



Expired Listings

The Consequences of Farming Expired Listings

Expired Listings and CRMLS Rule 12.11

The so-called “farming” of expired listings is more than an MLS rule violation. It could be considered a violation of the REALTOR® Code of Ethics and the trust consumers have in real estate professionals. Here’s what you need to know about this controversial practice as a CRMLS user.

Farming expired listings is a CAR and CRMLS rules violation.

The California Association of REALTORS® Model MLS rules and CRMLS Rule 12.11 “Use of MLS Information” clearly states that Participants and Subscribers are “expressly prohibited from using MLS information for any purpose other than to market property to bona fide prospective buyers or to support market evaluations or appraisals.” **Using MLS information to call or contact sellers whose listings have expired, therefore, is prohibited.**

Farming expired listings has individual consequences.

Since this practice could be a violation of the REALTOR® Code of Ethics and MLS rules, practitioners may face serious consequences at an Association level. Each Association and Board is unique and may handle complaints with varying degrees of severity. Still, a violation is a violation and may be dealt with harshly. Additionally, calling or texting a seller with an expired listing when that seller’s number is on the national Do Not Call Registry could lead to substantial liability. **Multiple lawsuits have been filed recently against brokers engaging in this practice.**

Farming expired listings reflects poorly on the real estate profession.

The CRMLS Customer Care Center frequently receives calls from upset sellers who had their listings expire and then became inundated with calls – including robocalls – from agents trying to gain their listing. This is unacceptable. It’s damaging to the public’s perception of the real estate business, and it makes some sellers much less likely to work with a real estate professional again.

Here’s what to do instead.

- **If you see something, say something:** Contact your local Association if you or your client receive a flood of phone calls. The more specific information you have about agents violating these rules, the better.
- **Focus on your sphere of influence:** Your “farming” methods for new listings should not include expired listings. There are many other ways to obtain new clients that don’t break the rules; focus on these instead.
- **Remember:** The MLS exists to help brokers cooperate with one another in assisting **established** clients in buying and selling properties. The MLS does not exist as a shortcut or method for you to obtain a **new** client.