

Dear Managing Principal Broker:

As some of you may have seen, on Monday, the NAR Board of Directors approved a 'Clear Cooperation' Policy also referred to as MLS Statement 8.0. This action was taken to bolster brokerage cooperation around the country. This policy requires that listing brokers who are participants in a multiple listing service submit their listing to the MLS within one business day of marketing the property to the public. MLSs will have until May 1, 2020, to implement the policy. The exact language for this policy is as follows:

Within one (1) business day 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 websites displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public. MLSs can adopt the policy any time, but they must adopt it no later than May 1, 2020.

In the 1850's local real estate exchanges were formed to facilitate the gathering of real estate professionals to exchange information about their real estate properties for sale. It is the earliest form of what is now known as a Multiple Listing Service (MLS). In 1908 the National Association of Real Estate Exchanges (now known as the National Association of REALTORS®) was created to unite members and to effectively and collectively exert a combined influence upon matters of effecting real estate interests. At this time the foundation of the three-way (local, state and national associations) agreement was formed which is still in effect today. Kevin Milligan from the NAR Member Policy Department once said, "This federated structure allows the REALTOR® organization to use its combined resources and influence to have a unified, powerful voice in shaping public policy, setting recognized standards for ethical real estate practice, and contributing to the betterment of our industry." The creation of MLSs and the REALTOR® organization was an unprecedented step in the creation of cooperation and compensation in the real estate industry back in 1908 and is still one of the founding principals of the MLS today, 111 years later.

Technology has had a huge impact on our industry over the past century and will continue to influence our industry moving forward. Members no longer have to show up to a meeting or get a printed book in order to get information on a property. The MLS as we know it now, is a technological database that allows our members to see all the inventory in their local market and to disseminate the information to their clients/customers in an effective way. It also allows members representing seller's to ensure they are getting maximum exposure for their sellers and to hopefully get them the best price possible for their property. Although the MLS has many functions such as a marketing tool, an information source, etc., we must never forget that at its core, which was founded back in 1908, it is and has always been a place for our members to cooperate. The only way MLSs around the country preserve this core competency and function is if all of our members enter all of their listing inventory unless it is an office exclusive.

While pocket listings/off market listings may not be a significant issue in our local marketplace at this time, it is severely fracturing the real estate market in other parts of the country. Some firms are creating silos of pocket listings, putting them on their local websites and all the REALTORS® in their area of to go to multiple websites in order to view all of the listing inventory in their marketplace. Some markets are seeing a significant uptick in firms holding listings off the MLS for a certain period of time to double end the deal prior to it hitting MLS. Some markets are expressing serious concerns of pocket listings being used to discriminate against groups of individuals so that they can't buy in certain areas in clear violation of fair housing practices. With all of these concerns and significant debate from members around the country for several years, the NAR MLS Technology & Emerging Issues Advisory Board decided to put forth a policy that sets recognized ethical real estate practices and contributes to the betterment of our industry—one of the key reasons NAR was formed.

Issues and problems will continue to change in real estate for centuries to come. The problem we are facing TODAY is ensuring that cooperation remains at the heart of the MLS and that we ensure our members are able to come together and cooperate further ensuring that consumers have equal opportunity to homeownership. This policy was not put forward to come between the REALTOR® and their client or to prevent people from losing their right to privacy or to prevent totally legitimate coming soon listings. It was proposed to protect your right to serve your client by knowing that you have access to all the inventory available to each client and to ensure there is no fracturing in our marketplace in the future.

This policy was voted on by the NAR Board of Directors on Monday and passed with 91% voting in favor of this policy. There are over 1000 individuals on the NAR Board of Directors with representation from all over the country. It is clear that the National Association of REALTORS®, even after 111 years, is collectively exerting a combined influence upon matters of effecting real estate interests. The motion that was approved allows MLSs to implement this policy no later than May 1, 2020. With this in mind, our local MLS Executive Committee will be looking at how to implement this policy, what tools we can create to make this transition as seamless as possible and how to accommodate legitimate Coming Soon listings in the MLS. We will work through our process here locally to create a system for all of our members to utilize. I wanted to let all of you know that this was coming and that we are aware and will be working on a local solution to accommodate this policy. **Please let your brokers know not to stress, we will have more information in early 2020 and will help educate everyone prior to this going into effect here in Central Oregon. Please reiterate to them as they see things from NAR or news articles etc, that this is not going into effect immediately and does not affect any of their current listings. As more information becomes available and our local rules have been created, we will circulate them to our Managing Brokers and then the brokers shortly thereafter.**

Thank you in advance for your attention to this matter. We will be in touch in the first quarter of next year with additional information.

Sincerely,

Casie L. Conlon, RCE, GREEN
Chief Executive Officer
Central Oregon Association of REALTORS® &
MLS of Central Oregon

cc: COAR Board of Directors
COAR MLS Executive Committee