

MINUTES

CHAIR	Rick Harris (Ashland, OR)
COMMITTEE LIAISON	Diane Disbrow (Tuckerton, NJ)
STAFF EXECUTIVE	Rodney Gansho (Chicago, IL)

CALL TO ORDER:

The meeting of the MLS Technology and Emerging Issues Advisory Board was called to order at 2:00 p.m. by Advisory Board Chair Rick Harris.

APPROVAL OF PREVIOUS MEETING MINUTES:

The minutes of the March, 2017 Advisory Board meeting were approved as written.

TECHNOLOGY:

Upstream RE, LLC and AMP (Advanced Multi-list Platform) update

Karen France, SVP, Association and MLS Services, Realtors Property Resource®, discussed the latest developments with RPR, AMP, and UpstreamRE, LLC.

RESO (Real Estate Standards Organization) Standards compliance update

Advisory Board members received a handout detailing the 2017 RESO Progress Update. Art Carter, Advisory Board member and Chair of the RESO Board of Directors, highlighted several items, including:

- RESO Data Dictionary 1.6 is officially released as of August 4, 2017
- Creation of a Home Energy Information Guide
- Completion of a RESO Standardized IDX data feed on track for completion in 2017
- Adoption rates for the RESO Data Dictionary and RESO Web API
- RESO has, and will continue working with NAR to address MLS noncompliance with RESO standards

EMERGING ISSUES:

MLS Consolidation Resources Work Group Update

Work Group Chairman, Rick Harris, explained that NAR hired T3Sixty MLS, primary contact Kevin McQueen, in the spring of this year to help the group develop MLS consolidation case studies, identify challenges and other obstacles to consolidation, and assist the Work Group in its deliberations. Progress continues on a catalog of MLS consolidation resources for release in November 2017 during the REALTORS® Conference and Expo, if not sooner.

To date, the Work Group has developed a Glossary of Terms for MLS consolidations, created a messaging and branding framework, established a “case study template” for soliciting input directly from MLSs involved in consolidation activities, and collected relevant materials from outside sources.

Sustainable Homeownership and the MLS

Amanda Stinton, Director, Sustainability Program and NAR’s Green Designation, discussed the changing real estate market and the impact of green features when buying and selling property. While there are some MLSs that currently track green features using designated MLS fields, many other MLSs do not, making it challenging for brokers to properly search for and market their client’s property to emphasize green property features. Standardized green data fields create consistency, reliability, and allows for searchable green features.

NAR, RESO and CMLS (Council of Multiple Listing Services) are working collaboratively to educate, establish communication strategies, develop best practices and provide needed resources for adoption and implementation of green MLS fields.

Blockchain

Dave Conroy, R&D Lab Engineer, CRT LABS, NAR, explained blockchains and NAR’s interests in them. In short, blockchains are a new information management technique that provides a verifiable and trustworthy record of events or transactions. Currently, there are two NAR blockchain projects in the works. The first is an “engagement tracker” for committee and education records. The second is the “PUID Registry” to create a registry to generate and track property unique identifiers as defined by RESO standard. NAR’s goals for blockchain research are to organize and combine efforts to launch impactful, industry-wide blockchain applications.

Artificial Intelligence (AI) and Augmented Discovery

Dr. Aleksander Velkoski, Data Science, ITS, NAR, talked about artificial intelligence and augmented discovery. He explained that common usage of AI is often an application known as a “chatbot,” where a computer program can carry on conversations or conduct specific tasks. However, the more powerful aspect of AI is about augmented discovery, an approach that automates insights using machine learning and natural-language generation. With augmented discovery, REALTORS® can position themselves to

use data to act on relevant insights to better service clients and customers through, for example, improved marketing for particular types of properties.

Instant Offer Programs

Advisory Board members discussed the recent attention given to “instant offer programs,” “ibuyers,” and other similar business models; and how, if at all, they could affect MLS operations and MLS data. It was noted that several MLSs have had these programs operating in their markets for years, and that they deal primarily with distressed properties. Consequently, some of those properties eventually make it into the multiple listing service. These programs were not viewed as disruptive to MLS operations and/or MLS data. However, the industry should continue to monitor this business practice.

LEGAL UPDATE:

Copyright and ADA (Americans with Disabilities Act) Website Compliance

Jessica Edgerton, Associate Counsel, NAR, discussed the “fractured landscape” of copyrighted materials on the Internet, best practices, the DMCA (Digital Millennium Copyright Act), and available NAR resources. She also explained the latest developments regarding ADA website accessibility, including risk management and notable litigation.

POLICY ISSUES:

MLS Policy Statement 7.42, Jurisdiction of association Multiple Listing Services / Discussion of updated MLS Service structure and MLS subscription fees

It was moved, seconded and carried:

Motion:

That MLSs be prohibited from requiring participation by all offices of a real estate firm within the shareholder association(s) jurisdiction and that MLSs be required to provide a no-cost waiver of MLS fees, dues and charges for licensees affiliated with an MLS Participant who can demonstrate their subscription to another MLS. Further, that references to MLS “jurisdiction” or “territory” be changed to “service area” to reflect the true nature of the location, and help eliminate confusion over the jurisdiction of shareholder association(s).

Section 6: Jurisdiction of Association Multiple Listing Services (Policy Statement 7.42)

The ~~jurisdiction~~ service area of multiple listing services owned and operated by associations of REALTORS® is not limited to the jurisdiction of the parent association(s) of REALTORS®. Rather, associations are encouraged to establish multiple listing services that encompass natural market areas and to periodically reexamine such boundaries to ensure that they

encompass the relevant market area. While associations are encouraged to work cooperatively to establish market area multiple listing services, the absence of such an agreement shall not preclude any association from establishing and maintaining a multiple listing service whose territory service area exceeds that of the parent association(s) jurisdiction. ~~Where the territory of an MLS exceeds that of the parent association(s), the authority of the MLS to require offices of a participant or a participant's firm to participate in the MLS is limited to offices located within the jurisdiction of the association(s) of REALTORS® that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement. MLSs may not, as a matter of local determination, require that each other offices of a firm's offices located within the jurisdiction of the association(s) that own and operate the MLS or that are parties to a multi-association or regional MLS service agreement to participate in the MLS if any office of that firm participates in that MLS.~~
(Revised 5/02) **M**

Section 1 Waivers of MLS Fees, Dues, and Charges (Policy Statement 7.43)

Recurring MLS fees, dues, and charges may be based upon the total number of real estate brokers, sales licensees, and licensed or certified real estate appraisers affiliated with or employed by an MLS participant ~~when related to the operation of a computerized MLS system that provides information and services in addition to the compilation of current listing information.~~

~~However, an MLS participant may not be assessed any charges or subscription fees for printed MLS sheets/cards/books with respect to any individual who is engaged solely and exclusively in a specialty of the real estate business separate and apart from listing, selling, leasing, or appraising the type of properties which are required to be filed with the MLS.~~

However, MLSs must provide participants the option of a no-cost waiver of MLS fees, dues and charges for any licensee or licensed or certified appraiser who can demonstrate subscription to a different MLS where the principal broker participates. MLSs may, at their discretion, require waiver recipients and their participants to sign a certification for nonuse of its MLS services, which can include penalties and termination of the waiver if violated.

(Note: accompanying revisions will be made to the NAR Suggested MLS Rules and Regulations.)

Suggested IDX and VOW Policy Changes / Display of sold information / May 8, 2017 correspondence from Redfin

It was moved, seconded and carried:

Motion:

That brokers have access to all available sold listing data maintained by the MLS starting from January 1, 2012 for display in IDX, maintaining the existing exception to exclude areas where "sold" information is not publicly accessible:

MLS Policy Statement 7.58 provides, in pertinent part:

To comply with this requirement MLSs must, if requested by a participant, promptly provide basic downloading of all active listings, ~~a minimum of three (3) years sold* listing data~~, sold* listing data starting from January 1, 2012; non-confidential pending sale listing data, and other listings authorized under applicable MLS rules and may not exclude any listings from the information which can be downloaded or displayed under IDX except those listings for which a participant has withheld consent, or listings for which the seller has prohibited Internet display...

Suggested IDX and VOW policy changes / Results to consumer online property searches / May 8, 2017 correspondence from Redfin

It was moved, seconded and carried:

Motion:

That brokers be authorized to provide in both IDX and VOW, results to online consumer property searches with no less than five hundred (500) listings or fifty percent (50%) of the listings in the MLS, whichever is less.

IDX

MLS Policy Statement 7.58, Internet Data Exchange (“IDX”) Policy, Policies Applicable to Multiple Listing Services, Subsection 10:

establish reasonable limits on the amount of data/number of listings that consumers may retrieve or download in response to any inquiry. Such number shall be determined by the MLS, but in no instance may the limit be fewer than ~~one hundred (100)~~ five hundred (500) listings or ~~five percent (5%)~~ fifty percent (50%) of the listings in the MLS, whichever is less.

VOW

Virtual Office Websites: Policy Governing Use of MLS Data in Connection with Internet Brokerage Services Offered by MLS Participants, Subsection IV, Requirements that MLSs May Impose on the operation of VOW and Participants, Subsection 1(e):

The number of current or, if permitted, sold listings that Registrants may view, retrieve, or download in response to an inquiry may be limited to a reasonable number. Such number shall be determined by the MLS, but in no event may the limit be fewer than ~~one hundred (100)~~ five hundred (500) listings or ~~five percent (5%)~~ fifty percent (50%) of the listings in the MLS, whichever is less.

Remote training options for MLS Orientation

It was moved, seconded and carried:

Motion:

That MLS orientation and additional MLS training be revised to include remote training options as provided in the revisions to MLS policy reflected below. (underlining identifies additions)

Section 13: Orientation and Other Training (Policy Statement 7.92)

Multiple listing services may, as a matter of local discretion, require applicants for MLS participation and licensees (including licensed or certified appraisers) affiliated with an MLS participant who have access to and use of MLS-generated information to complete an orientation program of no more than eight (8) classroom hours devoted to the MLS rules and regulations, computer training related to MLS information entry and retrieval, and the operation of the MLS within thirty (30) days after access has been provided.

Participants and subscribers may also be required, at the discretion of the MLS, to complete additional training of not more than four (4) classroom hours in any (12) twelve month period when deemed necessary by the MLS to familiarize participants and subscribers with system changes or enhancements and/or changes to MLS rules or policies.

*Participants and subscribers must be given the opportunity to complete any mandated orientation and additional training remotely. (Adopted 11/09) **M***

“Coming Soon” Listings

The Work Group members received a brief overview about “coming soon,” “pocket,” and “off market” listings from Chairman Rick Harris. They also watched a soon-to-be released video by Chloe Hecht, Senior Counsel, NAR, on the subject; and they discussed other NAR resources and local policies. While these forms of listing property are often attributable to low inventory, there are brokers and outside entities creating specific business models around them. It is important that legitimate “coming soon” listings, where the seller and broker have decided to hold off on showing the property to generate interest or prepare the home for showings are differentiated from those where a listing broker may be putting their own interests ahead of their seller, for example, a broker’s desire to earn both sides of the commission. In all cases, sellers must be fully informed and grant consent before taking a coming soon listing.

The Advisory Board did not support the creation of national policy for coming soon listings. Rather, the group wanted to shared successful local rules and policies, supported the creation of additional resources on the subject, and wanted to centralize those resources for easy access on nar.realtor.

OTHER BUSINESS

Leading Real Estate Companies of the World (Leading RE), August 15, 2017 letter

The Advisory Board members considered several suggests from Leading RE addressed in their August 15, 2017 letter to NAR MLS Leadership. No action was taken, apart from that related to previously mentioned items on the agenda.

Linking to listing broker websites within IDX displays

The Advisory Board members discussed a suggestion made by Glen Kelman, CEO, Redfin, in his presentation at the MLS Association Executives Session, during the 2017 REALTORS® Legislative Meetings and Trade Expo. Mr. Kelman made the remark that IDX should be revised to requiring linking directly back to the listing brokerage's website. The Advisory Board took no action, but would be interested in better understanding the rational and benefits to such a change.

Multiple Listing Forum

A suggestion was made to move the meeting time of the MLS Forum so that it took place earlier in the convention schedule. Advisory Board members were concerned with the negative ramifications of such a change, including possible reduction attendance and participation, not to mention the lack of audience feedback during the Committee meeting itself. The group does not support making a change, but would consider possibly moving the MLS Breakouts which currently take place after the Committee meeting.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 1:44pm on Tuesday, August 29, 2017.

Members Present:

James Adams
 Tom Berge, Jr.
 Art Carter
 Dan Coffey
 Matthew Consalvo
 Joseph Cullom
 Sam DeBord
 Carl DeMusz
 Cathy Faulkner
 Bonnie Fitzgerald
 Rick Harris
 Nicole Murray
 Shelley Specchio
 Debbie Wey
 Greg Zadel

Members Excused:

Shadrick Bogany

Shawn Dauphine

Members Absent:

Robert Moline

Staff:

Rodney Gansho

Jeremy Green

Caitlin McCrory

Kevin Milligan

Diane Mosley