# **MLS & Rules Committee**

# Agenda / Action Items



Date: 11.28.2023 Co-Chairperson: Cheri Drake
Time: 1:00pm Co-Chairperson: Taylor LaRue

Locati LBOR Office Staff Liaison: Linda Manley & Rob Hulse

#### **Committee Members:**

Cheri DrakeTaylor LaRueAnna WrightBaliey StuartBeth HamChris EarlErin MaigaardGreta Carter-WilsonJill BallewKatie MooreLibby GradyLindsay LandisMichelle Roberts-FreemanNicholas LernerRyan Desch

Vanessa Schmidt Zach Dodson

P - Present E - Excused Absence A - Absent

Guests (non-Quorum)

#### **AGENDA ITEMS**

No Topic Done Notes/Update

### 1 Review Previous Meeting Minutes from 10.30.2023

## 2 Update from LMLS Staff

- a. Review 3rd Offenses (consider a standardized Citation Policy).
- b. Review Fine Appeals.
- c. Feedback from NAR NXT (Annual NAR Conference) related to legal challenges to Brokers/MLSs. Reconsider \$0.00?
- d. Record retention policy update needed concerning the Listing Agreement copies that listing agents upload into Paragon.
- 3 Review/Approve the Sale of Residence Contingency completed by Brokers.
- 4 Recommendation to make Bathroom fields (full, 3/4, 1/2) required fields. Relocate adjacent to Total Bath Areas Field.
- 5 Recommendation to make the field for Total Bedrooms a required field. Relocate adjacent to Conforming & Non-Conforming Bedroom fields.
- 6 Consider Request for MLS Access by the Douglas County Appraisers Office.
- 7 LBOR Sales Contract regarding ACH of Earnest Money Delayed Receipt of Earnest Money at Title Companies sideways with KREC.
- 8 Consider Linking to Additional Information about Short Term Rentals within the Seller's Property Condition Disclosure.

- 9 Statistical Reporting Consider request to publish a "Best Practices" or "Policy" regarding Statistical Reports in Paragon.

  (reported that agents have used other agent's volume production/standing in competition for clients. (After the Committee expanded reports to Agents in April 2018, Brokers discussed on 4/30/2018, and the Board approved on May 9, 2018)
- 10 Consider updating the Buyer Agency Agreement, Exclusive Right of Sale, and Sales Contract Transparency of Commissions
  - a. Convene a separate work group to work on these forms, rather than the entire Committee?
- 11 Discuss annual sales volume production awards.
- **12** Consider Tabled Topics?
  - a. Readily Available to Show.
  - b. Fair and Equal Access for all.
  - c. Do we need policy/rules regarding Ancillary Dwelling Units (ADUs)?
  - d. Define "Reasonably Prominent" in IDX Rules.

| 13 | <b>Next Meeting:</b> |  |
|----|----------------------|--|
| 14 | Adjourn:             |  |

### MLS & RULES COMMITTEE ACTION ITEMS

|    |  |            |                    | In      |      |                                 |
|----|--|------------|--------------------|---------|------|---------------------------------|
| No | Action   | Due Date   | Responsible Member | Process | Done | Notes/Update                    |
|    | Amendment to the Exclusive Right of Sale presented to the Board of Directors     | 11.13.2023 | LMLS Staff - Rob   | ٧       |      | To Board of Directors           |
|    | Amendment to the Buyer Agency Agreement presented to the Board of Directors      | 11.13.2023 | LMLS Staff - Rob   | ٧       |      | To Board of Directors           |
|    | Remove Buyer Name Field - Present Committee Recommendation to Board of Directors | 11.13.2023 | LMLS Staff - Rob   | ٧       |      | To Board of Directors           |
|    | Present recommendation from MLS & Rules to expand photos to 100 in Paragon.      | 11.13.2023 | LMLS Staff - Rob   | ٧       |      | To Board of Directors           |
|    | Complete updates to the Amendment to the EROS and Buyer Agency Agreement         | 10.30.2023 | LMLS Staff - Rob   |         | ٧    | For Committee<br>Consideration. |
|    | Gather information from Paragon about options in Photo Admin in Paragon          | 10.30.2023 | LMLS Staff - Rob   | _       | ٧    | For Committee<br>Consideration. |

| Gather information from KREC regarding disclosure of ID of Complainant  | 10.30.2023                         | LMLS Staff - Rob  |   | ٧ | For Committee Consideration.   |
|---|------------------------------------|---|---|---|--|
| Pull Brokers together to work on Sale of<br>Residence Contingency Form  | 09.18.2023 to 10.25.2023           | Sub-Committee   |   | ٧ | For Committee Consideration.   |
| Sub-Committee to work on Sale of Residence<br>Contingency Form  | 09.18.2023                         | LMLS Staff - Rob  |   | ٧ | For Committee Consideration.   |
| Draft - Contingency for Sale of Buyer's<br>Property   | 09.12.2023                         | LMLS Staff - Rob  |   | ٧ | For Committee Consideration.   |
| Communicate Web API conversion timeline to MLS Vendor of IDX, VOW, and BO services.   | 07.20.2023                         | LMLS Staff - Rob  |   | ٧ | Deadline of 8/1, with RETS disabled for IDX, VOW, & BO by 10.01.2023.                          |
| Create a new Detail Report specific to feedback provided by Appraisers.   | In Appraiser's Hands at this time. | Member Appraiser and LMLS Staff   | ٧ |   | Waiting on the Appraiser for noted changes.  |
| Troubleshoot with Paragon Support: Issue with new SOLD statuses for Agent/Office/Firm exclusive.                                | 07.20.2023                         | LMLS Staff - Rob and<br>Paragon Support                                   |   | ٧ | Consider SCR to fix implementation of Exclusive Sold Statuses.                                 |
| Remove Contingent Badge from Active/Kick Out Clause status at Realtor.com   | 6.29.2023                          | Realtor.com has opened a ticket to process this request.                  |   | ٧ | Done   |
| Remove Pinckney and Broken Arrow<br>Elementary Schools from Paragon. Discuss<br>Paragon Support and possible rule to the field. | 6.29.2023                          | Keeping both schools<br>visible in Paragon, but<br>not available for inpu |   | ٧ | Display of error message<br>at input: "This school was<br>closed by USD497 in May<br>of 2023." |
| Prepare a Video Tutorial about the Auto<br>Hotsheet and send out in newsletter.   | 6.29.2023                          | Included in most recent newsletter.                                       |   | ٧ | A simple screen shot doc was also provided.  |
| Staff to ask Paragon Support about what exactly is triggered by DOM and DOMLS.  | 6.29.2023                          | Sent to Committee on 06.09.2023.  |   | ٧ | Discussion included on the 06.29.2023 Agenda.  |
| Newly expanded fields in Paragon are not displaying properly on sites still using RETS for IDX, or MLS Syndication.             | 6/9/2023                           | Staff is monitoring IDX sites supported by IDX Broker.                    | ٧ |   | Problem isolated to<br>Brokers using IDX Broker<br>via RETS.                                   |
| Paragon Range Field for Approximate Fin SqFt is not working correctly (from Zach ).   | 6/9/2023                           | LMLS Staff - Rob  |   | ٧ | Reached out to Paragon on 6/7/2023.  |
| HomeSnap Pro: Photos not pulling through to the HomeSnap App (from Bailey).   | 6/9/2023                           | LMLS Staff - Rob  |   | ٧ | Reached out to HomeSnap on 6/7/2023.   |

| HomeSnap Pro: Searching for Acres appears to be broken in the HomeSnap App (from Bailey).                                      | 6/9/2023                                      | LMLS Staff - Rob                      | ٧ | Reached out to HomeSnap<br>on 6/7/2023.                             |
|--|---|---------------------------------------|---|---|
| Investment Property Rider to the Seller's Property Condition Disclousre to DocuSign, Dotloop, and in Paragon Contracts & Forms | 4/28/2023                                     | LMLS Staff - Rob                      | ٧ | Sent to Brokers. Uploaded in Paragon. Sent to Dotloop and DocuSign. |
| Smart Home Rider to the Seller's Property Condition Disclousre to DocuSign, Dotloop, and in Paragon Contracts & Forms          | 4/28/2023                                     | LMLS Staff - Rob                      | ٧ | Sent to Brokers. Uploaded in Paragon. Sent to Dotloop and DocuSign. |
| List of IDX Websites Published Online  | 6/1/2023                                      | LMLS Staff - Rob                      | ٧ | Published on LBOR Site at Members > MLS Resources.                  |
| Create an Informational Landing Page specific to the Clear Cooperation Policy.   | 6/1/2023                                      | LMLS Staff - Rob                      | ٧ | Work in progressDo's and Don't's list to be created.                |
| Prepare videos and tutorials for new Paragon<br>Changes roll out. A page on LBOR Site will<br>include all video and turorials. | 4/25/2023                                     | LMLS Staff - Rob                      | ٧ | Prepare ahead of cutover to newly updated fields.                   |
| Work with Realtor.com to map field to Open<br>House Hosted by on their site  | 1/25/2023                                     | MLS Staff - Rob                       | ٧ | Open House information is included in the data feed to Realtor.com  |
| Prepare a Training Video for new fields  | 4/21/2023                                     | LMLS Staff - Rob                      | ٧ | Collaborate with Ed<br>Committee                                    |
| Paragon Changes /Conversions of Fields   | 4/24/2023                                     | LMLS Staff - Paragon                  | ٧ | Cutover on for April 24th.  |
| Set up testing group for Paragon<br>Changes/Conversions of Fields  | February 23rd (subject to pace of work by BK) | LMLS Staff - Rob /<br>Paragon Support | ٧ | Testing completed on April<br>11th                                  |
| Create a Smart Home Turnover form as an Addendum to the Seller's Disclosure  | 1/25/2023                                     | Lindsay Landis                        | ٧ | Two versions for review on March 27th.                              |
| Present for approval - a Multi-Family Property<br>Condition Disclosure Rider   | 1/25/2023                                     | Zach Dodson                           | ٧ | To be presented for approval at the 04.05.2023 Board Mtg            |
| Provide Brokers with updated LBOR Sales<br>Contract, Buyer Agency Agreement, and<br>Listing Agreement (red-lined and clean)    | 1/23/2023                                     | LMLS Staff - Rob                      | ٧ | Completed on 1/23/2023.   |

| Change Status of Withdrawn/Cancelled and Cancelled/Cancelled to Off Market/Withdrawn and Off Market/Cancelled.       | 1/25/2023 | Rob/Paragon Support | ٧ | Completed on 1/23/2023.  |
|--|-----------|---------------------|---|--|
| Add fields to Residential Class to gather rental information: Is the Property Rented? Lease Expiration? Rent Amount? | 1/25/2023 | Rob/Paragon Support | ٧ | Updating the Residential<br>Class on 1.24.2023                                       |
| Update the Sales Contract, Buyer Agency Agreement, Listing Agreement at Dotloop.                                     | 2/6/2023  | LMLS Staff - Rob    | ٧ | Completed on 02/10/2023.   |
| Update the LBOR Sales Contract, Buyer Agency<br>Agreement, and Listing Agreement at<br>DocuSign                      | 2/6/2023  | LMLS Staff - Rob    | ٧ | All Docs Delivered to DocuSign, and waiting for library update & build out.          |
| Release to all Members the Updated LBOR<br>Sales Contract, Buyer Agency Agreement, and<br>Listing Agreement          | 2/6/2023  | LMLS Staff - Rob    | ٧ | Added to Paragon MLS Docs on 02.09.23, Dotloop on 02.10.23, and waiting on DocuSign. |
| HERS Rating (Home Energy Rating System) as an a. HERS Rated: Yes/No b. HERS Year: c. HERS Rating:                    | MLS Field | LMLS Staff - Rob    | ٧ | Approved by Board of Directors and implemented by Feb. 13th.                         |

# **MLS & Rules Committee**

# **Meeting Minutes**



Date:10.30.2023Co-Chairperson:Cheri DrakeTime:1pmCo-Chairperson:Taylor LaRue

Linda Manley & Rob Hulse

Attendees:

Cheri DrakeTaylor LaRueAnna WrightBaliey StuartBeth HamChris EarlErin MaigaardGreta Carter-WilsonJill BallewKatie MooreLibby GradyLindsay LandisMichelle Roberts-FreemanNicholas LernerRyan Desch

Vanessa Schmidt Zach Dodson

P - Present E - Excused Absence A - Absent AL - Arrived Late LE - Left Early

Guests (non-Quorum)

#### **AGENDA MINUTES**

No Topic Presenter Done Notes/Update

1 Review Previous Meeting Minutes from 10/03/2023

After review, it was moved and 2nd to approve the previous meeting's minutes. Motion Passed.

2 Update from LMLS Staff

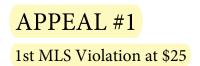
The Committee received a Burnett vs NAR update, along with an article from RealtorMag, and printed available flyers from Competition.Realtor.

Following the report from LMLS Staff, it was moved and seconded to change the interpretation of an 'offer of compensation' to include offers of \$0.00. Motion Failed.

- 3 The Committee received an update on the work group of Brokers who are working on the Sale of Residence Contingency. While the form is nearly complete, the form will be deferred until the next MLS & Rules Committee meeting for approval.
- 4 Returning to Committee Agenda Items the Committee next reviewed both the newly prepared Amendment to the Buyer Agency Agreement and the Amendment to the Exclusive Right of Sale Agreement. After discussion and review, it was moved and seconded to approve both as proposed. Motion Passed.
- Next, the Committee considered a member recommendation to remove the "Buyer Name" field from Paragon (Sold field #198) for privacy concerns. Discussed was whether the field should be hidden or to remove the field and the field history entirely. After discussion, it was moved and seconded to remove the Buyer Name field #198 in it's entirety. Motion Passed.

- Next, the Committee discussed a request to increase the number of photos in Paragon to 100, from 50. Adding photos and not changing the Detail Report formatting will prevent photos 51+ from displaying on those reports. Discussed was a possible warning that could occur in Photo Administration, indicating that only photos 1-50 will display on printed Detail Reports, such as the Customer or Client Detial Reports. Photo carousels or spinners, will display all photos. After discussion, it was moved and seconded to increase photos in Paragon to 100, while not making changes to Detail Reports, and looking at options to provide a warning within Photo Administration that photos 51+ will not display on some Detail Reports. Motion Passed.
- 7 Next, the Committee was given information from KREC regarding disclosure of the Complainant at KREC, and information about an MLS or Association being a named Complainant with KREC.
- 8 Next, the Committee turned their attention to previously tabled items to consider what should now return to the regular meeting agenda. The Committee will keep these items tabled for now.

Meeting was adjourned at 2:30pm, with the next meeting day and time scheduled for November 28th 1:00pm.



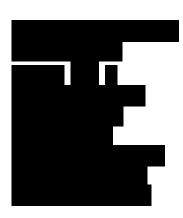
From:
To:
Rob Hulse

Subject: Listing # - No Change Form Fine

Date: Wednesday, November 8, 2023 1:43:30 PM

Rob,

Good afternoon! I received a fine notice for not uploading the signed cancellation agreement for MLS # . This was my first time Cancelling a listing in the Lawrence MLS. I previously have read all the rules but didn't have it memorized that there's a 24-hour requirement on uploading the documents, I will remember this going forward! I would like to ask the board for forgiveness of the \$25 fine, I appreciate your consideration. Thank you!



# APPEAL #2

2nd MLS Fine at \$250

From:
To: Rob Hulse
Cc: Linda Manley

Subject: FW: Second MLS Fine for 2023
Date: Friday, November 10, 2023 9:30:49 AM

Attachments: <u>image001.png</u>

Invoice #

### Good morning Rob!

I have attached a corresponding email below this one. I completely understand why this fine was assessed but wanted to make an appeal this one time based on a new circumstance for me. I joined the LBOR a couple years ago because I actually live very close to Lawrence but for years had been referring business your way. I have been with Heartland since 2011.

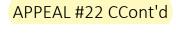
When this parcel was sold in August, I had recently let go of my long time assistant. She was the person that kept my calendar and updated it daily with appointments and housekeeping to-do's that I needed to take care of. Status changes, data entry dates, etc. were all a part of her job description. Needless to say, it has been an adjustment covering or discovering things that she had kept on track for me for many years. After I sold these two parcels together, I immediately changed status in Heartland but overlooked LBOR until someone called me from Lawrence asking to see the property. That's when I realized that I had forgotten to change status.

Since then, I have updated my to do list as we search for our next assistant. I am a rule follower and have not been fined through Heartland since I initially joined. I was fined early on with the LBOR for not uploading the ERTC. (That's different from heartland so I overlooked it)

Again, I understand my mistake but was hoping for some leniency in this one off circumstance.

Thanks for considering and I'll wait to hear from you.

Linda – thanks for your help as well





From: LAWRENCE BOARD OF REALTORS® <Admin@LawrenceRealtor.com>

**Sent:** Tuesday, October 31, 2023 10:43 AM

To:

**Subject:** Second MLS Fine for 2023

October 31, 2023

FROM: LBOR/LMLS

**RE: Second MLS Fine Notification** 



A fine has been assessed for the following violation of MLS Rules & Regulations: The status change to SOLD, and subsequent SOLD information was not input into Paragon by midnight of the 1st business day.

Per MLS Rules & Regulations Section 2.5: Status changes, including final

closing of sales, shall be reported to the MLS by the listing Broker by midnight of the first business day (excluding weekends and holidays) after they have occurred. A first violation results in a fine of \$50.00. However, this is the second MLS Fine in a twelve-month period, which results in a fine of \$250.00 (we are counting it together with your previous fine on invoice #\_\_\_\_\_, attached below).

MLS#: Address: Closing Date: August 10, 2023

### **Process:**

The Agent and their Broker are notified of the citation and given 20 days to either pay the fine or appeal the decision. If the decision is appealed, the violation and appeal will be reviewed by the MLS & Rules Committee.

Payment of this fine in the amount of \$250.00 is due by November 10, 2023.

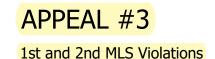
Further, if payment is not received by 4:00 PM on November 20, 2023, suspension of MLS privileges will occur until the past due amount is paid, which may include reactivation charges.

If paying by check, please remit to the **Lawrence Multiple Listing Service** and send to the address shown below. Payment may also be made by Visa, Mastercard, American Express or Discover by clicking <a href="here">here</a> and logging into your Info Member Hub to pay your invoice located in the "Billing" tab, or by calling 785-842-1843 for credit card processing over the phone.

**Listing Requirements for LMLS** 

Thank you

Lawrence Board of REALTORS Admin.



From:
To:
Rob Hulse

Cc:

**Subject:** Fine Appeal

**Date:** Thursday, November 16, 2023 4:00:58 PM

Attachments: image001.png

image002.jpg image003.jpg

### Good afternoon,

I hope this request finds you well and excited for a great Thanksgiving with your friends and or family.

I am new to the Lawrence Board and was very eager to join and expand my Real Estate reach.

I own a home in Lawrence and have sold several during my career and jumped at the opportunity to join when my Broker offered.

As you (and I now) know while there are many similarities to Heartland, there are many rules and procedures that can and are very different with the Lawrence Board.

My belief is that every MLS and every agent desires to have more listings, more opportunities, and a farther reach.

To that goal, we have been posting our listings in both Heartland and the Lawrence Board to increase inventory and showcase a wider area.

I have a full-time assistant who is very good and handles all the paperwork and input behind the scenes.

She forgot to update a status change which resulted in a \$50 dollar fine and then failed to upload the paperwork for a listing modification which resulted in a 2<sup>nd</sup> fine of \$250 (Heartland doesn't require any documents to be uploaded).

I am not making excuses but would like to share that I am one of the Top Individual Agents in Heartland MLS (with a stellar compliance history) and my assistant completely forgot that we had entered these listings into your MLS as this is so new to us.

We now have the rules and procedures manual and I assure you my assistant has studied it and there will be no more issues.

I am respectfully requesting that you waive the fines on these two "mistakes" and we can continue as a team and become a great part of the Lawrence Board.

Thank you and have an amazing day!



From:
To:
Cc:
Subject:
MLS Violations

**Date:** Friday, November 17, 2023 12:23:59 PM

Dear Esteemed Members of the Lawrence Board of Realtors MLS.

I trust this correspondence finds you well. I am writing to address and rectify the recent infractions identified within our engagement with the Lawrence Board of Realtors MLS.

Our initial violation, dated 05/25/2023, pertaining to MLS # & MLS # involved a failure to provide a change form for the withdrawal of listings. Subsequently, our second violation on 08/11/2023, linked to MLS # , resulted from a delayed submission of the Listing Agreement. Lastly, our third violation on 11/02/203, associated with MLS # , pertains to a tardy Status Change to mark the property as Under Contract.

Please accept our sincere apologies for these oversights. Currently, we are active members of six MLS's within the state of Kansas, as well as one in the State of Georgia, totaling seven. Each MLS comes with its unique set of rules, regulations, and restrictions.

As a growing brokerage with over 20 agents, we operate with one dedicated Transaction Coordinator overseeing all transactions across Kansas, Missouri, and Georgia. Our combined sales volume exceeds \$62 million, with nearly 300 transactions conducted thus far this year.

Recognizing the inherent challenges associated with our transaction volume, we acknowledge our responsibility for these errors. Without seeking refuge in excuses, we humbly request your understanding and mercy. Moving forward, we commit to a heightened level of scrutiny to prevent a recurrence of such oversights. All our agents are now well-versed in the rules governing the Lawrence MLS, and we have implemented robust processes to promptly rectify any issues that may arise in the future.

We wish to assure you of our genuine commitment to adherence to the policies of the Lawrence MLS. To demonstrate this commitment, we plan to attend the next MLS & Rules Committee Meeting scheduled for November 28, 2023, at 1:00 p.m. This attendance will serve as an opportunity to further express our commitment to the Lawrence Board of Realtors and to receive guidance regarding next steps and actions related to our violation.

Thank you for your understanding and consideration.

Warm regards,



From:
To:
Rob Hulse
Subject:

**Date:** Friday, November 17, 2023 10:58:17 AM

Good morning, Rob!

I'm writing to you on behalf of regarding her getting her third fine this year. I would appreciate if you (and/or the board) would please take into consideration that her first fine, back in March, was my fault - we were understaffed the day she turned the file in, and we were very busy, and I just missed changing one of her files to UC until the 2<sup>nd</sup> business day. The fine was paid, but unfortunately, it is counting against her.

I hope you are doing well, and ready for the holidays!

Thank you.





Please consider the environment before printing this email.

### NOTICE: CONFIDENTIAL INFORMATION

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From:
To:
Rob Fulse

Subject: Fwd: Third MLS Violation

Date: Sunday, November 19, 2023 10:37:03 AM

Rob,

I was informed by that one of these violations assigned to was actually due to failing to get a change status filed in time on behalf. At status, it is Staff's responsibility to see that status changes are made on time. If an agent fails to get the Staff member the required notice on time, then the fault for the late notice falls to the agent. However, in this case, was aware in advance that this notice needed to be filed, and it was her error that made the notice late.

I ask that the MLS Rules Committee understand that this issue regarding a third violation was not caused by the same. I believe was also going to send you a statement indicating the same. Please let me know what else you need from me.

Thanks,

From: ADMIN LBOR OFFICE < Admin@LawrenceRealtor.com>

Sent: Friday, November 17, 2023 9:39 AM

To:

Subject: Third MLS Violation

November 17, 2023

FROM: LBOR/LMLS

**RE: Third MLS Violation Notification** 

A violation of MLS Rules & Regulations has been noted for this listing, for the following reason: Your status change for under contract was not submitted to the Lawrence MLS in the required time frame.

Per MLS Rules & Regulations Section 2.5: Status changes, including final closing of sales, shall be reported to the MLS by the listing Broker by midnight of the first business day (excluding weekends and holidays) after they have occurred. In a rolling 12-month period, a first violation results in a fine of \$50.00. However, the second fine escalates to \$250. A



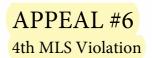
third MLS Violation in a twelve-month period will be referred to the MLS & Rules Committee for review, and the Committee will determine the next step and action(s) to be taken. You are welcome to attend the next MLS & Rules meeting on Tuesday, November 28, 2023, at 1:00 to appeal to the committee.

MLS#: Address: Under Contract Date: November 14, 2023

**Listing Requirements of the LMLS** 

Thank You

Lawrence Board of REALTORS Admin.



To those that serve on the MLS & Rules Committee:

I have been a member of Lawrence board for over 12 years. I have had very few violations during my membership. This year I had some extenuating circumstances and spent many weeks in hospitals. I was late reporting a closing. I completed a price change without uploading documentation, which was corrected when noted. I held a Realtor Open house without listing in the 24 hour window.

The first two errors were mistakes during my personal ordeal, I accepted them and moved on. The third violation, a Realtor Open, I did call the board office to ask if I could hold an open without listing first. I was told yes. I did not follow up with the proper question, as to how long after must it be in the MLS. I did try to ensure I was following the rules. I was not trying to be underhanded. I accepted the violation, paid the \$500 fine, and am a restricted user on the MLS.

Currently, you have sitting in front of you all a violation for another Price Change without documentation. I plead with you to see this error was not due to personal neglect. This was the first MLS activity that required my Supervising Broker to complete the status change. I spoke with the support team and followed their instructions to email the request for the completion of the change and included the documentation to be uploaded with the change. The brokerage staff completed the price change and did not upload the form. It has been uploaded since the violation letter was issued. I contacted my office when the violation letter was issued, and they apologized to me. They have not had experience with restricted Realtors with the Lawrence Board until the violation. It's a learning curve for us all.

I plead for your understanding and ask that a fine not be assessed and no added restriction be put against me for this error.

I appreciate your service to our members, your time, and consideration.

Sincerely,



# **CONTINGENCY FOR SALE/CLOSING OF BUYER'S PROPERTY**

| This is an adde                                   | endum to the Sales Contract (Contingency) for the Property known as:   |
|---|--|
| between   | (the Property)<br>(Seller) and (Buyer)   |
|   | itract is contingent upon the sale and/or closing of BUYER'S Property locatedat:  ("BUYER'S Property") under the following terms and conditions (all day   |
| noted below s                                     | hall be calendar days from the date this Contract becomes binding on all parties):   |
| Buyer may written pr Suf any add A lo Evi pro coo | ight to Waive Contingency Prior to Seller's Notice of Kick Out:  y unilaterally remove this Contingency, in its entirety, at any time prior to Closing, by providing Seller roof of Buyer's ability to Close in the form of (check all that apply):  fficient funds on deposit to pay the full purchase price, making this a cash contract, and removing y/all financing contingencies, including appraisal unless otherwise specified in special provisions of this dendum, or the Sales Contract.  coan approval NOT contingent upon the sale of Buyer's property noted above.  dence of contract on Buyer's property: Seller's right to 'Kick Out' Buyer shall cease once Buyer's operty has gone under contract and Buyer has furnished Seller with a copy of the contract on Buyer's operty, including any related pertinent documents to that transaction. Seller understands that the intract shall remain contingent upon the closing of Buyer's property up and until the date of closing of yer's property as stipulated in 2.A.III. |
| A. 🗌 IS   | PROPERTY:  NOT UNDER CONTRACT: (Go to Paragraph 2.B. if already under contract):   |
| I.<br>II.<br>III.                                 | Listing Status:  i. Listed: With   |
| B.   IS   | UNDER CONTRACT  Said contract on the buyer's property contains a sale of residence contingency.  Said contract is scheduled to close on (Date).  Escrow agent is   |
| III.  | Lender/Loan officer is:  |





|    | V.  | Contingencies remaining, including but not limited to inspections, loan approval, appraisal, etc.:  |
|----|---|---|
|    | VI.   | Once Buyer's property has closed, Buyer may no longer use this sale of residence contingency to cancel this Contract with the Seller.   |
| 3. | A Status C<br>contract c<br>Buyer's pi<br>Buyer's pi<br>property l<br>or 2.B.I, B | changes: Status Changes shall be disclosed by Buyer to Seller in writing within 24 hours of the event. Change shall be defined as any material change to the status of the Buyer's property offering, or the on the Buyer's property, including but not limited to, Buyer's property is not actively marketed for sale, roperty is no longer listed, Buyer's property failed to go under contract by date required in 2.A.II., roperty goes under contract, Buyer's property is no longer under contract, the closing date on Buyer's has changed, Buyer's property has closed, Buyer's property failed to close by the date required in 2.A.III. uyer has received notice from their buyer that the buyer does not intend to close, Buyer has given their buyer that Buyer does not intend to close. |
| 4. | Marketing   | of Seller's Property and Seller's 'KICK OUT' right (Choose only A or B below):  |
|    |   | ller shall have the right to continue to market the Property for sale to other buyers. If Seller accepts a bordinate contract to purchase the Property, Seller may:   |
|    | l.  | Notify Buyer in writing to remove the contingency for the sale/closing of Buyer's property. Seller shall have the right to give written notice to Buyer or Buyer's Agent, and Buyer may within hours (48 if left blank), in writing, remove this Contingency by providing to Seller any of the following (check any/all options that Seller and Buyer are willing to accept):   |
|    |   | 1. Evidence of contract on Buyer's property, and Buyer has furnished Seller with a copy of the contract on Buyer's property, including any related pertinent documents to that transaction. Said contract cannot contain a sale of residence contingency, and closing must be as shown in 2.A.3.  |
|    |   | 2.   Evidence of interim or bridge financing sufficient to complete the Closing of this Contract.   |
|    |   | <b>3.</b> Evidence of written loan commitment NOT contingent upon Buyer receiving proceeds from the sale of Buyer's property.   |
|    |   | <b>4.</b> Written verification of sufficient funds on deposit to Close.   |
|    | co<br>pi<br>Co  | eller and Buyer understand that if 1, 2, and/or 3 above are chosen, then this Contract shall remain ontingent upon Buyer's loan contingency and/or Buyer securing the proceeds from the sale of their roperty as a condition of Closing of this Contract. Only the choice of 4. above shall convert this ontract to a CASH contract. If Buyer fails to remove their contingency as described above, see aragraph 5.A.   |
|    | II.   | If checked, Buyer shall be protected from the Seller's 'Kick Out' right during the first days (15 if left blank) after the effective date of this Contract. <b>Thereafter, Paragraph 4.A.I. shall apply.</b>  |
|    | B. Se   | eller shall not be allowed to invoke the 'Kick Out' right described in 4.A. during the term of this act.  |
| 5. | Right to Ca   | ancel:  |
|    | A. Seller:  |   |
|    | l.  | If Buyer's property has not been marketed as agreed to in 2.A.I.  |
|    | II.   | If Buyer's property is not under contract by the date noted in 2.A.I. OR is no longer under contract.   |
|    | III.  | Buyer has received the 'Kick Out' notice from Seller as allowed in 4.A., and Buyer has failed to either remove this sale of residence contingency within the time frame stated in 4.A.I. by delivering to Seller an approved item as noted in 4.A.I.1-4.; OR Buyer has delivered to Seller a written contract   |





## B. Buyer:

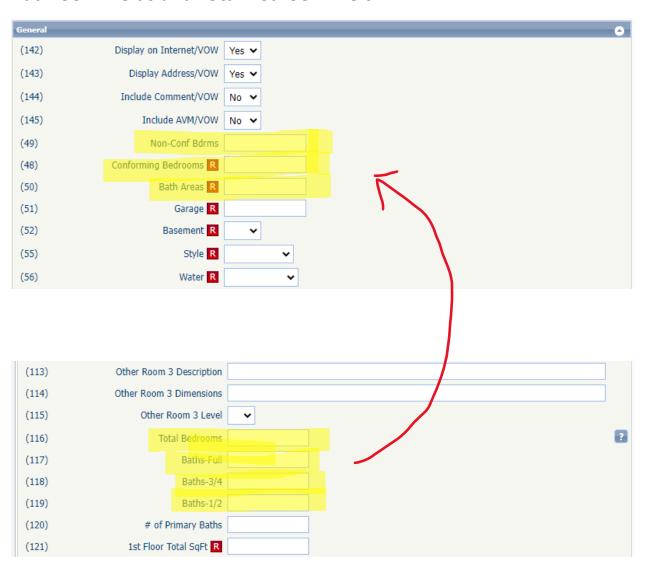
- I. If Buyer's property is NOT under contract by the date specified in 2.A.3.
- II. If Buyer chooses to NOT remove their contingency once they have received Seller's 'Kick Out' notice.
- **C.** Pursuant to 5 A or B above, BUYER or SELLER may **CANCEL THIS CONTRACT** by delivering written notice to the other of their intent to cancel in the form of a written contract cancellation agreement and, upon execution of the agreement, the Earnest Money Deposit shall be promptly returned to the BUYER (unless otherwise stipulated), and this Contract shall be deemed null and void.

| 6.  | SPECIAL PROVISIONS:             |                          |                      |                   |
|-----|---------------------------------|--------------------------|----------------------|-------------------|
|     |                                 |                          |                      |                   |
|     |                                 |                          |                      |                   |
|     |                                 |                          |                      |                   |
|     |                                 |                          |                      |                   |
|     | REFULLY READ THE TERMS HEREOF E | BEFORE SIGNING. IF NOT U | NDERSTOOD, CONSULT A | N ATTORNEY BEFORE |
| SEI | LLER                            | DATE                     | /ER                  | DATE              |
| SEI | LLER                            | DATE BUY                 | /ER                  | DATE              |





## **Bathroom Fields and Total Bedroom Field**



 From:
 Brad Eldridge

 To:
 Rob Hulse

 Subject:
 Touching Base

**Date:** Monday, November 6, 2023 12:38:00 PM

Hi, Rob. Hope you are doing well. I am reaching out to touch base on a few things.

Steve Miles retired earlier this year and I've been appointed by the County Commission as the next County Appraiser. Please consider me a resource if you or your membership has any questions or concerns regarding property valuations and property taxes in Douglas County. I'm also available if you'd like to schedule me as a speaker at one of your meetings. I presented at one of your Lunch and Learn meetings several years ago and enjoyed connecting with the folks who attended.

Our office currently receives weekly pending sale reports from your office. I think this is part of our affiliate membership that we have with LBOR. I'd like to see if we could expand our membership to have full access to MLS. I am a Certified General Appraiser in Kansas if that would help qualify me. My goal is to be able to export a spreadsheet with all active listings to incorporate in our market analysis.

I would also like to offer you similar information from the county's sale file. We can provide monthly sale reports that are unabridged and would provide you with access to all sales that have transacted.

Per K.S.A. 79-1437f(i), the county's sale information is available to "a person licensed pursuant to the real estate brokers' and salespersons' act for purposes of fulfilling such person's statutory duties and providing information on market value of property to clients and customers."

Technology and tools available for analyzing real estate continues to evolve. I look forward to finding ways to share information in a meaningful way to our peers in the real estate community. I'd like to put together a reciprocal relationship for sharing information between our offices.

Please let me know when you are available and we can schedule a time to talk about these things in greater detail.

Best,

Brad Eldridge, MAI, CAE
County Appraiser
1100 Massachusetts St, Unit 1
Lawrence, KS 66044
785-832-5197 | beldridge@douglascountyks.org

#### STATE OF KANSAS

Bill Graves, Governor

#### **DEPARTMENT OF REVENUE**

John D. LaFaver, Secretary

Mark S. Beck, Director Kansas Department of Revenue 915 SW Harrison St. Topeka, KS 66612-1585



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## **Division of Property Valuation**

#### DIRECTIVE #98-033

**TO:** County Appraisers

**SUBJECT:** Listing Prices and Fair Market Value

\_\_\_\_\_

A question has arisen as to whether the "listing price" of property that is for sale can be considered its value for Kansas property tax purposes. The county appraiser shall not use the listing price of property as the sole criteria for determining the fair market value of property for Kansas property tax purposes.

By law, property other than land devoted to agricultural use, commercial and industrial machinery and equipment and certain motor vehicles must be valued based upon its fair market value for Kansas property tax purposes. (K.S.A. 79-501, K.S.A. 79-1439, K.S.A. 79-5100 *et seq.*, Kan. Const., art. 11, § 1, Kan. Const., art. 11. § 12) For Kansas property tax purposes, "fair market value" means:

[T]he amount in terms of money that a well informed buyer is justified in paying and a well informed seller is justified in accepting for property in an open and competitive market, assuming that the parties are acting without undue compulsion.

K.S.A. 79-503a.

K.S.A. 79-503a also requires a county appraiser to consider several factors when determining the fair market value of property for tax purposes. These factors comprise the three approaches to value: the sales approach, the cost approach and the income approach. All appraisers must consider and apply the three approaches to value in order to determine the fair market value of property when data to perform each approach is readily available.

When determining the validity of an appraisal for Kansas property tax purposes, the courts have repeatedly stated:

[T]he essential question is whether the standards prescribed in K.S.A. 79-503a have been considered and applied by the taxing officials. The assessment of real property which takes into consideration only some of the pertinent statutory factors of K.S.A. 79-503a cannot be upheld where

evidence indicates there has not been a uniform and equal rate of assessment and taxation in the county.

In re Tax Appeals of Andrews, 18 Kan. App.2d 311, 318, 851 P.2d 1027 (1993), citing Board of Johnson County Comm'rs v. Greenhaw, 241 Kan. 126-27. See also Sunflower Racing, Inc. v. Board of Wyandotte County Comm'rs, 256 Kan. 426, 442, 885 P.2d 1233 (1994).

The highest courts in Kansas have held that compliance with K.S.A. 79-503a is a vital factor in the determination of whether a tax assessment is uniform and equal. *In re Tax Appeals of Andrews*, 18 Kan App.2d 311, 317, 851 P.2d 1027 (1993).

The listing price of a property is not itself expressly mentioned as a factor that a county appraiser must consider when determining the fair market value of property for tax purposes. However, K.S.A. 79-503a does state that the appraisal process utilized for property tax purposes should conform with generally accepted appraisal procedures, when applicable. Uniform Standards of Professional Appraisal Practice ("U.S.P.A.P."), Standards Rule 1-5 provides:

In developing a real property appraisal, an appraiser must:

- (a) consider and analyze any current Agreement of Sale, option *or listing* of the property being appraised, if such information is available to the appraiser in the normal course of business:
- (b) consider and analyze any prior sales of the property being appraised that occurred within the following time periods:
  - (i) one year for one-to-four family residential property; and
  - (ii) three years for all other property types;
- (c) consider and reconcile the quality and quantity of data available and analyzed within the approaches used and the applicability or suitability of the approaches used.

Generally accepted appraisal procedures do provide that an appraiser should consider a listing price when determining the fair market value of property. However, it is wholly inappropriate for an appraiser to complete an appraisal simply by assigning the amount, or a percentage of the amount, of the listing price as the taxable value of a property. The listing price is simply one factor to consider when it exists; it is by no means the sole criteria of market value or the strongest indicator of market value.

A county appraiser must consider all the factors presented in K.S.A. 79-503a in order to determine the fair market value of property. A county appraiser cannot rely solely on a property's listing price as the basis for its fair market value.

| Approved: |                                |
|-----------|--------------------------------|
| • •       | Mark S. Beck                   |
|           | Director of Property Valuation |