

RI REALTORS® Webinar | February 18, 2026

New MLS Rules: Listing Property Before the Seller Has Legal Title



Presented by:



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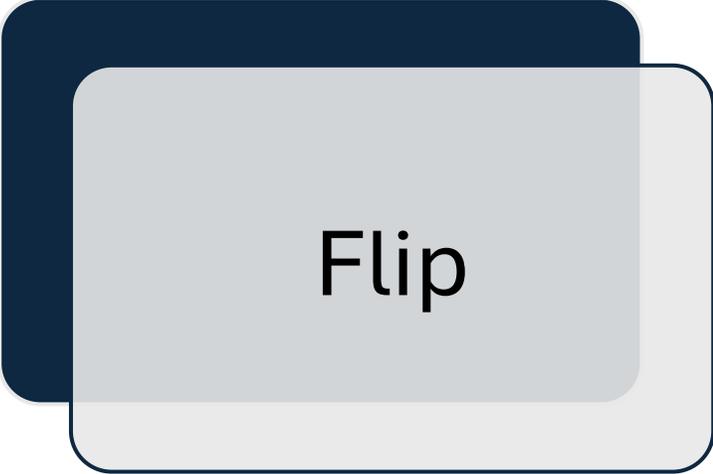


Equity/Assignment Listing

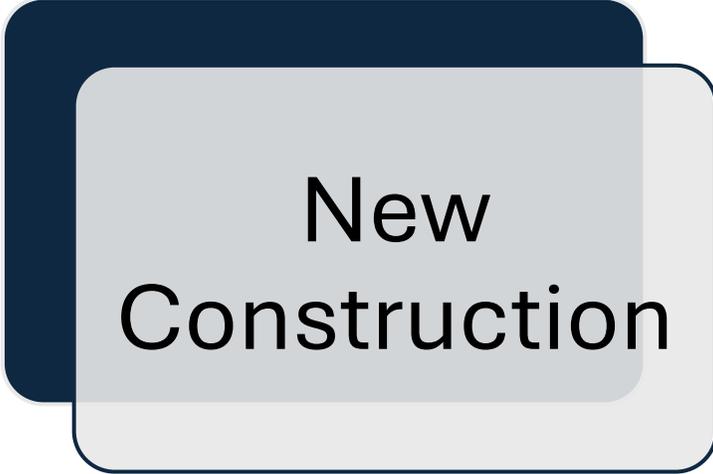
- a form of listing submitted to the Service where the seller holds an interest in the property but does not yet hold legal title to the listed property



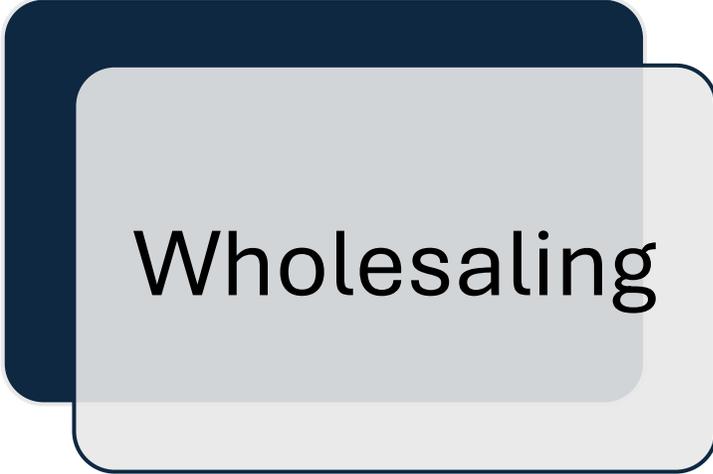
Why might one sell their equity interest?



Flip



New
Construction



Wholesaling

Wholesaling Example

- A wholesaler contacts the owner of a distressed property and offers to buy it for below market value.
- The wholesaler and seller sign a purchase agreement.
- Before the closing, the wholesaler sells his/her equitable interest in the property for a higher, market value price. The wholesaler keeps the difference.

How did we get here?

- Listings “subject to seller taking title.”
- Deeper dive
 - What are the risks for State-Wide MLS, its Participants and Subscribers, and buyers and sellers?
 - What types of equitable listings, if any, should State-Wide MLS allow?
 - Should any disclosures or consent forms be required from the legal owner for the property can be listed in MLS and shown?

What was decided...

- Authorization: Legal owners of property should authorize the assignment sale in MLS.
 - Included in this should be the seller's agreement to the marketing of the property, allowing access to the property, and an acknowledge of the legal obligation to provide a Seller's Disclosure.
- Disclosure:
 - Seller Disclosure: To the legal owners of the property
 - Buyer Disclosure: In MLS to cooperating brokers and prospective purchasers notifying them that the seller of the MLS listing is not the legal owner and it is being listed under an assignment.

Authorization...

Equitable
Interest/Assignment
Listing Authorization
form

- Form must be attached to listing



Disclosure...

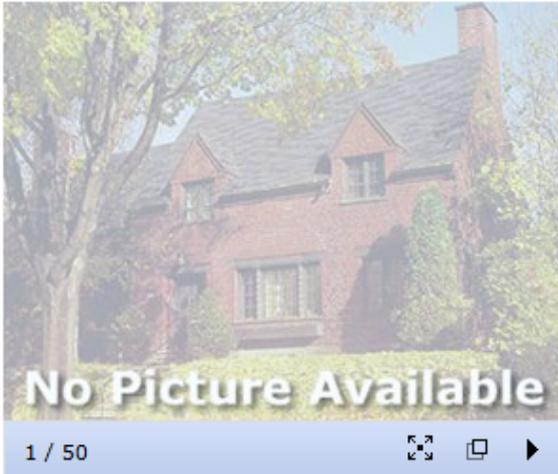
Public Remarks

Equity/Assignment YN

 ?

By selecting Yes, the following text will be automatically populated in the Public Remarks:

The Seller has a contractual interest in this property but is not the legal owner.



441 W Main Road , Little Compton, RI 02837

RE Taxes/Yr:	\$54,224 / 2024	List Price:	\$22,500,000
Exempt Inc:	Yes	Original LP:	\$22,500,000
Assessment:	\$10,932,200	Price/SqFt:	\$1,628.19
Asso Fee/Per:		DOM:	35
Year Built:	2019	Fire Dist Tax:	
Type:	Colonial, Other		

Public Rems:

Bayberry Farm: an unparalleled 108-acre waterfront estate. Private, mile-long laneway meanders through pristine woodlands, past a picturesque lily pond, through fields of open pasture, as the residence rises provocatively on the horizon. Substantial and brilliantly designed, this dramatic illustration of New England Vernacular architecture is set on high presiding over the Sakonnet Passage and ocean beyond. The interior is just as meticulously executed as the exterior- intentionally designed to embrace the natural landscape and fully incorporate the bucolic surroundings with exceptional appointments throughout. Expansive entertaining spaces complement more classically scaled rooms, with walls of glass and intoxicating views. Numerous guest suites are found across the home's several distinct wings, with a secluded primary suite found on the main level. Savor the epitome of coastal New England living at this exceptional, legacy-quality estate. **The Seller has a contractual interest in this property but is not the legal owner.**

RIAR Wholesaling Legislation

More than 10 states now regulate and/or license real estate wholesaling.

RIAR's proposed legislation would require a real estate license to market a real estate assignment before closing.

Seller Protection

- Would require wholesalers to disclose in writing prior to signing P&S agreement of their intent to market and assign their interest before closing.
- Creates a three (business) day right of recission for sellers.

Buyer Protection

- Would require wholesalers to disclose their equitable interest in the property to potential buyers.
- Creates a three (business) day right of rescission for buyers.

Penalties

- 1st offense – minimum \$500 fine
- Additional offenses – minimum \$1000 fine
- Treble damages on any money collected by wholesaler, such as a deposit, profit, etc.





Proposed Effective Date

- If enacted, law would take effect on January 1, 2027
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Questions?

