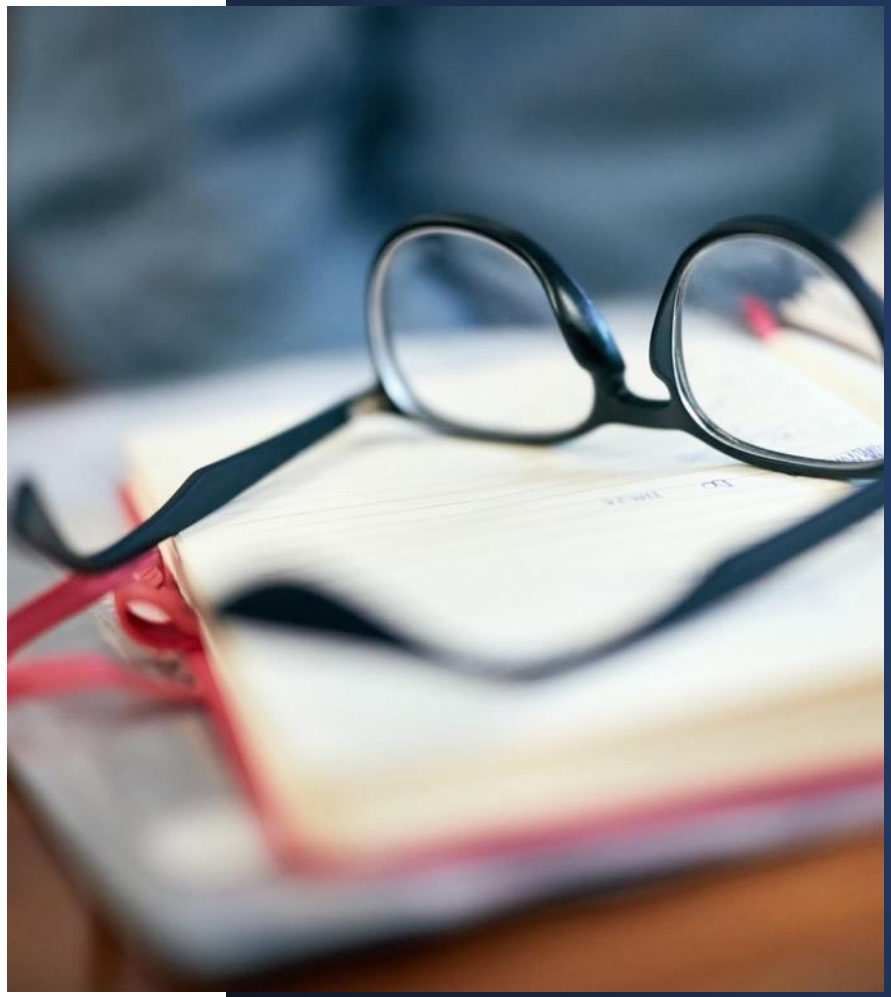
LIBOR
LONG ISLAND BOARD OF REALTORS®

October 2026
LIBOR Legal Update

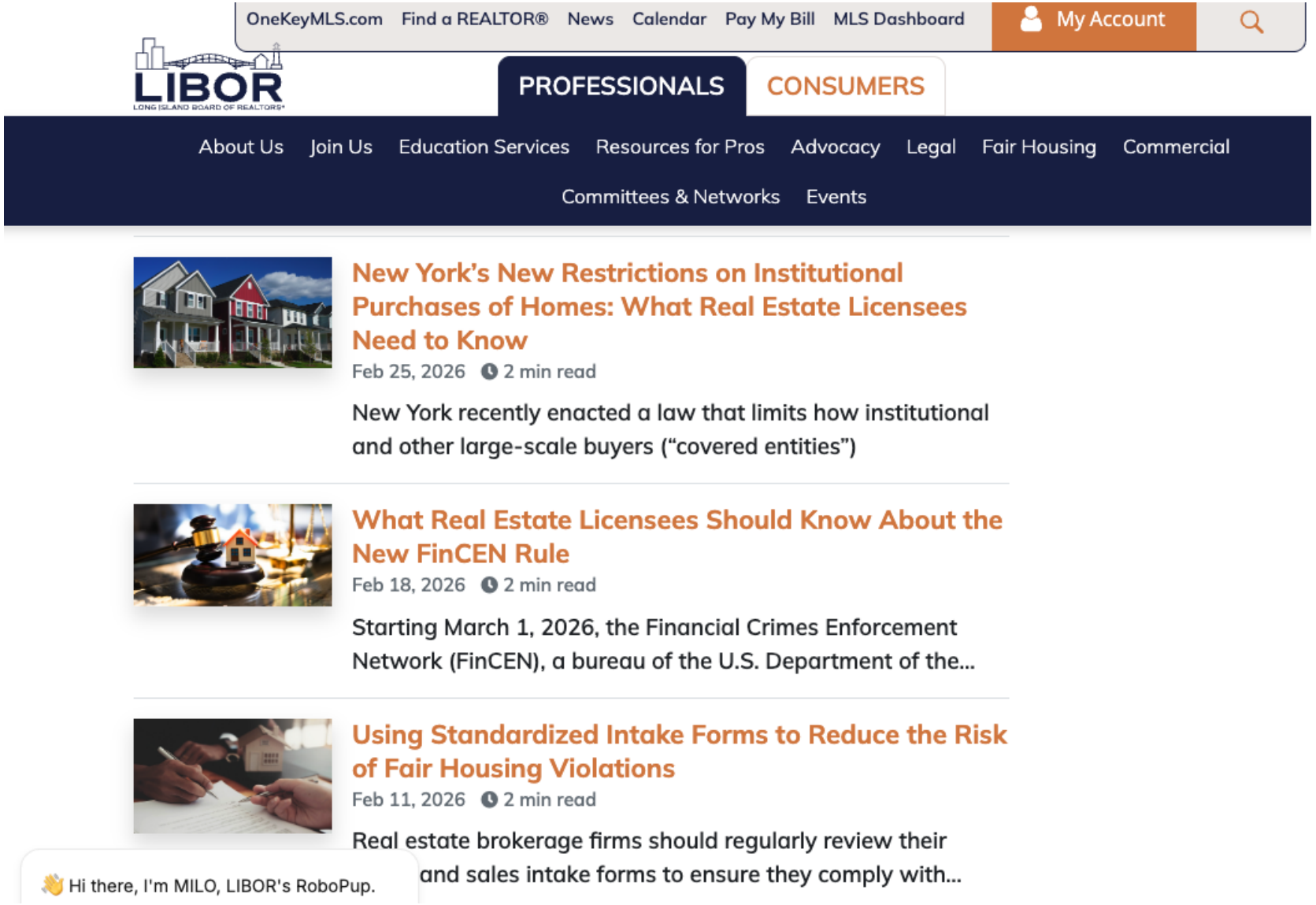
Patrick Fife, LIBOR General Counsel

LIBOR Is Your Reliable Source for Staying Updated on Legal Changes & Risks

- Thursday LIBOR Email -- Free Weekly Legal Tips
- Webinars
- Broker Portal with Monthly Newsletter and Resource Deck
- LIBOR Events
- Free Monthly LIBOR Legal Update CE Class



Resources & Education LIBOR's Website



LIRealtor.com

LIRealtor.com



Access to Legal Tips



Documents on Demand with Required Disclosures & Notices



Dispute Resolution Center



Educational Materials for You and Your Clients

LIBOR Legal Support Center

- LIBOR's Legal Support Center offers members exclusive access to a qualified attorney who can provide information on real estate matters. It is available from 9 a.m. to 5 p.m., Monday through Friday, excluding holidays.
- **To access, dial 631-661-4800 x335.**

Talk to Your Broker Before You Call the Legal Support Center

- Your broker should be aware of issues arising in your transactions.
- Your broker may be able to resolve the problem quickly. Often, a five-minute call between brokers can clear up an issue before it escalates.
- Your broker needs to know about potential MLS violations. If the issue cannot be resolved, your broker may be able to pursue an MLS Rules complaint.
- Keep your broker in the loop. Don’t let the Legal Support Center be the first place your broker learns there is a problem.

Some Recent Questions to the Legal Support Center



Are Cold Calls Finally Allowed?

- No. General Business Law §399-z(5)(a) prohibits unsolicited telemarketing sales calls during a declared state of emergency.
- EO 47.23: Public Order at Correctional Facilities (Originally declared February 19, 2025). Until **at least November 8, 2026**.
- **May be extended**.
- Real estate licensees may not make any unsolicited phone calls or text messages to a member of the public who they do not have an Established Business Relationship with during a State of Emergency.
- All other types of marketing such as mailers, billboards, social media, internet etc., are permitted.

What's The Risk of Cold Calling?

- Upon a complaint, DOS has reportedly been enforcing violations of telemarketing laws.
- **Possible fines of up to $20,000 per call.**
- DOS can seek to hold brokerages and their owners liable for calls made by salespersons.
- One reported instance DOS is seeking to hold respondent licensees collectively liable for over **$13 million** in connection with over 250 allegedly improper cold calls.

What Can We Do About It?

- NYSAR has proposed legislation requiring NYS Governor to reevaluate the cold calling ban for any State of Emergency filed in NY.
- NYSAR will be lobbying in the 2027 legislative year.
- Participate in NYSAR Call for Action
- Join LIBOR for 2027 Lobby Day

Can I Advertise I Was the Buyer's Agent on a Sale?

Yes. But your marketing should explicitly state that role.

Appropriate examples include:

- "Represented the buyer"
- "Buyer's agent"
- "Proud to have represented the purchaser"

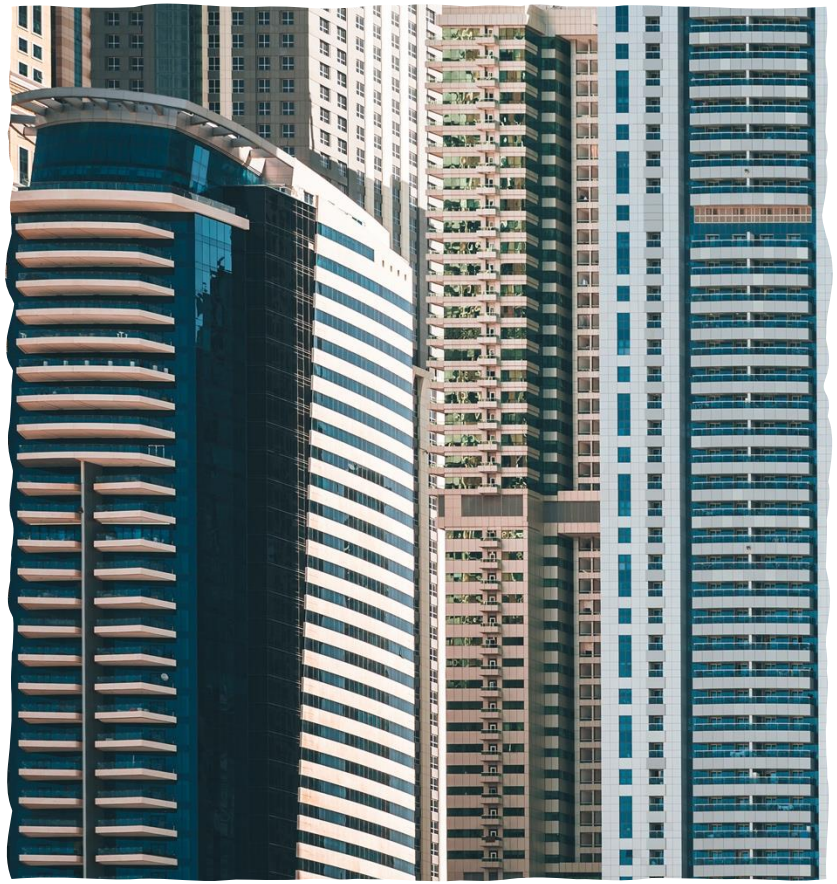
Avoid "*Just Sold*" or "*Sold by [Agent Name]*" unless they are paired with clear language identifying your role.

Never leave consumers with the impression that you were the listing agent if you were not.

What Should I Do If Someone Is Impersonating Me?

- **Report the impersonation to law enforcement and appropriate authorities:** Consider reporting suspected fraud, identity theft, or unauthorized use of your real estate license to police and NYS DOS.
- **Document and preserve evidence:** Save screenshots, emails, text messages, websites, social media posts, and advertisements.
- **Notify your broker and affected parties:** Alert clients, prospects, and colleagues who may be contacted by the impersonator.
- **Report fraudulent accounts and content:** Request removal of fake social media profiles, websites, advertisements, and online listings.
- **Secure your accounts:** Change passwords, enable multi-factor authentication, and monitor for additional misuse.

Can a Landlord Ask the Tenant to Pay the Broker Fee the Landlord Agreed to Pay the Listing Broker?



- **Outside New York City:** As of now, there is no statewide law prohibiting a landlord from requiring a tenant to pay a broker fee, including a fee the landlord has agreed to pay a listing broker.

- **New York City:** No. Under the FARE Act, a landlord cannot pass the cost of the landlord's broker, including a listing broker, on to a prospective tenant. A tenant may still choose to retain and pay their own broker for services provided on the tenant's behalf.

Another Agent Wants to See My Listing Agreement or Buyer Broker Agreement…Do I Need to Give it to Them?

- No.
- Buyer's agents do not have the right to see a listing agreement.
- Listing agent does not have the right to see a buyer broker agreement.
- These are agreements between your brokerage and YOUR client.
- The other agent does not need to see your agreement in order to verify what you are owed at closing.





The Seller Agreed to Pay My Compensation. Can I Arbitrate Against the Listing Broker if I Don't get Paid?

- Probably not.
- Article 17 applies to certain compensation disputes between REALTOR® Principals.
- The fact that a seller agreed to pay compensation does not automatically create an agreement between the buyer broker and the listing broker.

I Put Compensation to Be Paid By Seller in My Offer and the Listing Broker Confirmed in an Email that the Offer is Accepted…Is that Enough for Me to Get Paid?

- Not against the Listing Broker. Possibly against the Seller, but don't assume so.
- The key question is whether there is an enforceable agreement to pay compensation.
- A listing broker's email may help prove acceptance by the seller, but it is probably not sufficient by itself.
- Many contracts contain an integration (merger) clause stating that the written contract contains the entire agreement.
- If the compensation provision is not included in the final contract of sale, enforcing payment may become more difficult.

What Is the Best Way to Protect My Compensation as a Buyer's Agent?

- Enter into a written buyer representation agreement with the prospective buyer before touring a home.
- If the buyer agrees, clearly document any request for seller-paid compensation in writing as part of the offer.
- Obtain clear written evidence that the seller accepted the compensation request.
- Ensure the seller's agreement to pay the specific compensation amount from the sale proceeds is included in the contract of sale.
- Know who is agreeing to pay: the seller, the listing broker, or both.

My Buyer Had an Acceptable Offer. Can the Seller Take a Better Offer?

- Yes. An offer is not necessarily accepted until there is a binding contract.
- Until the seller is legally bound by contract, the seller may decide to proceed with another buyer.
- The first buyer does not have a right to match a later, higher offer.
- There is no MLS rule requiring the seller to give the first buyer another chance.
- Contract negotiations matter: attorney changes, delays or unresolved terms may mean there was never a final agreement.
- The listing agent's job is to follow the seller's lawful instructions, not protect the expectations of the first buyer.



When a Buyer Says: “Was My Offer Even Presented?”

Trend of Disappointed Buyers in a Competitive Market

Disappointed buyers may claim:

- Their offer was never presented
- It was presented too late
- The listing agent favored another buyer
- They were misled about competing offers

The best protection for Listing Brokers:

- Follow the rules
- Communicate clearly
- Document what happened

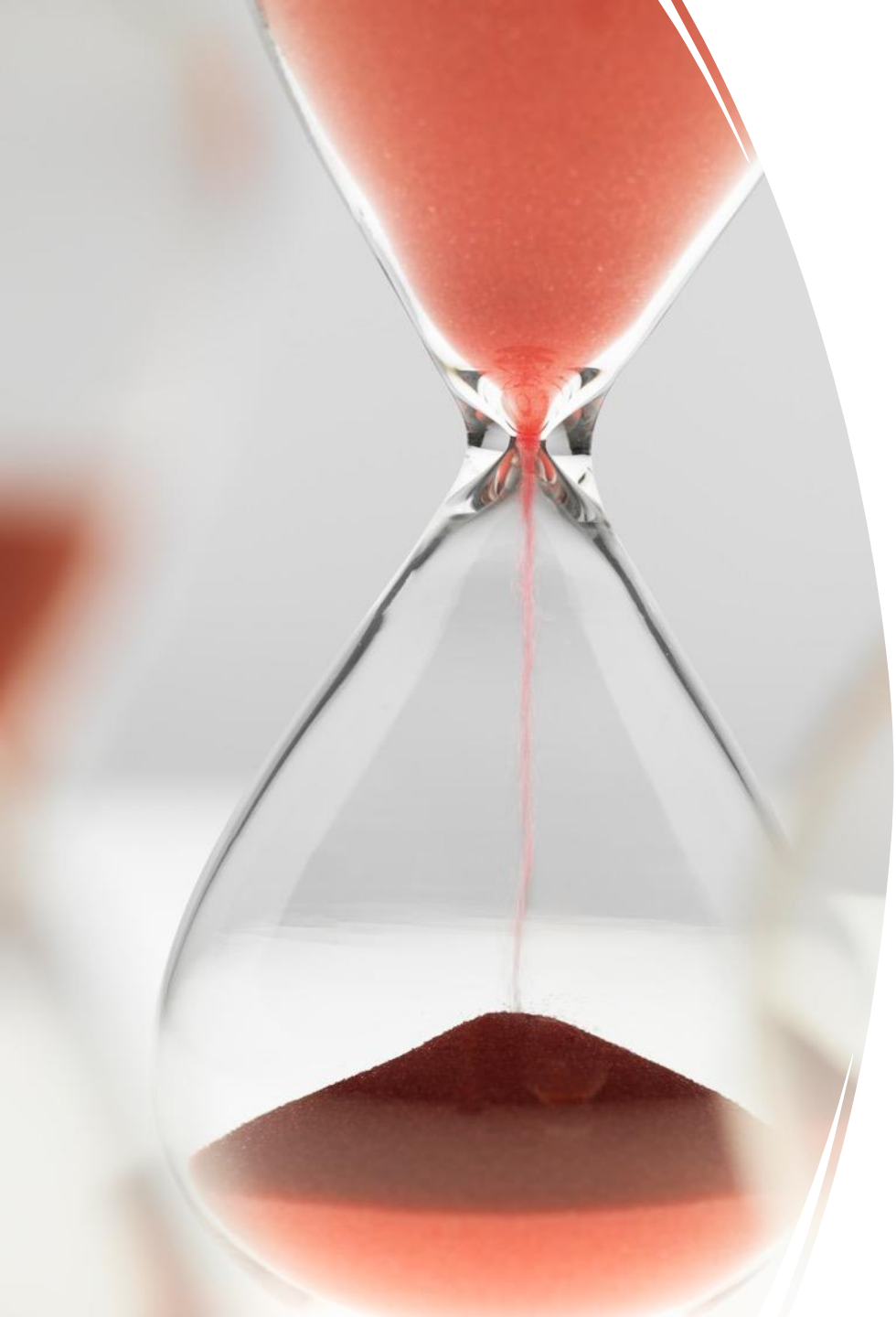




Present Every Offer Promptly & Objectively

Standard of Practice 1-6

- REALTORS® must submit offers and counteroffers:
  - "Objectively"
  - "As quickly as possible"
- Don't delay presenting an offer.
- Don't present an offer in a manner designed to favor or disfavor a particular buyer.
- Remember: The seller decides which offer to accept, not the listing agent.



Prove You Presented My Offer

Standard of Practice 1-7

- If the cooperating broker makes a written request, the listing broker must provide “as soon as practical”:
  - Written affirmation that the offer was submitted to the seller, OR
  - Written notification that the seller waived the obligation to have the offer presented.
- The seller’s waiver of the obligation to continue presenting offers must itself be in writing.
- This is particularly important when a disappointed buyer questions whether the seller ever saw the offer.

OneKey MLS Rules Change Earlier this Year Eliminated the MLS Offer Acknowledgement Form

OneKey MLS no longer mandates offer-acknowledgment process with specific time periods.

No longer a rule allowing cooperating brokers to participate in the presentation of an offer.

No longer a rule requiring seller to sign a specific MLS Offer Acknowledgement Form or the listing broker to provide a sworn declaration that an offer was presented

This is a Change in Form Over Substance



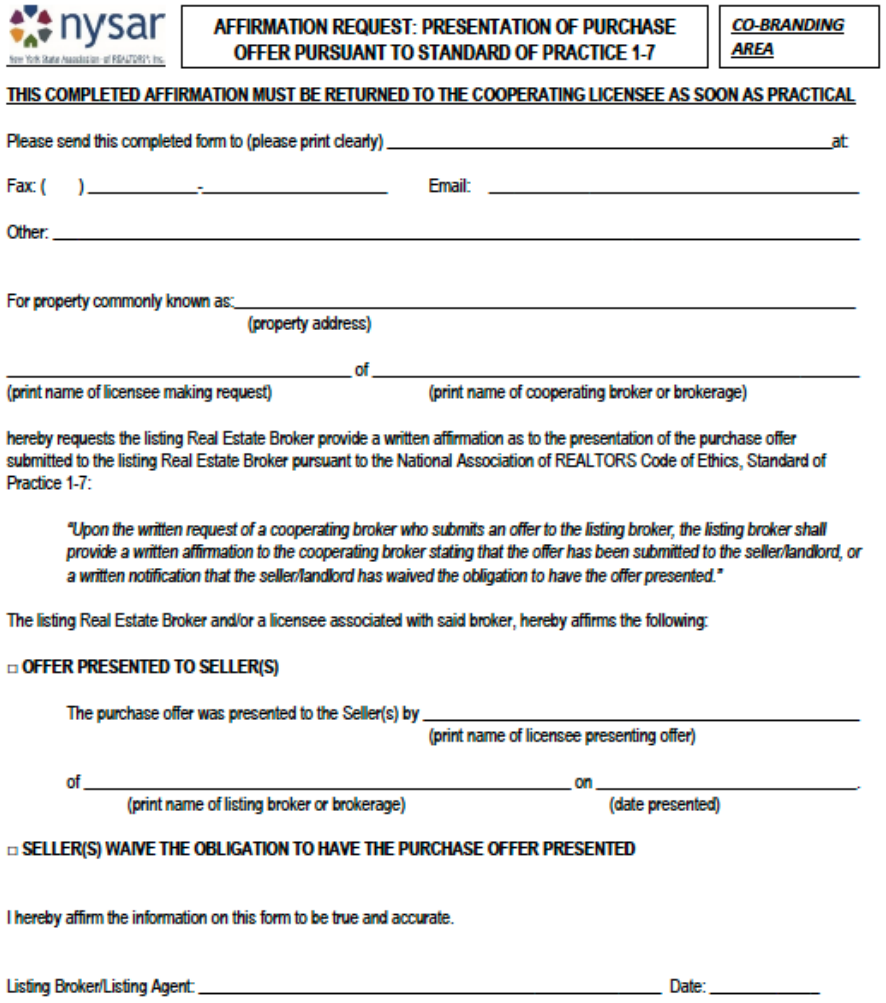
MLS Rule Change Did NOT Eliminate Listing Broker's Legal & Ethical Duties to Confirm Presentation of an Offer

- Members still have legal and ethical obligations under REALTOR® Code of Ethics.
- Listing Broker must present all offers as quickly as possible (SOP 1-6).
- Must continue presenting offers until closing unless waived in writing (SOP 1-7).
- Must respond to written requests for confirmation as soon as practical (SOP 1-7).
- Maintain fiduciary duties: loyalty, disclosure, obedience, reasonable care.



NYSAR Affirmation Request: Presentation of Purchase Offer Pursuant to Standard of Practice 1-7

- Cooperating broker can use form to request listing broker's written confirmation of offer presentation.
- Listing broker must check off whether offer presented OR seller waived obligation.
- Only select waiver of obligation if you possess written seller authorization.



nysar

AFFIRMATION REQUEST: PRESENTATION OF PURCHASE OFFER PURSUANT TO STANDARD OF PRACTICE 1-7

CO-BRANDING AREA

THIS COMPLETED AFFIRMATION MUST BE RETURNED TO THE COOPERATING LICENSEE AS SOON AS PRACTICAL

Please send this completed form to (please print clearly) _____ at:

Fax: ( ) _____-_____ Email: _____

Other: _____

For property commonly known as: _____
(property address)

_____ of _____
(print name of licensee making request) (print name of cooperating broker or brokerage)

hereby requests the listing Real Estate Broker provide a written affirmation as to the presentation of the purchase offer submitted to the listing Real Estate Broker pursuant to the National Association of REALTORS Code of Ethics, Standard of Practice 1-7:

> *"Upon the written request of a cooperating broker who submits an offer to the listing broker, the listing broker shall provide a written affirmation to the cooperating broker stating that the offer has been submitted to the seller/landlord, or a written notification that the seller/landlord has waived the obligation to have the offer presented."*

The listing Real Estate Broker and/or a licensee associated with said broker, hereby affirms the following:

□ **OFFER PRESENTED TO SELLER(S)**

The purchase offer was presented to the Seller(s) by _____
(print name of licensee presenting offer)

of _____ on _____.
(print name of listing broker or brokerage) (date presented)

□ **SELLER(S) WAIVE THE OBLIGATION TO HAVE THE PURCHASE OFFER PRESENTED**

I hereby affirm the information on this form to be true and accurate.

Listing Broker/Listing Agent: _____ Date: _____

Are There Other Offers?

Standard of Practice 1-15

- You may disclose the existence of other offers only with the seller's approval.
- If disclosure is authorized and you are asked, you must also disclose whether the offers came from:
  - The listing licensee
  - Another licensee in the listing firm
  - A cooperating broker
- **Know what your seller has authorized you to disclose before answering questions about competing offers.**
- Don't volunteer unnecessary information about competing offers.



What if There Already Is an Accepted Offer?

Standard of Practice 3-6

- REALTORS® must disclose the existence of accepted offers to any broker seeking cooperation.
- This includes accepted offers with unresolved contingencies.
- This is different from SOP 1-15:
    - Accepted offers: existence must be disclosed to brokers seeking cooperation.
    - Other offers: disclosure requires seller approval.

Protect Yourself: Document the File

- Keep a clear record of:
  - When the offer was received
  - When and how it was presented
  - The seller's response
  - Any seller instructions regarding competing offers.
- Communicate the seller's decision promptly and professionally.
- Avoid speculation about why another offer won or what another buyer may or may not have offered
- If questions arise later, your file should show:
  - The offer was timely and objectively presented
  - You followed the seller's lawful instructions
  - The decision belonged to the seller.

Complaint Resolution Process For Offer Acknowledgment Issues

- The MLS no longer hears or processes complaints regarding offer presentation.

- If an offer presentation issue arises, members may contact LIBOR's Professional Standards Department to:
  - Seek Ombudsman assistance through LIBOR.
  - File an Ethics Complaint.



Where to Learn More

Legal Tip: 'Your Ethical Obligations When Presenting Offers’

NYSAR Affirmation Request Form

Avoiding Common Advertising Issues



Advertising Exposure

- DOS reviews ALL advertising when a complaint is received.
- Unfounded complaints can trigger full audit.
- Review includes website, social media, and agent profiles
- Small technical violations can result in significant penalties.



Review the NYS DOS Real Estate Advertising Checklist

- DOS has prepared a checklist to help you advertise properly so that you can comply with state laws and regulations relating to advertising.
- DOS says “Following these rules may help you avoid fines or other discipline and help protect the public from misleading or inappropriate advertising.”
- DOS recommends you evaluate your advertising periodically.
- **It’s a good idea to annually do your own advertising audit using the checklist.**





A Common Social Media Problem: “It’s on the MLS” Does Not Mean “I Can Advertise It”

Complaints that are agents on social media are:

- Posting video tours of another broker’s listing
- Reposting listing photos or videos
- Reels/TikToks featuring the property
- Posts that imply “this is my listing”

Just because a listing is on the MLS does not mean there is permission to advertise it

One Post…Multiple Risks

- Article 12 ethics complaint
- MLS violation or fine
- DOS advertising complaint
- Copyright issues
- Consumer confusion



Social Media is Advertising



- Restrictions on advertising another broker's listings.
- Must ID your brokerage.
- Must have required consent to use MLS photos and listing content for property tours, reels and short-form video.
- Must take proper credit as a buyer's agent.
- Facebook Marketplace advertisements are ads.
- "Beautiful 2BR in Queens — $3,200/month. DM me or call 917-555-5555" is going to get you in trouble.

New Listing - What's Wrong

🏠 **JUST LISTED – HUNTINGTON**
Beautiful 4 BR Colonial
$899,000

Jane Smith
Licensed Sales Agent
Cell: 516-555-1234

- "Licensed sales agent" as an improper license title. An advertisement naming a licensee must accurately state the license type, such as "Licensed Real Estate Salesperson."
- The ad names the salesperson but does not identify her real estate broker or brokerage.
- The advertisement is missing the brokerage's full address or telephone number.

The Long Island Home Group Team - What's Wrong

🏠 **THE LONG ISLAND HOME GROUP**
Nassau County's Expert REALTORS®

Sarah Brown | Tom Green
ABC Realty
516-555-2000

- "Long Island Home Group" violates NY's team-name rules. A team name must use the word "team." Terms such as "group," "realty," or "associate" cannot be used in place of "team".
- Team names that don't contain the full licensed names of its members, must be immediately followed by "at" or "of" and the brokerage's full name.
- A compliant version might be: The Long Island Home Team at ABC Realty
- Improper Use of the REALTOR® Mark.

Fair Housing Risks in AI-Generated Real Estate Content



AI Doesn't Eliminate Your Fair Housing Responsibilities

- REALTORS® remain responsible for the content they publish, even when it is generated by AI.
- AI-generated content can create the same fair housing risks as content drafted by a licensee.
- Regulators are unlikely to excuse a fair housing violation simply because AI produced the content.
- Human review remains essential before publication.



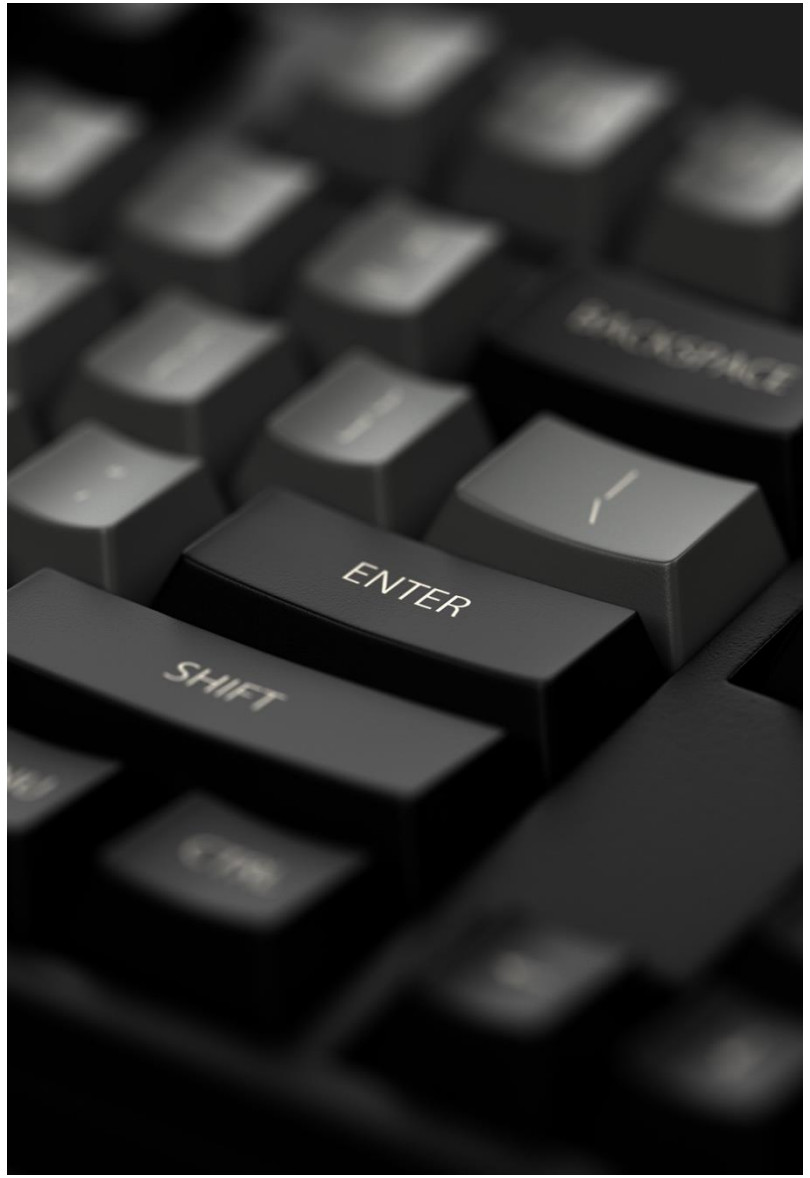


Review AI Content Before You Publish It

- Review all AI-generated listing descriptions, advertisements, emails, and marketing materials.
- Avoid language that suggests a preference for or discourages particular groups of buyers or tenants.
- Carefully review AI-generated or AI-enhanced images for accuracy.
- Never assume AI-generated content is compliant simply because it was generated by a software tool.

Avoid AI Steering and Discriminatory Targeting

- Do not use AI to target or exclude audiences based on protected characteristics.
- Keep prompts neutral when using AI-assisted property searches.
- Do not include a buyer's protected characteristics in AI prompts.
- Watch for AI-generated suggestions, filters, or recommendations that may steer consumers toward or away from particular neighborhoods or housing opportunities.



Use Extra Caution With Neighborhood and Demographic Information

- Exercise caution when AI generates descriptions of neighborhoods, schools, demographics, or community characteristics.
- AI-generated content about communities may raise fair housing and steering concerns.
- AI tools may unintentionally reflect historical biases contained in their training data.
- Review AI-powered lead-generation, lead-scoring, and client-matching tools for unintended discriminatory effects.

Common AI Red Flags & Best Practices

Examples of Problematic Language

- "Perfect for a young professional couple."
- "Great neighborhood for families with children."
- "Quiet, mature community."
- "Walking distance to a particular house of worship."

Best Practices

- Adopt a written AI-use policy.
- Require human review of AI-generated content before publication.
- Treat AI as a business tool, not a substitute for professional judgment.
- Ensure all advertising, marketing, and client interactions comply with fair housing laws.

Every Office Should Consider Having an AI Use Policy

- NAR Has Created an AI Policy **Template** for brokers that provides a starting point for establishing clear standards around the responsible use of artificial intelligence within your brokerage.

- Customize it to reflect your company's operations, technology platforms and policies.

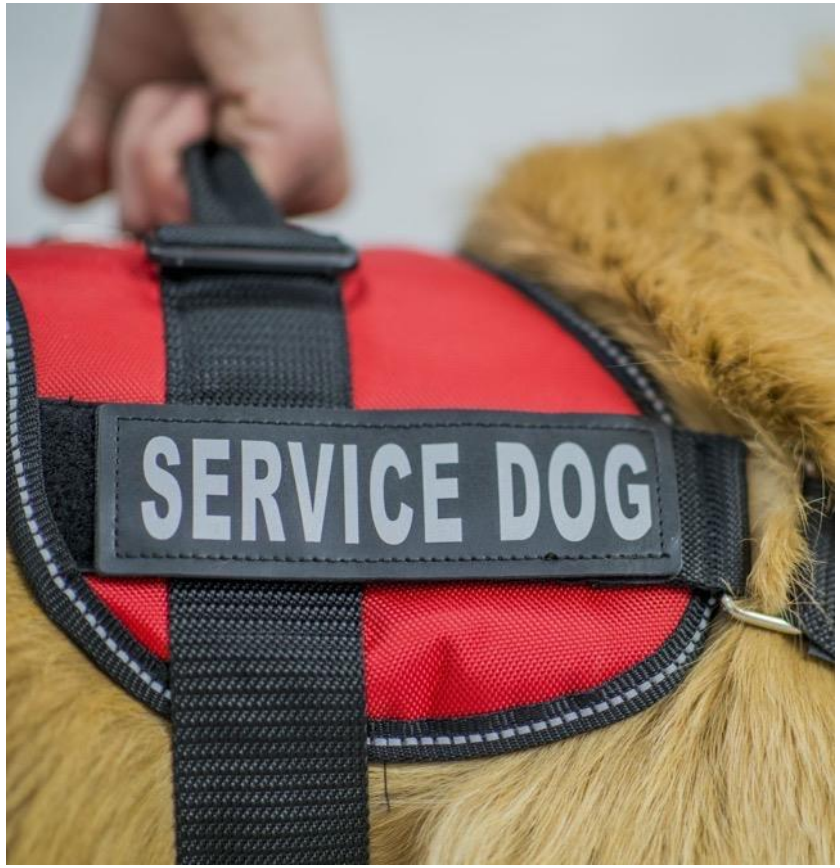


Service & Emotional Support Animal Review



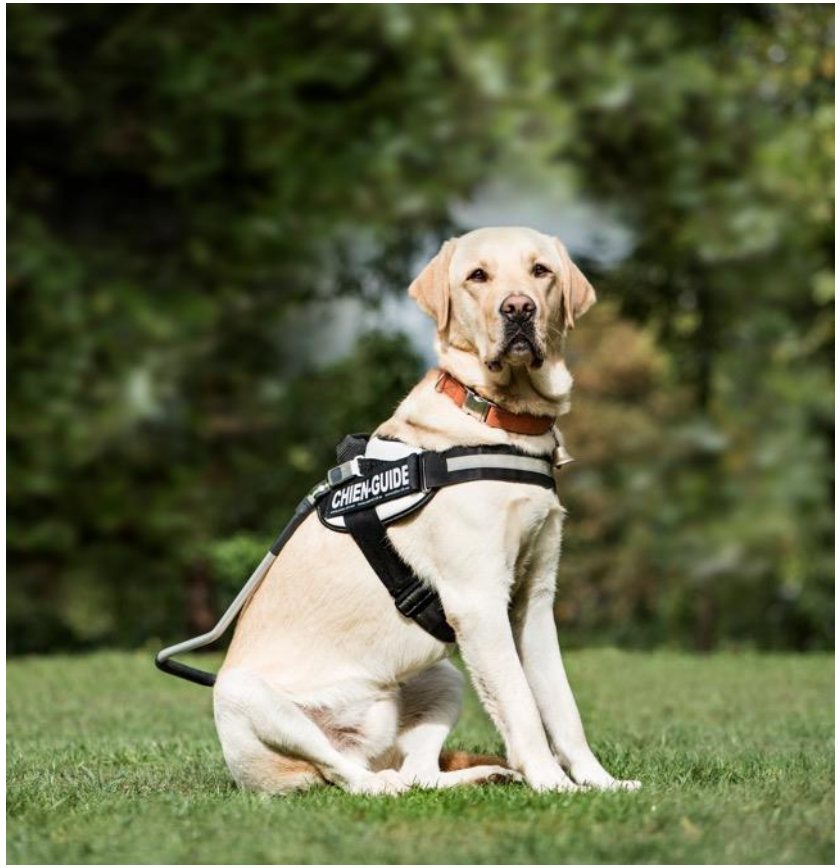
There Was a Recent HUD Memo on Emotional Support Animals (ESA's)

- On May 22, 2026, HUD issued new enforcement guidance rescinding its prior ESA guidance and adopting a much narrower approach.
- HUD stated that it will generally pursue Fair Housing Act animal-accommodation cases only when the animal is individually trained to perform work or tasks related to a disability, effectively aligning its enforcement position more closely with ADA-style service animals.



HUD's New Position Doesn't End ESA Protections in New York

- HUD has adopted a narrower FHA enforcement position.
- Private FHA claims may still be asserted.
- New York law continues to require reasonable accommodations for persons with disabilities.
- ESAs may still qualify as a reasonable accommodation under New York and local laws.
- The key question is whether the animal is a reasonable accommodation for a person with a disability.



What Are Service Animals?

- A dog trained to perform specific tasks for a person with a disability.
- The task must be directly related to the disability.
- Examples: guiding, alerting, pulling a wheelchair, detecting a seizure.
- Professional training or certification is not required.
- The individual may train the dog themselves.
- Any breed of dog may qualify as a service animal.
- Key point: It’s the trained task, not a certificate or breed, that makes a dog a service animal.

Service Dogs: What Can You Ask?

- If the disability is not visible or obvious, only two questions may be asked:

  1. Is the dog required because of a disability? Do not ask about the specific disability.

  2. What work or task has the dog been trained to perform?

- The dog qualifies if it is trained to perform at least one task related to the disability.
- Do not request medical documentation or proof of the disability.
- Do not require proof or certification of the dog's training.
- If the disability and need for the service dog are readily apparent, these questions should not be asked.

Emotional Support Animals

- ESA: provides comfort through its presence but is not trained to perform a specific task like service animals under the ADA.
- ESAs provide comfort or emotional support related to a disability and do not require task-specific training.
- New York law protects ESAs in housing as a potential reasonable accommodation for a person with a disability.
- Unlike ADA service animals, ESAs are not limited to dogs and may include other animals, subject to reasonable-accommodation requirements.
- Example: Psychiatric service dog: trained to take a specific action in response to a panic attack.

ESAs: What Documentation Can You Request?

- If the disability or need for the animal is not apparent, a housing provider may request documentation of the disability-related need for the animal.
- Documentation may come from a healthcare or mental health professional, such as a physician, therapist or social worker.
- No official state or federal ESA registry exists. Registration or an online certificate, by itself, does not necessarily establish a disability-related need.
- If the documentation does not establish the connection between the disability and the animal, additional reliable information may be requested.
- Do not contact the healthcare or mental health provider to independently verify the documentation.
- Keep info confidential and share only as necessary with the landlord/housing provider.

Can an Apartment Refuse an Emotional Support Animal if it's Not a Service Animal?

- No. Not under NY law.
- Landlords can have a "no pet" policy. However, ESA's and Service Animals are not pets.
- Landlords with a "no pet" policy must make reasonable accommodations to allow a person with a disability to keep an ESA.
- If the disability of a person with an ESA is not apparent, you can ask for a letter from a physician, mental health professional, social worker, or psychiatrist stating that the person requires an ESA. However, you cannot request to see the medical records of the individual or ask the individual to define the emotional support issue or explain their disability.





Extra Deposits, Rent or Other Fees Cannot Be Charged for ESA's and Service Animals

- Pet rent or extra security cannot be charged for service or emotional support animals.
- No increased rent because of a service animal or ESA.
- Deposits for regular pets are illegal under the Tenant Protection Act as well

Provide Reasonable Accommodation and Modification Notice to All Prospective Tenants

- This notice informs prospective tenants of their rights to request reasonable modifications and accommodations.
- The notice must be given to all prospective tenants at first substantive contact.

ESA Language In Notice

NYS Notice Disclosing Tenants' Rights to Reasonable Accommodations for Persons with Disabilities:

"If your healthcare provider provides documentation that having an animal will assist with your disability, you should be permitted to have the animal in your home despite a 'no pet' rule"

Accommodation Requests: Know Your Role

- **Forward the request** to the landlord or other party responsible for accommodation decisions.
- **Do not make the determination yourself** and direct landlord to their attorney if questions arise such as allergies or other concerns.
- **Let the housing provider evaluate** whether the accommodation can be granted.
- **Your role is to facilitate the request, not decide it.**

Fake Zoom/Teams Link Scam



Legal Alert – Fake Zoom/Teams Link Scam

- Targeting Long Island REALTORS®
  - Sophisticated phishing scam using fake Zoom, Teams, and video meeting links
  - Part of a growing nationwide fraud trend
  - Designed to access confidential business and personal information.
- Scammers use real listing details to appear legitimate.





How the Scam Works

- Scammer poses as a prospective buyer.
- Asks realistic, informed questions about your listing.
- Requests a quick meeting—but sends their own link that looks like a trusted-looking Zoom web addresses.
- If you click the link, you may:
  - Install malware (access to email, files, passwords).
  - Land on fake login pages (credential theft).
  - Be asked to download real-looking “updates” that are actually malware.
  - Be recorded for future impersonation scams.

Red Flags to Watch Out For

- New contact pushes for immediate video meeting.
- Insists on using their link (not yours).
- Avoids phone verification.
- Claims to be out of state / unavailable locally.
- Creates urgency or pressure
  Prompts downloads or “updates”
  Email/link looks slightly off.



Best Practices

- Control the meeting – always send your own link.
- Do not click unknown links.
- Verify identity by phone first.
- Never install software or updates from a link.
- Use only trusted platforms & accounts.

<u>If You Are a Victim</u>:

- Notify broker, IT and cyber insurance immediately.
- Preserve all communications.
- Report to FBI IC3 (www.ic3.gov).
- Alert colleagues.