



**METROLIST<sup>®</sup>**

# **Multiple Listing Service**

Rules & Regulations



TABLE OF CONTENTS

Section 1.0 Listing Procedures:..... 7

Section 1.1 Types of Properties: ..... 7

Section 1.2 Listings Subject to the MLS Rules & Regulations: ..... 7

Section 1.3 Availability of Listed Property: ..... 7

Section 1.4 Exempted Listings:..... 7

Section 1.4.1 MLS Exempted Listings:..... 7

Section 1.4.2 Internet Exempted Listings:..... 7

Section 1.5 Listing Period:..... 7

Section 1.6 Detail on Listings Filed with the MLS: ..... 8

Section 1.7 Limited Service Listings:..... 8

Section 1.8 MLS Entry Only Listings: ..... 8

Section 1.9 Reporting Status Changes to the MLS:..... 8

Section 1.10 Reporting Changes to Listing Information: ..... 8

Section 1.11 Withdrawal of Listing Prior to Expiration:..... 8

Section 1.12 Contingencies Applicable to Listings:..... 9

Section 1.12.0 Resale Restrictions Applicable to Listings:..... 9

Section 1.12.1 Possibility of a Short Sale:..... 9

Section 1.13 Listing Price Specified: ..... 9

Section 1.14 Expiration, Extension and Renewal of Listings: ..... 9

Section 1.15 Termination (Expiration) Date on Listings: ..... 9

Section 1.16 Parcel Identification Number (PIN):..... 9

Section 1.17 Public Remarks: ..... 9

Section 1.17.1 Broker Remarks: ..... 9

Section 1.18 Listing Photographs:..... 9

Section 1.19 Square Footage Specified:..... 10

Section 1.20 Jurisdiction: Firms: ..... 10

Section 1.21 Fair Housing:..... 10

Section 1.22 Listings of Suspended Member:..... 10

Section 1.23 Listings of Expelled Member: ..... 10

Section 1.24 Listings of Resigned Participants: ..... 11

Section 1.25 Reinstatement of Terminated, Expelled and Resigned Participants: ..... 11

Section 1.26 Participation:..... 11

Section 1.27 Licensee Identification:..... 11

Section 1.28 Change of Address or Affiliation:..... 11

Section 2.0 Showings and Negotiations:..... 11

Section 2.1 Presentation of Offers: ..... 12

Section 2.2 Submission of Written Offers and Counter-Offers:..... 12

Section 2.3 Right of Cooperating Broker in Presentation of Offer:..... 12

Section 2.4 Right of Listing Broker in Presentation of Counter-Offers: ..... 12

Section 2.5 Reporting Resolution of Contingencies: ..... 12

Section 2.6 Reporting Canceled Contracts: ..... 12

Section 2.7 Under Contract and Under Contract Still Accepting Offers: ..... 12

Section 2.8 Pending Still Accepting Offers:..... 12

Section 2.9 Reporting Sales to the MLS: ..... 12

Section 2.10 Entry of Sold Listings:..... 13

Section 3.0 Information for Members Only:..... 13

Section 3.1 For Sale Signs:..... 13

Section 3.2 Sold Signs: ..... 13

Section 3.3 Solicitation of a Listing Filed with the MLS: ..... 13

Section 3.4 Use of MLS in Participant Name and Web Address:.....	13
Section 4.0 Orientation:.....	14
Section 5.0 Use of Lockboxes:.....	14
Section 6.0 Compensation Specified on Each Listing:.....	14
Section 6.1 No Control of Commission Rates or Fees Charged to Participants: .....	16
Section 6.2 Member as Owner/Seller:.....	16
Section 6.3 Member as Purchaser:.....	16
Section 6.4 Dual or Variable Rate Commission Arrangements:.....	16
Section 7.0 Assessment of MLS Fees: .....	16
Section 8.0 Applicability of Rules to Members: .....	17
Section 8.1 Enforcement of MLS Rules: .....	17
Section 8.2 Review of an Imposed Sanction:.....	18
Section 8.3 Review of a Decision or Interpretation of the Rules: .....	19
Section 9.0 Confidentiality of MLS Information: .....	19
Section 9.1 Metrolist® and the Associations of REALTORS® are not Responsible for the Accuracy of Information: .....	19
Section 10.0 Authorization of Seller: .....	19
Section 10.1 Right, Title and Interest: .....	20
Section 10.2 Entitlement to MLS Compilations: .....	20
Section 10.3 Editorial Control:.....	20
Section 10.4 Change in Metrolist® Products and Services:.....	20
Section 11.0 Distribution: .....	20
Section 11.1 Display:.....	20
Section 11.2 Reproduction: .....	20
Section 12.0 Limitations on Use of MLS Information: .....	21
Section 12.1 Advertising of Listings Filed with the MLS:.....	21
Section 12.2 Use of MLS Logo in Advertising:.....	21
Section 12.3 Shared Listings between Multiple Listing Services: .....	22
Section 12.4 Downloading Restrictions:.....	22
Section 12.5 Proper Use of MLS-Obtained E-mail Addresses:.....	22
Section 13.0 Changes in MLS Rules & Regulations: .....	22
Section 14.0 Arbitration of Disputes: .....	22
Section 15.0 IDX Defined: .....	23
Section 15.1 Internet Advertising of Listings Filed with the MLS:.....	23
Section 15.2 Authorization: .....	23
Section 15.3 Participation:.....	23
Section 15.4 Termination: .....	25
Section 15.5 Display:.....	25
Section 15.6 Violations Relative to Internet Display of Listings:.....	26
Section 15.7 Review of IDX Sanctions:.....	26
Section 15.8 Review of IDX Database Suspension/Termination: .....	27
Section 16.0 (a):.....	27
Section 17.0 Standards of Conduct for MLS Participants: .....	31
Glossary: .....	34

## **Metrolist® Board of Directors**

The Board of Directors is comprised of 16 REALTORS® who were elected to ensure that Metrolist® operates within established policy governance guidelines. The six Shareholder REALTOR® Associations each appoint two directors to serve a three-year term; Mountain Metro Association of REALTORS® appoints two directors to serve a one-year term; the current Real Trends top performing brokers elect two directors to serve a one-year term.

## **MLS Rules & Regulations Committee**

The MLS Rules & Regulations Committee reviews current issues that affect existing MLS rules and makes recommendations for new rules as necessary. Once the committee formulates a recommendation, it is submitted to the Board of Directors for review. The committee serves as an objective body to address compliance issues and craft policies that support cooperation and ensure reliable, accurate listing content.

## **Metrolist® Compliance Department**

The Board of Directors grants the Compliance Department the authority to administratively consider violations of the MLS Rules & Regulations. The Compliance Department researches the details of alleged violations, monitors listing content, notifies the MLS Rules & Regulations Committee of all policy recommendations from NAR and conducts the Non-Association Member Orientation. The Compliance Department is dedicated to ensuring the accuracy and security of MLS listing content and improving the understanding of the MLS Rules & Regulations.

## **Reporting Violations**

The Compliance Department relies heavily on Member support to maintain accurate MLS listing content. Reported violations must be submitted in writing via e-mail, mail or fax. Members may also report a violation online by clicking one of the red exclamation mark icons located in PrimeAccess™. The red exclamation marks appear next to the Status, Square Feet, List and Public Remarks Fields and will open an e-mail message auto-populated with the potential violation information.

### **Preface**

Metrolist®, Inc. maintains rules and regulations to ensure that the offer of cooperation and compensation is extended to all Participants and that the sharing of listings among brokers is centralized and standardized. The process for maintaining the MLS Rules & Regulations involves the cooperative efforts of the Metrolist® Board of Directors, the MLS Rules & Regulations Committee and the Metrolist® Compliance Department. The terms “Metrolist®, Inc.,” “Metrolist®” and “MLS” are used interchangeably throughout this document.

### **Multiple Listing Service**

- A facility for the orderly correlation and dissemination of listing information so Participants may better serve their clients and the public
- A means by which authorized Participants make blanket unilateral offers of compensation to other Participants
- A means by which cooperation among brokers is enhanced
- A means by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses and other valuations of real property for bona fide clients and Participants
- A means by which Participants engaging in real estate appraisal contribute to common databases  
(Entitlement to compensation is determined by the cooperating broker’s performance as a procuring cause of the sale or lease.)

**Participant:** Any REALTOR® of this or any other Board who is a principal, partner, corporate officer, or branch office manager acting on behalf of a principal, without further qualification, except as otherwise stipulated in these rules, shall be eligible to participate in Multiple Listing upon agreeing in writing to conform to the rules and regulations thereof and to pay the costs of incidental thereto. However, under no circumstances is any individual or firm, regardless of membership status, entitled to Multiple Listing Service “membership” or “participation” unless they hold a current, valid real estate broker’s license and offer or accept compensation to and from other Participants or are licensed or certified by an appropriate state regulatory agency to engage in the appraisal of real property. Use of information developed by or published by a Board Multiple Listing Service is strictly limited to the activities authorized under a Participant’s licensure(s) or certification and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey “participation” or “membership” or any right of access to information developed by or published by a board Multiple Listing Service where access to such information is prohibited by law.

Note: Mere possession of a broker’s license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm ‘offers or accepts cooperation and compensation’ means that the Participant actively endeavors during the operation of its real estate business to list real property of the type listed on the MLS and/or to accept offers of cooperation and compensation made by listing brokers or agents in the MLS. “Actively” means on a continual and on-going basis during the operation of the Participant’s real estate business. The “actively” requirement is not intended to preclude MLS participation by a Participant or potential Participant that operates a real estate business on a part time, seasonal, or similarly time-limited basis or that has its business interrupted by periods of relative inactivity occasioned by market conditions. Similarly, the requirement is not intended to deny MLS participation to a Participant or potential Participant who has not achieved a minimum number of transactions despite good faith efforts. Nor is it intended to permit an MLS to deny participation based on the level of service provided by the Participant or potential Participant as long as the level of service satisfies state law.

The key is that the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation with respect to properties of the type that are listed on the MLS in which participation is sought. This requirement does not permit an MLS to deny participation to a Participant or potential Participant that operates a Virtual Office Website (“VOW”) (including a VOW that the Participant uses to refer customers to other Participants) if the Participant or potential Participant actively endeavors to make or accept offers of cooperation and compensation. An MLS may evaluate whether a Participant or potential Participant “actively endeavors during the operation of its real estate business” to “offer or accept cooperation and compensation” only if the MLS has a

reasonable basis to believe that the Participant or potential Participant is in fact not doing so. The membership requirement shall be applied on a nondiscriminatory manner to all Participants and potential Participants.

These rules are applicable to all Participants whether they are Realtors® or not. Similarly, the definition of Participant applies to a principal, partner, corporate officer, or branch office manager acting on behalf of a principal regardless of their Realtor® status.

**User:** Any associate with an active Colorado real estate license, certified or licensed appraiser or clerical staff accessing the MLS who works directly under the supervision of an MLS Participant.

**Member:** Both Participants and Users of the MLS.

## LISTING PROCEDURES

**Section 1.0 Listing Procedures:** All exclusive right-to-sell and exclusive agency listings must be submitted to the MLS within three business days after all necessary signatures have been obtained.

The MLS does not regulate the type of listings its Participants may take. However, only listings operating under a written Exclusive Right-to-Sell Listing Contract or the Exclusive Agency Listing Contract will be accepted into the MLS. The MLS will not accept net or open listings.

Any listing agreement between a seller and a listing broker that provides that cooperative compensation cannot be offered or paid to a cooperating broker if the purchaser holds a particular license or credential, engages in a particular trade or profession, or if the range of potential purchasers is otherwise arbitrarily restricted, is not eligible for inclusion in MLS.

Only one listing per property may be submitted within a single property type. Plans for residences or buildings and builder models will not be accepted without a designated address, lot, site or legal description.

Exclusive right-to-sell and exclusive agency listings with named prospects exempted must be identified in the MLS by marking yes in the Prospect Reservation field. Care should be exercised to ensure that the correct box is marked on the listing input form or in the system in order to accurately reflect the type of listing in the MLS.

The MLS may request a copy of the listing contract in order to verify the accuracy of listing information.

**Section 1.1 Types of Properties:** The types of properties that may be entered into the MLS are as follows:

1. Residential
2. Condominium
3. Land
4. Income

**Section 1.2 Listings Subject to the MLS Rules & Regulations:** Every listing to be filed with the MLS will be subject to the MLS Rules & Regulations.

**Section 1.3 Availability of Listed Property:** Listing brokers must accurately represent the availability of access to show or inspect a listed property. Every listing with an Active status must be available for showings. Any restrictions on showing availability must be disclosed in Broker Remarks.

**Section 1.4 Exempted Listings:** Any seller may request his or her property and/or address be exempted.

**Section 1.4.1 MLS Exempted Listings:** If a seller refuses to permit a listing to be filed with the MLS, the seller must indicate in the Exclusive Right-to-Sell or Exclusive Agency Listing Contract that he or she does not want the listing submitted to the MLS.

**Section 1.4.2 Internet Exempted Listings:** Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 48 hours.

**Section 1.5 Listing Period:** The Current List Date and the Expiration Date submitted to the MLS must correspond to the listing period specified on the Exclusive Right-to-Sell Listing Contract or the Exclusive Agency Listing Contract (except when it is modified in the listing contract). The total days on market are associated with the property, not the listing broker. As a result, a listing must reflect an off market status for over 30 days in order for the total days on market to reset. Each listing will have a Current List Date and an Original List Date for statistical

purposes. Should an error occur when entering the Original List Date or Current List Date, the MLS may request written documentation in order to correct the error.

**Section 1.6 Detail on Listings Filed with the MLS:** Listing information submitted to the MLS, whether it is required or optional, must be accurate and must be completed as specified on the listing input form. Required fields vary between types of properties.

**Section 1.7 Limited Service Listings:** Listing contracts under which the listing broker's services are limited in one or more of the following ways:

1. Instead of arranging appointments for cooperating brokers to show the listed property to potential purchasers, the listing broker gives cooperating brokers authority to make such appointments directly with the seller.
2. Rather than accepting and presenting the seller with offers to purchase procured by cooperating brokers, the listing broker gives cooperating brokers authority to present offers to purchase directly to the seller.
3. The listing broker will not advise the seller as to the merits of offers to purchase.
4. The listing broker will not assist the seller in developing, communicating or presenting counter-offers.
5. The listing broker will not participate on the seller's behalf in negotiations leading to the sale of the listed property.

These types of listing contracts must be identified in the MLS by marking yes in the Limited Service field in order for cooperating brokers to be aware of the extent of service the listing broker will provide the seller. This will also indicate to cooperating brokers that they may be asked to provide some or all of the above services to the seller prior to initiating efforts to show or sell the property.

**Section 1.8 MLS Entry Only Listings:** Entry only listings are bound by the same MLS rules as any other kind of listing, including, but not limited to, timeframes, changes and sold information. These types of listings must operate under a valid listing contract, which limits the listing broker's services to the seller to entering and maintaining the listing in the MLS. The listing broker is responsible for making changes for the life of the listing and must enter the sold information within three business days from the date of closing. The listing broker may not withdraw the listing rather than report the sold information.

These types of listing contracts must be identified in the MLS by marking yes in the Entry Only field in order for cooperating brokers to be aware of the extent of service the listing broker will provide the seller. This will also indicate to cooperating brokers that they may be asked to provide additional services to the seller prior to initiating efforts to show or sell the property.

**Section 1.9 Reporting Status Changes to the MLS:** When the status of a listing changes to Pending, Under Contract, Sold, Withdrawn or back to Active, it must be reported to the MLS within three business days.

**Section 1.10 Reporting Changes to Listing Information:** When the seller authorizes a change to the original listing contract, the listing broker must submit the change to the MLS within three business days.

**Section 1.11 Withdrawal of Listing Prior to Expiration:** Property listings may be withdrawn from the MLS by the listing broker before the Expiration Date specified on the listing contract. The MLS may request written confirmation from the sellers to confirm that the listing should have been withdrawn.

Sellers do not have the unilateral right to require the MLS to withdraw a listing without the listing broker's concurrence. However, when a seller can document that his or her exclusive relationship with the listing broker has been terminated, the MLS may withdraw the listing at the request of the seller.

**Section 1.12 Contingencies Applicable to Listings:** Contingencies or conditions placed on any term in a listing must be specified and noticed to the Participants.

**Section 1.12.0 Resale Restrictions Applicable to Listings:** Properties with resale restrictions containing appreciation or other buyer qualifications must be specified and noticed to the Participants.

**Section 1.12.1 Possibility of a Short Sale:** If it is likely or possible that a listed property could be a short sale, disclosure must be made in the Approval Conditions field. Please see Section 6.0 Compensation Specified on Each Listing, Note 3, regarding short sale compensation.

**Section 1.13 Listing Price Specified:** The full gross listing price must be stated in the listing contract. The listing price includes all portions of real or personal property identified in the listing features and description.

Should an error occur when entering the Original List Price, Metrolist® may request written documentation in order to correct the error.

**Section 1.14 Expiration, Extension and Renewal of Listings:** Unless they are renewed by the listing broker, Active, Pending and Withdrawn listings will automatically expire on the date specified in the listing contract. All extensions and renewals must be in writing. Verbal extensions and renewals may not be entered into the system.

Should the listing broker extend, refresh or reactivate an Expired, Pending, Under Contract or Withdrawn listing within 30 days, the Original List Date is automatically entered.

**Section 1.15 Termination (Expiration) Date on Listings:** All listings filed with the MLS must have a definite and final termination (expiration) date, which is negotiated between the listing broker and the seller. The system will automatically expire Active, Pending and Withdrawn listings on the termination (expiration) date.

**Section 1.16 Parcel Identification Number (PIN):** The accurate PIN must be specified on all listings submitted to the MLS. When the correct PIN and County Code (Tax County) information are entered into the MLS, a variety of fields will automatically populate with the correct information. The MLS assigned PIN may differ from the County PIN.

**Section 1.17 Public Remarks:** Members are prohibited from displaying any personal advertising, third-party advertising or banners at any time in the Public Remarks section of the listing. Restricted information includes, but is not limited to, phone numbers, e-mail addresses, web addresses, company and/or personal names, co-op compensation and other financial information. The Public Remarks field enables brokers to describe a specific listed property by identifying valuable qualities, details and inclusions. Information included in the Public Remarks is intended for public viewing on Internet sites, brochures, fliers, etc., and should identify features of the property rather than details about any individual and/or entity. When information is entered into the Public Remarks, it must be specific to the listed property and must comply with all federal, state and local laws (e.g., fair housing and anti-discrimination laws).

**Section 1.17.1 Broker Remarks:** The Broker Remarks field may only be viewed by other Members only and is intended for the listing broker to communicate relevant details and information about a listed property, including, but not limited to, website addresses, e-mail addresses, company and/or personal names, phone numbers, co-op compensation and other financial information. When information is entered into the Broker Remarks, it must be specific to the listed property and must comply with all federal, state and local laws (e.g., fair housing and anti-discrimination laws).

**Section 1.18 Listing Photographs:** If photographs are submitted to the MLS the primary photo must be germane or specific to that listed property. Photographs may contain text that only describes valuable qualities, details and inclusions of the listed property. It may not contain phone numbers, e-mail addresses, web address, company and/or personal names, co-op compensation and other financial information. The text must be subtle enough not

to obscure or detract from the image it is describing. Borders, watermarks, and yard signs are allowed as non-predominant features of a listing photo. Promotions, personal and/or company branding, advertisement(s) and logos are prohibited on photographs submitted to the MLS. Use of a photograph from another Member's listing is strictly prohibited unless you have written permission from the owner of the copyright. Virtual tours may not contain personal advertising of any kind other than the virtual tour vendor's name. If the broker is the virtual tour vendor, the name of the broker or brokerage firm cannot be included. Members may not submit to the MLS any photograph where the true appearance of a property has been manipulated (i.e., removing a permanent object from the photograph, modifying the appearance of the landscape, making visual improvements that do not already exist).

Note: The term photograph in this section includes but is not limited to photographs, artist renderings, blueprints, illustrations, images, graphics and builder plans.

**Section 1.19 Square Footage Specified:** All square footage entered into the MLS must be accurate.

**Section 1.20 Jurisdiction: Firms:** Each of a firm's offices located within the jurisdiction of the metro Denver area Associations of REALTORS® or participating Associations of REALTORS® must participate in the MLS if any office of that firm participates in the MLS. **Listings:** Only listings of the property types designated in Section 1.1 that are located within the jurisdiction of the metro Denver area Associations of REALTORS® or participating Associations of REALTORS® must be submitted to the MLS. These listings may also be submitted to any other MLS. Participants are not required to submit properties located outside of these areas. However, they will be accepted if submitted voluntarily.

**Section 1.21 Fair Housing:** The Participant is responsible for ensuring that no offensive words appear in any of their own or their affiliated broker associates' listings and that only trained personnel are permitted to enter listings into the MLS. The Participant is also responsible for withdrawing listings or information contained in listings when content may violate applicable federal, state and local fair housing. If any errors, omissions or offensive words appear in any listing submitted to the MLS, the Participant will be liable and must, upon notification, immediately remove or correct the necessary information. Any violation of this section is an incurable offense and may subject the Participant to immediate sanctions and possible termination or suspension.

**Section 1.22 Listings of Suspended Member:** When a Member is suspended from the MLS for failing to abide by the MLS Rules & Regulations or suspended from any Association of REALTORS® for failing to abide by a duty of membership, including the Code of Ethics, bylaws or other membership obligations (except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS may be retained in the MLS, at the Member's option, until they are sold, withdrawn or expired. These listings will not be refreshed, reactivated or extended by the MLS beyond the termination date on the listing contract in effect at the time of suspension. If a Member has been suspended from any Association of REALTORS® (except where MLS participation without Association is permitted by law) and/or the MLS for failure to pay appropriate dues, fees or charges, the MLS is not obligated to provide MLS services, such as continued inclusion of the suspended Member's listings in the MLS. Prior to any removal of a suspended Member's listings from the MLS, the suspended Member will be advised in writing of the intended removal so that the suspended Member may advise his or her clients.

Whenever suspension results from the loss of membership in an Association of REALTORS®, the Member must reapply for membership with the Association he or she was suspended from, apply for membership with another Association of REALTORS® or apply for membership with the MLS as a non-REALTOR® and pay all appropriate dues, fees or charges.

**Section 1.23 Listings of Expelled Member:** When a Member is expelled from the MLS for failing to abide by the MLS Rules & Regulations or expelled from any Association of REALTORS® for failing to abide by a duty of membership, including the Code of Ethics, bylaws or other membership obligations (except failure to pay appropriate dues, fees or charges), all listings currently filed with the MLS by the expelled Member may, at the Member's option, be retained in the service until they are sold, withdrawn or expired. These listings will not be refreshed, reactivated or extended by the MLS beyond the termination date on the listing contract in effect at the

time of expulsion. If a Member has been expelled from any Association of REALTORS® (except where MLS participation without Association membership is permitted by law) and/or the MLS for failure to pay appropriate dues, fees or charges, the MLS is not obligated to provide MLS services, such as continued inclusion of the expelled Member's listings from the MLS. Prior to any removal of an expelled Member's listings from the MLS, the expelled Member will be advised in writing of the intended removal so that the expelled Member may advise his or her clients.

Whenever expulsion results from the loss of membership in an Association of REALTORS®, the Member must reapply for membership with the Association he or she was expelled from, apply for membership with another Association of REALTORS® or apply for membership with the MLS as a non-REALTOR® and pay all appropriate dues, fees or charges.

**Section 1.24 Listings of Resigned Participants:** When a Participant resigns from the MLS, the MLS is not obligated to provide services, such as continued inclusion of the resigned Participant's listings in the MLS compilation of current listing information. Prior to any removal of listings from the MLS, the resigned Participant will be advised in writing of the intended removal so that the resigned Participant may advise his or her clients.

**Section 1.25 Reinstatement of Terminated, Expelled and Resigned Participants:** Whenever a Participant is terminated, expelled or resigns from the MLS, the Participant will be charged a reactivation fee in order for their service to be reinstated.

**Section 1.26 Participation:** All Participants must sign the Participation Agreement to become Members of the MLS. An Office ID will only be assigned to the Participant and must be used to participate in the MLS. Every User will be assigned a User ID and Password, which may not be used by any other person. Each User will be responsible for the safekeeping of his or her Password. All Users must follow these MLS Rules & Regulations as a term of their membership with the MLS.

**Section 1.27 Licensee Identification:** Participants must notify Metrolist® and complete a User Form within 10 business days of adding or deleting a User. Licensees must hold a valid and active Colorado real estate license in order to be a Member of the MLS and have listings included in the MLS database. Should a User's license become inactive, the User's listings will be withdrawn from the MLS database.

**Section 1.28 Change of Address or Affiliation:** The Participant must notify the MLS and complete a new Office Form within seven business days of relocating, changing office information or changing REALTOR® Board/Association affiliation (if any).

## **SELLING PROCEDURES**

**Section 2.0 Showings and Negotiations:** Appointments for showings and negotiations with the seller for the purchase of a listed property filed with the MLS must be conducted through the listing broker, except under any of the following circumstances:

1. The listing broker gives the cooperating broker specific authority to show and/or negotiate directly with the seller, which must be specified in the Broker Remarks section of the listing.
2. After reasonable effort, the cooperating broker cannot contact the listing broker or his or her assigned representative; however, the listing broker, at his or her option, may preclude such direct negotiations by cooperating brokers.
3. It is a limited service or entry only listing.

The cooperating broker must, in some form, disclose his or her agency status at first contact with the listing broker.

**Section 2.1 Presentation of Offers:** The listing broker must make arrangements to present an offer to the seller as soon as possible or give the cooperating broker a satisfactory reason for not doing so.

**Section 2.2 Submission of Written Offers and Counter-Offers:** The listing broker must submit to the seller all written offers until closing unless precluded by law, government rules and regulations or agreed otherwise in writing between the seller and the listing broker. Unless a subsequent offer is contingent upon the termination of an existing contract, the listing broker must recommend that the seller obtain the advice of legal counsel prior to acceptance of a subsequent offer.

Brokers working with buyers or tenants must submit to the buyer or tenant all offers and counter-offers until acceptance and must recommend that buyers and tenants obtain legal advice where there is a question about whether a pre-existing contract has been terminated.

**Section 2.3 Right of Cooperating Broker in Presentation of Offer:** Cooperating brokers, or assigned representatives acting on their behalf, have the right to participate in the presentation to the seller or lessor of any offers they secure to purchase or lease. Cooperating brokers do not have the right to be present at any discussion or evaluation of the submitted offer between the seller or lessor and the listing broker. The seller or lessor may refuse, through written instructions to the listing broker, to allow the cooperating broker to be present when his or her offer is presented. In such cases, the cooperating broker has the right to receive a copy of the seller's or lessor's written instructions. The listing broker still has the right to control the scheduling of appointments for such presentations.

**Section 2.4 Right of Listing Broker in Presentation of Counter-Offers:** Listing brokers, or assigned representatives acting on their behalf, have the right to participate in the presentation of any counter-offer made by the seller or lessor. Listing brokers do not have the right to be present at any discussion or evaluation of a counter-offer by the buyer or lessee. The buyer or lessee may refuse, through written instructions to the cooperating broker, to allow the listing broker to be present when his or her counter-offer is presented. In such cases, the listing broker has the right to receive a copy of the buyer's or lessee's written instructions.

**Section 2.5 Reporting Resolution of Contingencies:** The listing broker must notify the MLS within three business days when a contingency on file with the MLS has been fulfilled, renewed or the agreement cancelled.

**Section 2.6 Reporting Canceled Contracts:** If the contract fails on a listing with an Under Contract status, the listing broker must make the appropriate status changes in the MLS within three business days.

**Section 2.7 Under Contract and Under Contract Still Accepting Offers:** When a seller and buyer have a mutually executed contract, but the property is still available for showings and offers are still being accepted, disclosure must be specified in the Status Conditions Field. Any listing still accepting offers must be available for showings.

If negotiations were carried on under Section 2.0 hereof, the cooperating broker shall report accepted offers to the listing broker and the listing broker shall report them to the MLS.

**Section 2.8 Pending Still Accepting Offers:** When a seller and buyer have an unsigned accepted offer and a mutually executed contract is pending; or a short sale offer has been submitted to a 3rd party for approval and the property is still available for showings and offers are still being accepted, disclosures must be made in the Status Conditions Field. Any listing still accepting offers must be available for showings.

**Section 2.9 Reporting Sales to the MLS:** Sold information must be reported by the listing broker and may only be reported once. There are nine required sold fields: Sale Concession Amount, Sale Concession Type, Seller Down Payment Assistance Amount, Selling Company ID, Sold Agent ID, Sold Date, Sold Price, Sold Term and Under Contract Date. The listing broker must abide by the following restrictions when reporting sold information:

1. The Sold Price must reflect contract price alone. This amount corresponds to the documentary fee reported to the county. All amenities, both real and personal property, must be indicated in the listing when they are included in the sale price.
2. The list price may not be altered to conform to the contract price.
3. When a listing has been entered under more than one property type, the sold information may only be reported once. All other listings under additional property types must be withdrawn.
4. Sale concessions must be reported in the appropriate field. Sale concessions are defined as:
  - a. Cash or cash allowances not escrowed, which are given by the seller to the buyer at closing
  - b. Seller's payment of transaction costs customarily paid by the buyer
  - c. Additional personal items included in the contract that are valued at over 1 percent of the sale price, which are given by the seller to the buyer
5. Seller down payment assistance must be reported in the appropriate field. Seller down payment assistance is defined as a monetary contribution from a property's seller to a third-party down payment assistance agency, which in turn redistributes the contribution to the buyer to aid them with the down payment.

When a firm changes ownership and a new Office ID is assigned, the original Office ID must remain on listings sold prior to the change in ownership.

**Section 2.10 Entry of Sold Listings:** Exempted listings may be entered after closing with a Sold status for comparables and statistical analysis.

## PROHIBITIONS

**Section 3.0 Information for Members Only:** Any listing filed with the MLS may not be made available to any non-Member without the prior consent of the listing broker.

**Section 3.1 For Sale Signs:** Only the for sale sign of the listing broker may be placed on a property. When the listing broker places a for sale sign on a property without submitting the listing to the MLS, a copy of the listing contract may be requested to verify that the seller did not want the listing entered in the MLS.

**Section 3.2 Sold Signs:** Prior to closing, only the listing broker may post a sold sign on a property. However, if the listing broker gives their authorization, the cooperating broker may post such a sign.

**Section 3.3 Solicitation of a Listing Filed with the MLS:** Members are prohibited from soliciting a listing on a property filed with the MLS unless such solicitation is consistent with Article 16 of the REALTORS® Code of Ethics, its Standards of Practice and its Case Interpretations. This does not preclude solicitation of listings under the circumstances otherwise recognized by the Standards of Practice related to Article 16 of the Code of Ethics.

**Section 3.4 Use of MLS in Participant Name and Web Address:**

1. **Use of Metrolist® Trademarks Prohibited:** Participants, Users and Licensees shall not use the copyrights or trademarks of Metrolist®, Inc. and shall not use Metrolist® logo (e.g., dynamic triangle), "Metrolist®", "Metrolist® MLS" or derivatives thereof in Participant names, name of their firm, domain names, web addresses, uniform resource locators (URLs), or e-mail addresses. Participants, Users and Licensees shall not use PrimeAccess<sup>SM</sup> logos, "PrimeAccess<sup>SM</sup>", "PrimeAccess<sup>SM</sup> MLS" or derivatives thereof in Participant names, name of their firm, domain names, web addresses, uniform resource locators (URLs), or e-mail addresses.
2. **Use of Term "MLS" Prohibited:** Participants, Users and Licensees shall not use the term "multiple listing service," the acronym "MLS," or derivatives thereof, in Participant names, except as provided in Section 3.4 (3). In addition, Participants, Users and Licensees shall not use the term "multiple listing service," the

acronym “MLS,” or derivatives thereof in Participant names, name of their firm, domain names, web addresses, uniform resource locators (URLs), e-mail addresses, blog address, or in any other way represent, suggest or imply that the individual or firm is an MLS, or that they operate an MLS. All existing uses of such terms must cease no later than **April 30, 2009** unless the Participant’s or User’s name is protected by, and only to the extent protected by, Section 3.4 (3).

Participants, Users and Licensees shall not represent, suggest or imply that consumers or others have direct or indirect access to MLS databases, or that consumers or others are able to search MLS databases (e.g., “Search the MLS”, “Access Metrolist® MLS”, etc.) available only to Participants, Users and Licensees.

- 3. Prospective Application:** Section 3.4 (2) shall not apply to uses of the term “multiple listing service,” the acronym “MLS,” or derivatives thereof, in Participant, User or Licensee names which were in effect on the date this rule was adopted (May 5, 2008). Such prior use, on or before October 31, 2008, shall include a disclaimer that provides that the member is not a multiple listing service, but is a member of Metrolist®, Inc. The disclaimer shall prominently and conspicuously appear or be verbally stated in all of the member’s advertising (verbal, written, electronic or other venue), the home page of the member’s website, any page from which visitors to the site may search for property, and any page on which another member’s listings appear. The member’s name(s), which include such prior use, shall not be sold, assigned, transferred, licensed, sub-licensed, loaned, gifted or otherwise conveyed to any other Participant, User or Licensee.

## ORIENTATION

**Section 4.0 Orientation:** All Members must complete an orientation program of no less than six classroom hours within 90 days of the date they were authorized to join Metrolist®. The orientation program will address the MLS Rules & Regulations, Metrolist® policies and procedures, basic listing information and legal issues (e.g., fair housing, anti-trust and loan fraud). REALTOR® Members may attend an orientation course at their REALTOR® Association in place of the Metrolist® orientation program. All non-Association Members must attend this orientation program. Failure to attend the orientation program within 90 days will result in immediate suspension of services. Members are not required to attend any other courses as a requirement of participation in the MLS.

## USE OF LOCKBOXES

**Section 5.0 Use of Lockboxes:** Lockboxes are not security devices; they are used to expedite the showing of properties. Metrolist® does not provide lockboxes, and listing brokers may use any type of lockbox they choose. Cooperating brokers must contact the listing broker or his or her assigned representative to arrange appointments to show or enter a listed property. Combinations to lockboxes are prohibited from publication in the MLS.

## DIVISION OF COMMISSIONS

**Section 6.0 Compensation Specified on Each Listing:** The listing broker must specify, on each listing filed with the MLS, the compensation offered to other MLS Participants for their services in the sale of such listing. Such offers are unconditional except that entitlement to compensation is determined by the cooperating broker’s performance as the procuring cause of the sale (or lease) or as otherwise provided for in this rule. The listing broker’s obligation to compensate any cooperating broker as the procuring cause of the sale (or lease) may be excused if it is determined through arbitration that, through no fault of the listing broker and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the listing broker to collect a commission pursuant to the listing contract. In such instances, entitlement to cooperative compensation offered through the MLS would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances, including, but not limited to, why it was impossible or financially unfeasible for the listing broker to

collect some or all of the commission established in the listing contract; at what point in the transaction did the listing broker know (or should have known) that some or all of the commission established in the listing contract might not be paid; and how promptly had the listing broker communicated to cooperating brokers that the commission established in the listing contract might not be paid.

In filing a property with the MLS, the Participant is making blanket unilateral offers of compensation to the other MLS Participants, regardless of the service level offered, and must; therefore, specify the compensation being offered to the other Participants on each listing filed with the MLS. Specifying the compensation on each listing is necessary because the cooperating broker has the right to know what his or her compensation will be prior to his or her endeavor to sell.

The listing broker retains the right to determine the amount of compensation offered to other Participants (acting as buyer agents or in other agency or non-agency capacities defined by law), which may be the same or different. This does not preclude the listing broker from offering any Participant compensation other than the compensation indicated on any listing published by the MLS, provided the listing broker informs the other broker in writing in advance of an offer to purchase and provided that the modification in the specified compensation is not the result of any contract among all or any other Participants in the MLS. Any superseding offer of compensation must be expressed as either a percentage of the gross sales price or as a definite dollar amount.

**Note 1:** The MLS will not have a rule requiring the listing broker to disclose the amount of total negotiated commission in the listing contract, and the MLS will not publish the total negotiated commission on a listing that has been submitted to the MLS by a Participant. The MLS will not disclose the total commission negotiated between the seller and the listing broker in any way.

**Note 2:** The compensation specified on listings filed with the MLS must appear in one of two forms. The essential and appropriate requirement by the MLS is that the information to be published must clearly inform the Participants as to the compensation they will receive in cooperative transactions unless advised otherwise by the listing broker in writing in advance of his or her producing an offer to purchase. The compensation specified on listings published by the MLS must be shown in one of the following forms:

- a. By showing a percentage of the gross selling price
- b. By showing a definite dollar amount

**Note 3:** The listing broker may, from time to time, adjust the compensation offered to other MLS Participants for their services with respect to any listing by advance published notice to the MLS so that all Participants will be advised in advance of their producing an offer to purchase. When a Participant discloses a potential short sale, they must communicate to other Participants how any reduction in the gross commission established in the listing contract required by the lender as a condition of approving the sale will be apportioned between listing and cooperating Participant. All compensation disclosures and compensation information related to short sales must be communicated through broker remarks.

**Note 4:** The MLS will not make any rules on the division of commissions between Participants and non-Participants. This should remain solely the responsibility of the listing broker.

**Note 5:** The MLS, at their discretion, may adopt rules and procedures enabling listing brokers to communicate to potential cooperating brokers that gross commissions established in listing contracts are subject to court approval. Compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court. In such instances, the fact that the gross commission is subject to court approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they produce an offer that ultimately results in a successful transaction.

**Note 6:** Nothing in these MLS Rules & Regulations precludes a listing broker and a cooperating broker, as a matter of mutual agreement, from modifying the cooperative compensation to be paid in the event of a successful transaction.

**Section 6.1 No Control of Commission Rates or Fees Charged to Participants:** The MLS will not fix, control, recommend, suggest or maintain commission rates or fees for services to be rendered by Participants. Further, the MLS will not fix, control, recommend, suggest or maintain the division of commissions or fees between Participants or between Participants and non-Participants.

**Section 6.2 Member as Owner/Seller:** If a Member owns or shares ownership of a property that will be disseminated through the MLS, it must be specified in Public or Broker Remarks or by marking *Agent Owner (AO)* in the Description field, which will indicate that a Member has ownership interest in the property.

**Section 6.3 Member as Purchaser:** If a Member wishes to purchase or lease a property listed by another Member, such contemplated interest must be disclosed in writing to the listing broker no later than the time an offer to purchase is submitted to the listing broker.

**Section 6.4 Dual or Variable Rate Commission Arrangements:** The existence of a dual or variable rate commission arrangement (i.e., a contract in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker without assistance and a different commission if the sale/lease results through the efforts of a cooperating broker; or a contract in which the seller/landlord agrees to pay a specified commission if the property is sold/leased by the listing broker either with or without the assistance of a cooperating broker and a different commission if the sale/lease results through the efforts of a seller/landlord) must be disclosed by the listing broker by marking *yes* in the Variable Commission field. The listing broker must, in response to inquiries from potential cooperating brokers, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

## **MLS SERVICE FEES AND CHARGES**

**Section 7.0 Assessment of MLS Fees:** All MLS fees including (but not limited to) initial participation fees, recurring participation fees, etc., may be assessed to MLS Participants or to individual Users.

**Recurring Participation Fees:** The fee of each Participant shall be an amount equal to the monthly maintenance fee times each Participant or individual User (including unlicensed administrative assistants) who have access to the service, whether licensed as a broker, associate, or licensed or certified appraiser. This does not preclude the Participant from being reimbursed by individual Users for fees incurred on their behalf. If the Participant chooses direct billing of individual Users, the ultimate responsibility for any delinquent fees is that of the Participant.

**Section 7.1 Waivers of MLS Fees:** Upon request, a Participant may be granted a waiver for MLS fees with respect to any individual who is engaged solely and exclusively in a specialty of the real estate business separate and apart from listing, selling or appraising the type of properties which are required to be filed with the MLS as outlined in Section 1.1, provided the individual does not use any MLS products or services.

**Business Interruptions:** Metrolist®, the shareholder Associations of REALTORS® and the participating Associations of REALTORS® are not liable for any damages that may result from interruptions in MLS service. Metrolist® will not issue credits or refunds for any failure or delay in performance that results from the required procedures of system preventative maintenance, operations or repair.

## **COMPLIANCE WITH THE MLS RULES & REGULATIONS**

**Section 8.0 Applicability of Rules to Members:** All Members are subject to the MLS Rules & Regulations and may use MLS access for only those activities authorized under their respective licensure and in accordance with these rules and may be disciplined for violations thereof. Participants are ultimately responsible and accountable for each of their affiliated Users, their compliance with the MLS Rules & Regulations and their payment of fees and/or sanctions.

**Section 8.1 Enforcement of MLS Rules:** Any complaint concerning an alleged violation of the MLS Rules & Regulations must be made in writing and submitted to the Compliance Department for review. The complainant's information will not be disclosed to any Member or MLS Rules & Regulations Committee Member.

1. All written complaints concerning potential violations of the MLS Rules & Regulations will be researched to determine whether or not a violation occurred. Complaints must be filed with the MLS within 180 days of the sold date in order to be considered.
2. If, after researching a complaint, it is determined that none of the MLS Rules & Regulations have been violated, the Compliance Department will respond back to the complainant with an explanation of why no violation occurred.
3. The Board of Directors gives the Compliance Department the authority to research a listing when a written complaint to report an alleged violation has been filed. The Compliance Department also has the authority to send a Notice of Noncompliance when it is determined that any of the following violations occurred (either through research on written complaints or from monthly monitoring reports):
  - a. Exclusive right-to-sell and exclusive agency listings not submitted to the MLS within three business days
  - b. Failure to submit sold information within three business days
  - c. Inaccuracy of required fields
  - d. Inaccurate listing content
  - e. Incorrect status reporting
  - f. Incorrect square footage
  - g. List price changed to conform to contract price
  - h. Manipulating address/gaming the system
  - i. Mobile homes without real property
  - j. No PIN
  - k. Personal and/or company advertisements in the Public Remarks or on photos
  - l. Prohibited information in the Public or Broker Remarks
  - m. Use of a photograph belonging to another Member
  - n. Violations to mass advertising guidelines
  - o. Withdrawal of a listing rather than submitting sold information
  - p. Zero compensation offered
  - q. Others to be determined on a case by case basis by the MLS Rules & Regulations Committee
4. Written MLS complaints, other than the alleged violations listed above, and failure to respond to a violation notification may be considered by the MLS Rules & Regulations Committee at their next regularly scheduled meeting.
5. If an alleged offense is a violation of the MLS Rules & Regulations and does not involve an alleged violation of one or more Standards of Conduct, as set forth in Section 17 of the MLS Rules & Regulations, or request for arbitration, it may be administratively considered by the Compliance Department to determine whether or not a violation occurred. If it is determined that a Member violated the MLS Rules & Regulations, a sanction may be imposed. Notwithstanding the limitations established in the National Association of REALTORS® *Code of Ethics and Arbitration Manual* or in another NAR policy, multiple listing services operated as committees of associations of REALTORS® or as separate, wholly-owned subsidiaries of one or more associations of REALTORS® are authorized to impose financial penalties on participants or subscribers as discipline for violations of the MLS rule or other MLS governance provisions not greater than fifteen thousand (\$15,000) dollars. Any recipient of a sanction may request that the MLS Rules & Regulations Committee review the sanction. Alleged violations of one or more Standards of Conduct or requests for

arbitration will be referred by the Compliance Department for processing in accordance with the Professional Standards Procedures outlined in the National Association of REALTORS® Code of Ethics and Arbitration Manual. Metrolist®, in its sole discretion, will select the appropriate entity for the Professional Standards Process or for arbitration.

6. Notification of Violations: When it is determined that a violation of the MLS Rules & Regulations has occurred, a Notice of Noncompliance, except in the case of incurable offenses, will be sent to the listing broker, copied to the Participant, to request correction of the violation.
7. Considering the unique time constraints of certain rules, violations of those rules are considered incurable, and thus, subject to immediate sanction. Examples of such rules include, but are not limited to, listing input time, mass advertising violations, and misappropriation of MLS data. The seven-day grace period allocated by the Notice of Noncompliance is inapplicable in these situations, and sanctions will be assessed immediately.
- 7.1 Time Period to Correct a Violation: With the exception of incurable offenses, Members are given seven days from the date the Notice of Noncompliance is issued to correct the violation(s). For each seven-day period that the violation goes uncorrected, a sanction will be assessed. Sanctions are progressive as indicated in the following sanction schedule:

Sanction Schedule:

Curable violations of MLS Rules & Regulations

- |      |  |       |
|------|--|-------|
| i.   | First sanction   | \$100 |
| ii.  | Second sanction  | \$250 |
| iii. | Third sanction   | \$500 |
| iv.  | The matter is then referred for suspension and/or termination of participation in the MLS at the discretion of the Board of Directors. |       |

Incurable violations of MLS Rules & Regulations

- |      |  |       |
|------|--|-------|
| i.   | First sanction   | \$250 |
| ii.  | Second sanction  | \$500 |
| iii. | Third sanction   | \$750 |
| iv.  | The matter is then referred for suspension and/or termination of participation in the MLS at the discretion of the Board of Directors. |       |

8. Should the same Member violate a specific rule for a second time within the same six-month period, it will be considered a repeat offense. Members will immediately be assessed the \$100 sanction for each repeat offense. In the case of incurable repeat offenses, members will immediately be assessed a \$500 sanction for each incurable repeat offense.
9. All fees and sanctions will be payable under the same terms and conditions set for monthly MLS bills. Repeat offenses and failure to comply or respond to the requirements outlined in the Notice of Noncompliance may result in suspension of participation in the MLS at the discretion of the Board of Directors. Metrolist® may, in its sole discretion, deny service to any Member who has violated the Standards of Conduct, as set forth in Section 17 of the MLS Rules & Regulations, when the violation resulted in declaratory judgment being entered by any court of competent jurisdiction.

**Section 8.2 Review of an Imposed Sanction:** A Member may contest any sanction imposed.

1. Any request for the MLS Rules & Regulations Committee to review an imposed sanction must be made in writing and must be submitted within 30 days of the date the sanction was assessed. The written request must state a reason for seeking the review. The MLS Rules & Regulations Committee will review the written request at their next regularly scheduled meeting.
2. The Member may request to appear before the committee to make a presentation of no more than 15 minutes to state his or her reasons for requesting the review.
3. If the sanction is upheld by the MLS Rules & Regulations Committee, the Member may request a second review of the decision by the Board of Directors. The request must be made in writing within 30 days of the date the original request was denied by the MLS Rules & Regulations Committee. The written request for a hearing must state a reason for seeking a second review. The matter will be processed in accordance with the Professional Standards Process outlined in the National Association of REALTORS® Code of Ethics

and Arbitration Manual. Metrolist®, in its sole discretion, will select the appropriate entity for the Professional Standards Process.

4. Failure to appeal within the time limitations set forth above will result in a complete waiver of rights to request further review of the matter.

**Section 8.3 Review of a Decision or Interpretation of the Rules:** Upon receipt of a Notice of Noncompliance, the Member may request review of a decision or interpretation of a rule by the MLS Rules & Regulations Committee.

1. Any request for a hearing to review a decision or interpretation of the rules by the MLS Rules & Regulations Committee must be submitted by the Member in writing to the committee Chair within 30 days of the date the Notice of Noncompliance was issued. In the case of a letter alleging violation of Internet display of listings, a written request to review the decision or interpretation must be made within 30 days of the date of the violation notification letter. The written request for a hearing must state a reason for seeking the review. Failure to request a hearing within these time limitations will result in a complete waiver of the rights to request a hearing to review the matter.
2. During the review process, the Member must comply with the MLS Rules & Regulations Committee's current decision or interpretation of the rule.
3. A Hearing Panel will be appointed and due process will be followed in accordance with the Professional Standards Process outlined in the National Association of REALTORS® Code of Ethics and Arbitration Manual. Metrolist®, in its sole discretion, will select the members of the Hearing Panel or appropriate entity for the hearing process.
4. The Hearing Panel will be required to meet within 30 days of the request for review.
  - a) In the event the Hearing Panel's decision is in favor of a rule change, the recommendation will be forwarded to the MLS Rules & Regulations Committee for their consideration. The Hearing Panel Chairman will appear before the Committee to explain the panel's rationale.
  - b) In the event the Hearing Panel's decision is contrary to the opinion of the Member, the Member will be required to abide by the existing rules.

## MLS INFORMATION

**Section 9.0 Confidentiality of MLS Information:** Any information provided by the MLS will be considered official information of Metrolist®. Such information will be considered confidential and is exclusively for the use of Members.

**Section 9.1 Metrolist® and the Associations of REALTORS® are not Responsible for the Accuracy of Information:** The information published and disseminated by the MLS is communicated verbatim, without change by the MLS, as filed with the MLS by the Member. The MLS does not verify the information provided by its Members and, consequently, disclaims any responsibility for its accuracy. Each Member agrees that Metrolist®, the shareholder Associations of REALTORS® and the participating Associations of REALTORS® are not responsible or liable for any inaccuracy or inadequacy in the information provided. Furthermore, Metrolist®, the shareholder Associations of REALTORS® and the participating Associations of REALTORS® are not responsible or liable for any violations to fair housing laws or applicable federal or state laws or regulations.

## OWNERSHIP OF MLS COMPILATIONS AND COPYRIGHTS

**Section 10.0 Authorization of Seller:** By the act of submitting property listing content to the MLS, the Participant represents that he or she has been authorized to grant and thereby does grant authority for the MLS to include the property listing content in its copyrighted MLS compilation and also in any statistical report on comparables. Listing content includes, but is not limited to, photographs, images, graphics, audio and video recordings, virtual tours,

drawings, descriptions, remarks, narratives, pricing information and other details or information related to listed property.

The term MLS compilation, as used in Sections 10 and 11, describes any format in which property listing content is collected and disseminated to Members, including, but not limited to, bound book, loose leaf binder, computer database, card file, flyers, MLS printouts or MLS Sold e-Book.

**Section 10.1 Right, Title and Interest:** All right, title and interest in each copy of every MLS compilation created and copyrighted by Metrolist®, and in the copyrights therein, must at all times remain vested in Metrolist®.

**Section 10.2 Entitlement to MLS Compilations:** Each Participant will be entitled to license from Metrolist® a number of copies of each MLS compilation sufficient to provide the Participant and each affiliated User with one copy of the compilation. The Participant must pay for each copy (the fee for which will be set by Metrolist®).

Through this license, Members will only acquire the right to use the MLS compilation in accordance with these MLS Rules & Regulations.

**Section 10.3 Editorial Control:** Metrolist® will not be responsible for reviewing, editing or exercising any form of editorial control over the content of Metrolist® products and services.

**Section 10.4 Change in Metrolist® Products and Services:** Metrolist® reserves the right to modify any or all Metrolist® products or services.

## USE OF COPYRIGHTED MLS COMPILATIONS

**Section 11.0 Distribution:** Participants are responsible for each copy of any MLS compilation licensed to them by Metrolist® and, therefore, must maintain control over each copy. Participants may only distribute copies to other Members. Use of information developed by or published by the MLS is strictly limited to the activities authorized under a Participant's licensure or certification, and unauthorized uses are prohibited. Further, none of the foregoing is intended to convey participation or membership or any right of access to information developed or published by the MLS where access to such information is prohibited by law.

No Member may distribute, provide or make any portion of the MLS database available to any person or entity that is not authorized by the MLS Rules & Regulations to receive such information. Members may not reproduce, sell, license, rent, transfer, transmit, broadcast, display, publish or commercially exploit or allow anyone else to reproduce, sell, license, rent, transfer, transmit, broadcast, display, publish or commercially exploit any information obtained from the MLS without prior written consent from Metrolist®.

**Section 11.1 Display:** Members will be permitted to show the MLS compilation to prospective purchasers or sellers in conjunction with their ordinary business activities and their attempts to locate ready, willing and able buyers for the property described in the MLS compilation.

**Section 11.2 Reproduction:** Members are prohibited from reproducing any MLS compilation or any portion thereof, except in the following limited circumstances:

Members may reproduce from the MLS compilation and distribute to prospective purchasers not more than 100 copies of property listing content contained in the MLS compilation that relate to any properties in which the prospective purchasers are or may, in the judgment of the Participant or their affiliated broker associates, be interested. Each copy must include the listing office which must be prominently displayed.

Members may not show or reproduce listing content pertaining to properties that prospective purchasers have not expressed interest in or the Member is not seeking to promote interest in.

Nothing contained herein precludes any Participant or affiliated broker associate from utilizing, displaying, distributing or reproducing property listing sheets or other compilations of content pertaining to their own listings.

Any MLS information, whether provided in written, printed or electronic form, is provided for the exclusive use of Members. Such information may not be transmitted, retransmitted or provided, in any manner, to any unauthorized individual, office or firm.

None of the forgoing prevents any individual legitimately in possession of current listing information, sold information, comparables or statistical information from utilizing such information to support an estimate of value on a particular property for a client. Only information that the MLS has deemed to be non-confidential and necessary to support an estimate of value may be reproduced and attached to the report as supporting documentation. Any other use of such information is unauthorized and prohibited by the MLS Rules & Regulations.

## USE OF MLS INFORMATION

**Section 12.0 Limitations on Use of MLS Information:** Content from the MLS compilation of current listing information, Metrolist's® Statistical Report and/or sold or comparable reports may be used for public mass media advertising or other public representations. However, any print or non-print forms of advertising or other public representations that are based in whole or in part on information supplied by Metrolist® must clearly demonstrate the period of time from which the information was obtained. Unless the listing broker gives written permission, information regarding active, pending, under contract or off market listings must appear in aggregate form and must not refer to any specific listing. All public representations and mass media advertisements must include the following notices:

“Based on information from Metrolist®, Inc. for the period (date) through (date).”

**Note:** This representation is based in whole or in part on content supplied by Metrolist®, Inc. Metrolist®, Inc. does not guarantee nor is it in any way responsible for its accuracy. Content maintained by Metrolist®, Inc. may not reflect all real estate activity in the market.


Referring to specific sold listings on advertisements and public representations is acceptable. Every property listed and/or sold by anyone else must be indicated by an asterisk (\*) and must include the following disclaimer:

“THE ASTERISKED (\*) PROPERTIES WERE LISTED AND/OR SOLD BY OTHER COMPANIES.”

This disclaimer must be prominently displayed in a readily visible color and typeface.

Advertisements that knowingly or negligently make libelous, slanderous, defamatory, obscene, pornographic, profane, vulgar, repulsive, abusive or otherwise offensive or illegal material may not be displayed. Metrolist®, in its sole discretion, will determine whether the contents or materials presented as advertising on the display of MLS content could be reasonably construed as offensive and should, therefore, be prohibited. Metrolist® reserves the right to prohibit, in its sole discretion, any advertising that Metrolist® deems offensive or otherwise inappropriate.

**Section 12.1 Advertising of Listings Filed with the MLS:** It is prohibited to advertise other Participants' listings, other than sold listings, without prior consent.

**Section 12.2 Use of MLS Logo in Advertising:** The official registered MLS logo () is the property of the National Association of REALTORS® and may not be used by a non-REALTOR® Member to present themselves as holding REALTOR® membership. Any violation of this section will result in suspension or expulsion from the MLS and liability for violation of applicable trademark and copyright laws.

**Section 12.3 Shared Listings between Multiple Listing Services:** Through a license agreement, participating MLSs exchange listings and extend offers of cooperation and compensation to Participants of other participating MLSs. Members are subject to the rules and regulations of the MLS whose listing they are showing or displaying. A participating MLS' listings cannot otherwise be used, accessed or displayed without the express written consent of that participating MLS. Use of a participating MLS' listings for IDX or VOW, for the benefit of any other third party or for public display, access or use is strictly prohibited.

**Section 12.4 Downloading Restrictions:** Users may not download more than 25,000 listings per property type. Only Participants may persistently store more than 25,000 listings per property type and must submit a signed Persistent Storage of MLS Content Agreement and pay all applicable fees before downloading additional listings.

**Section 12.5 Proper Use of MLS-Obtained E-mail Addresses:** E-mail addresses in MLS listings are intended for Members to communicate about specific listings. For instance, e-mail addresses may be used to contact the listing broker with questions about the listed property, to respond to questions and to notify other Members about a new listing. Even when they pertain to real estate, e-mail addresses obtained from the MLS may not be used to indiscriminately send spam. MLS content may not be exploited for commercial use.

## AMENDMENTS

**Section 13.0 Changes in MLS Rules & Regulations:** Amendments to the MLS Rules & Regulations may be made from time to time by the Board of Directors. Once an amendment is made, Members will be given a 30-day grace period, unless otherwise specified, before sanctions will be assessed for violations of a newly created rule.

## ARBITRATION OF DISPUTES

**Section 14.0 Arbitration of Disputes:** Through their membership with the MLS, Participants agree to arbitrate disputes involving contractual issues and questions and specific non-contractual issues and questions (defined in Standard of Practice 17-4 of the Code of Ethics, which is outlined in paragraph 3 below) with MLS Participants in different firms that arise out of their relationships as MLS Participants. Arbitration is subject to the following qualifications:

1. If all disputants are REALTOR® Participants, they must arbitrate in accordance with the Professional Standards Process outlined in the National Association of REALTORS® Code of Ethics and Arbitration Manual.
2. If all disputants are non-REALTOR® Participants, or if the disputants are both REALTOR® and non-REALTOR® Participants, they must arbitrate in accordance with the Professional Standards Process outlined in the National Association of REALTORS® Code of Ethics and Arbitration Manual. Metrolist®, in its sole discretion, will select the appropriate entity for the Professional Standards Process or for arbitration.
3. Specific non-contractual disputes that are subject to arbitration are:
  - a. Where a listing broker has compensated a cooperating broker and another cooperating broker subsequently claims to be the procuring cause of the sale or lease. In such cases the complainant may name the first cooperating broker as a respondent, and arbitration may proceed without the listing broker being named as a respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction.
  - b. Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases, the complainant may name the first cooperating broker as respondent, and arbitration may proceed without the listing broker being named as a respondent.

Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance, the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction.

- c. Where a buyer or tenant representative is compensated by the buyer or tenant and, as a result, the listing broker reduces the commission owed by the seller or landlord and, subsequent to such actions, another cooperating broker claims to be the procuring cause of sale or lease. In such cases, the complainant may name the first cooperating broker as respondent and arbitration may proceed without the listing broker being named as a respondent. Alternatively, if the complaint is brought against the listing broker, the listing broker may name the first cooperating broker as a third-party respondent. In either instance, the decision of the hearing panel as to procuring cause shall be conclusive with respect to all current or subsequent claims of the parties for compensation arising out of the underlying cooperative transaction.
- d. Where two or more listing brokers claim entitlement to compensation pursuant to open listings with a seller or landlord who agrees to participate in arbitration (or who requests arbitration) and who agrees to be bound by the decision. In cases where one of the listing brokers has been compensated by the seller or landlord, the other listing broker, as complainant, may name the first listing broker as respondent and arbitration may proceed between the brokers.
- e. Where a buyer or tenant representative is compensated by the seller or landlord, and not by the listing broker, and the listing broker, as a result, reduces the commission owed by the seller or landlord and, subsequent to such actions, claims to be the procuring cause of sale or lease. In such cases, arbitration shall be between the listing broker and the buyer or tenant representative, and the amount in dispute is limited to the amount of the reduction of commission to which the listing broker agreed.

## Internet Data eXchange (IDX)

**Section 15.0 IDX Defined:** IDX affords Participants the option of authorizing display of their listings on other Members' Internet websites.

**Section 15.1 Internet Advertising of Listings Filed with the MLS:** An IDX Subscriber may advertise other Participants' listings on the Internet only with the prior consent of the listing broker or after signing the IDX Agreement (a document separate from these MLS Rules & Regulations). All IDX Subscribers must adhere to the provisions detailed in the IDX Agreement and the MLS Rules & Regulations.

**Section 15.2 Authorization:** Through membership with the MLS, it is presumed that all Participants consent to the display of their listings by other Participants in accordance with the provisions detailed in the MLS Rules & Regulations and the IDX Agreement. Participants must notify the MLS when they want to prevent the display of a listing (either on a blanket or on a listing-by-listing basis). If a Participant notifies the MLS that they refuse to permit the display of their listings on a blanket basis, then the Participant may not download or frame the aggregated MLS content of other Participants. When a Participant has given blanket authority for other Participants to display their listings on IDX websites, such consent may be withdrawn on a listing-by-listing basis as instructed by the seller.

**Section 15.3 Participation:** Participation in IDX is available to all Participants and licensees who consent to the display of their listings by other Participants and broker associates.

1. IDX Subscribers must notify the MLS when they intend to establish an IDX website and must make their website directly accessible to the MLS for purposes of monitoring and ensuring compliance with applicable rules and policies.
2. Prior to obtaining access to the IDX database, Subscribers must provide the Office ID, Agent ID, e-mail address, phone number, fax number, signed IDX Agreement (by the broker associate and the Participant) and the domain name where the content will reside (or where the frame will be located). If the Subscriber

- has a website administrator, the website administrator's name, e-mail address, phone number and fax number must also be submitted prior to obtaining access to the IDX database. Failure of any Subscribers to notify the MLS of changes to the registration information may result in suspension of IDX access.
3. Every IDX Subscriber is required to sign an IDX Agreement. Users may not access IDX content utilizing their affiliated Participant's agreement. Tech Partners must require all Subscribers to sign an IDX Agreement prior to providing access to the IDX database.
  4. IDX Subscribers may only display the IDX database on their own website(s), which they must first register with Metrolist®. Subscribers must register all domain names accessing IDX content with Metrolist®.
  5. Subscribers may not use deceptive domain names to present a false picture to the public. For instance, Subscribers must avoid using domain names that incorporate or play on competing broker and firm names.
  6. MLS participants shall present a true picture in their advertising and representation to the public, including the URLs and domain names they use, and participants may not:
    - 1) engage in deceptive or unauthorized framing of real estate brokerage websites;
    - 2) manipulate (e.g. presenting content developed by others) listing content in any way that produces a deceptive or misleading result; or
    - 3) deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic, or to otherwise mislead consumers.
  7. When downloading numerous listings, Subscribers must employ appropriate security protection (such as firewalls).
  8. IDX Subscribers must protect IDX information from misappropriation by employing reasonable efforts to monitor and prevent "data mining", "data harvesting" or any other unauthorized access, reproduction or use of the MLS database.
  9. IDX Subscribers may not display listings or addresses specific to properties whose sellers refuse to permit listing information to be displayed on the Internet. However, Subscribers may display listings or property addresses of consenting sellers on their IDX websites.
  10. IDX Subscribers may select the listings they choose to display on their IDX websites based only on objective criteria, including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single family detached, multi-family), cooperative compensation offered by listing brokers, type of listings (e.g., exclusive right-to-sell, exclusive agency or open listing) or the level of service provided by the listing firm. Selection of listings to be displayed on an IDX site must be independently made by each Subscriber.
    - a. IDX Subscribers may limit the listings displayed on their websites to a specific market area using the following fields: Area, County Code, Zip Code, City, Sub Area or Property Type as long as the website conforms to the following:
      - i. When a specific Area, County Code, Zip Code, City, Sub Area or Property Type is used to select listings, all listings from that Area, County Code, Zip Code, City, Sub Area or Property Type must be included on the Subscriber's website.
      - ii. In the event that a specific market area is chosen based upon Area, County Code, Zip Code, City, Sub Area or Property Type, the Subscriber's website must clearly indicate which specific market area is being displayed.
  11. IDX Subscribers and IDX websites may not distribute, provide or make any portion of the MLS database available to any person or entity that is not authorized by the MLS Rules & Regulations and the IDX Agreement to receive such information. Subscribers may not reproduce, sell, license, rent, transfer, transmit, broadcast, display, publish, commercially exploit, frame and/or link; or allow anyone else to reproduce, sell, license, rent, transfer, transmit, broadcast, display, publish, commercially exploit, frame and/or link any information accessed from the IDX database to anyone without prior written consent from Metrolist®.
  12. IDX Subscribers must employ reasonable methods to prevent the IDX database from being downloaded as a compilation. Subscribers are prohibited from remarketing, reselling, linking, re-branding or re-releasing the IDX content (in whole or in part). IDX content is to promote the end user as a buyer or seller of real estate. With this intent, Subscribers may permit substantially all information from one listing at a time to be downloaded or reduced to tangible form by end users for their personal use.

13. IDX tech partners must maintain an audit trail of consumer activity on all of their Subscribers' IDX websites, regardless of how each Subscriber accesses the IDX database, and provide that information to the MLS should the MLS believe the IDX website has caused or permitted a breach in the security of the listing content or violated the MLS Rules & Regulations. Tech partners must also maintain a current list of every Subscriber that uses Metrolist® IDX content regardless of how each Subscriber accesses the IDX database. A copy of the current and updated list must be submitted to Metrolist® once every month.
14. IDX Subscribers are required to indicate on their websites that the information being provided is for consumers' personal, non-commercial use and may not be used for any other purpose.

**Section 15.4 Termination:**

1. Should an IDX Subscriber change offices, the IDX Agreement will terminate between the MLS and the Subscriber.
2. IDX Subscribers must immediately destroy or delete IDX information that they are not authorized by the MLS Rules & Regulations or the IDX Agreement to use. Furthermore, they must refrain from using or displaying, in any manner, any and all information accessed from the IDX database that they are not authorized to use.
3. Upon termination of the IDX Agreement or any agreement between Metrolist® and an IDX Subscriber that provides access to Metrolist's® products and services, Subscribers must immediately destroy or delete and cease to use or display any and all information they accessed from the IDX database, including, but not limited to, listing content, IDX logos and IDX disclaimers.
4. When Metrolist® notifies an IDX Subscriber that certain content in the IDX database is no longer licensed; the Subscriber must destroy or delete and cease to use or display such content within seven days.

**Section 15.5 Display:** Display of listing information pursuant to IDX is subject to the following rules:

1. MLS listings displayed on a Subscriber's website must clearly present the six required IDX elements: Photo, IDX Logo, IDX Disclaimer, Listing Number, Listing Office and Status in a readily visible color and typeface on every page that displays IDX content. These elements must be prominently displayed so that the public may readily identify other Subscriber's listings.
2. When displaying listing content, the IDX customer must clearly identify the name of the brokerage firm under which they operate IDX in a readily visible color and typeface. MLS participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner. Websites of licensees affiliated with a participant's firm shall disclose the firm's name and the licensee's state(s) of licensure in a reasonable and readily apparent manner.
3. Participants, Users and Licensees shall not use the term "multiple listing service," the acronym "MLS," or derivatives thereof, in Participant names, except as provided in Section 3.4 (3). In addition, Participants, Users and Licensees shall not use the term "multiple listing service," the acronym "MLS," or derivatives thereof in Participant names, name of their firm, domain names, web addresses, uniform resource locators (URLs), e-mail addresses, blog address, or in any other way represent, suggest or imply that the individual or firm is an MLS, or that they operate an MLS. All existing uses of such terms must cease, unless the Participant's or User's name is protected by, and only to the extent protected by, Section 3.4 (3). Participants, Users and Licensees shall not represent, suggest or imply that consumers or others have direct or indirect access to MLS databases, or that consumers or others are able to search MLS databases (e.g., "Search the MLS", "Access Metrolist® MLS", etc.) available only to Participants, Users and Licensees.
4. IDX Subscribers are prohibited from modifying or manipulating information relating to other Participants' listings. (This does not limit or regulate the design elements of a website, but refers to changes to actual listing content.)
5. IDX Subscribers are prohibited from altering the content of the IDX database in any capacity or manner.
6. MLS listings displayed may not contain any additional fields that are not designated as required, recommended or optional in the IDX Agreement. Confidential fields and information (e.g., Broker Remarks, co-op compensation, showing instructions, property security information, etc.) may not be displayed on IDX websites.

7. Display of Expired and Withdrawn listings is prohibited.
8. Display of the sellers and/or occupant's name, phone number and e-mail address is prohibited.
9. Display of the type of listing agreement is prohibited.
10. IDX Subscribers must refresh all MLS downloads and all MLS content at least once every seven days in order to ensure that the listing content is current and accurate.
11. Listings obtained through IDX must be displayed separately from listings obtained from other sources, including information provided by other MLSs and non-participating brokers. Listings obtained from other sources must display the source from which each listing was obtained. Should an IDX Subscriber want to display IDX content with listing information from an entity or person other than Metrolist®, they must submit a written request to Metrolist® before they plan to commingle the listing content. Metrolist® will approve or disapprove the Subscriber's request. Until Metrolist® has authorized the joint display in writing; the Subscriber is prohibited from commingling IDX content with listing content obtained from another entity or person.
12. IDX Subscribers may frame their websites with their own logos and navigation. However, third-party advertising and banners are prohibited at all times within the IDX content. Third-party advertising is defined as any information that is not directly related to a Subscriber's real estate brokerage business.
13. Subscribers are prohibited from commingling, integrating or aggregating IDX content with information specific to properties that are for sale by owner.
14. Subscribers are prohibited from displaying sold content that is more than three years old.
15. Subscribers are prohibited from providing any mechanism or feature on any IDX website that allows consumers to create or produce a comparative (or competitive) market analysis, an appraisal or other valuation of property using IDX content. Subscribers may provide online estimates of the value of property; however, online estimates may only be based on active, under contract and sold listing information and may not be referred to as a comparative (or competitive) market analysis or an appraisal. Online estimates may be referred to as "estimates," "estimated values," "estimated property values" or any similar term.

**Section 15.6 Violations Relative to Internet Display of Listings:** The ability to display other Participant's listings on the Internet carries with it a heavy responsibility to protect the interests of every Participant. For failure to abide by any term of the IDX Agreement or the MLS Rules & Regulations as it applies to the Internet display of listings and participation in IDX, the following sanctions will apply:

1. Any violation of the IDX Agreement or the MLS Rules & Regulations, regardless of the number of listings affected, will be considered a single offense. For example, failure to display a required field is a single offense even if multiple listings are affected.
2. A first offense will result in a written warning, which requires that the violation be corrected within seven days from the date the written warning was sent. If the Member has not signed the IDX Agreement, the warning will require the Member to stop displaying MLS content on his or her Internet website. Failure to comply will result in a second offense.
3. A second offense or a failure to remedy a first offense will result in a written notification and a sanction of \$1,000. The Subscriber will have seven days from the date the written notification was sent to comply. Failure to comply will result in a third offense.
4. A third offense or a failure to remedy a second offense will result in a written notification and a \$5,000 sanction. The Subscriber will also be required to stop displaying MLS content on his or her Internet website.
5. Violations of different sections of the IDX Agreement and MLS Rules & Regulations will constitute first offenses for those violations, except that no more than a total of five violations may occur within a 12-month period. Upon notification of the fifth violation, access to the IDX database will be suspended or terminated for no less than 30 days and no more than one year. Termination of IDX database access will be for a stated period of one to three years as determined by the MLS Rules & Regulations Committee, and the Subscriber's listings will be excluded from the IDX database.

**Section 15.7 Review of IDX Sanctions:** Subscribers may request that the MLS Rules & Regulations Committee review an imposed sanction under the following guidelines:

1. Requests for the MLS Rules & Regulations Committee to review a sanction must be made in writing within 30 days of the date the sanctions was issued and must include reason for seeking the review. The committee will review the request at their next regularly scheduled meeting.
2. The Subscriber may request to appear before the committee to make a presentation and state his or her reasons for requesting the review.
3. If the sanction is upheld by the MLS Rules & Regulations Committee, the Subscriber may request a second review of the decision by the Board of Directors. The request must be made in writing within 30 days of the date the original request was denied by the MLS Rules & Regulations Committee. The written request for a hearing must state a reason for seeking a second review. The matter will be processed in accordance with the Professional Standards Process outlined in the National Association of REALTORS® Code of Ethics and Arbitration Manual. Metrolist®, in its sole discretion, will select the appropriate entity for the Professional Standards Process.
4. Failure to request a hearing within these time limitations will result in a complete waiver of rights to request a hearing to review the matter.

**Section 15.8 Review of IDX Database Suspension/Termination:** IDX Subscriber may submit a written request for the MLS Rules & Regulations Committee to reinstate access to the IDX database. Written requests must include a reason for requesting reinstatement and will be considered by the committee during their next regularly scheduled meeting. Under no circumstances may access be reinstated until a waiting period of 120 days has passed from the IDX database termination date. Reinstatement will be at the sole discretion of the MLS Rules & Regulations Committee.

## Virtual Office Websites (VOW)

**Section 16.0 (a):** A Virtual Office Website (“VOW”) is a Participant’s Internet website, or a feature of a Participant’s website, through which the Participant is capable of providing real estate brokerage services to consumers with whom the Participant has first established a broker-consumer relationship (as defined by state law) where the consumer has the opportunity to search MLS Listing Information, subject to the Participant’s oversight, supervision, and accountability. A non-principal broker or sales licensee affiliated with a Participant may, with his or her Participant’s consent, operate a VOW. Any VOW of a non-principal broker or sales licensee is subject to the Participant’s oversight, supervision, and accountability.

**(b)** As used in Section 16 of these Rules, the term “Participant” includes a Participant’s affiliated non-principal brokers and sale licensees – except when the term is used in the phrases “Participant’s consent” and Participant’s oversight, supervision, and accountability”. References to “VOW” and “VOWs” include all VOWs, whether operated by a Participant, by a non-principal broker or sales licensee, or by an Affiliated VOW Partner (“AVP”) on behalf of a Participant.

**(c)** “Affiliated VOW Partner” (“AVP”) refers to an entity or person designated by a Participant to operate a VOW on behalf of the Participant, subject to the Participant’s supervision, accountability and compliance with the VOW Policy. No AVP has independent participation rights in the MLS by virtue of its right to receive information on behalf of a Participant. No AVP has the right to use MLS Listing Information except in connection with operation of a VOW on behalf of one or more Participants. Access by an AVP to MLS Listing Information is derivative of the rights of the Participant on whose behalf the AVP operates a VOW.

**(d)** As used in Section 16 of these Rules, the term “MLS Listing Information” refers to active listing information and sold data provided by Participants to the MLS and aggregated and distributed by the MLS to Participants.

**Section 16.1 (a):** The right of a Participant’s VOW to display MLS Listing Information is limited to that supplied by the MLS(s) in which the Participant has participatory rights. However, a Participant with offices participating in different MLSs may operate a master website with links to the VOWs of the other offices.

**(b)** Subject to the provisions of the VOW Policy and these Rules, a Participant's VOW, including any VOW operated on behalf of a Participant by an AVP, may provide other features, information, or functions, e.g. Internet Data Exchange ("IDX").

**(c)** Except as otherwise provided in the VOW Policy or in these Rules, a Participant need not obtain separate permission from other MLS Participants whose listings will be displayed on the Participant's VOW.

**Section 16.2 (a):** Before permitting any consumer to search for or retrieve any MLS Listing Information on his or her VOW, the Participant must take each of the following steps:

**(i)** The Participant must first establish with that consumer a lawful broker-consumer relationship (as defined by state law), including completion of all actions required by state law in connection with providing real estate brokerage services to clients and customers (hereinafter "Registrants"). Such actions shall include, but are not limited to, satisfying all applicable agency, non-agency, and other disclosure obligations, and execution of any required agreements.

**(ii)** The Participant must obtain the name of and a valid email address for each Registrant. The Participant must send an email to the address provided by the Registrant confirming that the Registrant has agreed to the Terms of Use (described in subsection (d) below). The Participant must verify that the email address provided by the Registrant is valid and that the Registrant has agreed to the Terms of Use.

**(iii)** The Participant must require each Registrant to have a user name and password, the combination of which is different from those of all other Registrants on the VOW. The Participant may, at his or her option, supply the user name and password or may allow the Registrant to establish its user name and password. The Participant must also assure that any email address is associated with only one user name and password.

**(b)** The Participant must assure that each Registrant's password expires on a date certain but may provide for renewal of the password. The Participant must at all times maintain a record of the name, email address, user name, and current password of each Registrant. The Participant must keep such records for not less than 180 days after the expiration of the validity of the Registrant's password.

**(c)** If the MLS has reason to believe that a Participant's VOW has caused or permitted a breach in the security of MLS Listing Information or a violation of MLS rules, the Participant shall, upon request of the MLS, provide the name, email address, user name, and current password, of any Registrant suspected of involvement in the breach or violation. The Participant shall also, if requested by the MLS, provide an audit trail of activity by any such Registrant.

**(d)** The Participant shall require each registrant to review and affirmatively to express agreement (by mouse click or otherwise) to, a "Terms of Use" provision that provides at least the following:

**i.** That the Registrant acknowledges entering into a lawful consumer-broker relationship with the Participant;

**ii.** That all information obtained by the Registrant from the VOW is intended only for the Registrant's personal, non-commercial use;

**iii.** That the Registrant has a bona fide interest in the purchase, sale, or lease of real estate of the type being offered through the VOW;

**iv.** That the Registrant will not copy, redistribute, or retransmit any of the information provided except in connection with the Registrant's consideration of the purchase or sale of an individual property;

**v.** That the Registrant acknowledges the MLS's ownership of, and the validity of the MLS's copyright in, the MLS database.

(e) The Terms of Use Agreement may not impose a financial obligation on the Registrant or create any representation agreement between the Registrant and the Participant. Any agreement entered into at any time between the Participant and Registrant imposing a financial obligation on the Registrant or creating representation of the Registrant by the Participant must be established separately from the Terms of Use, must be prominently labeled as such, and may not be accepted solely by mouse click.

(f) The Terms of Use Agreement shall also expressly authorize the MLS, and other MLS Participants or their duly authorized representatives, to access the VOW for the purposes of verifying compliance with MLS rules and monitoring display of Participants’ listings by the VOW. The Agreement may also include such other provisions as may be agreed to between the Participant and the Registrant.

**Section 16.3:** A Participant’s VOW must prominently display the e-mail address, telephone number, or specific identification of another mode of communication (e.g., live chat) by which a consumer can contact the Participant to ask questions, or get more information, about any property displayed on the VOW. The Participant, or a non-principal broker or sales licensee licensed with the Participant, must be willing and able to respond knowledgeably to inquiries from Registrants about properties within the market area served by that Participant and displayed on the VOW.

**Section 16.4:** A Participant’s VOW must employ reasonable efforts to monitor for, and prevent, misappropriation, “scraping”, and other unauthorized use of MLS Listing Information. A Participant’s VOW shall utilize appropriate security protection such as firewalls as long as this requirement does not impose security obligations greater than those employed concurrently by the MLS.

**Section 16.5(a):** A Participant’s VOW shall not display listings or property addresses of any seller who has affirmatively directed the listing broker to withhold the seller’s listing or property address from display on the Internet. The listing broker shall communicate to the MLS that the seller has elected not to permit display of the listing or property address on the Internet. Notwithstanding the foregoing, a Participant who operates a VOW may provide to consumers via other delivery mechanisms, such as email, fax, or otherwise, the listings of sellers who have determined not to have the listing for their property displayed on the Internet.

(b) A Participant who lists a property for a seller who has elected not to have the property listing or the property address displayed on the Internet shall cause the seller to execute a document that includes the following (or a substantially similar) provision:

**Seller Opt-Out Form**

1. Please check either Option a or Option b

a.  I have advised my broker or sales agent that I do not want the listed property to be displayed on the Internet.

OR

b.  I have advised my broker or sales agent that I do not want the address of the listed property to be displayed on the Internet.

2. I understand and acknowledge that, if I have selected option a, consumers who conduct searches for listings on the Internet will not see information about the listed property in response to their search.

\_\_\_\_\_  
initials of seller

(c) The Participant shall retain such forms for at least one year from the date they are signed, or one year from the date the listing goes off the market, whichever is greater.

**Section 16.6 (a):** Subject to subsection (b), a Participant's VOW may allow third-parties (i) to write comments or reviews about particular listings or display a hyperlink to such comments or reviews in immediate conjunction with particular listings, or (ii) display an automated estimate of the market value of the listing (or hyperlink to such estimate) in immediate conjunction with the listing

**(b)** Notwithstanding the foregoing, at the request of a seller the Participant shall disable or discontinue either or both of those features described in subsection (a) as to any listing of the seller. The listing broker or agent shall communicate to the MLS that the seller has elected to have one or both of these features disabled or discontinued on all Participants' websites. Subject to the foregoing and to Section 16.7, a Participant's VOW may communicate the Participant's professional judgment concerning any listing. A Participant's VOW may notify its customer that a particular feature has been disabled "at the request of the seller."

**Section 16.7:** A Participant's VOW shall maintain a means (e.g., e-mail address, telephone number) to receive comments from the listing broker about the accuracy of any information that is added by or on behalf of the Participant beyond that supplied by the MLS and that relates to a specific property displayed on the VOW. The Participant shall correct or remove any false information relating to a specific property within 48 hours following receipt of a communication from the listing broker explaining why the data or information is false. The Participant shall not, however, be obliged to correct or remove any data or information that simply reflects good faith opinion, advice, or professional judgment.

**Section 16.8:** A Participant shall cause the MLS Listing Information available on its VOW to be refreshed at least once every three (3) days.

**Section 16.9:** Except as provided in these rules, the NATIONAL ASSOCIATION OF REALTORS® VOW Policy, or any other applicable MLS rules or policies, no Participant shall distribute, provide, or make accessible any portion of the MLS Listing Information to any person or entity.

**Section 16.10:** A Participant's VOW must display the Participant's privacy policy informing Registrants of all of the ways in which information that they provide may be used.

**Section 16.11:** A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, cooperative compensation offered by listing broker, and whether the listing broker is a REALTOR®.

**Section 16.12:** A Participant who intends to operate a VOW to display MLS Listing Information must notify the MLS of its intention to establish a VOW and must make the VOW readily accessible to the MLS and to all MLS Participants for purposes of verifying compliance with these Rules, the VOW Policy, and any other applicable MLS rules or policies.

**Section 16.13:** A Participant may operate more than one VOW himself or herself or through an AVP. A Participant who operates his or her own VOW may contract with an AVP to have the AVP operate other VOWs on his or her behalf. However, any VOW operated on behalf of a Participant by an AVP is subject to the supervision and accountability of the Participant.

**Section 16.14:** A Participant's VOW may not make available for search by, or display to, Registrants any of the following information:

- a. The compensation offered to other MLS Participants.
- b. Instructions or remarks intended for cooperating brokers only, such as those regarding showings or security of listed property.

**Section 16.15:** A Participant shall not change the content of any MLS Listing Information that is displayed on a VOW from the content as it is provided in the MLS. The Participant may, however, augment MLS Listing

Information with additional information not otherwise prohibited by these Rules or by other applicable MLS rules or policies as long as the source of such other information is clearly identified. This rule does not restrict the format of display of MLS Listing Information on VOWs or the display on VOWs of fewer than all of the listings or fewer than all of the authorized information fields

**Section 16.16:** A Participant shall cause to be placed on his or her VOW a notice indicating that the MLS Listing Information displayed on the VOW is deemed reliable but is not guaranteed accurate by the MLS. A Participant's VOW may include other appropriate disclaimers necessary to protect the Participant and/or the MLS from liability.

**Section 16.17:** A Participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of listing data.

**Section 16.18:** A Participant shall limit the number of listings that a Registrant may view, retrieve, or download to not more than 100 current listings and not more than 100 sold listings in response to any inquiry.

**Section 16.19:** A Participant shall require that Registrants' passwords be reconfirmed or changed every 90 days.

(Note: The number of days passwords remain valid before being changed or reconfirmed must be specified by the MLS in the context of this rule and cannot be shorter than 90 days. Participants may, at their option, require Registrants to reconfirm or change passwords more frequently.)

**Section 16.20:** A Participant may display advertising and the identification of other entities ("co-branding") on any VOW the Participant operates or that is operated on his or her behalf. However, a Participant may not display on any such VOW deceptive or misleading advertising or co-branding. For purposes of this Section, co-branding will be presumed not to be deceptive or misleading if the Participant's logo and contact information (or that of at least one Participant, in the case of a VOW established and operated on behalf of more than one Participant) is displayed in immediate conjunction with that of every other party, and the logo and contact information of all Participants displayed on the VOW is as large as the logo of the AVP and larger than that of any third party.

**Section 16.21:** A Participant shall cause any listing displayed on his or her VOW that is obtained from other sources, including from another MLS or from a broker not participating in the MLS, to identify the source of the listing.

**Section 16.22:** A Participant shall cause any listing displayed on his or her VOW obtained from other sources, or from a broker not participating in the MLS to be searched separately from the listings in the MLS. Other sources do not include listings from other MLSs.

**Section 16.23:** Participants and the AVPs operating VOWs on their behalf must execute the license agreement required by the MLS.

**Section 16.24:** Where a seller affirmatively directs their listing broker to withhold either the seller's listing or the address of the seller's listing from display on the Internet, a copy of the seller's affirmative direction shall be provided to the MLS within 48 hours.

## **Standards of Conduct for MLS Participants**

### **Section 17.0 Standards of Conduct for MLS Participants:**

1. Participants are prohibited from engaging in any practice or taking any action inconsistent with exclusive representation or exclusive brokerage relationship agreements that other Participants have with clients.

2. Signs giving notice of property for sale, rent, lease or exchange must not be placed on a property without the prior consent of the seller/landlord.
3. Participants acting as buyer/tenant representatives or brokers must not attempt to extend a listing broker's offer of cooperation and/or compensation to other brokers without the prior consent of the listing broker.
4. Participants are prohibited from soliciting a listing currently listed exclusively with another broker. However, if the listing broker, when asked by the Participant, refuses to disclose the Expiration Date and nature of such listing (e.g., exclusive right-to-sell, exclusive agency or other form of contractual agreement between the listing broker and the client) the Participant may contact the owner to secure such information and may discuss the terms upon which the Participant might take a future listing or, alternatively, may take a listing to become effective upon expiration of any existing exclusive listing.
5. Participants are prohibited from soliciting buyer/tenant agreements from buyers/tenants who are subject to exclusive buyer/tenant agreements. However, if the broker, when asked by a Participant, refuses to disclose the Expiration Date of the exclusive buyer/tenant agreement, the Participant may contact the buyer/tenant to secure such information and may discuss the terms upon which they might enter into a future buyer/tenant agreement or, alternatively, may enter into a buyer/tenant agreement to become effective upon expiration of any existing exclusive buyer/tenant agreement.
6. Participants are prohibited from using information obtained from the listing broker through offers to cooperate made through the MLS or through other offers of cooperating to refer listing brokers' clients to other brokers or to create buyer/tenant relationships with listing brokers' clients unless such use is authorized by listing brokers.
7. The fact that an exclusive agreement has been entered into with a Participant does not preclude or inhibit any other Participant from entering into a similar agreement after the expiration of the prior agreement.
8. The fact that a prospect has retained a Participant as an exclusive representative or exclusive broker in one or more past transactions does not preclude other Participants from seeking such prospect's future business.
9. Participants are free to enter into contractual relationships or to negotiate with sellers/landlords, buyers/tenants or others who are not subject to an exclusive agreement, but they are prohibited from knowingly obligating them to pay more than one commission except with their informed consent.
10. When Participants are contacted by the client of another Participant regarding the creation of an exclusive relationship to provide the same type of service, and Participants have not directly or indirectly initiated such discussions, they may discuss the terms upon which they might enter into a future agreement or, alternatively, enter into an agreement that becomes effective upon expiration of an existing exclusive agreement.
11. In cooperative transactions, Participants must compensate cooperating Participants and must not compensate nor offer to compensate, directly or indirectly, any of the sales licensees employed by or affiliated with other Participants without the prior express knowledge and consent of the cooperating broker.
12. Participants are not precluded from making general announcements to prospects describing their services and the terms of their availability even though some recipients may have entered into agency agreements or other exclusive relationships with another Participant. A general telephone canvass, general mailing or distribution addressed to all prospects in a given geographical area or in a given profession, business, club, organization or other classification or group is deemed general for purposes of this standard. The following types of solicitations are prohibited:
  - Telephone or personal solicitations of property owners who have been identified by a real estate sign, multiple listing compilation or other information service as having exclusively listed their property with another Participant or mail and other forms of written solicitations of prospects whose properties are exclusively listed with another Participant when such solicitations are not part of a general mailing but are directed specifically to property owners identified through compilations of current listings, for sale or for rent signs or other sources of information intended to foster cooperation with Participants.
13. Participants, prior to entering into a representation agreement, have an affirmative obligation to make reasonable efforts to determine whether the prospect is subject to a current, valid exclusive agreement to provide the same time of real estate service.
14. Participants acting as buyer and tenant representatives or brokers must disclose that relationship to the seller/landlord's representative or broker at first contact and must provide written confirmation of that disclosure to the seller/landlord's representative or broker not later than execution of a purchase agreement or lease.

15. On unlisted property, Participants acting as buyer/tenant representatives or brokers must disclose that relationship to the seller/landlord at first contact for that buyer/tenant and must provide written confirmation of such disclosure to the seller/landlord not later than execution of any purchase or lease agreement. Participants must make requests for anticipated compensation from the seller/landlord at first contact.
16. Participants acting as representatives or brokers of sellers/landlords must disclose that relationship to buyers/tenants as soon as practicable and must provide written confirmation of such disclosure to buyers/tenants not later than execution of any purchase or lease agreement.
17. Participants are not precluded from contacting the client of another broker for the purpose of offering to provide, or entering into a contract to provide, a different type of real estate service unrelated to the type of service currently being provided (e.g., property management as opposed to brokerage) or from offering the same type of service for property not subject to other brokers' exclusive agreements. However, information received through an MLS or any other offer of cooperation may not be used to target clients of other Participants to whom such offers to provide services may be made.
18. Participants acting as buyer/tenant representatives or brokers must not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to buyer/tenant representatives or brokers or make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.
19. All dealings concerning property exclusively listed or with buyers/tenants who are subject to an exclusive agreement must be carried on with the client's representative or broker, not with the client (except with the consent of the client's representative or broker or where such dealings are initiated by the client). Before providing substantive services (such as writing a purchase offer or presenting a CMA) to prospects, Participants must ask prospects whether they are a party to any exclusive representation agreement. Participants must not knowingly provide substantive services concerning a prospective transaction to prospects who are parties to exclusive representation agreements, except with the consent of the prospects' exclusive representatives or at the direction of prospects.
20. Participants, prior to or after terminating their relationship with their current firm must not induce clients of their current firm to cancel exclusive contractual agreements between the client and that firm. This does not preclude Participants from establishing agreements with their associated licensees governing assignability of exclusive agreements.
21. These rules are not intended to prohibit ethical, albeit aggressive or innovative business practices, and do not prohibit disagreements with other Participants involving commission, fees, compensation or other forms of payment expenses.
22. Participants must not knowingly or recklessly make false or misleading statements about competitors, their businesses or their business practices.
23. MLS Participants shall present a true picture in their advertising and representation to the public, including the URLs and domain names they use, and participants may not:
  - 1) engage in deceptive or unauthorized framing of real estate brokerage websites;
  - 2) manipulate (e.g. presenting content developed by others) listing content in any way that produces a deceptive or misleading result; or
  - 3) deceptively use metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic, or to otherwise mislead consumers
24. MLS Participants' firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner. Websites of licensees affiliated with a Participant's firm shall disclose the firm's name and the licensee's state(s) of licensure in a reasonable and readily apparent manner.

## Appendix 1: Glossary

### **Glossary:**

The terms in this section are defined as they apply to the MLS system, MLS processes or the MLS Rules & Regulations. These terms may be used differently in the real estate industry.

**Accepted Offer:** When a seller and buyer have accepted, signed and received a valid offer to purchase the property.

**Active:** An MLS status designation indicating that a property is currently available for sale and available for showings.

**Additional Terms:** An optional field that allows the listing broker to identify special financing conditions.

**Appraiser:** A person licensed by the state of Colorado to use his or her industry experience, education and training to estimate property values.

**Area:** References the MLS residential map section where a property is located.

**Bank/Government Sponsored Enterprise (GSE):** A financial institution licensed by a governmental entity or its assigns. Its primary activities include borrowing and lending money. A quasi-governmental institution such as Freddie Mac and Fannie Mae.

**Basement:** The lowest level of a building that rests on a below grade foundation (e.g., standard, traditional, cellar, walk-out and garden level). Basement square footage is prohibited from inclusion in the Square Feet field.

**Broker:** An individual authorized by state licensure to use his or her industry experience, education and training to facilitate real estate transactions for another party or entity.

**Broker Associate:** Any individual who holds a current and valid Colorado real estate broker's license and operates under the supervision of a Participant.

**Broker Load (Manage Listings):** A level of access to the MLS, provided by the Participant, which enables Users to add or change MLS listing information. Only the Participant may authorize Broker Load.

**Broker Remarks:** An optional field in residential, condo, income and land listings that enables brokers to exchange information and communicate details regarding a listed property. This information is intended for broker-to-broker communication rather than public viewing, including, but not limited to, phone numbers, e-mail addresses, web addresses, company and/or personal names and co-op compensation or other financial information.

**Builder:** An individual or business that constructs properties designated for residential use.

**Buyer's Agency:** A required field that specifies the co-op compensation offered by the listing broker to the cooperating broker. Any percentage amount or dollar figure greater than zero will be accepted.

**Buyer's Agent:** A licensed real estate broker who has established an agency relationship with a buyer to represent them in the purchase of property.

**Commission:** The percentage of a property's sale price that the seller agrees to pay the listing broker upon closing. This figure should be indicated in the listing contract, not in the MLS.

**Comparables:** Properties with similar characteristics (e.g., style, area, square footage) used to estimate the value of another property.

**Comparative Market Analysis (CMA):** A comparison of recently sold properties with similar features used to estimate the value of another property.

**Concession Amount:** The total dollar value of the cash or cash allowances not escrowed, personal property over 1 percent of the sales price, transaction payments or other personal items of value given by the seller to the buyer at closing.

**Condominium (COND):** A form of residential property that is divided into separate units, which can be bought and sold individually. Residents share ownership of common areas, including pools, exercise facilities and parking lots.

**Construction:** A required field that identifies the exterior material of a property.

**Co-op Compensation:** The specific dollar amount (any figure greater than zero) or percentage of the property's sale price that is offered to the cooperating broker or transaction broker.

**Cooperating Broker:** A licensed real estate broker who contributes to the sale of another broker's listed property by procuring a buyer to purchase or lease the property.

**Corporation/Trust:** A legal entity that exists independently of the person or persons who created it, and that is invested with many of the rights given to individuals. A corporation may enter into contracts, buy and sell property, etc. This category can include trusts, LLC's and Partnerships.

**County Code (Tax County):** The first four letters of the county where a property resides.

**Current Days on Market:** The number of days a property has been on market with the current listing broker.

**Current List Date:** The date in which the current listing broker will begin to market the property for sale. This date corresponds to the listing period specified on the state approved Exclusive Right-to-Sell Listing Contract and Exclusive Agency Listing Contract.

**Date Measured:** The date a property was last measured.

**Description:** A field that enables the listing broker to identify specific qualities and features of a property (e.g., attic fan, cable available, dishwasher, dog run, etc.).

**Duplex:** A type of residential property that is divided into two attached single family dwellings.

**Earnest Money:** A deposit made by a buyer and attached to any valid purchase offer as evidence of his or her intent to buy the property. (The amount of earnest money is determined by the seller under advisement from the listing broker.) This amount will be specified in the listing contract.

**Effective Date:** A column in the Listing History that identifies the Original List Date and the date a property went under contract, sold or expired. When the property has been changed to a withdrawn status, no date will appear in this column.

**Entry Only:** Listing contracts under which the listing broker's services to the seller are limited so that they are responsible for entering the property into the MLS and making all changes to listing information within the required timeframes. The listing broker is responsible for making changes for the life of the listing and must enter the sold information within three business days from the date of closing.

**Estate:** An entity that administers assets and liabilities of a deceased person, including land, real property, personal belongings and debts.

**Exclusions:** Items not included in the sale of a property, including, but not limited to, washer, dryer, refrigerator, freezer, window coverings, hot tub, etc.

**Exclusive Agency Listing:** A contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller, and the seller agrees to pay a commission to the listing broker if the property is sold through the efforts of any real estate broker. If the property is sold solely through the efforts of the seller, the seller is not obligated to pay a commission to the listing broker.

**Exclusive Right-to-Sell Listing:** A contractual agreement under which the listing broker acts as the agent or as the legally recognized non-agency representative of the seller, and the seller agrees to pay a commission to the listing broker regardless of whether the property is sold through the efforts of the listing broker, the seller or anyone else. However, the seller may name one or more individuals or entities as exemptions in the listing agreement. If the property is sold to any exempted individual or entity, the seller is not obligated to pay a commission to the listing broker.

**Exempted Listing:** A property in which the seller does not want listed in the MLS. This must be specified in the listing contract.

**Expiration Date:** The date in the listing contract on which the contract terminates.

**Expired:** An MLS status designation indicating the listing contract has expired or has been terminated by agreement between broker and seller.

**Finished Square Feet Total (Finished Sq Ft Total):** A required field that includes all finished main, upper, lower and basement square footage.

**Ghost Listing:** A listing placed in MLS areas other than in its own geographical location. This allows the listing to be viewed in areas where it is not truly located.

**Government - Includes HUD, VA & Farm Home Administration:** Government-owned property, public ownership or state ownership. This does not include Fannie Mae or Freddie Mac. HUD: A department of the US government that promotes private and public housing. FHA and GNMA are agencies within HUD. VA: A department of the US government that guarantees a mortgage made by an approved lender. It was designed to help veterans and their families with home ownership.

**Grade:** Ground level.

**Grid Information:** A property's NS and EW direction and number are determined by its location relative to Ellsworth and Broadway – two streets designated as “zero points.”

**IDX Subscriber:** Any individual who holds a current and valid Colorado real estate broker's license and is authorized by an IDX Agreement to display IDX content on his or her Internet website. Also referred to as “Subscriber”.

**Income (INC):** A residential property type that includes multi-family properties with two or more units, which may potentially generate income for the buyer.

**Incurable Offense:** An incurable offense is an event that cannot be undone including, but not limited to, violations of mass advertising and fair housing laws. An incurable offense could subject the Participant to immediate sanctions and possible termination or suspension.

**Individual:** Natural person(s), a human being(s), not a corporation or a builder.

**Internet Data eXchange (IDX):** An arrangement between brokers entered through written and signed agreements, which enables brokers to display each other's listings on their own websites. This allows the public to search MLS listings on a broker's website.

**Kick Out/Right of First Refusal:** An MLS option in the Status Conditions Field indicating there is a mutually executed contract with a contingency listed in Additional Provision of, or in an Addendum to, the Colorado Real Estate Commission form.

**Land (LND):** A residential property type that includes vacant land zoned for commercial or residential use.

**Lease Option:** A type of lease that affords the lessee the opportunity to purchase the property they are leasing for a certain price within a specified amount of time.

**Legal:** A field that refers to the actual Legal description of a property, which may include filing number, subdivision, township, range, section, block, boundaries and/or encroachments.

**Lender Owned:** A property acquired by a lien holder through foreclosure, deed-in-lieu, abandonment, etc. that is available for resale. Seller type includes but is not limited to: Bank/Government Sponsored Enterprise (GSE) & Government.

**Limited Service Listings:** Listing contracts under which the listing broker will limit his or her services in one or more of the following ways:

1. Instead of arranging appointments for cooperating brokers to show the listed property to potential purchasers, the listing broker gives cooperating brokers authority to make such appointments directly with the seller.
2. Rather than accepting and presenting the seller with offers to purchase procured by cooperating brokers, the listing broker gives cooperating brokers authority to present offers to purchase directly to the seller.
3. The listing broker will not advise the seller as to the merits of offers to purchase.
4. The listing broker will not assist the seller in developing, communicating or presenting counter-offers.
5. The listing broker will not participate on the seller's behalf in negotiations leading to the sale of the listed property.

**Listing Broker:** A licensed real estate broker who; on behalf of the Participant represents the interests of the seller and operates under the terms and conditions outlined in a valid listing contract.

**Listing Content:** Photographs, images, graphics, audio and video recordings, virtual tours, drawings, descriptions, remarks, narratives, pricing information and other details or information related to listed property.

**Listing Contract:** A written agreement that exists between the Participant and the seller; which is required by law to define the terms and conditions of their relationship, including the type of contract, level of service, exclusions, listing period and commission structure.

**Listing Input Form:** Electronic and hard-copy forms through which Participants submit listings to the MLS.

**Lower Level:** A level below main level that includes partially below grade living space (e.g., bi-level, tri-level, 4-level and raised ranch).

**Main Level:** The level at front grade or partially above front grade.

**Map & Section:** A field that refers to information obtained from Mapsco's Denver Regional Street Atlas. The Map # refers to the street guide's page number. The Section refers to one of the 24 areas on the map.

**Member:** Both Participants and Users of the MLS.

**Metrolist®, Inc.:** Formed in March of 1984 by the six metro Denver area Associations of REALTORS®: Aurora Association of REALTORS®, Denver Board of REALTORS®, Douglas/Elbert REALTOR® Association, Jefferson County Association of REALTORS®, North Metro Denver REALTOR® Association and South Metro Denver REALTOR® Association to provide MLS products and services from one collective source.

**MLS Service Center:** A facility other than the Metrolist® corporate office that provides personnel, office equipment and supplies, computers and printers for online access and services.

**Modified Date:** A column in the Listing History showing the date a status or price change occurred in the system.

### **Multiple Listing Service (MLS):**

- A facility for the orderly correlation and dissemination of listing information, which allows Participants to better serve their clients and the public
- A means by which authorized Participants make blanket unilateral offers of compensation to other Participants
- A means of enhancing cooperation among brokers
- A means by which information is accumulated and disseminated to enable authorized Participants to prepare appraisals, analyses and other valuations of real property for bona fide clients and Participants
- A means by which Participants engaging in real estate appraisal contribute to common databases (Entitlement to compensation is determined by the cooperating broker's performance as a procuring cause of the sale or lease.)

**Open Space:** Undeveloped land set aside or reserved for public or private use as defined by the governmental jurisdiction(s) where the land is located.

**Original List Date:** The date a property was first listed on the market as being for sale. A new Original List Date is only permitted once the property has been off market for over 30 days.

**Parcel Identification Number (PIN):** Represents and identifies a specific property. The accurate PIN must be specified on all listings submitted to the MLS. When the correct PIN and County Code information are entered into the MLS, a variety of fields will automatically populate with the correct information

**Participant:** Any brokerage owner, employing broker, independent proprietor, certified or registered appraiser or managing broker acting on behalf of the brokerage owner who is granted membership to the MLS through receipt of a signed Metrolist® Participation Agreement and who is capable of offering and accepting cooperation and compensation to and from other Participants. All Participants must agree in writing to comply with the MLS Rules & Regulations and to pay all costs associated with MLS membership. Participants are ultimately responsible for any affiliated Users, including their compliance with MLS Rules & Regulations and payment of all membership costs.

**Participation Agreement:** A written and signed agreement between a Participant and Metrolist® that outlines the guidelines and stipulations for membership.

**Pending:** An MLS status designation indicating a Seller and Buyer have an unsigned Accepted Offer and a mutually executed contract is pending or is a short sale with an offer submitted to a 3<sup>rd</sup> party for approval.

**Public Remarks:** An optional field in residential, condo, income and land listings used to communicate descriptive property information and inclusions to the public. Third-party advertising, personal advertising, banners and information not intended for public viewing are strictly prohibited from the Public Remarks. This includes, but is not

limited to, phone numbers, e-mail addresses, web addresses, company and/or personal names, co-op compensation and other financial information.

**REALTOR®:** A licensed real estate broker who is a member of the National Association of REALTORS®.

**Refresh Listing:** A function that automatically duplicates the listing content and assigns a new listing number so that the refreshed listing will display with new listing searches. Often used for marketing purposes to increase the exposure of a listing.

**Relocation Company:** A firm or entity that while assisting in the relocation of employees will facilitate the transfer of property to the end buyer. It may hold legal or equitable title to real property to facilitate that transfer.

**Residential (RES):** A property type that consists of single family dwellings.

**Sale Concession:** Any personal items valuing over 1 percent of the property's sale price transferred from the seller to the buyer. Concessions may also include any cash or cash allowances not escrowed given by the seller to the buyer at closing and any payment of buyer transaction costs made by the seller.

**School Codes:** A designated number that is given to every school, which is based on its area and school level.

**Seller:** The person, party or entity that is in legal title to the property, or their designee.

**Seller Down Payment Assistance:** A monetary contribution from a property's seller to a third-party down payment assistance agency, which in turn redistributes the contribution to the buyer to aid them with the down payment.

**Selling Broker:** A licensed real estate broker who has established an agency relationship with a buyer to represent them in the purchase of property.

**Shareholders:** Six metro Denver area Associations of REALTORS®: Aurora Association of REALTORS®, Denver Board of REALTORS®, Douglas/Elbert REALTOR® Association, Jefferson County Association of REALTORS®, North Metro Denver REALTOR® Association and South Metro Denver REALTOR® Association.

**Short Sale:** A short sale is one where title transfers, the sale price is insufficient to pay the total of all liens and costs of sale, and the seller does not bring sufficient liquid assets to the closing to cure all deficiencies.

**Sold:** An MLS status designation indicating that a Contract on a property has successfully closed.

**Sold Agent ID:** The cooperating broker's Agent ID number. The MLS Rules & Regulations require that the listing broker record the Sold Agent ID and sold information within three business days of the close of a sale.

**Sold Date:** The date that the purchase of a property was finalized through the process of closing.

**Square Feet:** A required field that includes all partially or completely above grade square footage. This includes the finished and unfinished square footage of the main, upper and lower levels. Basement square footage is prohibited from inclusion in the Square Feet field.

**Street Type:** A term used to define the U.S. Postal Service's abbreviation for primary street suffixes (e.g., Ave., Blvd., Dr., Cir., etc.).

**Sub Area:** The county assigned geographical subdivision associated with the Legal description. The Sub Area will auto-populate once the correct County Code and PIN are entered.

**Terms:** A required field that describes financing options.

**Total Days on Market (Total DOM):** The total number of days that pass from the time the property is originally listed to the date a price or status change occurs. This number may differ from that of the current days on market. If a property in the MLS is taken off the market and reentered within 30 days, the total days on market will not reset.

**Total Square Feet (Total Sq Ft):** A required field that incorporates the finished and unfinished square footage of all levels, including the main, upper, lower and basement.

**Transaction Broker:** A licensed real estate broker who assists both the buyer and the seller with a real estate transaction, but does not have agency status. The transaction broker is a neutral party that does not promote the individual interests of the buyer or seller.

**Under Contract:** An MLS status designation indicating that a seller and buyer have a mutually executed contract.

**Upper Level:** All levels above main level (e.g., 2<sup>nd</sup> floor, 3<sup>rd</sup> floor, etc.)

**User:** Any associate with an active Colorado real estate license, certified or licensed appraiser or clerical staff accessing the MLS who works directly under the supervision of an MLS Participant.

**Variable Commission:** An agreement between the listing broker and the seller in which the seller/landlord agrees to pay a specified commission if the property is sold by the listing broker without assistance and a different commission if the sale occurs through the efforts of a cooperating broker. Also, an agreement between the seller/landlord and the listing broker in which the seller agrees to pay a specified commission if the property is sold by the listing broker (with or without assistance) and a different commission of the sale occurs through the efforts of the seller/landlord.

**Virtual Office Websites (VOWS):** A Participant's or authorized User's Internet website through which consumers agree to receive real estate brokerage services, including the opportunity to search for MLS content subject to the Participant's oversight, supervision and responsibility.

**Withdrawn:** An MLS status designation indicating the listing is no longer being actively marketed and is still subject to a valid listing contract.

## **Appendix 2: Privacy Statement**

As a Member of the MLS, through the signature of the Participation Agreement, Participants warrant to Metrolist® Inc. that they will not use MLS content for any unlawful purpose or any use prohibited pursuant to the MLS Rules & Regulations. Members must not modify, copy, distribute, transmit, display, transform, reproduce, publish, license, create derivative works from, transfer or sell any content, including, but not limited to, property information, software, products or services obtained from the MLS.