



An e-newsletter publication of the Metropolitan Indianapolis Board of REALTORS®

FAST TRACK TECH SPOTLIGHT

"Coming Soon" and "Pocket Listing" Listing Procedural Changes Take Effect October 1

As previously reported in *Fast Track*, *Broker Blast* and to Brokers in person at last month's Broker/Owner meeting, concerns have been raised regarding the promotion of listings that are not available for cooperation in the listing service. Often buyer agents will call listing agents about such properties, but are not able to obtain information, reflecting poorly on the buyer's agent's ability to service the buyer. In 2012, MIBOR asked the National Association of REALTORS® to provide guidance on this issue.

After review by their Professional Standards Committee, NAR referred this issue to a joint work group of Professional Standards and Multiple Listing Issue Committee members. Concerned about the delay in action, MIBOR leadership directed staff to obtain feedback from brokers through a series of visits with principal Broker/Owners throughout the MIBOR service area.

The vast majority of the principal brokers felt that "off market" promotion, whether coming soon advertising, or pocket or sleeve listings, were not good practices, do not benefit the seller due to lack of exposure to the market, and undermine the cooperative spirit of REALTORS®. Both cooperating agents and principal brokers were looking to MIBOR to establish a policy that will help maintain order in the marketplace.

With MIBOR's goal of *ethical and conflict-free transactions* in mind, the MIBOR Board of Directors on Wednesday, August 21, approved recommended changes issued by the BLC® listing service Policy Committee to the Listing Procedures Section of the BLC® listing service rules and regulations. The updated Listing Procedures Section will:

- Clarify that a listing must be entered within two business days of the Listing Date and establishes an automatic fine of \$100.00 for listings that are entered late. The Listing Date is the "This Contract begins on _____" date from listing agreement.
- Establish a period of up to seven (7) days, from the listing date, that a listing may be listed as active in the listing service, but not yet available for showing. An "Available for Showing" Y/N field will be added to the system along with a "Showing Date", indicating the date that a listing is available to be shown. If not available after 7 days, the listing must be moved to the withdrawn status by the listing broker.
- An active listing that is not available for showing will be noted as "Public Internet No" in the listing service.
- Unless exempted by the seller for entry into the listing service, this policy establishes an automatic fine of \$500.00 for listings that are advertised for more than two business days prior to the Entry Date into the system. Remember that Indiana License law requires a real estate brokerage to establish a written contractual relationship to advertise a property in any way.
- For Exempted Listings (a listing where the seller elects to not include their property in the listing service) this section establishes a standard required form that must be signed by the seller, agent and managing broker and submitted with the listing agreement to the listing service. Failure to submit the form within two business days of the listing date will result in an automatic fine of \$500.00.

The updated Listing Procedures Section, shown below, will be effective October 1, 2013.

Section 2 - Listing Procedures: Listings of real or personal property of the following types, which are listed subject to a real estate broker's license, located within the Broker Listing Cooperative® listing service territorial Jurisdiction, to include: Boone, Brown, Decatur, Hamilton, Hancock, Hendricks, Johnson, Madison, Marion, Montgomery, Morgan, Putnam, and Shelby counties, taken by participants shall be entered into the Broker Listing Cooperative® listing service within 48 hours (excluding weekends, holidays and postal holidays) of the listing date: after all necessary signatures of seller(s) have been obtained:

RESIDENTIAL

1. Single family houses
2. Condominium
3. Multi-Family 2-9 Units
4. Vacant lots and land
5. Farms and Agricultural
6. Residential Rentals

COMMERCIAL

1. Industrial Buildings
2. Office Buildings
3. Retail
4. Multi Family
5. Commercial Land

Section 2 - Listing Procedures: (Continued)

A listing must be available for showing within 7 days of the listing date to remain in the active status. A Listing that is active, but not available for showing shall be specified and noticed to the participants. When not immediately available, an "Available for Showing" condition of "No" shall be included in the information published in the Broker Listing Cooperative® listing service compilation of listings with a specified showing date.

Failure to enter a listing within the required time frame or if the listing is not available for showing within 7 days of the listing date will result in an automatic fine of \$100.00 to the listing service participant. Placement of a sign on the listing or distribution of promotional advertising more than 48 hours (excluding weekends, holidays and postal holidays) of listing entry will result in an automatic fine of \$500.00 to the listing service Participant.

Note: Indiana License law requires a real estate brokerage to establish a written contractual relationship to advertise a property, this would include the placement of a sign, promotional advertising or entry into the service. Placement of a sign or promotion of a listing in any way prior to the written contractual relationship to advertise a property is a violation of Indiana Real Estate License Law. Listings in the Broker Listing Cooperative® listing service that are not available for showing, will be noted as "Public Internet No" in the compilation of listings.

Section 2.3 - 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 ~~shall~~ shall be accompanied by a copy of the listing contract and the Exempt Listing Disclosure Certification form signed by the agent, managing broker and seller within 48 hours (excluding weekends and postal holidays) of a sign being placed on the listing, distribution of promotional advertising or the listing date. Failure to file will result in an automatic fine of \$500.00 to the listing service Participant. ~~that he does not desire the listing to be disseminated by the Service.~~

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