

## **Notice regarding selling listings across MLS boundaries**

**Below is an important message from the SASI legal counsel, Brian Larson.**

The technology utility that permits several MLSs in Minnesota to share MLS data and brokers' offers of compensation to other brokers across MLS boundaries will cease to function at the end of April 30. That group of MLSs, called SASI, is working to provide a substitute technology as soon as possible. This development has important implications to you in the meantime.

First, beginning May 1, you will no longer see active listings in your MLS system from brokers who do not participate in your MLS. Some listings that are there today probably will not be there on May 1, even though they are still available for sale in other MLSs.

Second, if you find a listing for sale listed by another Minnesota broker on the Internet, including on Move's FIND, RPR, Realtor.com, or Zillow, check to see if the listing appears in your local MLS. If it does appear in your local MLS, your firm is entitled to the compensation showing there if your firm is procuring cause of the sale of that listing. If the listing does not appear in your local MLS, you must negotiate your compensation with the listing broker by contacting him or her. Your MLS recommends that you get any offer of compensation in writing (even if it's just an email). That offer of compensation may take any form agreed to between the listing and selling broker, but you may find it easiest to use the formula from the MLS: express the compensation as a flat dollar amount or percentage of gross selling price that the listing broker will pay if the cooperating broker is procuring cause of the sale.

Third, if you are a broker working as a buyer's agent and seeking compensation from a listing broker that is not in your MLS, be careful of your fiduciary duties. Make sure that your representation agreement with your buyer directs you to seek compensation from the listing broker, or get your buyer's permission/direction to do so in a separate communication. You won't want to be accused of entering a conflict of interest by interposing your demand for compensation between your buyer and the potential house of her dreams. Consult your own legal counsel for advice on handling these matters. Your MLS cannot offer you legal advice.