# Central Hill Country Board of REALTORS® MLS Clear Cooperation Policy Effective May 1, 2020

On February 27, 2020, the CHCBR MLS Board of Directors voted to implement NAR MLS Statement 8.0, otherwise known as the "Clear Cooperation Policy," effective Friday, May 1. This policy applies to ALL Residential\*\*\* listings.

CHCBR MLS is in the process of updating our MLS Rules. We will be implementing the changes listed below:

#### Section 1.01 Clear Cooperation

Within one (1) business day of marketing a residential\*\*\* property to the public, the listing broker must submit the listing to the MLS 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. (Adopted 11/19)

Note: Exclusive listing information for required property types must be filed and distributed to other MLS Participants for cooperation under the Clear Cooperation Policy. This applies to listings filed under Section 1 and listings exempt from distribution under Section 1.3 of the NAR model MLS rules, and any other situation where the listing broker is publicly marketing an exclusive listing that is required to be filed with the service and is not currently available to other MLS Participants.

All participants and subscribers of the CHCBR MLS are required to enter all residential\*\*\* listings within CHCBR's jurisdiction (**Gillespie**, **Blanco**, **Mason**, **and Kimble Counties**), into the CHCBR MLS. Office Exclusive listings are exempt. If an Office Exclusive listing is publicly marketed\* the listing broker/agent must enter the listing into the CHCBR MLS within one (1) business day.

\*\*\*Residential is defined as any property with a dwelling (main improvement) whose Appraisal District main improvement value is greater than or equal to 50% of the total Appraisal District value\*\*. If Appraisal District main improvement value >/= Appraisal District total property value\*\*, a listing is deemed Residential." \*\*property value without exemptions

#### Section 1.3 Exempt Listings

If the seller refuses to permit the listing to be disseminated by the service, the participant may then take the listing (office exclusive) and such listing shall be filed with the service but not disseminated to the participants. Filing of the listing should be accompanied by certification signed by the seller that he does not desire the listing to be disseminated by the service.

Note: MLS Participants must distribute exempt listings within (1) one business day once the listing is publicly marketed. See Section 1.01, Clear Cooperation.

#### FREQUENTLY ASKED QUESTIONS

# Q: What is considered "public marketing"?

A: Public marketing is considered any advertising intended to draw attention to your listing from other agents outside of your office, as well as any consumers/the general public. This includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public-facing websites (including social media 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.

#### Q: Am I allowed to advertise my listing outside of the MLS?

A: Yes. But if your listing is publicly advertised outside of the MLS and is not also in the MLS at that time, then your listing will need to be entered into the MLS within one business day.

# Q: What property types does this policy apply to?

A: This policy will only apply to property types designated as Residential.

#### Q: How did the Clear Cooperation Policy come about? Why did CHCBR MLS adopt it?

A: The National Association of REALTORS® (NAR) Board of Directors passed the Clear Cooperation Policy in November in order to reinforce and affirm the value of the MLS, combating growing industry concerns over off-MLS listings and reinvigorating cooperation between brokers. Cooperation among all REALTORS® is a foundational element of the MLS and has served our industry for over a century, with the MLS fueling that cooperation. All MLSs operating in relationship with NAR, including the CHCBR MLS, are required to adopt and implement the policy no later than May 1. Implementing this policy is a requirement of our MLS and directly relates to our ability to maintain our Association as a chartered association under NAR.

# Q: Does this rule prohibit "Office Exclusives"?

A: No. "Office exclusive" listings are an option for sellers concerned about privacy and wide exposure of their property being for sale. In an office exclusive listing, direct promotion of the listing between the brokers and licensees affiliated with the listing brokerage, and one-to-one promotion between these licensees and their clients, is not considered public advertising.

### Q: What if my listing is "coming soon"? Can I put a yard sign out?

Placing a yard sign in front of your listing counts as public marketing and would trigger the one business day clock. If your listing is not yet ready to be on the market, then the sign would need to be removed.

# Q: What are my options if I sign the listing agreement, but the property isn't ready to show for another two weeks?

A: As long as the property is not advertised outside of your office, you do not yet need to put the listing into the MLS. The same listing agreement rules that have previously applied still apply, which requires submission of a listing to the MLS within 48 hours of executing the contract, unless a listing date addendum is used. Use of the "Coming Soon" status would be appropriate in this situation.

### Q: What if my client wants to withhold the listing from the MLS?

A: Sellers are still allowed to not advertise their home for sale to cooperating Participants through the MLS. However, CHCBR MLS may request documentation signed by the seller, which will acknowledge that no public marketing is allowed by anyone, including the homeowner(s). If the property is publicly advertised, regardless of any submitted documentation, then it will need to also be submitted to the CHCBR MLS to avoid a violation.

#### Q: What will happen if I am in violation of the policy?

A: Violations of the policy will result in notifications educating the Participant and Subscriber on the value of MLS cooperation. At this time, education will be the only enforcement of the Clear Cooperation Policy.

"Education" means that when CHCBR MLS staff is notified of a listing broker and agent not in conformance with the Clear Cooperation Policy, staff will send a notice that educates the listing broker and agent about the value of cooperation between brokerages within the MLS. At this time, CHCBR MLS will not take any other actions against agents who are not in conformance with this policy.

We're taking this approach to support an important policy for our market but doing so without disrupting your business. As always, the Board will monitor the effectiveness of this policy. We want to make clear that if the Board decides to change this policy and take any further enforcement efforts, subscribers will be given a 90-day notice before such change in enforcement takes place.

Our focus has always been, and continues to be, maintaining an orderly marketplace through the most accurate, comprehensive, and timely data in our area. Through education of the Clear Cooperation

Policy, we can ensure that shared cooperation among all brokers strengthens our marketplace for years to come. And we thank you for valuing that cooperation with us.

# Q: What will be the fine if I don't put the listing in the MLS within one business day of advertising it outside of my brokerage?

A: CHCBR and CHCBR MLS are taking an education-first approach to reinvigorate cooperation between brokerages. There will be no immediate fines issued for non-compliance, but this is subject to change as this rule evolves in our market. This "education first, enforcement second" approach on the value of MLS cooperation is consistent with how we enforce other MLS policies.