

# Announcing Clear Cooperation Policy 8.0 Effective May 1, 2020 Coming Soon - May 4, 2020

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- *Policy History and Rationale*
  - *Public Marketing Defined*
  - *Client Defined*
  - *Excluding Listings from the MLS*
  - *FAQ (including citation for violation of the rule)*
  - *How to Obtain More Information*
  - *Coming Soon*
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# NAR Announces Clear Cooperation Policy 8.0



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 blasts), multi-brokerage listing sharing networks, and applications available to the general public.

# Why Does Clear Cooperation Policy 8.0 Exist?

For years, REALTORS® have debated the risks and merits of so-called pocket listings, "coming soon" listings, and listings that are marketed on private networks rather than being shared cooperatively through a local multiple listing service. Advocates say that sellers' desire for privacy and advances in technology have led to the expansion of these off-market listings. Others believe that keeping listings off the MLS reduces buyers' choice, skews market data, and may not be in the sellers' best interests.

# How Did We Get Here?

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Brokers and MLSs from across the country asked NAR to consider policy that will reinforce the consumer benefits of cooperation. The MLS creates an efficient marketplace and reinforces the pro-competitive, pro-consumer benefits that REALTORS® have long sought to support. After months of discussion and consideration within NAR's MLS Technology and Emerging Issues Advisory Board, (comprised of brokers and MLS executives across the country), this proposal was brought forth for the industry to discuss and consider, then approved by NAR's Board of Directors.

# Public Marketing Defined

Public Marketing per CRISNet MLS  
Rule 7.8 includes, but is not  
limited to:



Conveying or displaying any information about the property or its availability for sale through or on any: window, signs, public facing websites, social media, brokerage or franchise operated websites (including IDX and VOW), verbal or written communications, (ex: phone, email, text, social media messaging), multi-brokerage or franchise listing sharing networks, flyers or written material or on any applications or through conducting an open house available to the general public. The public includes anyone outside the broker(s) and agent(s) licensed within a single listing brokerage and their internal \*clients.

# How Is Client Defined?



CRISNet MLS Rule 7.9  
Defines Client as



Anyone that within the last twelve (12) months prior to execution of a applicable listing: (1) has signed an agency disclosure form with Broker/Agent; (2) has signed a Broker Agency agreement with Broker/Agent; (3) has signed a listing agreement with the Broker/Agent; (4) has signed an offer to purchase and/or purchase agreement represented by Broker/Agent; (5) has signed an offer to lease and/or lease represented by Broker/Agent; and/or (6) has had more than a casual relationship with the Broker/Agent that can be demonstrated by written documentation showing the Broker/Agent has engaged in substantial real estate activity for such party. *An involuntary drip system, bulk mailings, random emails, mass emails and other such type activities alone do not constitute "substantial activity."*

# Seller Excluded Properties

Effective May 1, 2020, with the implementation of Clear Cooperation Policy 8.0, listings excluded from the MLS will be prohibited from Public Marketing. The SELM has been updated to include language that seller authorizes no Public Marketing of their property. Submit with 1<sup>st</sup> and last page of contract.

These listings would be held as "Office Exclusive" and only marketed to agents within that brokerage (Broker or DR of record) and \*clients of that office. Written authorization from the seller is required to include their acknowledgment of this and how restrictions from public marketing may adversely affect the sale of their property.

\*Client as defined in CRISNet MLS Rules 7.9

## Which Properties Are Subject to Clear Cooperation Policy 8.0?

All mandatory listings, defined in CRISNet MLS Rules, as 1-4 unit residential property and vacant lots within the MLS service Area, are subject to Clear Cooperation Policy 8.0.

CRISNet MLS defines its service area as the territorial jurisdiction of the Association.



# The Bottom Line



# Making it Clear

- Q. ***Can a seller or listing broker "opt out" of the policy's obligations?***
- A. No. The new policy does not include an "opt out". Any listing that is "Publicly Marketed" must be filed with the MLS and provided to other MLS Participants for cooperation within (1) business day
- Q. ***My seller does not want their property listed in the MLS. What do I do?***
- A. File the updated Seller Exclusion form with 1<sup>st</sup> and last page of the contract with CRISNet as you have in the past. However, be aware that under Clear Cooperation Policy 8.0 you are no longer able to do any public marketing while the property is excluded. To avoid incurring a fine, once public marketing occurs the property must be entered into the MLS within one (1) business day.
- Q. ***How do members adhere to this policy?***
- A. After the seller signs the contract the listing agent/broker has two (2) business days from the contract date to either exclude the listing or submit to the MLS under Active status. Within (1) business day of publicly marketing the property, the listing must be entered into the MLS.

# Making it Clearer

Q. ***When does Clear Cooperation Policy go into effect?***

A. May 1, 2020

Q. ***What is the meaning of "Business Day"?***

A. Monday through Friday excluding federal/state holidays

Q. ***What property types does this apply to?***

A. Residential 1-4 units and vacant lots within the CRISNet Service Area

Q. ***What is the penalty for violating Clear Cooperation Policy 8.0?***

A. The fine is 1% of Listing Price up to the NAR maximum allowed which is currently \$15,000

Q. ***How do I report a violation of Clear Cooperation Policy 8.0?***

A. For more information, or to report a violation on or after May 1<sup>st</sup>, visit [srar.com/clearcooperationpolicy](http://srar.com/clearcooperationpolicy)

# How To Get More Information

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Questions may be emailed to:

[clearcooperationpolicy@srar.com](mailto:clearcooperationpolicy@srar.com)

For Information/Updates Visit:

[srar.com/clearcooperationpolicy](http://srar.com/clearcooperationpolicy)

Telephone/Voicemail (8:30 am – 5:00 pm M-F):

818-835-1313    818-835-2305

*Due to current COVID conditions delayed response to telephone inquires may be experienced*



# Announcing “Coming Soon” Status

“Coming Soon” status will be available in CRISNet beginning May 4, 2020. This gives CRISNet members the opportunity to share listings with only the MLS community. The following rules apply to Coming Soon:

- Photo Required (minimum 1 exterior)
- Property Visible to MLS Subscribers
- Cooperation/Commission Offered
- Offers May Be Presented
- No Syndication to 3<sup>rd</sup> Parties or IDX
- Marketing Allowed
- DOM Does Not Calculate
- Showings by Listing/Cooperating Brokers/Agents Allowed
- May Stay in Coming Soon Up To 21 Days
- Cannot Be Placed in Coming Soon after Being in any Other Status

## Mandatory Listing Submission Residential 1-4 Units and Vacant Lots Within the Service Area of CRISNet MLS

Has the Seller Signed an Authorization to Exclude the Property from the MLS?

Yes

No

Within 2 Business Days submit to the MLS the 1<sup>st</sup> and last page of the contract with written authorization from the seller that no public marketing outside the brokerage will occur as specified in MLS Rule 7.8 and 7.9

At End of Exclusion period enter property into MLS

Has the Property been Publicly Marketed as defined in MLS Rules 7.8?

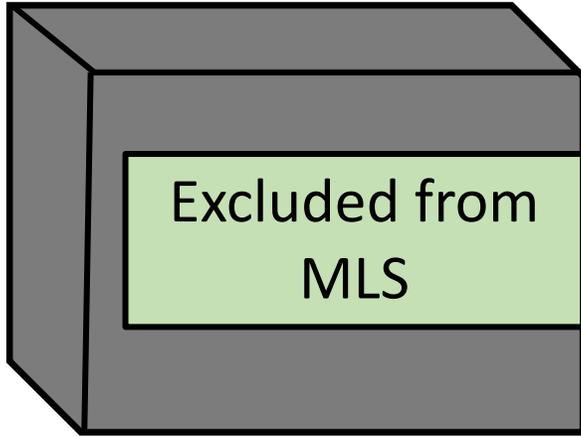
Yes

No

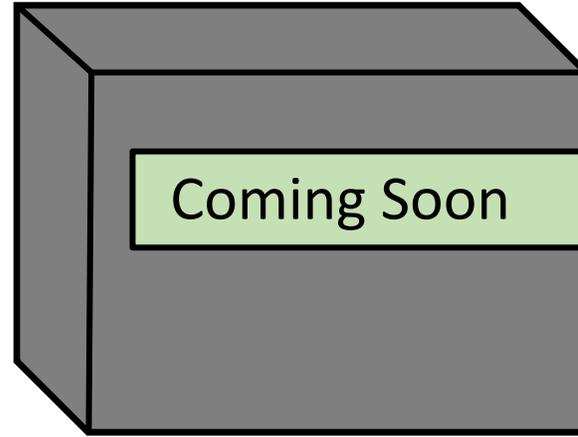
Listing must be entered into CRISNet as Active or Coming Soon within 1 Business Day

Listing must be entered into CRISNet as either Coming Soon or Active within 2 Business Days

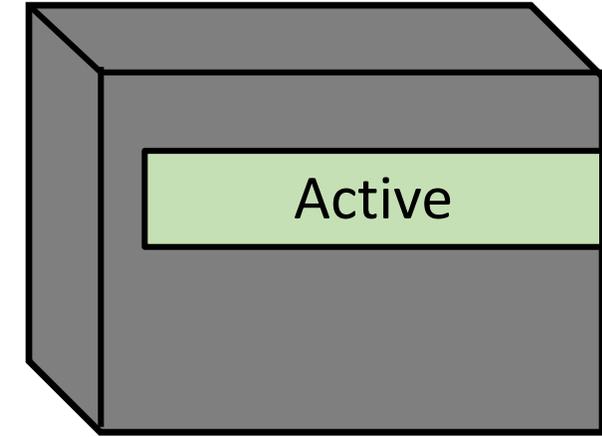




- Marketing Within Brokerage Only
- Not Displayed in MLS
- No Commission Offered
- No DOM
- No Distribution (IDX or Syndication)
- Showings Only to Listing Broker Client(s)



- Marketing Allowed
- Displayed in MLS
- Commission Offered
- Offers Can Be Accepted
- No DOM
- No Distribution (IDX or 3<sup>rd</sup> Party Syndication)
- Showings Allowed by Listing/Cooperating Agents
- 21 Day Limit/Status One Time Only



- Marketing Allowed
- Displayed In MLS
- Commission Offered
- DOM Calculates
- Full Distribution (IDX, Syndication)
- Showings Allowed