



# New Data Integrity Policy August 1, 2021 Implementation & Enforcement

WHO: ALL Subscribers & Participants of realMLS

**WHAT:** Rules & Policies Enforcement

Updated Penalties, Violations & Fines

**Due Process** 

Coming Soon Status - Rules, Forms and Penalties

WHEN: ALL Beginning August 1, 2021

#### WHY & HOW:

#### **RULES & POLICY ENFORCEMENT**

realMLS strives to provide the **cleanest and most comprehensive listing data** to keep you and your clients "In The Know\(^\mu\)". We do so by enforcing realMLS Rules & Regulations and realMLS Policy Manual.

Working together we will advance a healthy marketplace, for you our members, and your clients,

The MLS must provide ALL people EQUAL access to ALL listings.

Our nation is experiencing unprecedented tight inventory which is causing increased disruption to our marketplace. We are enhancing our efforts to enforce realMLS rules and policies. It is a membership duty to learn, understand and abide by <u>realMLS Rules & Regulations</u> and <u>realMLS Policy Manual</u>.

#### **UPDATED PENALTIES, VIOLATIONS & FINES**

The PENALTIES & VIOLATIONS section (Appendix A) of the <u>realMLS Policy Manual</u> has been updated. Here you will find details about the different types of penalties:

Citation Violations: Can be corrected within 24 hours of the notification without incurring a fine.

Major Violations: Cannot be corrected due to the nature of the violation OR are particularly damaging.

A FINE SCHEDULE and VIOLATION EXAMPLES are also found in the PENALTIES & VIOLATIONS section (Appendix A) of the <u>realMLS Policy Manual</u>.

\*\*\*IMPORTANT: ALL FINES will be assessed and upheld. Membership and Help Desk Staff does not have authority to waive a FINE. See below for the NEW PROCESS to request a Fine Waiver.

#### **DUE PROCESS**

Members will have the right to request a waiver of a fine and to request a hearing if such waiver request is denied.

Please see the PENALTIES & VIOLATIONS section (Appendix A) of the <u>realMLS Policy Manual</u> for details and forms on applicable due process.



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#### **DUE PROCESS (cont.)**

\*\*\*IMPORTANT: realMLS is donating ALL FINES to <u>NEFAR CHARITABLE FOUNDATION</u>. Upholding realMLS Rules & Policies is **NOT** about increasing MLS revenue. Rather, it is about providing the **cleanest** and most comprehensive listing data to advance a healthy marketplace.

#### **COMING SOON STATUS – RULES, FORMS AND PENALTIES**

Significant compliance issues continue to plague the Coming Soon status. The choice to use the Coming Soon status must be accompanied by a clear understanding of the Coming Soon rules.

If a listing is submitted into the "Coming Soon" status in realMLS, the "Coming Soon Listing Addendum" is REQUIRED to be signed by the Seller(s), the Listing Agent, and the Listing Broker. Please note, the following language is contained in the "Coming Soon Listing Addendum" and will soon include initial boxes for all to acknowledge.

SELLER understands and agrees the property **CANNOT BE SHOWN** and furthermore authorizes Broker to **WITHHOLD ALL OFFERS** to purchase until the listing is placed in Active Status in NEFMLS.

The intent of this policy and statement of understanding is to ensure access to ALL listings by ALL people.

Buyer's Agents, and their buyers, who abide by the Coming Soon status rules and do not ask for showings and do not submit offers are being damaged by those ignoring these policies. **An increased Fine Schedule for Coming Soon violations (showing and/or presenting/accepting offers) has been adopted and enforcement begins August 1, 2021**:

- -\$1,000 for 1st violation
- -%1 of purchase price (up to \$15,000) for 2<sup>nd</sup> violation and any subsequent violations

Allowing continued violation of this policy disrupts our healthy marketplace, erodes the professionalism of our members with the public and contributes to the degradation of the MLS. If the "No Showings, No Offers" prohibitions of the Coming Soon status are not realistic, either submit the listing to Active status or consider using the "SELLER'S WAIVER OF MLS ENTRY" Addendum and take the listing as an Office Exclusive. Making sure the seller understands the rules surrounding use of the Coming Soon status is the responsibility of the Listing Agent and Listing Broker.

#### **SUMMARY**

realMLS is best described as a **broker cooperative** which is the envy of the world when it comes to organized real estate. Members of the broker cooperative agree to cooperate with fellow members to find buyers for listings AND to abide by the MLS rules and policies.

The rules and policies of realMLS will be enforced equally to advance a healthy marketplace, increase professionalism among our members and ensure equal access to ALL listings by ALL people.

# realMLS Data Integrity Q & A July 1, 2021



#### Q. What is the Data Integrity Policy?

A. The Data Integrity Policy is comprehensive MLS compliance governance so realMLS provides the **cleanest and most comprehensive listing data** on which our Participants and Subscribers, and their clients, can rely. It supports realMLS in enforcing the Rules & Regulations and Policy Manual while allowing members a fair process.

#### Q. Why do we need a Data Integrity Policy?

A. MLS compliance issues continue to disrupt our marketplace creating unequal opportunity and access to available properties, especially during this time of tight inventory. The MLS must adopt governance which provides **ALL** people **EQUAL** access to **ALL** listings. Inaccurate, incomplete, and late data cause harm to our profession, our members, and their clients.

#### Q. When does the Data Integrity Policy go into effect?

A. The entire month of July, 2021 is focusing on education and understanding of this policy. The policy will begin to be enforced on **August 1, 2021**. Fines will be posted to member accounts beginning August 16, 2021.

#### Q. What are some things I can do to not be fined?

- A. 1) Familiarize yourself with the MLS Rules & Regulations and MLS Policy Manual.
  - 2) Providing ACCURATE, COMPLETE and TIMELY MLS Data.
  - 3) Correct MLS Data within 24 hours of the MLS issuing you a Citation Violation.
  - 4) Submit ALL Listings to the MLS within 24 hours of an effective Listing Agreement.
  - 5) Make ALL changes, including price and status changes, within 24 hours of obtaining signatures.
  - 6) DO NOT SHOW and DO NOT PRESENT OR ACCEPT OFFERS on Listings in the Coming Soon status.
  - 7) DO NOT delay showings for listings in Active status.
  - 8) DO NOT place Listing Agent, Listing Company or contact information in Public Remarks or on photos/virtual tours.
  - 9) If your seller initially signs a Seller's Waiver of Entry into MLS addendum and then public marketing of the listing occurs, submit the listing to MLS within 24 hours.
  - 10) Do NOT share your login credentials with anyone...ever!

Please Note: This Q & A is provided to assist in education efforts only. Reference the most recent versions of realMLS Rules & Regulations and realMLS Policy Manual for current governance.

# realMLS Data Integrity Q & A July 1, 2021



# Q. What can I do to help champion this Data Integrity Policy to increase professionalism in our industry?

A. Click on the "Report Error" button report Error in the upper right corner of the Listing Detail screen. You will remain in anonymity and your identity will NOT be shared with anyone. Remember, the MLS is a self-policing organization. If our members do not flag errors, they will likely go uncorrected and threaten the integrity of the data.

OR Email <u>DataIntegrity@realmls.com</u> to report issues needing attention, requiring documentation specific to the violation, or those discovered while not working in the MLS system.

Also, if you are a managing broker/owner, make sure your agents are familiar with MLS rules and policy. realMLS offers online classes specific to these topics.

## Q. What if my client directs me to break the rules? Don't I have a duty to them as my client?

A. Explain to them you are a member of a broker cooperative called realMLS and as a member you have agreed to follow the rules and cooperate with fellow MLS members to find buyers for all MLS listings. This spirit of cooperation must come first for the MLS and our members to champion fair housing and advance a healthy marketplace. The MLS keeps everyone "In The Know™". MLS members, sellers, and buyers ALL benefit from the MLS and the rules which make it a reliable source on which major financial decisions are made.

#### Q. If I am issued a fine, what are my options?

A. Please reference the <u>Data Integrity Toolkit</u> for visual aids in understanding the different types of fines and a flowchart showing all options dependent on the type of fine issued. Appendix A of the realMLS Policy Manual is the governing document specific to violations and fine structure.

#### Q. Is this Data Integrity Policy a way for the MLS to increase non-dues revenue?

A. No. All **FINES COLLECTED** will be donated to the NEFAR Charitable Foundation.

Please Note: This Q & A is provided to assist in education efforts only. Reference the most recent versions of realMLS Rules & Regulations and realMLS Policy Manual for current governance.



**CITATION**VIOLATION

\$50

INCOMPLETE or INACCURATE DATA (correctable)

Violation of complete and accurate data. Violation must be corrected within 24 hours of notice to avoid fine. If fine is assessed, must be paid within 10 days or fine will be doubled

MAJOR VIOLATION

\$200

INCOMPLETE, INACCURATE DATA, and/or MISTIMED (uncorrectable)

Violation of timely, complete and accurate data. Due to their nature, Major Violations cannot be corrected and results in a fine. Fine must be paid within 10 days or fine will be doubled.

**COMING SOON** 

**VIOLATION** 

\$1000

ABUSE OF COMING SOON STATUS

Violation of the rules of the Coming Soon status. Including but not limited to presenting/accepting offers while in Coming Soon status. Violation will result in an automatic \$1000 fine for 1st offense and 1% of sale price for 2nd and subsequent offenses (not to exceed \$15,000).

**ACCESS** VIOLATION

\$1000

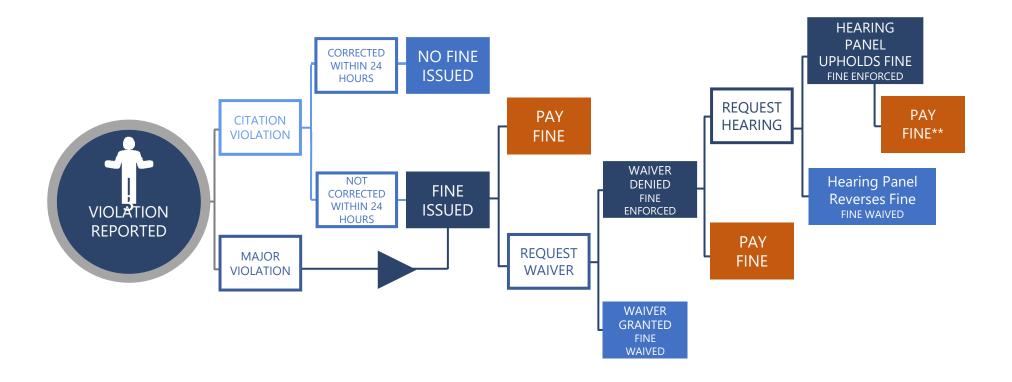
SHARING PASSWORD & UNAUTHORIZED ACCESS

Violation of sharing realMLS credentials/unauthorized access. To protect the integrity of MLS data and the investment members have in realMLS, sharing login credentials or enabling unauthorized access to realMLS is considered a serious violation and will result in an automatic fine.

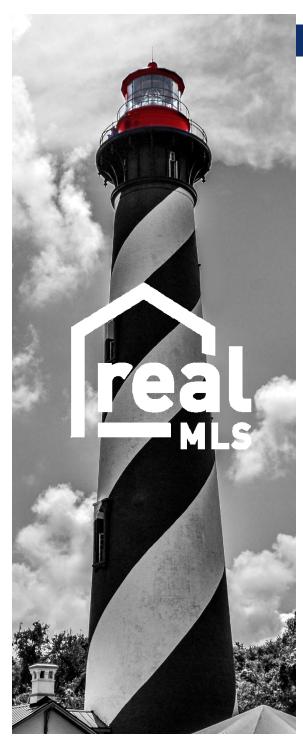
\*\*All fines collected will be donated to NEFAR Charitable Foundation\*\*







<sup>\*\*</sup>All decisions of Hearing Panel are FINAL. If procedural deficiencies or lack of procedural due process may have deprived a Participant or Subscriber of the opportunity for a full and fair hearing, a procedural review may be requested.



## Rules and Regulations at a Glance



## 3 Violations with Highest Fine

- Sharing your Name and Password with another person. \$1000
- **2. Showing a Coming Soon listing**-Listing must be in Active to show (see definition of a showing)
- 3. Presenting an offer while in a Coming Soon Status-Listing must be in Active status to present and/or accept a Purchase and Sale Agreement

IMPORTANT: Coming Soon Violations (2 & 3 above): First offense **\$100**, second offense **1% of Sales Price** (not to exceed \$15,000)



## **Definition of a Showing**

Showings include either of the following:

**Physical, on site viewing** of the listed property by potential buyers with a cooperating broker and/or;

**Virtual showing** (which could mean live or pre-recorded video of listed property), during which the listing broker or buyer agent is available to answer any questions that a cooperating broker or prospective buyer may have about the property".



### **Clear Cooperation**

Within 1 business day of marketing a property to the public, the listing broker must submit the listing to the MLS (Coming Soon or Active) for cooperation with other MLS participants. Public marketing includes, but is not limited to, 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, and applications available to the general public.



### **Frequent Violations**

**All listings must be entered within 24 hours** of the Effective Date or Signature Date on the Listing Agreement whoever is later.

If the seller does not want their property in the MLS, a **Seller's Waiver of Entry Into MLS** addendum must be sent to realMLS. (Be sure you understand Clear Cooperation)

**No Security Codes** in Public or Private Remarks

If a listing is in Active status it must be available to be shown or it must be changed to a Withdrawn Status-no future dates for showings permitted

**Status changes** must be completed within 24 hours of signature

Listings may not be entered for non-realMLS members

Do not add a listing if a previous listing is still in an Active, Withdrawn, or Pending status. The previous listing must be either Expired or Sold to be in compliance.

Only marketing statements about the property is permitted in Public Remarks. (Be sure to double check all Remarks for Fair Housing violations)

**No contact information** in Public Remarks or in Photos or Unbranded Virtual Tours.

Altering data, deleting photos/documents could be a violation of the realMLS' copyright for the compilation of the MLS database.

For a complete list of all rules and regulations please visit www.realMLS.com