

NEREN BOD Meeting Talking Points

January 12, 2022

- The Board has approved allowing the selection of co-selling agents across different firms when closing a listing within Paragon. As a reminder, the Board had previously authorized the entry of co-listing agents from different firms last year.
- The Board has approved the following recently enacted NAR mandatory rules. These rules go into effect on March 1, 2022.

Section 1.16 Property Addresses

At the time of filing a residential listing, participants and subscribers must include a property address available to other participants and subscribers, and if an address doesn't exist a parcel identification number can be used. Where an address or parcel identification number are unavailable, the information filed with the MLS must include a legal description of the property sufficient to describe its location.

Section 4.5 Services Advertised as "Free"

MLS participants and subscribers must not represent that their brokerage services to a client or customer are free or available at no cost to their clients, unless the participant or subscriber will receive no financial compensation from any source for those services.

Section 5.4 Display of Listing Broker's Offer of Compensation

Participants and subscribers who share the listing broker's offer of compensation for an active listing must display the following disclaimer or something similar: *The listing broker's offer of compensation is made only to participants of the MLS where the listing is filed.*

- The Board has approved the following mandatory modifications to existing NAR rules. These also go into effect on March 1, 2022. Underlined verbiage indicates additional language.

Section 18.2.4 Display of a Subset of the Compilation

Participants may select the listings they choose to display through IDX based only on objective criteria including, but not limited to, factors such as geography or location ("uptown," "downtown," etc.), list price, type of property (e.g., condominiums, cooperatives, single-family detached, multi-family), ~~cooperative compensation offered by listing brokers,~~ or type of listing (e.g., exclusive right-to-sell, exclusive agency, or open listing), ~~or the level of service being provided by the listing firm.~~ Selection of listings displayed through IDX must be independently made by each Participant. The display of selected IDX listings shall include the disclaimer: "This display of listings may or may not be the entire Compilation from the NEREN database, and NEREN does not guarantee the accuracy of such information."

Section 18.2.12 IDX Listing Attribution

All listings displayed pursuant to IDX shall identify the listing firm, and the email or phone number provided by the listing participant in a reasonably prominent location and in a readily visible color and typeface not smaller than the median used in the display of listing data.

Section 18.3.1 Only Fields Designated by the MLS

Listings displayed pursuant to IDX shall contain only those fields of data designated by the MLS. Display of all other fields (as determined by the MLS) is prohibited. Confidential fields intended only for other MLS participants and users (e.g., showing instructions, and property security information, etc.) may not be displayed.

Section 19.12 Exclude Listings from Display Based on Objective Criteria

A Participant's VOW may exclude listings from display based only on objective criteria, including, but not limited to, factors such as geography, list price, type of property, ~~cooperative compensation offered by the listing broker, and whether the listing broker is a Realtor.~~

- The Board adopted the following optional NAR rule so that VOW and IDX websites are treated equally.

Section 19.18 Listing Attribution

A participant shall cause any listing that is displayed on his or her VOW to identify the name of the listing firm, the listing broker or agent, and the email or phone number provided by the listing participant in a readily visible color, in a reasonably prominent location, and in typeface not smaller than the median typeface used in the display of the listing data.

- The Board wants to make all members aware of the following new mandatory NAR policy.

MLSs must include the listing broker's offer of compensation for each active listing displayed on its consumer-facing website(s) and in MLS data feeds provided to participants and subscribers and must permit MLS participants or subscribers to share such information through IDX and VOW displays or through any other form or format provided to clients and consumers. The information about the offer of compensation must be accompanied by a disclaimer stating that the offer is made only to participants of the MLS where the listing is filed.

The Board also decided (because of the NAR policy above) to add compensation fields to 1) Third-party syndication website data feeds, such as Realtor.com and Homes.com; 2) NEREN member's client/customer facing Collab Center portals; 3) NEREN's customer listing reports.

- The Board will also take all necessary system and settings steps to follow these additional new mandatory NAR policy changes.

MLS Participants and Subscribers must not, and MLSs must not enable the ability to, filter or restrict MLS listings that are searchable by and displayed to consumers based on the level of compensation offered to the cooperating broker or the name of a brokerage or agent.

MLSs must offer a Participant, or their designee, a single data feed in accordance with a Participant's licensed authorized uses.

Participants are entitled to use, and MLSs must provide to Participants, a Brokerage Back Office Feed per the Data, Use and Terms established below:

- The Board continued its discussion of future MLS platform options in the wake of the major industry news that Remine was purchased by a group of MLSs. Our members currently enjoy full access to Remine Pro, our front-end of choice option, and NEREN also relies on Remine for our developing API data feed ability. The Board is aware of the industry trend of MLSs buying and becoming owners of the technology they use, potentially gaining significant savings (by cutting out the middle vendors), which may allow those MLSs to offer more competitive MLS user fees, and also control their own data. This trend of MLSs becoming vendor independent will be further analyzed by the NEREN Board at our upcoming March 2022 NEREN strategic business retreat.

- Staff updated the Board on recent discussions with Paragon on numerous topics and issues. The Board will be addressed by Paragon in-person at NEREN's strategic business retreat in March. The NEREN Shareholder Representatives will also be invited to attend this event, which additionally will feature demonstrations from CRS (our public records provider), Remine (our MLS front-end of choice), and from third-party optional syndication display website Realtor.com.
- The NEREN Board President will appoint a task force to analyze all MLS platform options, as part of the Board's due diligence pertaining to any future renewal of the Paragon contract.