



**Unleash The Power!**

## **MetroList MLS Rules Hot Topic 2**

### **Submission of offers by Non-Participants/Non-Subscribers and by Non-Subscribers acting as agents for Participants.**

The essence of the Multiple Listing Service is the “Unilateral Contractual Offer.” Individuals who are real estate brokers not working for another real estate broker join the MLS as Broker Participants. Individuals who are real estate salespersons or brokers working for a Participant Broker join the MLS as Subscribers. Each time a listing is entered into the MLS, the Broker Participant makes a “blanket unilateral contractual offer of compensation to the other Broker Participants for their services in selling the property” (with some limited exceptions). Participants make offers of compensation only to other Participants. Therefore, if the broker presenting the offer isn’t a Participant, the listing broker is not obligated by the MLS Rules to pay the compensation stated in the listing. Non-Participant brokers and Non-Subscriber salespersons working for Non-Participant brokers should always contact the listing broker to discuss compensation prior to presenting offers.

Occasionally, one will encounter a Non-Subscriber salesperson acting on behalf of his broker who is a Participant. Remember, compensation is offered by one Broker Participant to another Broker Participant, so in this case there is no need for the discussion of compensation prior to presenting the offer. MLS [Rule 7.13](#) states:

#### **7.13 Unilateral Contractual Offer.**

In filing a property with the MLS, the Broker Participant makes a blanket unilateral contractual offer of compensation to the other MLS Broker Participants for their services in selling the property. Provided, however, that in the event the gross commission established in the listing contract is subject to court approval or to lender approval in the event of a short sale, the compensation payable to cooperating brokers may be reduced if the gross commission established in the listing contract is reduced by a court or by a lender. In such instances, the fact that the gross commission is subject to court or to lender approval and either the potential reduction in compensation payable to cooperating brokers or the method by which the potential reduction in compensation will be calculated must be clearly communicated to potential cooperating brokers prior to the time they produce an offer that ultimately results in a successful transaction. A Broker Participant must specify some compensation to be paid and the offer of compensation must be stated in one, or a combination of, the following forms (1) a percentage of the gross selling price; or (2) a definite dollar amount. The amount of compensation offered through the MLS may not contain any provision that varies the amount of compensation offered based on conditions precedent or subsequent or on any performance, activity or event. Furthermore, the MLS reserves the right to remove a listing from the MLS database that does not conform to the requirements of this section.