information in a Public Field • Uploading an inappropriate photo to a listing • Not entering a status change within 2 business of the change 	a. \$100 fine and 48 hours to correct b. Escalating fine every 48 hours not corrected
<ul style="list-style-type: none"> • Not entering a listing (or entering a Certification to Withhold) within 2 business of the contract effective date 	a. \$25 per day late, first offense
<ul style="list-style-type: none"> • Not entering a photo within 2 business days 	a. \$25 administrative fee b. \$100 fine added every additional 48 hours photo is not loaded
<ul style="list-style-type: none"> • Unauthorized dissemination of password • Unauthorized use of MLS data • Unauthorized access to listed property or dissemination of property access information • Entering a listing without valid listing contract. 	a. Automatic \$1000 fine for first offense. b. Fine doubles for subsequent offenses.

Using MLS Data in Advertisements

The rule regarding use of MLS data in advertisements protects the data submitted by participants as well as the MLS compilations. Improper display of MLS data is a serious violation and subject to a \$1,000 fine. It is important to understand this rule as you create advertisements, including postcards, fliers, newsletters, and broadcast emails.

Requested Information or Unsolicited Advertisements? If a client or potential client asks you to provide information, such as a CMA, you are not bound by the data reproduction rules (Rule 11). If you are advertising or sending unsolicited information, you are bound by Rule 11. Sending a monthly newsletter to someone does not make that person a client. If that individual contacts you and asks for updates, he/she is considered a client under Rule 11. (The Commerce Department may require a signed agency disclosure at a first substantive contact.) Asking an individual their name and email would probably qualify as a first substantive contact (consult your broker).

Data Aggregation: Your ads may provide a statistical summary (number of homes sold over the past year, average sale price). Those are acceptable with this disclosure: *Based on information from the REGIONAL MULTIPLE LISTING SERVICE OF MINNESOTA, INC. for the period (date) through (date)*. If you include information from specific listings, the display requirements increase, as described below.

Specific Listings: If you were the listing agent, you may use your listing information without MLS limitation. If you display MLS data from another agent's listing, you must have the permission of the listing agent or broker. Being an MLS subscriber does not provide permission to use another agent's MLS listing information or photos in advertisements. The selling agent may use public data fields such as address and sale price in ads, but must get the listing broker or agent permission to use the MLS photo.

How To Use MLS Sold Data In Compliance with the Rules:

1. You may include a reasonable number of MLS **Sold or Comp Sold** listings from the MLS. You may not use listings from any other status (Active, Pending, etc.).
2. For each listing where you are not the listing agent, you must **include the listing office name** in 10-point font minimum. This protects the participant's data and ensures compliance with Commerce Department regulations.
3. You may provide the data in verbal, printed or email communications. Display of the data in any other manner, including a **Web site**, is not permitted under this policy. Displays on Web sites are bound by the rules of Broker Reciprocity.
4. You may only use the **data fields** specified in the Sold Listing Data Policy (www.NorthstarMLS.com). You must include the **disclosure** (per the Sold Listing Data Policy) in at least 10-point font on every page containing Sold or Comp Sold listing data.
5. The listings **may not be co-mingled** with property data obtained from other sources. If you wish to include other data, it must be separated from the data pulled from the MLS, and it must carry its own disclosure.






Example: This advertisement is not in compliance with the rules. The violations are noted.

Sold Property Report
Welch, Minnesota
Single Family Residential Properties Sold
 November 1, 2002 through April 30, 2003

Rita May
REALTOR



Here are some of the homes sold recently in your area:

1	Property Address	Year Built	Beds	Baths Total	Style	Finished Sq Feet	Acres	2 List Price	Sold Price	Days On Market	3
	14323 Hwy 61 Blvd	1890	5	1	Two Story	2080	4.27	\$170,000	\$170,000	22	4 Prudential Metro Wide Realty
	20220 Rowan Ave	1992	4	2	Split Entry, Bi-Level	1824	4.96	\$265,000	\$220,000	45	5
	20430 Rhonda Avenue	1975	4	3	One Story	3380	5	\$268,000	\$275,000	13	5
	25044 Cty Rd. 7	1986	3	2	One Story	1440	3.75	\$184,500	\$184,500	32	5
	30505 148th Ave	1910	3	1	Two Story	2616	10	\$208,000	\$215,000	9	4 Star Realty

I have been a real estate professional for
 In my experience I have
 If you are thinking of

Rita May
999-999-9999

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This example is in violation in six areas and would result in a \$1,000 fine:

- Property photos from the MLS are included. The photos in NorthstarMLS are the property of RMLS and are not available from public records. They are therefore not specified as allowed in the Sold Listing Data Policy.
- The List Price data field is included. List Price is not available from public records and therefore not allowed. All allowable fields are specified in the Sold Listing Data Policy.
- The Days on Market data field is included. Days on Market is not available from public records and therefore not allowed. All allowable fields are specified in the Sold Listing Data Policy.
- For the listings where the Listing Office Name was included, the font is 6-point and therefore too small. The font must be at least 10-point to ensure readability.
- Several listings do not have the Listing Office Name displayed. It must be displayed in at least 10-point font.
- The last sentence of the disclosure is missing and therefore not complete. Also, it is in 7-point font. It must be at least 10-point to ensure readability. The full disclosure is specified in the Sold Listing Data policy.



What is a Comp Sold? If you represent the buyer in a transaction and the property was not listed on NorthstarMLS, you may (with the buyer's written permission) record the sale on NorthstarMLS as a Comp Sold. A Comp Sold is a property sold by an MLS participant when the property was not available for sale on NorthstarMLS. A Comp Sold will never have a listing agent as there was no listing contract under NorthstarMLS.

A Comp Sold never has Active status on NorthstarMLS, so it does not accumulated MLS Market Time and is not listed with an MLS Subscriber. It cannot be entered as an actual listing and then changed to sold. Doing so would create Market Time and incorrectly list the buyer's agent as the seller's representative.



Maintaining a public Website

NorthstarMLS participants may, with broker approval, display listing data on a web site through the Broker Reciprocity data sharing agreement. Rule 12 governs how the data may be displayed.

- **BROKER'S LOGO ON EVERY PAGE:** A BR site must prominently display the name/logo of the responsible broker.
- **RMLS – APPROVED ICON:** The BR logo must appear on the first page where any listing data is displayed with a disclosure that the properties are provided courtesy of the Regional MLS of Minnesota, Inc., Broker Reciprocity Database.  or 
- **REQUIRED DISCLOSURES:**
 - "Information Deemed Reliable But Not Guaranteed"
 - "Copyright 2015 (year) Regional Multiple Listing Service of Minnesota, Inc. All rights reserved" or "© 2015 (year) Regional Multiple Listing Service of Minnesota, Inc. All rights reserved."
 - See BR Information guide regarding Digital Millennium Copyright Act requirement for notifications (who to notify if any photos violate a copyright).
- **REQUIREMENT OF THUMBNAIL DISPLAY VS. DETAILED DISPLAY:** Any data in a brief or "thumbnail" display (2 horizontal lines of data or less), must include the BR logo. A detailed display (more than 2 horizontal lines of data) must include the listing broker's name, the BR logo, and the RMLS copyright notice. No site branding may appear within the body of another broker's data.
- **USE OF TERM MLS:** Site may not imply that it is an MLS or that the public may search the MLS.
- **END-USER LICENSE AGREEMENT:** Site must require the consumer to assent to the terms of the End-User License Agreement (EULA). A copy is available at www.northstarmls.com/forms/EULA.doc.

For more information contact the Rules Department at 651-251-3210 or the Help Desk at 651-251-5456 or help@northstarmls.com