



## **The Pitfalls of “COMING SOON” Listings.**

“Coming Soon” is a technique used primarily in low inventory markets or when property is being renovated or repaired.

When used legally and ethically, the objective is to create advanced interest to generate multiple offers for the benefit of the seller client when it is exposed to the broadest market.

Violation of fiduciary, statutory and the Code of Ethics occur when listing agents attempt to “pocket the listing” to sell it to only their buyers, or to only allow showings within the firms before exposing the property to ALL agents in ALL firms.

Additional fiduciary, statutory and regulatory issues are surfacing in the private Coming Soon social media and “top producer” networking groups of competitors that share upcoming listings and try to get them sold outside the MLS.

The “intent” is that that the property will not be shown TO ANYONE BY ANYONE until it is exposed to the ENTIRE market. However, a “private sale” occurs when a listing agent allow a showing that results in an executed contract. Private sales cannot be entered into MLS as Pending or Closed. The only listings that can be entered into MLS are those where cooperation is offered cooperating brokers – ALL of them - in an Active status. The listing firm takes on liability if the sellers are not made aware in writing that due to the LIMITED exposure to the market, they might not have received the best offer.

More and more states are addressing these issues since agent greed seems to be positioned over the interest of the client.