

MLS FINES SCHEDULE
EFFECTIVE OCTOBER 1, 1998
AMENDED July 21, 2020

Below is the list of fines that have been approved by the Board of Directors for common violations of the MLS Rules and Regulations. Any fine that is issued will be invoiced to the listing agent and will be seen on the bi-monthly MLS Dues Statement. Each fine will be listed with the MLS number and address and why the fine was imposed.

1. **Late Listings** For failure to deliver to the MLS or input into the MLS Computer, listings within 48 hours (excluding weekends or holidays) after the necessary signatures of the Seller(s) has been obtained, a fine of \$50.00, plus \$10.00 per day for each day the listing was late, up to a maximum fine of \$250.00. **The “Office Exclusive” Listings are also subject to the late listing fine.** An “Office Exclusive” listing is an Exclusive Right to Sell or Exclusive Listing, which the seller has requested not to be placed on the MLS System. (September 1, 2004)

- 1a. **Listing Audits** The MLS Staff on a weekly basis, randomly select listings to verify that they were entered into the MLS computer system with the forty-eight (48) hours required by the MLS Rules and Regulations. If a requested listing agreement isn't sent to the MLS office within 3 business days after being requested in writing or via email then a \$100.00 fine will be imposed and the listing will be removed from the MLS. (September 26, 2000) (Amended May 29, 2018)

2. **Disclosure Statements** Placing Seller Disclosure Statements, completed per State Law and Lead Based Paint Disclosure Statements on the MLS system in “Attached Documents”. A \$25.00 per form fine if the listing is not exempt under State or Federal law and was not in “Attached Documents” within 5 days.
New Construction is exempt from both Seller Disclosure Statement and Lead Based Paint Disclosure and nothing needs to be done in Agent Remarks.

All other listings, if they are exempt from the Seller Disclosure Statement and/or Lead Based Paint Disclosure, the exemption must be indicated on the listing in one of the following two methods:
 - a). By placing in “Attached Documents” the appropriate form with the word “exempt” printed across it, or
 - b). Place in Agent Remarks “Exempt from SDS” and/or “Exempt from LBP Disclosure.

Enforcement procedure:

MLS Staff to check all listings for exemption and/or SDS and LBP Disclosures 5 days after the listing date. If the listing does not contain the SDS and LBP Disclosures in “Attached Documents” and is not exempt under State or Federal law and so indicated under this policy, MLS Staff will send a warning notice giving the listing agent 2 days to correct the situation or receive a fine of \$25.00 per missing form. An additional fine of \$25.00 per missing form will be charged if forms are not uploaded within 7, days of the first fine, 7 days of the second fine, or 7 days of the third fine. Max fine of \$100 per form. (November 28, 2017) (Amended May 29, 2018)

3. **Photos** The Primary Photo of an improved property (which must be the exterior shot of the primary improvement) shall be in the MLS database within 7 days of the listing date or the MLS will take the photo and charge the Listing Agent the MLS's cost plus \$25.00. There shall be a fine of \$25.00 plus \$10.00 a day for each day an improved listing does not have a primary photo with an exterior shot of the primary improvement.

- 3a. **Closed Listing Photo Policy** All closed listings must have a minimum of 6 photos, 2 of said photos must be of the exterior. One of the front of the home and one of the rear of the home. 4 interior photos are required. One of the Kitchen, one of the Living room, one of the Main Bathroom, the fourth photo may be of any other room. It may not however be one of the rooms previously listed. Required photos must be entered into the MLS prior to the status of the property being changed to sold. Failure to adhere to this policy will result in a fine of \$25.00 plus \$10.00 a day for each day the photos aren't uploaded into the MLS system. (March 20, 2018)

- 3b. **Vacant Land Photos** The Primary Photo of an unimproved property shall be in the MLS database within 7 days of the listing date. If there are multiple photos then one of the photos must include a road frontage shot of the unimproved property. There shall be a fine of \$25.00 plus \$10.00 a day for each day an unimproved listing does not have a primary photo. (March 20, 2018) (July 31, 2018)

4. **Contact Information on Listing** Listing agents cannot put their name, telephone number, email address, website address or their office's email address or website address in the "Marketing Remarks" of the listing information or any data field that appears on the MLS system client Report or the photos. Violators shall be subject to a \$25.00 per day fine from the time the listing was filed on the MLS computer system. (July 1, 1998) (March 18, 2003) (May 23, 2006) (July 25, 2006)

5. **Waterfront** If the Waterfront "Yes/No" field is marked "Yes" on a listing and entered into the MLS when the property is not waterfront, (i.e. on the water) a fine of \$25.00. (Sept. 26, 2000)

The MLS definition of Waterfront:

- 1). Waterfront "Yes" is used for any property that abuts a body of water.

- 2). For an Association that has water frontage, the homes and condominiums & cooperative units that abut the Association's beach can be Waterfront "Yes" and all others in the Association shall be Waterfront "No" and Water Access "Yes".

- 3). The following two (2) situations shall use only Water Access "Yes" and **not** Waterfront "Yes":
 - a). the property has a street/road and a public access between the property and the water.
 - b). the property has a public access between the property and the water.

6. **Listing Status Change** For failure of the listing office to report to the MLS within 24 hours (excluding weekends or holidays) any of the following status changes a fine of \$50.00 plus \$10.00 per day for each day the status was late being changed up to a maximum of \$250.00. (May 28, 2002)

After obtaining the signatures of both Buyer(s) and the Seller(s) on the Buy and Sell Agreement, the status of the listing shall be changed from Active (A) to Active Contingent (AC), Active Backup Offer (AB), or Pending (P) unless the third box in paragraph 6 of the Buy & Sell Agreement is checked, then it remains Active.

- a). **AC** - Active Contingency status should be selected if your Buy and Sell Agreement contains a contingency clause allowing the Seller to remove the offer within a limited amount of time after accepting a second offer. (i.e. 24 hour, 48 hour, or 72 hour contingency clause) This status is included in all searches for active listings, unless the user excludes it from their search.
- b). **AB** - Active Backup status should be selected if the Seller desires backup offers and the contingencies in the offer that are of concern should be identified in the Sales Contingency line. (such as: Inspections, Financing, etc.) This status is included in all searches for active listings, unless a user excludes it from their search.
- c). **P** - Pending status should be selected if the Seller does not want the property to remain on the market for Backup Offers. This listing will remain pending until the status is changed to either an “S” for sold or “A” for active – back on the market.

The following is an excerpt of Paragraph #6 of the Buy and Sell Agreement with the policy of the MLS and the changing of a listing’s status.

- Is not contingent upon the sale or closing of any other property by Buyer.
- Is contingent upon the closing of a pending sale of Buyer’s property located at _____ on or before _____.
A copy of the Buyer’s agreement to sell that property is being delivered to the Seller along with this offer.
- Is contingent upon the execution of a binding agreement and the closing of a sale of Buyer’s property located at _____ on or before _____. Seller will have the right to continue to market Seller’s property until Buyer enters into a binding agreement to sell Buyer’s property and delivers a copy thereof to Seller. Said agreement cannot be subject to the sale of another property, but can be subject to a pending sale. During such marketing period, Seller may enter into a binding agreement with another Buyer on such price and terms as the Seller deems appropriate, and in such event, this agreement will automatically terminate and Buyer’s earnest money deposit will be promptly refunded.
- Is contingent on the terms of the attached Contingency Clause Addendum.
 - a). if the first box is checked, the agent will have a choice of either “Active/Back-up” (AB) status or “Pending” (P);
 - b). if the second box is checked, the agent would have the choice of “Active/Back-up” (AB) or “Pending” (P);
 - c). if the third box is checked, the agent can leave this listing in an “Active” (A) status.
 - d). if the last box is checked, then the agent would need to put the listing into an “Active/Contingent” (AC) status. (September 25, 2001)

- 7. **Real Estate Signs** A sign is to be left on a property for no longer than 7 business after the property’s expiration date, listing cancellation date, listing sold date, or a fine will be applied. (July 2020)
Fine to be \$25.00 per day for failure to remove sign within 3 business days of notice of noncompliance and there is no maximum amount that can be charged. Fine is retroactive going back to the day the violation started (July 21, 2020)

8. **Tax Information** The following fields are required in the MLS system: Taxable Value, State Equalized Value, and Property Taxes For current Tax Year. A \$25.00 fine for not completing these required fields to become effective January 1, 2012. (01/28/2020)
9. **Distribution of MLS Reports** Members **cannot** distribute to their customers or clients the MichRIC Agent Report or the Agent Detail Report for any MichRIC listing, except for their own office's listings. Violations of this policy may result in the assessment of a fine of \$100.00 for the first violation, \$250.00 for the second violation and \$500.00 for all subsequent violations. (May 25, 2010)
10. **Sold Listings** The Listing Broker shall report to the MLS the sales price, terms and any seller's concession (s) for any property listed in the MLS within 72 hours of the closing date (excluding weekends and holidays). A violation of this rule will result in a fine of \$50.00 plus \$10.00 per day for each day that the required closed sales information is not entered into the MLS, up to a maximum of \$250.00. (May 27, 2008)
11. **Cancelling a Listing** The listing office will not be allowed to cancel a listing to circumvent reporting the sale price. A violation of this policy will result in a \$250.00 fine (July 26, 2011)
12. **MLS Passwords** Providing a MLS password to an unauthorized recipient is a serious violation of the MLS Rules and Regulations punishable by a fine of \$5,000.00 for each such violation.
13. **Statistical Information** Violation of Article 13 – Section 13 allows a Member 72 hours to correct the situation. After the 72 hour period, if not corrected, a twenty-five dollar (\$25.00) per day fine would be levied up to a maximum of five hundred dollars (\$500.00) becoming effective on September 1, 2009. (July 28, 2009)

Article 13 - Section 13: Use of information from the MLS compilation of current listing information, from the Association's "Statistical Report," or from any "sold" or "comparable" report of the Association or MLS for public mass-media advertising by an MLS Participant or in other public representations may not be prohibited.

However, any print or non-print forms of advertising or other forms of public representations based in whole or in part on information supplied by the Association or its MLS must clearly demonstrate the period of time over which such claims are based and must include the following, or substantially similar, notice:

"Based on information from the Southwestern Michigan Association of REALTORS (alternatively, from the MLS of Southwestern Michigan) for the period (date) through (date)."