



Rules and Regulations

RULES GOVERNING PARTICIPATION IN BRIGHT MLS

These Rules govern participation with Bright MLS (Bright), to serve two primary purposes:

- Accumulation and dissemination of high quality, consistent information that enables *Subscribers* to engage in the business of real estate; and
- Enhancement of cooperation among *Subscribers*.

Participation with Bright is subject to compliance with these Rules and Bright’s policies.

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Other policies (e.g. IDX, VOW, Images and Documents, DMCA) are available at www.brightmls.com/rules.

1. **RULES GOVERNING COOPERATION**

1.1 **Participation**

Participation as a *Subscriber* on an individual basis and may not be transferred, these Rules apply irrespective of the affiliation with a particular firm. Participation is open to:

1.1.1 *Brokers*¹ actively engaged in the business of real estate in Bright's *Service Area*, meaning that they actively endeavor to list real property of the type listed in the *Bright Service* and to offer and accept offers of cooperation and compensation with other participating *Brokers*. "Actively" means on a continual and ongoing basis (may be seasonal) during the operation of the participant's real estate business;²

1.1.2 *Licensees*; and

1.1.3 *Appraisers* actively engaged in the business of appraising property in Bright's *Service Area*. "Actively" means on an ongoing basis during the operation of the participant's appraisal business.

1.2 **Designation of Principal Broker.** For each participating brokerage firm, one *Broker* must be designated as the principal *Broker*, who is responsible and accountable for compliance with these Rules by all *Subscribers* affiliated with the *Broker's* brokerage firm. To change a firm's designated *Broker*, the first *Broker* must consent. When a *Broker* ceases to participate with Bright, Bright is not obligated to provide services, including continued inclusion of the *Broker's* listings in the *Bright Database*. Prior to removal of the *Broker's* listings, the *Broker* will be advised in writing so they may advise their clients. If listings are transferred by assignment from one *Broker* to another *Broker*, written notification signed by both *Brokers* must be completed, and the *Brokers* must obtain written permission to effectuate the assignment from the *Seller*.

1.3 **Subscriber List.** Each *Broker* must supply the names of each *licensees* with a license issued to the *Broker* and each appraiser associated with the *Broker*. *Brokers* must notify Bright, within two calendar days, of any changes to this list, including new *Subscribers* in the *Broker's* firm or any *Subscriber* that has left or that has not maintained their license.

1.4 **Participation by Non-REALTOR® Subscribers.** Non-REALTOR® *Subscribers* are subject to these Rules. In a dispute under these Rules about a commission due to or from a REALTOR® *Subscriber*, non-REALTOR® *Subscribers* must participate in, comply with the rules of, and be bound by the decisions from arbitration administered by the REALTOR® *Subscriber's* REALTOR® Association.

1.5 **Listing Agreements**

1.5.1 *Listing agreements* for listings to be submitted to Bright must allow the *Broker* to submit the listing and to submit a copy of the agreement to Bright.

1.5.2 Bright accepts *Exclusive Right to Sell Listing Agreements* and *Exclusive Agency Listing Agreements*. Bright does not accept *Open Listings* or *Net Listings*.

1.5.3 If a property is co-listed with two or more *Listing Brokers*, only one *Listing Broker* may enter the listing into the *Bright Database*. Identification of the other *Listing*

¹ Italicized words are defined in Appendix A. Note that "Brokers" are synonymous with the prior use of "Participant," "designated broker," "managing broker," and "designated realtor."

² Some terms described in the NAR Handbook on Multiple Listing Policy as "mandatory," such as *Subscribers* granting a license to the MLS for the *Listing Content*, and *Subscriber* warranties and indemnifications, are included in the Subscription Agreement agreed to by all *Subscribers*.

Interpretation of these Rules is within Bright's reasonable discretion, which may be informed by the Board of Directors or a Board committee, the NAR Handbook on Multiple Listing Policy, and other guidance. Substantive amendments to these Rules are approved by the Bright Board of Directors; all other changes, and approval of appendices and policies, may be made by Bright staff. If any provision is deemed by a court or arbitrator to be unenforceable, the remainder remains enforceable.

Broker must be entered in the Agent Remarks. This does not prevent one *Listing Broker* from entering an exclusive sale listing and another *Listing Broker* from entering an exclusive rental agreement. A property may not be submitted that is co-listed with one *Listing Broker* and one non-*Subscriber*, or that is listed only by a non-*Subscriber*.

- 1.5.4 *Listings* subject to auction terms may be submitted when conducted in accordance with all applicable laws and the following conditions are met:
- i. a *listing agreement* exists between the *Listing Broker* and the *Seller*;
 - ii. a listing price is specified;
 - iii. compensation is offered to *Cooperating Brokers*;
 - iv. an agency relationship between the *Seller* and the *Listing Broker* exists for the duration of the auction process; and
 - v. the *Listing Broker* discloses to Bright that the listing is subject to auction terms.

1.6 **Submitting Information About Properties**

- 1.6.1 *Listings* located within the *Service Area* must be submitted to Bright, unless exempted under these Rules. *Listings* located outside the *Service Area* may be submitted voluntarily by a *Listing Broker*.
- 1.6.2 *Subscribers* are responsible for *Listing information* being complete and accurate, and correcting known errors. The *Bright Service* requires certain fields and descriptive information, which must be entered; all other information is optional.
- 1.6.3 *Listings* disseminated by Bright are communicated verbatim, without change by Bright. It is not Bright's responsibility to verify the information provided, and Bright disclaims any responsibility for its accuracy. Each *Subscriber* holds Bright harmless against any liability arising from any inaccuracy or inadequacy of the information submitted by the *Subscriber*. Bright may edit listing content if it is deemed necessary.
- 1.6.4 At the time of filing a *Listing*, *Subscribers* must include a property address available to other *Subscribers*, and if an address doesn't exist, a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location.

1.7 **Deadline to Submit Listings**

- 1.7.1 *Listings* required to be submitted must be submitted within two calendar days of all necessary signatures having been obtained and the listing term beginning, unless precluded by law.
- 1.7.2 Prior to adding a *listing* to the *Bright Database*, the *Subscriber* must verify that the property is not already entered in the *Bright Database*. A *Subscriber* may not enter a *listing* when the same property already is listed by another *Listing Broker*.

1.8 **Exception to Submission of All Listings: Office Exclusives**

- 1.8.1 If the *Seller* desires privacy and that the *listing* neither be publicly marketed nor disseminated by Bright to *subscribers* associated with other *Brokers*, then the *listing* must be filed with Bright as an "Office Exclusive" subject to the terms of rule 1.8.1.
- 1.8.2 An Office Exclusive *listing* may not be disseminated to *subscribers* associated with other *Brokers* by Bright or by the *Listing Broker*. Office Exclusive listings are listings in which the *Listing Broker* has been directed by the *Seller*:
- i. Not to cooperate with any other *Broker*, or
 - ii. not to offer compensation to any other *Broker* (whether or not

- cooperation with other *Brokers* has been authorized by the *Seller*), or
- iii. not to disseminate information about the property to other *Subscribers* by means of the *Bright Database* even though cooperation and compensation with other *Brokers* has been authorized by the *Seller*.
- 1.8.3 The *Subscriber* must obtain from the *Seller* a signed Office Exclusive form (provided by Bright) and submit required information to Bright within two calendar *days* of the executed *listing agreement*.
 - 1.8.4 Bright may disclose upon request by a *Subscriber* whether or not an address is associated with a filed Office Exclusive form, but will not disclose any information about the listed property or the *Listing Broker*.
 - 1.8.5 Within one *business day* of marketing a property to the public, the listing broker must submit the listing to the MLS. 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 (e.g., email blasts), multi-brokerage listing sharing networks, and applications available to the general public.
- 1.9 **Images and Documents.** Bright's Policy on Images and Documents provides detail on the use of *images and documents* that may be submitted. Images (photos and videos) typically are presumed to be owned by the photographer/videographer unless there is a written license or assignment. *Subscribers* may not use images/documents without express, written permission to submit the image to Bright; this includes images from the internet, a photographer, or an existing *listing* of another *Broker*.
 - 1.10 **Descriptive Information**
 - 1.10.1 **Remarks.** Remarks may not contain marketing information about a *subscriber*, nor seek to recruit *subscribers*. Remarks are subject to editing or removal should Bright determine that they contain impermissible or inappropriate content.
 - 1.10.2 **List Price.** *Subscribers* must include the gross list price from the *listing agreement*.
 - 1.10.3 **Listing Status.** *Subscribers* must comply with the parameters for the status of the *listing*, described in Appendix B.
 - 1.10.4 **Property Types.** *Subscribers* must use one of the property types described in Appendix C, in conjunction with the applicable zoning codes, present use, proposed use, and permitted use. There is no limit on the number of property types as long as the property conforms to the definitions and is compliant with zoning codes, present use, proposed use and permitted use. All properties to be sold separately must be indicated individually in the *listing*. When part of a listed property has been sold, this must be updated in the *Bright Database*.
 - 1.10.5 **Required Disclosures.** Appendix E lists required disclosures, in addition to other disclosures required by these Rules, or by other applicable law or policy.
 - 1.11 **Updating Listing Information**
 - 1.11.1 **Updates to Information.** Listing Brokers must report any changes to a listing (e.g., agreement modifications such as price or listing term, status change, etc.) within two calendar days, and in doing so represent that all changes are supported in writing with their client.
 - 1.11.2 **Cancelling a Listing.** Listings may be cancelled by the Listing Broker before the expiration. While sellers/landlords do not have the unilateral right to require that Bright MLS cancel any listing, Bright MLS may at its discretion remove a listing from the database or cancel a listing if the seller documents that the listing agreement has been terminated or is invalid.

1.12 Showings and Negotiations

- 1.12.1 Listing Brokers must make Showings equally available to all *Subscribers* and may not misrepresent the availability of showings or access to the property.
- 1.12.2 Appointments for showings and negotiations with the *Seller/Landlord* for the *purchase/lease* of the listed property must be conducted through the *Listing Broker* unless:
 - i. The *Listing Broker* gives the *Cooperating Broker* specific authority to show or negotiate directly, or
 - ii. After reasonable effort, the *Cooperating Broker* cannot contact the *Listing Broker* or their representative. However, the *Listing Broker*, at their option, may expressly prohibit direct negotiations by *Cooperating Brokers*
- 1.12.3 The *Cooperating Broker* or their representative has the right (and option) to participate in the presentation to the *Seller/Landlord* of any offer, and the *Listing Broker* has the same right as to counteroffers. Neither has the right to be present at any discussion or evaluation by the other party.

1.13 Offers of Compensation

- 1.13.1 Each listing must include the compensation unconditionally and unilaterally offered to a *Cooperating Broker*. While the offer must be a positive value, Bright does not set or suggest compensation values or the cooperative division of compensation. The offer of compensation must appear in one of the forms listed in Appendix D.
- 1.13.2 A *Listing Broker* may offer compensation other than the compensation indicated on any *listing* provided the *Listing Broker* informs the other *Broker*, in writing, in advance of submitting an offer to *purchase*, and provided that the modification in the specified compensation is not the result of any agreement among all or any other *Brokers*. Any superseding offer of compensation must be expressed in one of the forms listed in Appendix D.
- 1.13.3 **Restrictions**
 - i. A *Subscriber* may not submit to Bright the total, division, or split of the negotiated commission, other than the required offer of compensation.
 - ii. Offers of compensation made through Bright are applicable to *Cooperating Brokers* that participate only with another multiple listing service if there is an applicable contract between Bright and the other multiple listing service.
 - iii. *Brokers* may not compensate nor offer to compensate, directly or indirectly, any *licensees* employed by or affiliated with other *Brokers*, arising from the *licensee* being the procuring cause of a *purchase*, without the prior express consent of the other *Broker*, in accordance with state regulations.
- 1.13.4 **Entitlement to Offered Compensation**

Entitlement to a *listing's* offer of compensation is determined by the *Cooperating Broker's* performance as the procuring cause of the *sale*.

- i. Impossibility or Financial Infeasibility. The *Listing Broker's* obligation to compensate any *Cooperating Broker* as the procuring cause of the sale or lease may be excused if it is determined through arbitration that, through no fault of the *Listing Broker* and in the exercise of good faith and reasonable care, it was impossible or financially unfeasible for the *Listing Broker* to collect a commission pursuant to the listing agreement. In such instances, entitlement to cooperative compensation would be a question to be determined by an arbitration hearing panel based on all relevant facts and circumstances including, but not limited to, why it was impossible or financially unfeasible for the *Listing Broker* to collect some or all of the commission established in the

listing agreement; at what point in the transaction did the *Listing Broker* know (or should have known) that some or all of the commission in the listing agreement might not be paid; and how promptly had the *Listing Broker* communicated to *Cooperating Brokers* that the commission established in the listing agreement might not be paid.

- ii. Commission Subject to Court Approval. *Listing Brokers* may communicate to potential *Cooperating Brokers* that gross commissions established in listing agreements are subject to court approval; and that compensation payable to *Cooperating Brokers* may be reduced if the gross commission established in the listing agreements reduced by a court. In such instances, the fact that the gross commission is subject to court 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 submit an offer that ultimately results in a successful transaction.
 - iii. Dual or Variable Rate Commission. The existence of a dual or variable rate commission arrangement (i.e., one in which the *Seller* agrees to pay a specified commission if the property is *sold* by the *Listing Broker* without assistance and a different commission if the *sale* results through the efforts of a *Cooperating Broker*; or one in which the *Seller* agrees to pay a specified commission if the property is sold by the *Listing Broker* either with or without the assistance of a *Cooperating Broker* and a different commission if the *sale* results through the efforts of a *Seller*) must be disclosed by the *Listing Broker* by a key, code, or symbol as required by Bright. The *Listing Broker* must, in response to inquiries from potential *Cooperating Brokers*, disclose the differential that would result in either a cooperative transaction or, alternatively, in a *sale* that results through the efforts of the *Seller*.
 - iv. Third Parties. *Subscribers*, acting as subagents, buyer/tenant representatives or brokers, or transaction licensees, may not extend a *Listing Broker's* offer of compensation to other *brokers* without the consent of the *Listing Broker*.
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- v. *Subscribers* may publish the listing broker's offer of compensation on IDX, VOW, or other electronic or print media for an active listing but must include the following disclaimer: The listing broker's offer of compensation is made only to participants of the MLS where the listing is filed.

2. RULES GOVERNING USE OF LISTING CONTENT AND THE BRIGHT DATABASE

2.1 General Rule

- 2.1.1 Use of the *Bright Database* and *listing content* is limited to *Subscribers* and by these Rules.
- 2.1.2 A *Listing Broker* may use their own *listing content* in any manner they choose.
- 2.1.3 Use of another *Listing Broker's listing content* is strictly limited to the activities authorized under these Rules, by written contract with Bright, or by written consent from the *Listing Broker*.

2.2 Limiting Principles for the Use of Listing Content

- 2.2.1 *Subscribers* may not share *listing content* in any manner with any individual or firm, unless permitted by these Rules, by written contract with Bright, or written consent from the *Listing Broker*.
- 2.2.2 *Subscribers* may not use creative, non-factual property *listing content* (e.g., *images*, descriptive text, and documents) from a prior listing of a property without the written consent of the owner of the proprietary rights in the *Listing Content*.

- 2.2.3 *Subscribers* may not use the *Bright Database* to identify prospective clients, including by referring *Listing Brokers'* clients to other *licensees* or seeking to create buyer/tenant relationships with *Listing Brokers'* clients, unless such use is authorized in writing by the *Listing Broker*.
- 2.3 **Advertising Another Listing Broker's Listing**
A *listing* may not be advertised by anyone other than the *Listing Broker* without the prior consent of the *Listing Broker*, except:
- 2.3.1 *Subscribers* may share a listing from the *Bright Database* with individual prospective buyers/renters in conjunction with the *Subscriber's* ordinary business activities of attempting to locate ready, willing, and able buyers/renters for the listed property.
- 2.3.2 *Subscribers* may advertise another *Listing Broker's* listing under Bright's Policy on Digital Display, which addresses rules for IDX and VOW Rules websites.
- 2.4 **Creation and Use of Listing Data Analysis**
- 2.4.1 *Brokers* must execute a separate license agreement with Bright to use *listing content* for purposes of analysis, whether for internal purposes or for other uses (sometimes referred to as a "back-office feed" or "analytics feed").
- i. Subject to the terms in a license agreement with Bright, any advertising that uses statistical information based upon *listing content* other than the *Listing Broker's* own listing content, must include the following, or a substantially similar, notice:
Based on information from Bright MLS for the period <date> through <date>.
- 2.4.2 Without executing a separate license agreement with Bright, *Subscribers* may use *listing content* in the *Bright Database* to support a valuation on a single, specific property for a single specific client or customer, such as through the creation of a comparative market analysis or broker price opinion; this does not include the display or distribution by a *Subscriber* or third party of any subset of listing content to an entity not actively engaged with a *Subscriber* in the sale, rental, or appraisal of a single, specific property.
- 2.5 **Limiting Access to Passwords and Bright Database.** *Subscribers* may not permit (knowingly or negligently) the use of the *Bright Database* by anyone else, including by sharing passwords or access codes with any other person; each *Subscriber* is liable to Bright for damages caused by unauthorized use in addition to sanctions in these Rules.
- 2.6 **Required Documentation.** *Brokers* must retain copies of documents required by Bright MLS Rules and Policies, including but not limited to listing agreements and their modifications, purchase agreements, settlement statements, seller instructions on showings, and other documents required by these rules. Bright MLS may at its discretion demand a copy of any written documentation required under these Rules and Policies to verify their adequacy and the information report to Bright MLS. Upon request *Subscribers* must furnish copies of requested documents to Bright MLS within 1 calendar day.
- 2.7 **Fees**
- 2.7.1 *Brokers* are financially responsible for the payment of all fees related to *Subscribers* associated with the *Broker*.
- 2.7.2 Bright offers an option of a no-cost waiver of fees, dues, and charges for any *licensee* or *appraiser* who can demonstrate subscription to a different MLS where the *Broker* participates. *Brokers* must submit a certification of nonuse of the *Bright Service* by their licensees due to subscription to another MLS.
- 2.8 **Orientation.** Each *Subscriber* is expected to complete any required orientation training within 60 days after access is provided.

3. ENFORCEMENT

Bright's Policy on Rules Enforcement describes the sanctions and appeal process.

Appendix A - Definitions

Agreement of Sale includes agreement to lease (or rent) except when not italicized.

Appraiser means an individual licensed or certified by an applicable state regulatory agency to engage in the appraisal of real property.

Bright Database means any database maintained for the *Bright Service* consisting of *Listing Content*, *MLS Content*, and related informational content (which includes, by way of example and not limitation, text, data, *Images and Documents*, computer code (including HTML code), programs, software, products, information, and documentation as well as the design, structure, selection, coordination, expression, “look and feel,” and arrangement of any *MLS Content* contained on or available through the *Bright Service*, and any other informational content stored by Bright). Bright owns the *Bright Database*.

Bright Service means Bright’s proprietary online and mobile real estate information service.

Broker means a broker of record, partner, corporate officer, or branch office manager who holds a current, valid real estate broker’s license.

Business Days are weekdays (Mondays through Fridays) except if a weekday falls on a federal holiday.

Buyer refers to a *broker’s* client or prospective client interested in *purchasing* a property.

Calendar Day shall be the 24- hour period beginning and ending at 12:00 midnight Eastern Time, Monday through Sunday, including weekends and Federal Holidays, unless otherwise expressly provided.

Closed and Sold include “leased” (or “rented”) except when not italicized.

Cooperating Broker means any *Broker* who is engaged by a client to assist them to buy or rent a property.

Exclusive Agency Listing Agreement means a contractual agreement under which:

- a single listing broker is granted authority to act as the agent or as the legally recognized non-agency representative of the *Seller*, to the exclusion of all others during the term of the contract, and
- the *Seller* agrees to pay a fee or commission to the listing broker if the property is *sold* through the efforts of any real estate broker, but
- if the property is *sold* solely through the efforts of the *Seller*, the *Seller* is not obligated to pay a commission to the listing broker.

Exclusive Right to Sell Listing Agreement means a contractual agreement under which:

- a single listing broker is granted authority to act as the agent or as the legally recognized non-agency representative of the *Seller*, to the exclusion of all others during the term of the contract, and
- the *Seller* agrees to pay a fee or a commission to the listing broker, regardless of whether the property is *sold* through the efforts of the listing broker, the *Seller* or anyone else.

An *exclusive right to sell listing agreement* may include a provision allowing the *Seller* to name one or more individuals or entities as exemptions or exclusions to the listing agreement and if the property is *sold* to any so exempted or excluded *Buyer*, the *Seller* is not obligated to pay a fee or commission to the *listing broker*.

Images and Documents includes images, photographs, audio, sounds, video graphics, user interfaces, visual interfaces, artwork, documents, drawings, renderings, blueprints, and any other files submitted by a *Subscriber* to the *Bright Service* as part of *Listing Content*.

Internet Data Exchange (IDX) affords *Listing Brokers* the ability to authorize limited electronic display

of their *listings* by other *Subscribers*.

Licensee means a licensed real estate salesperson affiliated with a *Broker*.

Listings or Listing Content means *Images and Documents*, and any other content referred to in *MLS Content*, that is submitted by a *Subscriber* in relation to listed properties or otherwise used by or relied upon by *Subscribers* in the *Bright Database*.

Listing Broker means a *Broker* engaged by a client to list a property for sale or rent.

MLS Content means individual units of, or collectively, any form of informational content contained in a real estate property listing (whether on or off market, active or sold), whether supplied by Bright, a *Subscriber*, or a third party that is stored in or made available through the *Bright Service*.

Net Listing Agreement means a listing which entitles the real estate broker to receive as compensation any amount over a given net amount to the Seller. *Net Listing agreements* may not be submitted to Bright (except where required by law and/or a *closed* property qualifies for inclusion in *Bright Database*).

Open Listing Agreement means a contractual agreement under which the *Listing Broker* acts as the agent or as the legally recognized non-agency representative of the *Seller*, and the *Seller* agrees to pay a commission to the *Listing Broker* only if the property is sold through the efforts of the *Listing Broker*. Bright does not accept properties listed subject to *open listing agreements* (except where required by law and/or a *closed* property qualifies for inclusion in *Bright Database*).

Purchase or sale includes lease/rent.

Seller means the entity that enters into a *listing agreement* with a *listing broker*.

Service Area

Bright's *Service Area* includes all counties in Delaware, Maryland, and the District of Columbia as well as the following counties in:

<u>New Jersey</u>	<u>Pennsylvania</u>	<u>Virginia</u>		<u>West Virginia</u>
Burlington	Adams	Alexandria City	Orange	Berkeley
Camden	Berks	Arlington	Page	Grant
Cumberland	Bucks	Caroline	Prince William	Hampshire
Gloucester	Centre	Clarke	Rappahannock	Hardy
Hunterdon	Chester	Culpeper	Spotsylvania	Jefferson
Mercer	Cumberland	Fairfax	Shenandoah	Mineral
Ocean	Dauphin	Fairfax City	Stafford	Morgan
Salem	Delaware	Falls Church City	Warren	Pendleton
Somerset	Franklin	Fauquier	Winchester City	
	Fulton	Frederick		
	Lancaster	Fredericksburg City		
	Lebanon	King George		
	Montgomery	Loudoun		
	Perry	Madison		
	Philadelphia	Manassas City		
	Schuylkill	Manassas Park City		
	York			

Short Sale means a transaction where title transfers, where the sale price is insufficient to pay the total of all liens and costs of sale and where the seller does not bring sufficient liquid assets to the closing to cure all deficiencies.

Subscriber means, individually or collectively, *Brokers*, *Licensees*, non-licensed personnel associated with a *Broker* and which access the *Bright Database* to assist the *Broker*, and *Appraisers*.

Appendix B - Status Definitions

All status changes must be submitted to the *Bright Service* within two calendar days.

Active - Properties currently subject to a listing agreement and *reported* to Bright in which the *Listing Broker* has been directed by the Seller to:

- set appointments for showings (new construction may not qualify), AND
- seek *agreements of sale* to present to the Seller; AND
- the listing is on the market and a written offer has not been accepted.

Active Under Contract - Properties in which a written offer has been accepted but the Seller agrees to:

- continue to show the property AND
- accept backup offers.

Sub-categories for *Active Under Contract* include, but are not limited to, Kick Out, Third Party Approval, Attorney Review Period, and First Right of Refusal.

Cancelled - Properties in which the listing agreement has been terminated prior to the expiration date.

Closed - Properties in which

- A successful closing has taken place and title has been transferred from *Seller* to *Buyer* or in which possession of a property has been transferred from a lessor to a lessee.
- the agreement of sale has been fulfilled or the lease agreement has been executed.

A listing may not be submitted after *closing*, with one exception: A *Broker* who is not the *Listing Broker* and participated in the sale of a property (i) not previously actively listed and marketed in the *Bright Database*, (ii) listed subject to an *open listing agreement*, (iii) listed subject to a *net listing agreement*, or (iv) listed by a real estate brokerage not participating in Bright may, after the *closing*, submit information about the property and the sale for inclusion in the *Bright Database*. The *Broker* must first obtain written permission from their client *Buyer* or *Seller* to submit the information to Bright.

Coming Soon - Properties currently subject to a listing agreement and *reported* to Bright in which the *Listing Broker* has been directed by the *Seller*:

- to market (or pre-market) the property
- but not to set appointments for showings during a current, specified time-period.

Coming Soon status requires:

- a. No *agreement of sale* is currently in effect.
- b. This listing has not yet been on the market but will be on the market soon.
- c. A *listing agreement* has been executed but the property cannot be shown.
- d. *Listings* are limited to 21 days in the *coming soon* status, except for new construction/condo conversions/major renovations for which there is no occupancy (e.g. no active certificate of occupancy) and no showing, in which case the property may remain in *coming soon* status until the earlier of (a) the first date the property may be shown: or (b) 21 days after a certificate of occupancy or similar permit is obtained.
- e. When a listing's status is reported as *Coming Soon*, the showing appointment prohibition is deemed to apply to all *Subscribers*, including those affiliated with the listing broker. If a listing with a showing prohibition may be shown by at least one *licensee* affiliated with the listing office or listing company, the *Coming Soon* status may not be applied to the listing.

- f. During the specified period the status of a property is *Coming Soon*, if the *Listing Broker* receives an *agreement of sale* (whether solicited or not), it must be presented to the *Seller* in accordance with all applicable laws and regulations.

Expired - *Listings* of property in which the *listing agreement* has *expired*:

- the listing agreement has passed its contractually agreed upon expiration date, AND
- the *Listing Broker* has not secured permission from the *Seller* on or before that expiration date to extend the term of the listing for an additional period of time.

Temporarily Off Market - *Listings* of property in which the *Seller* has requested the *Listing Broker* to:

- temporarily suspend the marketing of the property, AND
- not set appointments for showings, while the listing agreement between the Listing Broker and the Seller remains in effect.

The listing is off market, but a contract still exists between the *Seller* and the *Listing Broker* and the listing is expected to come back on market.

Pending - *Listings* of property in which:

- an agreement of sale is in effect,
- the settlement has not yet taken place,
- the *Listing Broker* has been instructed by the *Seller* to no longer set appointments for showings, and
- a written offer/lease application has been accepted and the listing is no longer on the market.

Withdrawn - The *listing* has been *withdrawn* from the market, but a contract still exists between the *Seller* and the *Listing Broker* and there is no intention to bring the listing back on the market.

Appendix C - Property Types

Business Opportunity

Any business for sale that does not include the real property, but does include a leasehold interest in real property, which is transferred in conjunction with the business.

Commercial Lease

Commercial Lease property type includes buildings that are zoned for commercial use and are for lease and/or residential dwellings of 5+ units.

Commercial Sale

Commercial Sale property type includes buildings that are zoned for commercial use that are for sale and/or residential dwellings of 5+ units.

Farm

A property where agricultural and similar activities take place that is for sale.

Land

Vacant Land with no inhabitable improvement that is for sale. Land property type includes lots for sale.

Multifamily

Multifamily property type will include 2-4 unit residential properties that are for sale where all units are part of the transactions.

Residential

A single-family residence that is for sale. Residential property type will include residential dwellings of one unit.

Residential Lease

A single-family residence that is for lease. Residential Lease property type will include residential dwellings of one unit that are for lease.

Appendix D - Forms of Offers of Compensation

The offer of compensation may appear in one of the following forms:

- 1) As a percentage of the gross selling/leasing price.
- 2) As a percentage of the “base sales price” for new construction, with the base sales price defined as the sales price before buyer upgrades. (New construction is defined as properties to be built or properties that have not previously been occupied.) The *Listing Broker* must clearly disclose this cooperative compensation arrangement in the agent remarks section of the *Bright Database*.
- 3) As a definite dollar amount.
- 4) As a combination of (1) and (3), OR (2) and (3) above, as applicable.

Appendix E - Required Disclosures

The following disclosures are required if applicable to a *listing*:

- (a) **Short Sales.** *Listing Brokers* must disclose potential *short sales* and related compensation details when reasonably known to the *Listing Brokers*, unless precluded by law.
- (b) **Exempted Prospects.** *Exclusive agency listings* and *exclusive right to sell listings* with named prospects exempted must be identified, since they can present special risks of procuring cause controversies and administrative problems not posed by *exclusive right to sell listings* with no named prospects exempted. *Subscribers* should contact the *Listing Broker* or *Subscriber* to verify the identity of exempted prospects.
- (c) **Contingencies.** Any contingency or conditions in a listing must be specified. The *Listing Broker* must update the *listing* if a contingency is fulfilled or renewed, or the agreement is *cancelled*.
- (d) **Limited Services.** A *Subscriber* who will not provide one or more of the following services must disclose this limitation, so a potential *Cooperating Broker* may be aware of the need to provide some or all of these services to clients:
 - arrange appointments for *Cooperating Brokers* to show the listed property to potential buyers (*Cooperating Brokers* must be given authority to make appointments),
 - accept and present to the Seller *agreements of sale* for the property procured by *Cooperating Brokers* (*Cooperating Brokers* must be given authority to present *agreements of sale* directly to the Seller)
 - advise the Seller as to the merits of *agreements of sale*
 - assist the Seller in developing, communicating or presenting *counteroffers*
 - participate on the Seller's behalf in negotiations leading to the sale of the listed property
- (e) **Subscriber's Interest in a Property.** If a *Subscriber* has any interest in a property being entered as a *listing*, that interest must be disclosed. Additionally, if a *Subscriber* wishes to acquire an interest in property listed with another *Listing Broker*, the contemplated interest must be disclosed in writing to the *Listing Broker* not later than the time an *offer to purchase* is submitted to the *Listing Broker*.
- (f) **Variable Commission.** The existence of a dual or variable rate commission arrangement (*i.e.*, one in which the *seller* agrees to pay a specified commission if the property is *sold* by the *listing broker* without assistance and a different commission if the *sale* results through the efforts of a *cooperating broker* or the *seller*) must be disclosed by the *listing broker* and, in response to inquiries from potential *cooperating brokers*, disclose the differential that would result in either a cooperative transaction or, alternatively, in a sale that results through the efforts of the *seller*.