



## **Perpetual Listing Agreements & MV Realty**

MV Realty “Homeowner Benefit Agreements” are frustrating realtors and hurting home sales left and right. Recently I’ve seen agents kicking in thousands in commissions to make deals close, and received many calls from homeowners about these agreements.

Basically the agreement works like this; MV typically finds financially vulnerable homeowners, pays them \$300 to \$5,000 (usually towards the smaller value), and gets them to sign an agreement giving MV the exclusive right to list their home, regardless of when they sell. The agreements are then recorded in the public record of the county where the home is located. Years go by, seller forgets, seller calls a listing agent who works their butt off to list, show, and contract, they send the deal to the title agent, and then the fireworks begin, just before closing.

Here are two MV agreements recorded in the Palm Beach County public record:

- <https://drive.google.com/file/d/1UnV9ko1P8Nha3OEEQBIGFqGJ2DCRwGIn/view?usp=sharing>
- Here is a recorded memo of an agreement: [Sample MV Recorded Agreement](#)

This particular agreement was a deal our office was closing and the payoff value to MV was 7.5% of the sale price... on top of the actual listing agents 6%... gulp!

We had another listing agent recently split a \$17,000 MV fee with the buyer’s agent after the seller refused to close unless the agents “kicked in”. These things are really bad.

MV Realty is operating in 33 states through over 500 agents, has over 9,000 Florida homes encumbered, with 1,500 in Palm Beach County alone. I’ve personally seen 6 sales in the last 2 weeks with these agreements. Chances are, if you have not seen one yet, you will soon.

### **These agreements hurt homeowners in so many ways:**

- Can’t sell without paying off MV
- Can’t refi without paying off MV because a new lender won’t lend Jr. to the MV lien.
- If seller’s forget they signed an MV agreement, they will owe 2 commissions.
- Seller’s who find out about the agreements and try to get MV to list/sell, report getting little or no service.

### **What's the solution?**

- November 29, 2022, the Florida Attorney’s General filed a lawsuit against MV to invalidate the agreements so homeowners can sell or refi and owe nothing to MV.
  - Several other states are in the process of filing similar suits, but these could take months or even years to resolve.



- FL actually has a law disallowing realtors from using the public records to lien residential property for the purpose of collecting commissions. But again, this issue could take a long time in the courts to sort out.
- Title Advance; a Title Advance report will tell you up front if one of these agreements exist. A quick trip to **TitleAdvance.io** will save agents a ton of time, headache, and last minute panic just before closing. As an added benefit, your Title Advance report will set you apart as the most prepared agent at the seller's listing interviews and help you bag that listing.

Now that a lawsuit has been filed, if we find an MV lien, we are going to call MV and see if they are still demanding these payoffs in the face of the state's lawsuit. I'll keep you posted on how they respond.

Some articles I found to help explain the gravity and frequency of these agreements:

[Palm Beach Post article January 2023](#)

[Inman article December 2022](#)

**New Path Title** 1110 N Olive Ave, West Palm Beach, FL 33401  
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561-838-9595 Fx 838-5657

24/7 realtor transactional support, attorney Jim Brown text 561-307-0885

All references to a contract are the FL Far/Bar As-Is 2021, and most recent riders

The foregoing is a summary of the opinions of attorney James Brown, provided to licensed Florida realtors, and should not be relied on as legal advice or a complete explanation of any particular issue. Every situation is different, and you should seek qualified legal advice before making a decision.

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