# **MLS & Rules Committee**

Lawrence Board of REALTORS®

Tuesday, August 2, 2022 – 2:00 pm to 3:30 pm IN-PERSON Meeting (a Zoom link is NOT available)

# **Call to Order**

### Approve previous meeting minutes:

• Meeting Minutes from 06.21.2022

# Report from MLS Staff

- MLS Policy is being strictly enforced.
- Board of Director Action on MLS & Rules Committee
  Recommendations

2022 MLS & RULES	
Bailey Stuart, Chairperson	McG
Ashley Taylor	HRE
Cheri Drake	McG
Chris Earl	SRE
Jill Ballew	SRE
Libby Grady	SRE
Lindsay Landis	McG
Michelle Roberts-Freeman	SRE
Mohammad Aldamen	EXP
Nicholas Lerner	McG
Ryan Desch	R+K
Shelly Milburn	BHGKC
Vanessa Schmidt	KWI
Victoria Perdue (Excused)	KWI
Zach Dodson	SRE
Rob Hulse, Staff Liaison	LBOR

- Passed the addition of "Percentage Based on..." to the Gross and Net Commission fields in Paragon, and the addition of a 3<sup>rd</sup> option for a "Fixed Dollar Amount."
- Modified and Passed the "Fine escalation policy for listings that are not readily available to show fairly and equally accessible to all based on the 1 business day for cooperation (found in the Clear Cooperation Policy): 1<sup>st</sup> Offense - \$100; 2<sup>nd</sup> Offense - \$500; and 3<sup>rd</sup> Offense - taken to the Board of Directors for disciplinary action."
- Passed a change to the current policy on the timeline for submittal of all new listings, status changes, and any changes germane to the listing agreement to now occur within 1 business day (reducing from the current policy of 3 business days).
  - IMPLEMENTATION OF THE NEW POLICY/TIMEFRAME WILL OCCUR ON JANUARY 1, 2023, with help from the Education Committee to roll out training on the change.
- Passed a change to the current policy on the timeline for submittal of all new listings, status changes, and any changes germane to the listing agreement: 1<sup>st</sup> Offense remains \$25; 2<sup>nd</sup> Offense escalating to \$250; and 3<sup>rd</sup> Offense taken to the Board of Directors for review and disciplinary action. Qualifying Offenses will occur in a rolling 12-month period.
- Passed the recommendation regarding Agent Exclusive Limited Visibility Type in the MLS: Add checkboxes for Agent Exclusive, Office Exclusive, and Firm Exclusive to the Authorization to Withhold section on the Listing Agreement, and to add a Broker Signature Line to be used if the Agent Exclusive Visibility Type is checked on the Listing Agreement.
- Passed the addition of three new SOLD statuses for closings in which there was a Limited Visibility Type at the time of Contract: SOLD Agent-Exclusive, SOLD Office-Exclusive, SOLD Firm-Exclusive.
  - The Board of Directors asks that all MLS Subscribers be reminded that the start date in Paragon for a listing is the effective date, or the date of the Seller's signature(s), whichever is last.

### Consider

1. Readily Available to Show, the NAR, and the Clear Cooperation Policy. (See Tabled Business #5 – Fair and Equal Access to Property)

According to NAR – A listing's availability to show is not a determining factor for Cooperation under the Clear Cooperation Policy. Our interpretation of Cooperation has been tied to a listing's availability to show (albeit in person or virtual at times). However, NAR indicated that Cooperation is established by simply the sharing of information about the listing to all MLS Subscribers and ensuring that the listing agent treats all parties the same, whether no one has access to show (during a prelist or coming soon timeframe) or everyone has access to show (while Active and Readily Available).

- 2. Consider timeline/suggestions for Sales Contracts/Forms to be updated.
  - a. Suggested changes to be pulled together for discussion.
- Add HERS Rating (Home Energy Rating System) as an MLS Field (Conditional Logic with New Construction). Suggested are 3 fields – HERS Rated Yes/No; HERS Year; HERS Rating (numeric field).
  - a. See CMLS Handouts included in the packet Quick Start Guide
  - b. Consider Greening the MLS. <u>https://green.realtor/sites/files/2019-02/2014%20NAR%20Green%20MLS%20Implementation%20Guide.pdf</u>
    This is a big topic and would be best if moved to a work group or have staff do additional research.
- 4. Consider a member request to change how LBOR Production Awards are calculated. Currently the LBOR accepts a Broker report with Production Totals. It is recommended that Production Awards be based on data in the MLS rather than what the individual Brokers report.
- 5. Enhanced Photos in the MLS Sunsets, lighting bursts, or modifications to photos that are not authentic to the property.
  - **a.** See handout from

### Code of Ethics – Article 12 Standard of Practice 12-10

REALTORS<sup>®</sup>' obligation to present a **true picture in their advertising and representations** to the public includes Internet content, **images**, and the URLs and domain names they use, and prohibits REALTORS<sup>®</sup> from:

1) engaging in deceptive or unauthorized framing of real estate brokerage websites; or

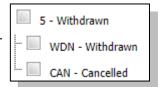
2) manipulating (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result; or

3) deceptively using metatags, keywords, or other devices/methods to direct, drive, or divert Internet traffic; or

4) presenting content developed by others without either attribution or without permission; or

5) otherwise, misleading consumers, including use of misleading images. (Adopted 1/07, Amended 1/18)

 Currently the two statuses of Cancelled and Withdrawn are substates of Withdrawn. Consider changing the heading from Withdrawn to Off Market. Withdrawn – Cancelled to become Off Market – Cancelled Withdrawn – Withdrawn to become Off Market – Withdrawn



# **Old/Tabled Business**

- Update from IDX Subcommittee to Establish Definition for "reasonably prominent" in IDX Rules: a.Section 18.2.12: All listings displayed pursuant to IDX shall identify the listing firm in a <u>reasonably</u> <u>prominent</u> location and in a readily visible color and typeface not smaller than the median used in the display of listing data. (Amended 05/17) M
  - b.Sub-Committee Members: Nicholas Lerner (McG), Cheri Drake (McG), Drew Deck (RN), Tanya Kulaga (HRE), Jill Ballew (SRE), Michelle Roberts-Freeman (SRE), Victoria Perdue (KW), and Lindsay Landis (McG).
- 2. Discuss Contingency on the Sale/Closing of Buyer's Property form and Notice to Remove the Contingency for the Sale/Closing of Buyer's Property.

- 3. Discuss submittals of a two-unit property on a single lot that is not well described as a duplex. Should a new category be added in multi-family, and should the Residential Class include an area for ancillary dwelling units?
- 4. Sellers choosing to Record Video and Audio at showings and/or open houses. Best practices shared by Danielle Davey, LBOR Legal Counsel.

## 5. FAIR AND EQUAL ACCESS TO LISTED PROPERTY:

After considerable discussion about whether the MLS policy should continue to prohibit "No show until..." availability, or whether the Listing Agent should just be held to a standard of fair and equal access, **it was moved and seconded to enforce a \$1,000 fine to a Listing Agent who does not allow fair and equal access to listings in the MLS with a visibility type of "MLS Listing" (all MLS). Motion Passed on a vote of 7-2.** 

Further, with continued discussion about whether or not a property is, or is not, readily available, it was moved and seconded to override and modify the existing policy that listed property must be readily available to show (prohibition on "No show until..."), by allowing Listing Agents to be more restrictive with a listed property's showing availability, when the Seller has affirmatively directed the limited showing availability in writing. The threshold that requires a Seller's approval in writing will occur when a listed property's availability is reduced to 2/3 (or by 4 hours) in any given day, based upon the 8am-9pm window of opportunity to show. The Seller's directive in writing will be determined by the Seller/Listing Agent, and will be uploaded into Associated Docs in Paragon, prior to the Listing Agent's publishing of the more restrictive availability for showings. The Listing Agent can determine the visibility of the directive in Associated Documents, at the Listing Agent's discretion. Motion Passed.

As a result of the two actions taken above, the Committee discussed what the maximum amount of time that a Seller can direct showings to be withheld should be allowed. After discussion, **it was moved** and seconded that regardless of the Seller's directive, the maximum amount of time that a listing can be withheld without being available to show is 5 days. Motion Passed.

**New Business** 

Adjourn

#### EXCLUSIVE RIGHT OF SALE For use by members of the Lawrence Board of REALTORS®

This Agreement made and entered into by and between \_\_\_\_\_ as principal/seller

(hereinafter referred to as "SELLER") of the herein described real property hereby agrees with\_\_\_\_\_\_ as SELLER'S Broker (hereinafter referred to as "Broker"), Listing Broker, Kansas, that for and in consideration of your agreement to list the following property, and to use your efforts to find a purchaser therefore, SELLER hereby gives the Listing Broker the sole and exclusive right, from this

date, \_\_\_\_\_, 20\_\_\_\_, until \_\_\_\_\_, 20\_\_\_\_, to sell for SELLER the following described real property:

for the sum of **\$\_\_\_\_\_** upon the following terms and conditions:

Non-realty items to be included:

(1) SELLER agrees to pay Listing Broker, as compensation for services rendered, a cash commission of \_\_\_\_\_% of the Select one: \_\_\_\_\_ Gross sale price or \_\_\_\_\_ Net sale price

(Net sale price is defined as the contract sales price, less any amount of BUYER closing costs and pre-paids that are paid by SELLER, which are included in the sales contract on the sales contract effective date, and not previously offered by the SELLER in the MLS), said commission to be due and payable on the happening of any of the following events, to wit:

a. If a sale or exchange is made or a purchaser is found who is ready, willing and able to purchase the property before the expiration of this listing, by the Listing Broker named above or by SELLER, or through any other person at the above price and terms, or for any other price and terms SELLER agrees to accept; or

b. Such compensation shall be paid if property is sold, conveyed or otherwise transferred within \_\_\_\_\_\_ days after the termination of this agreement or any extension thereof to anyone to whom the property was shown or submitted prior to final termination. However, SELLER shall not be obligated to pay such compensation if a valid Exclusive Right of Sale agreement is entered into during the term of said protection period with another licensed real estate broker and the sale, lease or exchange of the property is made during the term of said protection period.

(2) SELLER agrees that if a forfeiture of the earnest money should occur, the earnest money of the defaulting purchaser shall be divided equally between the SELLER and Listing Broker, Listing Broker's share not to exceed a full commission.

(3) SELLER also certifies that SELLER has the authority to sign this agreement and to pass title to this property when it is sold.

(4) SELLER agrees to provide all pertinent information pertaining to the above-described property and gives Listing Broker the right to obtain and disseminate any and all information, including mortgage information necessary and helpful in attempting to complete a sale of the property. The final sale price may be made known to Multiple Listing Service members.

(5) SELLER understands that Listing Broker agrees to and will keep all information about SELLER confidential, unless: Disclosure is authorized under this contract; disclosure is required by statute, rule or regulation; or failure to disclose would constitute a fraudulent misrepresentation.

(6) SELLER understands that Listing Broker will disclose to all prospective buyers all adverse material facts actually known by the Listing Broker, including but not limited to: (1) Any environmental hazards affecting the Property which are required by law to be disclosed; (2) the physical condition of the property; (3) any material defects in the property; (4) any material defects in the title to the property; and (5) any material limitation on SELLER's ability to perform under the terms of any agreement to sell real estate.

(7) SELLER hereby directs that all information pertaining to this listing be submitted to and disseminated by the Multiple Listing Service of the Lawrence Board of REALTORS®, Inc. (including Internet). Withholding of listing information from the Multiple Listing Service can be accomplished only by signing the AUTHORIZATION TO WITHHOLD FROM MULTIPLE LISTING SERVICE waiver provided below. Withholding of listing information from the Internet can be accomplished only by signing the INTERNET SELLER OPT-OUT provision provided below.

(8) SELLER agrees to furnish a Title Insurance Policy, in an amount equal to the consideration paid, to complete said sale and to pay any expense incurred in perfecting the title in case same is found defective, and to convey the property by an appropriate deed, executed by all persons having any interest, and with the usual covenants of warranty. It is further agreed that SELLER will sign and place this deed in escrow following SELLER'S acceptance of an offer to purchase the herein described property.

(9) Possession to be given:

(10) It is expressly understood that the Listing Broker has no responsibility for warranties or representations made directly or indirectly by the SELLER to BUYER in the sale of the property.

(11) The Listing Broker will not be responsible for vandalism, theft or damage to the property for the duration of this listing, except by reason of Listing Broker's own negligence.



#### LBOR DRAFT 08/02/2022

(12) SELLER understands that Brokers and real estate licensees of the Lawrence Board of REALTORS® comply with all federal, state and local fair housing laws and regulations.

(13) SELLER understands and agrees that no agency relationship is created between Lawrence Multiple Listing Service, Inc., and SELLER.

(14) SELLER understands that appointments to show may only be made through the Listing Agency as per published listing instructions, and that any sale made as a result of this listing may be escrowed by the Listing Agency.

(15) It is specifically agreed that the legal relationship created between the SELLER and the Listing Agent is that of Principal and Agent.

(16) SELLER acknowledges receiving the "Real Estate Brokerage Relationships" brochure. //

(initials)

**Types of Brokerage Relationships:** A real estate licensee may work with a buyer or seller as a seller's agent, buyer's agent or transaction broker. The disclosure of the brokerage relationship between all licensees involved and the seller and buyer must be included in any contract for sale and in any lot reservation agreement.

**Seller's Agent:** The seller's agent represents the seller only, so the buyer may be either unrepresented or represented by another agent. In order to function as a seller's agent, the broker must enter into a written agreement to represent the seller. Under a seller agency agreement, all licensees at the brokerage are seller's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a seller's agent and the supervising broker of the designated agent functions as a transaction broker.

**Buyer's Agent:** The buyer's agent represents the buyer only, so the seller may be either unrepresented or represented by another agent. In order to function as a buyer's agent, the broker must enter into a written agreement to represent the buyer. Under a buyer agency agreement, all licensees at the brokerage are buyer's agents unless a designated agent is named in the agreement. If a designated agent is named, only the designated agent has the duties of a buyer's agent and the supervising broker of the designated agent functions as a transaction broker.

A Transaction Broker is not an agent for either party and does not advocate the interests of either party. A transaction brokerage agreement can be written or verbal.

(17) SELLER understands that Broker may show alternative properties not owned by SELLER to prospective BUYERS and may list competing properties for sale without breaching any duty or obligation to SELLER. SELLER also understands and agrees that as part of marketing the property, Broker will be showing BUYERS properties other than SELLER'S and providing BUYERS with information on selling prices in the area.

(18) SELLER'S Acknowledgment of Potential for Broker to Act as TRANSACTION BROKER. SELLER acknowledges that Broker may have clients who have retained Broker to represent them as a BUYER in the acquisition of property. If a BUYER client becomes interested in making an offer on SELLER'S property, then the Broker would become a Transaction Broker unless designated agents have been appointed pursuant to paragraph 18. A Transaction Broker Addendum to their Agency Agreements with the Broker must be signed by the BUYER prior to writing an offer to purchase the property and by the SELLER prior to signing the purchase contract. As a transaction Broker, Broker would assist the parties with the transaction without being an agent or advocate for the interests of either party, and would not, without prior consent of both parties, disclose any information or personal confidences about a party which might place the other party at an advantage.

(19) **SELLER'S Acknowledgment of Possible DESIGNATED AGENT RELATIONSHIP**. A designated agent is a real estate licensee affiliated with a Broker who has been designated by the Broker, or the Broker's duly authorized representative, to act as the agent of a Broker's BUYER or SELLER client to the exclusion of all other affiliated licensees.

- a. If a designated agent IS NOT appointed to represent SELLER, SELLER understands that another licensee with the brokerage firm may act as a designated agent for a BUYER who may be interested in SELLER'S property. If this should occur, SELLER understands that:
  - 1. The supervising Broker (or branch Broker, if applicable) will act as a Transaction Broker or may appoint an affiliated licensee to act in the transaction as a Transaction Broker.
  - 2. The designated agent for the BUYER will perform all of the duties of a BUYER'S Agent and will be the BUYER'S legal agent to the exclusion of all other licensees in the brokerage firm.
  - 3. All other licensees affiliated with the firm will represent the SELLER in the sale of SELLER'S property and will perform all of the duties of a SELLER'S Agent.
- b. If a designated agent IS appointed to represent SELLER, SELLER understands that:
  - 1. The designated agent will perform all of the duties of a SELLER'S Agent and will be SELLER'S legal agent to the exclusion of all other licensees in the brokerage firm.
  - 2. Another licensee with the brokerage firm may act as a designated agent for the BUYER in the sale of SELLER'S property.
  - 3. The supervising Broker (or branch Broker, if applicable) will act as a Transaction Broker or may appoint an affiliated licensee to act in the transaction as a Transaction Broker.
  - 4. If the designated agent for SELLER is also the designated agent of a BUYER who is interested in SELLER'S property, the designated agent cannot represent both SELLER and BUYER. With the informed consent of both BUYER and SELLER, the designated agent may act as a Transaction Broker.
  - 5. If a BUYER client of a designated agent wants to see a property which was personally listed by the supervising Broker, the supervising Broker, with the written consent of SELLER, may specifically designate an affiliated licensee who will act as designated agent for SELLER.

#### (20) **SELLER consents to:** (Please initial below)



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a.	Supervising/Branch Broker acting a	as a Transaction Broker:	YES	<u> </u>	NO	<u> </u>
b.	b. A designated agent for the BUYER:		YES	1	NO	1
C.	c. A designated agent for the SELLER:		YES	<u> </u>	NO	<u>I</u>
d.	; (Acting as SELLER'S Designated A	\gent)	YES	<u>/</u>	NO	<u> </u>
e.	e. SELLER'S Designated Agent acting as a Transaction Broker if he/she is also designated agent for the BUYER:				NO	1
(21) SE	ELLER agrees that the Broker may:					
Of	fer to BUYER'S Agents:	Cooperation:	YES	/	NO	/
		Compensation:	YES		NO	
Of	fer to Transaction Brokers:	Cooperation:	YES	1	NO	1
		Compensation:	YES		NO	/
	ome Warranty. The SELLER is awar and reduce the SELLER'S risk. The					
include cost	for seller's coverage) to be paid at	closing A separate applicat	at a cost not to ex	xceed \$	nlan will be sign	(amount not to
	uted. The SELLER agrees,					
-	Bro Inspection The SELLER has t			-		

(23) a. Pre-Inspection. The SELLER has the option to obtain a pre-inspection of the property in order to find out, in advance of obtaining a contract for sale of the property, what items might be addressed for repair and disclosure to any prospective BUYER. Any and all inspection reports obtained must be provided to prospective BUYERS along with the SELLER'S Disclosure Statement. SELLER is encouraged to review the Inspector List maintained by this agency and choose a reputable inspector of SELLER's choice.

b. SELLER agrees to leave all utilities on to allow a prospective BUYER reasonable right of inspection of the property and further agrees to leave utilities on until the expiration of this contract or until closing of a sales transaction, whichever is later. In consideration for the Broker arranging for any inspections at SELLER'S request, the SELLER hereby agrees to indemnify and hold harmless the Broker, his/her agents and employees from any liabilities, costs, expenses resulting from any action taken by said company with respect to said inspection.

(24) SELLER represents and warrants that SELLER is familiar with the premises and has disclosed to Listing Agent, in the Seller's Disclosure Statement that is attached hereto, all information or defects of which the SELLER is aware and warrants that said disclosures are true and accurate representations of the condition of the property at the time of execution of this Exclusive Right of Sale agreement.

(25) SELLER agrees to thoroughly review the listing information prepared by the Broker and advise the Broker immediately of any errors or omissions. SELLER agrees to indemnify and hold Listing Broker, Listing Agent, the Lawrence Board of REALTORS®, Inc., The Lawrence Multiple Listing Service, Inc., their agents and employees, harmless from any and all claims for damage made by any person alleging to be or have been harmed by any failure to disclose, or misrepresentation of pertinent information arising out of the sale of the property which is the subject of this Exclusive Right of Sale agreement, which damage shall include, but not be limited to: attorney's fees, court costs, costs of defense and damage alleged or determined to have been suffered by the party asserting the claim.

(26) The parties agree that the Seller's Disclosure Statement executed concurrently herewith is a part of this Exclusive Right of Sale agreement.



#### LBOR DRAFT 08/02/2022

(27) All pronouns, singular or plural, masculine, or feminine, shall mean and include the person, entity, firm or corporation to which they relate as the context may require. Wherever the context may require, the singular shall mean and include the plural and plural shall mean and include the singular.

(28) SELLER grants to Listing Broker an irrevocable, perpetual, non-exclusive and fully sub-licensable and assignable license (through multiple tiers) to use, reproduce, modify, adapt, publish, create derivative works from, distribute, perform, and display any photographs, floor plans, architectural drawings, video images, sounds, or other copyrightable material related to the Property ("Works"), and to incorporate any such Works (in whole or in part) into other Works in any form, media, or technology now known or later developed.

This non-exclusive license shall survive the termination of this Contract. SELLER represents and warrants to Listing Broker that the license granted to Listing Broker for this listing Content does not violate or infringe upon the rights, including any copyright rights; of any person or entity. SELLER acknowledges and agrees that all listing content is owned exclusively by Listing Broker, and SELLER has no right, title or interest in listing content.

(29) **Electronic Signatures and Transactions:** BROKER and SELLER agree that this transaction may be conducted through electronic means according to the Kansas Uniform Electronic Transactions Act. However, the BROKER has no authority or power of attorney to enter into electronic agreements with other parties on behalf of the SELLER without the SELLER'S explicit authorization.

(30) The Listing Agent has explained to SELLER the electronic lockbox system endorsed by the Lawrence Board of REALTORS® wherein an electronic lockbox is attached to, and/or placed at, the above-listed property in which keys to the property located therein are placed. Said electronic lockbox may be opened only by members of the Lawrence Board of REALTORS® and Lawrence Multiple Listing Service. The Listing Agent/Broker may extend access to 3<sup>rd</sup> parties with a one-day access code or temporary electronic access. SELLER hereby authorizes the Listing Agent to use the electronic lockbox system in offering SELLER'S home for sale.

#### SELLER AUTHORIZES THE USE OF:

LBOR Electronic Lockbox System (Please Initial): YES / NO /

a. In the event that Seller has authorized Broker to use a mechanical combination lockbox (or other alternative not endorsed by the Lawrence Board of REALTORS®), in place of, or in addition to the electronic lockbox system endorsed by the Lawrence Board of REALTORS® on the Property, Seller understands that a mechanical combination lockbox system does not require electronically secure access to open the lockbox, and instead is accessible by a mechanical combination code that is less secure than the electronic lockbox system endorsed by the Lawrence Board of REALTORS.

#### SELLER AUTHORIZES THE USE OF:

Combination (or other alternative) Lockbox (Please Initial): YES\_\_\_\_\_/ NO\_\_\_\_/

SELLER, BY THESE PRESENTS, HEREBY WAIVES ANY CLAIM OR RIGHT SELLER MIGHT HAVE AGAINST THE LAWRENCE BOARD OF REALTORS® AND THE LAWRENCE MULTIPLE LISTING SERVICE, THE LISTING BROKER, OR LISTING AGENT FOR ANY DAMAGES (Personal or Physical) AND/OR ENTRY CAUSED BY THE UNLAWFUL USE OR OTHER ENTRY GAINED BY THE USE OF THE LOCKBOX SYSTEM(S) AUTHORIZED BY THE SELLER.

Seller Acknowledges (Please initial): \_\_\_\_\_ /

( ) Listing Agent has SELLER'S permission to put a sign in yard.

( ) Listing Broker has SELLER'S permission to include listing information in the Internet Data Exchange Database.

#### Virtual Office Website (VOW) Options:

- Listing Broker DOES, or DOES NOT have SELLER'S permission to allow display of an automated estimate of the market value (AMV) of the listing (or hyperlink to such estimate) in immediate conjunction with the listing as displayed on a Virtual Office Website (VOW).
- Listing Broker DOES, or DOES NOT have SELLER'S permission to allow "third parties to write comments or reviews about the listed property, or display a hyperlink to such comments or reviews, in immediate conjunction with the listing as displayed on a Virtual Office Website (VOW).
- (31) Special Provisions:



#### This is a legally binding contract. SELLER acknowledges the opportunity to obtain legal and tax counseling to review this Contract.

SELLER hereby accepts the above listing and agrees to the terms thereof.

LISTING AGENCY			SELLER Signature D	ate
			SELLER Name	
LISTING AGENTS	ignature	Date	SELLER Signature D	ate
			SELLER Name	
			ADDRESS	
			PHONE	

### AUTHORIZATION TO WITHHOLD FROM INTERNET

1. Initial One (either A. or B.):

A.\_\_\_\_\_I have advised my broker or sales agent that I Do NOT want the listed property to be displayed on the Internet;

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.

SELLER		
_	Signature	Date
SELLER		
-	Signature	Date



### AUTHORIZATION TO WITHHOLD FROM MULTIPLE LISTING SERVICE

SELLER acknowledges that the advantages of the Multiple Listing Service have been explained to SELLER but, for personal reasons, SELLER is directing that listing information on SELLER'S property NOT be disseminated to other participants in the Multiple Listing Service. SELLER authorizes the Listing Broker to notify MLS of a signed sales contract on the property and authorizes the dissemination of sales information, including selling price, to members of the Multiple Listing Service to be used in establishing market value for other properties.

SELLER has been advised that, effective January 1, 2020, the Lawrence MLS has adopted the Clear Cooperation Policy approved by the National Association of REALTORS®. Pursuant to the Clear Cooperation Policy, if a residential property is marketed to the public for sale, it must be submitted to the MLS for cooperation with other MLS participants within one (1) business day of the public marketing. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

BROKER

#### TYPES OF LIMITED VISIBILITY IN THE MLS:

#### LISTING BROKER SIGNATURE REQUIRED FOR AGENT EXCLUSIVE

SIGNATURE(S) TO WITHHOLD LISTING INFORMATION:

#### Select one

٦	AGENT EXCLUSIVE -
	to only the Listing Ager

the Seller's property is visible in the MLS nt and the Supervising Broker.

- OFFICE EXCLUSIVE the Seller's property is visible in the MLS to only the Listing Agent, Supervising Broker, and Agents working in the Listing Agent's Office.
  - FIRM EXCLUSIVE the Seller's property is visible in the MLS to only the Listing Agent, Supervising Broker, and Agents working in the Listing Agent's Office as well as other branch Offices of the Listing Company.

#### SIGNATURE OF AGENT EXPLAINING MLS ADVANTAGES:

LISTING AGENT

Signature

Date

SELLER

Signature

Signature

Date

Date

SELLER

Signature

Date



# ENHANCING PHOTOS AND VIRTUAL STAGING: KNOW THE RULES

# **NOVEMBER 4**, 2019BY <u>HEATHER GRAY</u> Article provided by the Tech Helpline

Did you know that enhancing a listing photo could be a violation of your local MLS rules? It could be if you run afoul of your local MLS guidelines. There's another catch: the rules surrounding enhancing photos and using photos are unique to each MLS.

Knowing your local MLS guidelines about listing photos "dos and don'ts" is essential, especially if you are uploading images that use Virtual Staging technology.

What is Virtual Staging? It's a photo editing service that can fill photographs of empty rooms of a home listed for sale by inserting realistic furnishings and flooring into the images. Like standard staging, which uses physical furnishings, Virtual Staging is designed to use advanced technology to help buyers visualize what the home could look like fully furnished.

We already know how staging works. According to the National Association of Realtors, 83 percent of buyers' agents said staging a home made it easier for a buyer to visualize the property as a future home. Since 90 percent of all home shoppers start their buying journey on the web, photos are essential for every listing.

# New technology lowers the cost

The main attractiveness of Virtual Staging is the cost. A standard home staging service over the life of the listing may cost as much as \$5,000 or more. Using a leading Virtual Staging service like <u>BoxBrownie</u>, <u>VHT Studios</u>, or <u>PadStyler</u> can cost about \$30 for each image. For most listings, the investment could be a one-time fee of \$500 or less.

But there are new risks that come with using Virtual Staged photos. Because the photograph has been enhanced, this triggers the rule your MLS may have about the use of rendered photos, or more specifically, Virtual Staging images.

# Know your MLS rules

Most MLSs permit the use of Virtual Staged photos, using either a photo with replaced furnishings or an image of an empty room that is then digitally furnished. Stellar MLS, which allows both, created an excellent <u>visual graphic</u> for its members to understand what is permitted and what is not.

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Stellar MLS guidelines are typical among MLSs that permit Virtual. While Stellar allows modifications of "existing furniture and décor in a room" as well as adding "virtual furniture, décor, and artwork to an empty room," there are some big no-nos.

Stellar MLS warns you can't:

Cover-up eyesores like holes in a wall or exposed wiring Upgrade damaged and/or outdated flooring Add or enhance scenic views and/or windows that do not currently exist Make a room appear larger or smaller than what it truly is Change paint color of the wall Swap out those dated kitchen counter tops for chic granite Use photos of the exterior of the property that are virtually staged, except for virtual furnishings on attached structures like a deck or pool area

Most importantly, Stellar has created additional, specific rules for Virtual Staging: All virtually staged listing photos and listings MUST:

Have the appropriate watermark that Stellar MLS provides Bear the exact phrase "Virtually Staged" in the public remarks

The Miami Realtors even provides its members with access to a preferred Virtual Staging vendor, <u>PadStyler</u>, with discounts for its members.

But not all MLSs allow Virtual Staging. For example, the Dallas-Ft. Worth MLS, NTREIS | North Texas Real Estate Information Systems, Inc., prohibits photos that have been "embellished" to listings. Their rules specifically say:

"Only a true current photograph of Listed Property may be placed in the 'Property Photograph' section without decorative borders, other embellishments, or any digitally enhanced modifications that would misrepresent the true condition or appearance of the property. Notwithstanding the foregoing, only properties listed as incomplete construction may have a representative photo of the proposed house."

Other leading MLSs like Chicago-based MRED and the Houston Association of Realtors emphasize accuracy in their guidelines. HAR's rule about Virtual Listings says:

Digital images shall not contain digitally enhanced modifications that alter or misrepresent the condition or appearance of the listed property's structure or grounds (e.g. adding a swimming pool or landscaping, changing the color of a wall). Digital images may include the use of virtual staging, which is limited to the addition of furnishings and wall décor that would otherwise be considered personal property and not conveyed in the sale of the property. Participants shall clearly indicate in the Photo Description the image has been virtually staged.

But the biggest challenge with Virtual Staging, agents will admit, is making sure the photos meet buyer's expectations. If home shoppers come to a house based on Virtual Staged photos and instantly react negatively because of mismatched expectations, it doesn't benefit anyone.

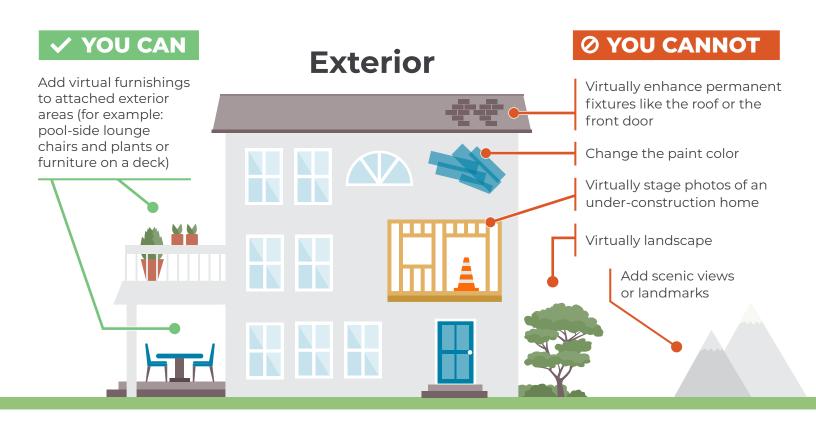
# Disclosure and accuracy are the keys

The one thing among MLSs that permit Virtual Staging has in common with their guidelines are two things: disclosure and accuracy. The Golden Rule for Virtual Staging may be best expressed in Article 12 of NAR's Code of Ethics. It requires agents and brokers to "present a true picture in their advertising, marketing, and other representations."

If you keep this in mind when enhancing any photo, you are more likely to meet a buyer's expectations and still help accelerate the sale of your listing.

# VIRTUALLY STAGED MLS PHOTOS

The Rules of Engagement!



Interior



# All virtually staged listing photos and listings MUST:

**1.** Have the appropriate watermark provided by Stellar MLS.

2. Have the exact phrase Virtually Staged in the public remarks.

Learn more about how to properly use photos in the MLS at:

Stellar MLS

# stellarmls.com/photorules

# Enhanced Pictures:







