

MINUTES

CHAIR	Shad Bogany (Houston, TX)
COMMITTEE LIAISON	Sam DeBord (Bellevue, WA)
STAFF EXECUTIVE	Rodney Gansho (Chicago, IL)

CALL TO ORDER / OPENING REMARKS

The meeting of the MLS Technology and Emerging Issues Advisory Board was called to order at 8:30 a.m. by Advisory Board Chair Shad Bogany.

APPROVAL OF PREVIOUS MEETING MINUTES

The minutes of the April 2019 Advisory Board meeting were approved as written.

TECHNOLOGY

REach Accelerator's 2019 class

Todd Carpenter, Director of Strategic Investment, and Ashley Stinton, Senior Director for Marketing and Communications, discussed recent enhancements to the REach Accelerator program that added a new commercial class and expanded into Australia. Details about the iOi Summit 2019 were also shared.

RESO Update

Sam DeBord, RESO CEO, discussed MLS challenges of an aging infrastructure, limited resources, misguided strategy for technology, and a lack of incentives to innovate. Through RESO, MLSs have the opportunity to use tools for adopting industry accepted RESO standards for improved serve the brokerage community and the public. RESO, together with CMLS and NAR, are working on solutions for enforcement, testing, data access marketing and more. The Platinum certification deadline for Data Dictionary is 2020 and for Web API is 2021.

RPR Update

Jeff Young, Chief Operating Officer/General Manager, RPR, discussed the latest MLS programs and initiatives. RPR is reaching out directly to MLSs for feedback on services and features including expanded access to public records, mailing labels, teams, consolidation trends, member engagement, and more. Further, RPR's commercial listing partners provide for over 700,000 commercial listings, 100,000+ activities in Q3, and 43 million off-MLS properties.

EMERGING ISSUES

Legal Update

Katie Johnson, General Counsel and Chief Experience Officer, discussed the latest news involving the class action lawsuits filed against NAR and several brokerage companies.

Northwest MLS Rules Change

Tom Hurdelbrink, President and CEO, Northwest Multiple Listing Service, participated in the meeting via conference call. He provided the Advisory Board with insights and background into the adoption of two recent changes to the MLS's rules that include: 1) the ability to disclose cooperative compensation in online displays of property information, and 2) the option for listing brokers to not offer cooperative compensation. These changes go into effect Oct 1, 2019. Northwest MLS is a broker-owned service that is not required to follow NAR MLS policies. NAR will continue to follow the impact of these changes on the local market and overall industry.

Sustainability and the MLS

Amanda Stinton, Director, Leadership and Sustainability, discussed the benefits of including sustainable features with the MLS's property listing data. Those benefits support consumer demand for sustainable home trends, improve the client's experience and industry value, and encourage the momentum in green housing. It is important for brokers and MLSs to know what qualifies as a green feature, what the public desires, and the effects of these features on property values. NAR offers a Sustainable Resource Guide and other information at <http://www.nar.realtor/sustainability>. The Council of Multiple Listing Services (aka CMLS) also offers information and resources for sustainability at <https://www.councilofMLS.org/research>.

POLICY ISSUES

The Display of Accessibility Features in MLS

Fred Underwood, Director of Engagement, Diversity and Inclusion, shared concerns from the Diversity Committee about the need to establish a consistent and uniform way to display accessibility features in MLS to properly service people with disabilities. After much discussion about the potential solutions, the Advisory Board requested that the Diversity Committee provide additional input establishing a basic set of needed data fields to develop potential resources and best practices on the topic. This information will be used by staff and shared with the Advisory Board for further consideration.

CRMLS (California Regional Multiple Listing Service) Proposal / Advertising Another Broker's Listing

Art Carter, CEO, CRMLS, and Ed Zorn, Vice President and General Counsel, CRMLS, participated in the meeting via conference call. They explained the CRMLS proposal to establish a new policy for advertising another broker's listings, which would replace and expand the existing IDX policy.

Consequently, there is already a Proposal from CMLS to merge the existing IDX and VOW policies into a new simplified Listing Exchange Policy. That proposal was discussed and supported by the Advisory Board at its last meeting. The CMLS Proposal will not be advanced until it has been reviewed by the US Justice Department.

The Advisory Board decided that consideration of the CRMLS Proposal will be part of their continued discussion of the CMLS Proposal and any feedback received from the U.S. Justice Department.

Online Groups / June 21, 2019 Letter from Attorney Lee Harris Donahue (KY)

The Advisory Board discussed the concerns explained in attorney Lee Harris Donahue's letter. It was the group's observation that REALTORS® must comply with local, state, and federal discrimination laws, and the duties in Article 10 of the NAR Code of Ethics; and must understand how those duties apply to particular situations like private online groups and networks. At the Advisory Board's direction, the topic will be shared with the staff and leadership of the NAR Risk Management Committee.

New York MLS LLC / Tenant Paid Compensation

The concerns expressed by New York MLS were discussed by the Advisory Board. All represented markets for Advisory Board members follow existing NAR policies about offers of compensation from the listing broker. It was suggested that NAR legal staff explore any potential opportunities under existing policy to determine if a "non mandatory" property type or category could address the expressed concerns around tenant paid compensation. That information will be communicated directly to New York MLS.

Derivative Works Using MLS Data

The Advisory Board continued its review of the concerns expressed by REALTOR® Louis Pinnoni, State College, PA, about the activities of local appraisers posting and sharing MLS comp data in a manner that appears inconsistent with the local MLS rules and data license agreement.

As requested, additional input was received from SmartExchange to aid in the group's discussion. However, that information did not answer all of the group's questions, and it was ultimately concluded that the matter be forwarded to the NAR Valuation Committee since that group is more familiar with these practices and the concerns around SmartExchange. A copy of the Advisory Board's background information for this matter will be forwarded to the Valuation Committee for its consideration. Any feedback will be shared with the Advisory Board.

iBuying and "off MLS" Listing Data and the Effect on Property Valuations (Appraisals, BPOs, CMAs, etc.)

This too is matter that the Advisory Board concluded should be referred to the NAR Valuation Committee for its consideration.

GENERAL DISCUSSION:

MLS Value Proposition

Members of the Advisory Board discussed their local MLS value proposition, including how it's communicated to the membership and public. The group also discussed steps to engage participants and subscribers through surveys and in other ways to gauge appropriate services and needs. Servicing local commercial members was specifically addressed, as was NAR's role in helping local MLSs create and communicate their value proposition.

Updates

CMLS

David Howe, CMLS representative from MetroList Services, Inc. (CA) shared the latest CMLS initiatives and efforts, and provided the group details about the upcoming CMLS 2019 conference in Salt Lake City, UT.

MLS PAG

Rene Galicia, MLS Director of Engagement, discussed the status and progress for the four recommendations in the 2018 MLS PAG Report.

MLS Standards Work Group

The Standards Work Group has been approved by NAR leadership and is currently being appointed.

Other Business

Advisory Board members discussed two additional items under other business that lead to the following recommendations. The discussions for Recommendation #2 continued after the meeting via two separate conference calls. That Recommendation was voted on and adopted by the Advisory Board on September 20, 2019.

Recommendation #1:

Moved, seconded and carried:

Motion: To amend MLS Policy Statement 7.73, Rights of Cooperating Brokers in the Presentation of Offers, reflecting changes to Standard of Practice 1-7 of the Code of Ethics made during the 2019 REALTORS® Legislative Meetings and Trade Expo. These changes establish a timeframe for the listing broker to provide the required written affirmation or notification.

(underlining indicates additions)

Cooperating participants or their representatives have the right to participate in the presentation of any offer they secure to purchase or lease to the seller or lessor. They do not have the right to be present at any discussion or evaluation of the offer by the seller or lessor and the listing broker. However, if a seller or lessor gives written instructions to a listing broker that cooperating brokers may not be present when offers they procure are presented, cooperating brokers have the right to a copy of those instructions. This policy is not intended to affect listing brokers' right to control the establishment of appointments for presentation of offers.

Where the cooperating broker is not present during the presentation of the offer, the cooperating broker can request in writing, and the listing broker must provide, as soon as practical, written

affirmation stating that the offer has been submitted to the seller, or a written notification that the seller has waived the obligation to have the offer presented.

Recommendation #2:

Moved, seconded and carried:

Motion: That the following policy be adopted in the NAR Handbook on Multiple Listing Policy as new MLS statement 8.0.

Within 24 hours of marketing a property to the public, the listing broker must submit the listing to the MLS for cooperation with other MLS participants. Public marketing includes, but is not limited to, flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public.

Note: Information (rationale and FAQs) about Recommendation #2 can be found at <https://magazine.realtor/daily-news/2019/09/27/advisory-board-proposes-mls-policy-to-fuel-broker-cooperation>.

Adjournment

There being no further business to come before the Committee, the meeting was adjourned at 12.00 p.m. on Friday, August 16, 2019.

Members Present:

Cindy Ariosa
 Robert Bailey
 Tom Berge Jr.
 Brad Bjelke
 Shadrick Bogany (Chair)
 Chris Carrillo
 Jonathan Coile
 Matthew Consalvo
 Tim Dain
 Shawn Daupine
 Sam DeBord (Liaison)
 Bonnie Fitzgerald
 Tina Grimes
 David Howe
 Rebecca Jensen
 Brad Monroe

John Mosey
Veronica Mullenix
Cary Sylvester
Greg Zadel

Members Excused:

Michelle Kitzman

Staff:

Todd Carpenter
Charlie Dawson
Rene Galicia
Rodney Gansho
Katie Johnson
Ashley Labanics
Diane Mosley
Ashley Stinton
Amanda Stinton
Fred Underwood
Jeff Young

Participants via conference call:

Art Carter
Tom Hurdelbrink
Edward Zorn