

Highland Lakes Association of REALTORS®

Compliance Policies & Procedures

Revised September 1, 2020

These Policies and Procedures hereby support, reinforce and clarify the Highland Lakes Association of REALTORS® Multiple Listing Service Rules and Regulations.

The power to alter, amend or repeal the MLS Policies and Procedures is vested in the MLS Committee and is subject to review and approval by the HLAOR Board of Directors.

The Purpose of the MLS is to list, sell, lease and appraise Real Estate. Any other use for any other purpose would be a violation of these policies.

ENFORCEMENT OF RULES

Right to Enforce. By becoming and remaining a Participant or Subscriber, each Participant or Subscriber agrees to be subject to these Rules and the HLAOR Participant Agreement or Subscriber Agreement. Discipline for violations that may be imposed may only consist of one or more of the following: letter of warning; reasonable fine not to exceed \$15,000; probation for a stated period of time not less than thirty (30) days nor more than one (1) year; suspension of MLS rights, privileges, and services for not less than thirty (30) days nor more than one (1) year; termination of MLS rights, privileges, and services with no right to reapply for a specified period not to exceed three (3) years.

Unethical Conduct. The HLAOR MLS Committee shall refer all complaints of unethical conduct by a REALTOR® or a subscriber to the Board of Directors for appropriate action in accordance with Bylaws of the Association and the Code of Ethics.

LISTING PROCEDURES

SECTION 1

Acceptable Property Types. HLAOR MLS will accept property listings for properties that are of a Designation Property Type and that are located in the Highland Lakes Association of REALTORS® Service Area (Blanco, Burnet, Gillespie, Lampasas, Llano, Mason, San Saba, Travis, and Williamson Counties) or are located outside of the Service Area and that are submitted voluntarily by a Participant.

Acceptable Listing Types. HLAOR MLS will accept the following listing types:

- A. Exclusive Right to Sell
- B. Exclusive Agency

NOTE: MLS will not accept Open or Net Listings

Timing of Submission. Participants and Subscribers, under the mandatory submission rule, must enter all Designated Property listings for properties within MLS Service Areas into the MLS within five (5) business days after all necessary signatures have been obtained. If marketing has been initiated the Clear Cooperation Policy takes precedence.

Clear Cooperation Policy. Within one (1) business day of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email

blast), multi-brokerage listings sharing networks, and applications available to the general public.

Exempt Listings. If the seller refuses to permit the listing to be disseminated by the Service, the participant may then take the listing (“office exclusive”) and such listing shall be filed with the Service but not disseminated to the Participants. Filing of the listing should be accompanied by certification signed by the seller that he/she does not desire the listing to be disseminated by the Service.

NOTE: MLS Participant must distribute exempt listings within (1) one business day once the listing is publicly marketed. (see Clear Cooperation Policy)

Coming Soon Listings. Input of a Coming Soon will only be allowed of a new listing and will be an Active Category.

- A. Coming Soon listings will be setup to auto-maintain on the 14th day and status will change to active.
- B. MLS users will be allowed to maintain listings in the status but only to the following statuses.
 - a. Pending
 - b. PTB – Pending Taking Backups
 - c. Cont – Pending-other-Sale
 - d. TOM – Temporarily Off Market
 - e. Withdrawn
- C. Marketing, yard signs and showings **are allowed** in this status.
- D. IDX and VOW fields will only be allowed to be equal to zero. These fields will need to be manually updated by the listing agent after the listing has auto-maintained over to active.
- E. All MLS Rules and listing procedures are still enforced and monitored for compliance.

Offer of Compensation. The listing Participant or Subscriber shall specify, on each listing filed with the MLS, the compensation offered to other Participants for their services in the sale of such listing. Such offers of compensation are unconditional. The compensation specified on listings shall 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

The listing Participant retains the right to determine the amount of compensation offered to the other Participants (acting as subagents, non-member buyer agents or in other non-agency capacities) which may be the same or different.

Non-Branded Virtual Tours. Virtual tours submitted to HLAOR MLS shall comply with the following guidelines:

- The primary focus of the tour shall be of the subject property.
- The tour or video link or any accompanied audio descriptions **shall NOT** include any contact information such as names, phone numbers, email addresses, web site addresses, agent information, logos or promotions for closing service providers.
- By submitting the tour, Participants are representing to HLAOR MLS that the Participant has permission to allow the display of the tour in MLS and that the MLS has permission to redistribute the tour hyperlink as a part of the MLS Database.

SECTION 2

Applicable Discipline Actions or Fines

1. UNAUTHORIZED USE.

- A. Sharing login credentials with non-subscribing agent, broker or unregistered non-licensed assistants - to gain unauthorized access to the MLS Database **will result in a substantial fine up to the maximum of \$2000 and other sanctions to the Participant.**
- B. Any member who is not a co-listing agent of a property, may not accept and list, in the MLS, a property from a non-member. All listings in the MLS must be supported with a listing agreement **signed** by the HLAOR MLS member placing in the MLS. This also applies to all **co-listing** of properties with non-member agents. **This violation carries an immediate \$2000 fine.** The Board office or MLS committee can request a copy of the listing agreement at any time and the copy must be submitted within 24 hours.
- C. Use of an MLS lockbox key by anyone other than the assigned key holder is **an immediate fine of \$1000.**
- D. Listing of a non-member Broker or Agent **ANYWHERE** in the MLS Including but not limited to virtual tours, photos, and associated documents **will result in an immediate \$150 fine.**
- E. Any listing withdrawn by one office may not be solicited or re-entered in the MLS by another office unless the original listing has been released by the Participating Designated Broker or has expired. **This violation is an immediate \$100 fine.**

2, Database Violations – Immediate Fines

- Late Reporting of SOLD data – The true (actual) sales price of Real Property must be entered in the MLS within 72 hours after the property has closed (closing date is to be defined as the date on the closing documents). First offense may result in a warning notice from the Board office and sold data must be entered within (3) three days of notification to avoid the **\$100** fine. Re-occurring offenses will be an immediate fine of **\$100**. If the sold data is still not entered in the MLS after (5) five days from notification, there will be **an additional fine of \$250**.

Any listing entered in the MLS as “withdrawn” or “expired” and subsequently sells within 90 days must be reported in the MLS. Listings are not to be withdrawn or allowed to expire to avoid reporting sold data. Any compensation received from listing a property, shall be considered “SOLD” and must therefore be reported in the MLS. Failure to report sold data on withdrawn or expired properties will incur a **\$100** fine.

The Board office can request a copy of the closing statement at any time. The copy must be submitted within 24 hours.

- Posting of listing agent or agency information **ANYWHERE** in a listing, except where required, (name, phone number, email, website, etc.) including but not limited to Public Remarks, Virtual Tour, Video Links, Associated Documents and signs in photos is prohibited. This offense is subject to and immediate **\$100** fine.

- Any verbiage in Public Remarks suggesting or implying to call listing agent is also prohibited. This offense is subject to an **immediate \$100 fine.**

The Conf Agent Remarks field is reserved for this type of personal information.

- Violation of the Clear Cooperation Policy is a **written warning for first offense (correction of violation required by 5pm next day or \$100 fine may be assessed) and an immediate \$100 fine for second offense, \$200 for each offense thereafter.**
- Inclusion of Gate Code in listing (except in associated documents) is an **immediate \$50 fine.**
- Inclusion of home security code or combo code in the listing (except in associated documents) is an **immediate \$50 fine.**
- Late reporting of “Pending Status”. Participants must report status of “PED”, “PTB” or “CONT” within twenty-four (24) hours of change. If a violation occurs a warning notification will be issued, **if not corrected within 24 hours a \$50 fine is incurred.**
- Pending still showing after 4 months is a **\$100 fine.** If a participant is notified that they have a pending over 4 months, they must update the listing to reflect one of the following.
 - Appropriate sold data
 - Return to active status
 - Enter a new tentative close date

Participants will have twenty-four (24) hours after notification to correct the listing before a fine is incurred.

- No Directions **will incur a \$50 fine** – Directions is a required field. All listings must contain directions. It is not appropriate

to enter telephone numbers, email addresses, showing instructions, or website addresses in this field as there are other specified fields for this information.

3. Database Violations –Warning Notification

- The following database violations are subject to a **fine of \$25** per listing violation after notification is given and failure to provide data correction by 5pm the next business day. Notifications will be by email. Participant is responsible that Board office has current email address.
 - No legal description
 - No features
 - No tax rate per \$100 valuation or incorrect tax rate
 - No complete owner(s) name (unless requested by owner, in which case agent will denote on listing to “see agent”
 - No approx. year built
 - No approx. lot dimensions (acreage is not recognized as lot dimensions)
 - No approx. lot square footage
 - No approx. home square footage
 - No waterfront footage (if waterfront)
 - No city & zip code or incorrect city & zip code
 - No subdivision or survey name
 - No property ID number (or multi PID’s use primary ID)
 - No duplicate listings under a “Classification” will be allowed. The “Type” selection should clearly define the subject property type. (The only exception to this policy would be if the property is listed both For Sale and For Rent). If listed for sale MLS policy 8.0 takes precedence.

4. Photo Violations

- Failure to comply with photo policy is **an immediate \$25 fine** and **will double to \$50** if not correct within 24 hours after notification.

All residential listings are required to have a minimum of five (5) different photos (except where sellers expressly direct that photographs of their property not appear in MLS compilations), the first photo in all residential listings must be an exterior photo.

In addition, the first photo for lots listed under residential must be a rendering, floor plan, or virtual photo. All virtual photos must be labeled “virtual”. Listing agent is responsible for release/consent if using any Builder copyrighted drawings.

All other listings are required a minimum of three (3) photos (except where sellers expressly direct that photographs of their property not appear in the MLS).

NOTE #1: Digital images must not contain contact information such as names, phone numbers, email addresses, websites, or Participants yard sign.

NOTE #2: Photos may belong to seller, selling agent, or photographer and unauthorized use may result in a **\$100** fine.

SECTION 3

Withdrawn / Expired Listings

If notice of renewal or extension is dated after the expiration date of the original listing, then a new listing must be secured for the listing to be filed with the Service. It should then be published as a new listing. Any extension or renewal of a listing must be signed by the seller(s) and be filed with the Service. M

Any listing which has been withdrawn **under 90 days**, must be reactivated by the Board Office at the request of the agent by providing an addendum from the seller showing reactivation date; any listing over 90 days must be re-entered (or cloned). The Board Office may request a copy of the new listing agreement.

Any listing that has been withdrawn from the MLS may not be re-entered, **as a new listing**, by the same REALTOR® within 30 days. The violation carries an **immediate \$50 fine**. Additionally, the property must maintain a non-active status in the MLS for 30 days.

SECTION 4

Temporarily Off Market Status –

This listing is off market but a listing agreement still exists between the seller and the listing broker and the listing is expected to come back on the market. **The property cannot be shown or marketed under this status.** The maximum days a listing can be TOM is sixty (60) days, at which time

the status will automatically update back to active. Back-to-back TOM is not allowed.

SECTION 5

Financial Obligations to HLAOR

All dues (except those with stated due dates), fines or other financial obligations to HLAOR are due and payable within 10 business days of notification. Failure to meet any and/or all financial obligations to HLAOR within the allotted time may result in the member's and office's interruption of the MLS service until such obligation has been satisfied. (Designated Brokers will be notified of all delinquencies).

SECTION 6

Membership Requirements

All agents under the sponsorship of a Designated Broker who holds a primary board status with Highland Lakes Association of REALTORS® must join a Board of Choice within two (2) weeks from the TREC stated Broker Sponsorship Date.

NOTE to all new agents: Broker must have license in-hand before a newly licensed salesperson can join a local board or MLS.

- Any member who drops or withdraws membership to HLAOR Board and/or MLS and

wants to rejoin after 30 calendar days, must pay all joining fees.

- Each Broker is responsible for notifying HLAOR when a salesperson's TREC license has expired. Failure to notify the Board Office in writing (email) within forty-eight (48) hours **may result in a \$150 fine.**

Assistants to Participant brokers and agents must register with HLAOR and pay quarterly fees in order to have access to the MLS. Assistants may not have an active real estate license. Agents or Brokers who allow Assistants to have access to the MLS by sharing their login credentials are in violation of Section 2 "Unauthorized Use" and subject to a **substantial fine up to the maximum of \$2000 and other sanctions to the Participant.**

SECTION 7

New Member Orientation

All HLAOR MLS Participants must complete the Association's New Member Orientation Course within 30 days of application and successfully complete Paragon Online Academy's six (6) modules within 30 days of application or MLS privileges may be terminated. *A warning letter of notification will be sent to allow Participant to complete requirements immediately before termination and a \$250*

fine assessed. Once the fine is assessed payment must be received before MLS service may be restored. Attendance to the next scheduled Orientation and/or completing Paragon's Online Academy within 30 days may be required to bring their membership back into good standing with the Board of Directors.

SECTION 8

Notification of Termination of Agent or Licensed Assistant

The sponsoring broker **must send** written notification to the Board Office **within 48 hours** when an Agent or Assistant with MLS access, leaves an office.

NOTE: If no notification is received, the Broker must pay Agent's or Assistant's current quarterly MLS dues (if delinquent) in addition, a fine of **\$250 will be assessed.**