

# NEW MLS POLICIES



Adopted by NAR Board of Directors - November 15, 2021

# SUMMARY OF MLS POLICY CHANGES

2021 REALTOR® Conference & Expo  
San Diego, CA

The following is a summary of the changes in MLS Policy as adopted during the REALTOR Conference and Expo in San Diego.

**These changes go into effect Jan 1, 2022.**

**MLSs must implement the changes no later than March 1, 2022.**

## DEFINITION OF PARTICIPANT\*

The word **participant** shall be construed to mean the **REALTOR® principal or principals**, of this or any other association, or a firm comprised of REALTOR® principals participating in an MLS owned and operated by the association. **Participatory rights** shall be held by an individual principal broker unless determined by the association or MLS to be held by a firm. It shall not be construed to include individuals other than a principal or principals who are REALTOR® members of this or any other association, or who are legally entitled to participate without association membership.

## DEFINITION OF SUBSCRIBER\*

The association's multiple listing services categorizes non-principal brokers, sales licensees, licensed and certified appraisers and others affiliated with the MLS participants as users or **subscribers** and holds such individuals personally subject to the rules and regulations and any other governing provisions of the MLS and to discipline for violations.

# New MLS Policy Statement 8.6 - One Data Source

## New MLS Policy Statement 8.6 - One Data Source:

MLSs must offer a **Participant** a single data feed in accordance with a **Participant's** licensed authorized uses.

At the request of a **Participant**, MLS must provide the single data feed for that **Participant's** licensed uses to that *Participant's* designee. The designee may use the single data feed only to facilitate that Participant's licensed uses on behalf of that Participant.

**Rationale:** One data feed will create efficiencies for **Participants**, and their designees, when authorized to use MLS data for multiple purposes.

# New MLS Policy Statement 8.7 - Brokerage Back Office Feed

## New MLS Policy Statement 8.7 - Brokerage Back Office Feed:

**Participants** are entitled to use, and MLSs must provide to **Participants**, the BBO Data, for BBO Use subject to the Terms below:

“BBO Data” means all real property listing and roster information in the MLS database, including all listings of all **Participants**, but excludes (i) MLS only fields (those fields only visible to MLS staff and the listing Participant), and (ii) fields and content to which MLS does not have a sufficient license for use in the Brokerage Back Office Feed.



“BBO Use” means use of BBO Data by **Participant** and Subscribers affiliated with the **Participant** for the following purposes:

- Brokerage management systems that only expose BBO Data to Participant and Subscribers affiliated with Participant.
- Customer relationship management (CRM) and transaction management tools that only expose the BBO Data to Participant, Subscribers affiliated with Participant, and their bona fide clients as established under state law.
- Agent and brokerage productivity and ranking tools and reports that only exposes BBO Data to Participant and Subscribers affiliated with Participant.
- Marketplace statistical analysis and reports in conformance with NAR MLS Policy Statement 7.80, which allows for certain public distribution.

BBO Use may only be made by Participant and Subscriber affiliated with Participant, except that at the request of a Participant, MLS must provide BBO Data to that Participant’s designee. The designee may use the BBO Data only to facilitate the BBO Use on behalf of that Participant and its affiliated Subscribers.

There is no option for Participants to opt-out their listings from the Brokerage BackOffice Feed Use as defined.

## “Terms” mean the following:

- MLSs may impose reasonable licensing provisions and fees related to Participant’s license to use Brokerage Back Office Feed Data. MLSs may require the Participant’s designee to sign the same or a separate and different license agreement from what is signed by the Participant. Such provisions in a license agreement may include those typical to the MLS’s data licensing practices, such as security requirements, rights to equitable relief, and dispute resolution terms. (The foregoing examples are not a limitation on the types of provisions an MLS may have in a license agreement.)
- Use of roster information may be limited by the MLS participation agreement and license agreements.
- Brokerage Back Office Feed Use is subject to other NAR MLS policies and local rules.
- MLSs in their reasonable discretion may expand the definition of Brokerage Back Office Feed Use in conformance with other NAR MLS policies, such as Policy Statement 7.85, which provides that “Use of listings and listing information by MLSs for purposes other

**Rationale:** Today’s brokerage community utilizes many productivity tools, and proprietary reports and resources that call for enhanced access to and use of MLS data. This new Policy Statement will empower Participants with the information they need to better serve their clients and customers.

"These latest changes more explicitly state what is already the spirit and intent of the NAR Code of Ethics and local broker marketplace guidance regarding consumer transparency and broker participation."\*

Pro-consumer changes adopted:

Reinforce that local marketplace participants do not represent brokerage services as free. While Realtors® always have been required to advertise their services accurately and truthfully, this change creates a bright line rule on the use of the word "free" that is easy to follow and enforce.

Ensure disclosure of compensation offered to buyer agents. The change bolsters transparency and Realtors®' existing duties and practices to talk with their clients about what services they provide and how they are compensated.

Ensure listings aren't excluded from search results based on the amount of compensation offered to buyer agents. This changes wording to reiterate Realtors®' existing duty to inform clients about all relevant properties meeting their criteria.

## Amendments to Policies in IDX and VOW: Listing Broker Attribution in IDX and VOW

## Amendments to Policies in IDX and VOW: Listing Broker Attribution in IDX and VOW

### Internet Data Exchange (IDX) Policy, Policy Statement 7.58

Policies Applicable to Participants' IDX Websites and Displays

12. An MLS Participant's IDX display must identify the listing firm, and the email or phone number provided by the listing participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.

### IV. Requirements that MLSs May Impose on the Operation of VOWs and Participants, Policy Statement 7.91.

d. Any listing displayed on a VOW shall identify the name of the listing firm, and the email or phone number provided by the listing participant in a reasonably prominent location and in typeface not smaller than the median typeface used in the display of listing data.

**Rationale:** Listing broker attribution with contact information could provide a more accurate representation to the public about the listing and improve the public's ability to seek additional property details. If this motion is adopted, then accompanying changes will be made to the NAR Model MLS Rules and Regulations.

# New MLS Policy Statement 8.8 Requiring Disclosure of Buyer Agent Compensation

## New MLS Policy Statement 8.8 – Requiring Disclosure of Buyer Agent Compensation:

MLSs must include the listing broker's offer of compensation for each active listing displayed on its consumer-facing website(s) and in MLS data feeds provided to participants and subscribers and must permit MLS participants or subscribers to share such information through IDX and VOW displays or through any other form or format provided to clients and consumers. The information about the offer of compensation must be accompanied by a disclaimer stating that the offer is made only to participants of the MLS where the listing is filed.

**Rationale:** Disclosure of the offer of compensation to buyer agents (including non-agency relationships defined by state law) will reinforce transparency for the clients and consumers working with MLS participants and subscribers in a real estate transaction.

## New MLS Policy Statement 8.4 Services Advertised as “FREE”



## New MLS Policy Statement 8.4 – Services Advertised as “FREE”:

MLS Participants and Subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the Participant or Subscriber will receive no financial compensation from any source for those services.

**Rationale:** While REALTORS® have always been required to advertise their services accurately and truthfully, and many REALTOR® services have no cost to the recipient, this change creates a bright line rule on the use of the word “free” that is easy to follow and enforce. These benefits outweigh the fact that this bright line may result in REALTORS® being unable to use the word “free” for some services they provide at no cost to the recipient.

**New** MLS Policy Statement 8.5  
Non-Filtering listings based on offers of compensation  
or  
name of the brokerage or agent

## **New** MLS Policy Statement 8.5 – Non-Filtering listings based on offers of compensation or name of the brokerage or agent

MLS Participants and Subscribers must not, and MLSs must not enable the ability to, filter out or restrict MLS listings that are searchable by and displayed to consumers based on the level of compensation offered to the cooperating broker or the name of a brokerage or agent.

**Rationale:** These changes reflect the recent developments in real estate brokerage services, evolving broker business models, and how online marketing and searching of listings have evolved.

# Your One-Stop – Up-to-Date Resources for MLS and Brokers/Managers

[www.MiamiRealtors.com/MLS](http://www.MiamiRealtors.com/MLS)

[www.MiamiRealtors.com/Brokers](http://www.MiamiRealtors.com/Brokers)