

2019 was the year of the multiple listing service

It was a big year for MLSs — pocket listings, bombshell lawsuits and the relentless march of technology all dominated MLS news. Here are the most noteworthy trends



BY [JIM DALRYMPLE II](#)
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As 2019 comes to a close, it's safe to say it might just have been the year of the multiple listing service (MLS). Though past headlines about trends such as consolidation may not have been repeated, MLSs nevertheless found themselves at the center of some of the biggest real estate stories in recent memory. Meanwhile, the inevitable march of technology continued sweeping across the industry.

Though it'd be difficult to create an exhaustive list of all MLS news, here are the most significant developments of 2019:

Pocket listings roiled the industry

The ongoing saga of pocket listing bans began with a proposal from the National Association of Realtors (NAR) — and wasn't at first necessarily or exclusively

about MLSs.

But it quickly became a multiple listing service story when in mid-October Bright MLS [used NAR's proposal as the basis](#) for its own pocket listing ban. Shortly thereafter, Midwest Real Estate Data (MRED) came out in support of NAR's proposal. Meanwhile, both [Compass](#) and [Assist-2-Sell](#) have strongly opposed pocket listing bans.



Bright MLS CEO Brian Dannels

By the time NAR [approved its proposal in November](#), Bright MLS had become perhaps the concept's most visible champion and the issue increasingly looked like a struggle between multiple listing services and individual companies. The debate isn't entirely clear cut — Redfin CEO Glenn Kelman [supports](#) NAR's pocket listing ban while the [Austin Board of Realtors](#) does not — but one thing is apparent: The battle over pocket listings is being led by MLSs.

Lawsuits challenged the MLS system

If pocket listings were the story du jour of late 2019, a pair of [bombshell lawsuits](#) that accused major real estate organizations of breaking antitrust laws was the thread that kept coming back again and again.

The first suit, [Moehrl vs. NAR](#), was filed in March and argued that major real estate groups were violating antitrust laws. The lawsuit named NAR and major companies such as Realogy as defendants, and specifically attacked a policy known as the "Buyer Broker Commission Rule." The plaintiffs [have argued](#) that the policy requires a "blanket, unilateral offer of compensation" to buyer brokers

when entering a property into a Realtor-affiliated MLS and that NAR rules impede effective negotiation of the offer of compensation.

The lawsuit ultimately seeks class-action status on behalf of homesellers who paid a broker commission in the last four and a half years in connection with the sale and listing of their home in one of 20 Realtor association-owned MLSs.

A second case, *Sitzer vs. NAR*, was filed in April and makes similar antitrust claims.

Because most MLSs are affiliated with NAR and carry out the trade group's vision and policies across the U.S., the suits strike at the heart of the MLS system. And in October, attorneys representing the plaintiffs also [issued subpoenas](#) for documents from numerous MLSs including [MARIS](#), [KCRAR](#), [SOMO MLS](#), [CBOR](#) and others, as well as MLS vendor CoreLogic.

Moreover, NAR [has asked a judge to toss the suits out](#) and specifically countered the plaintiffs' claims by defending the MLS system.

The cases have not yet been resolved, and opinion is mixed on how much impact they'll actually end up having on the industry. If the plaintiffs do ultimately prevail though, the lawsuits could theoretically be highly disruptive to business as usual.

Commission transparency became a real thing

In July, Northwest MLS — which has about 30,000 agent and broker subscribers in the Pacific Northwest — [made the unusual decision to begin displaying](#) buyer broker commissions. At the time, the MLS said the move would “allow for complete transparency,” though it also came amid [heightened](#) attention to commissions from [federal officials](#).



Homes in Seattle | Credit:
MarkHatfield and Getty Images

Significantly, Northwest MLS’s decision also represented a stark break from the practices of other MLSs, which have generally opposed displaying commissions. Indeed, several years ago one MLS in Colorado actually [threatened to cut off](#) a brokerage for displaying commissions.

Whether Northwest MLS’s decision proves to be a bold one-off experiment or the tipping point that brings about industrywide change remains to be seen. Interestingly, however, just two months after Northwest MLS’s announcement, online brokerage

Redfin [announced](#) that it too would

also display buyer’s agent commissions on its listings.

Technology became even more important

This year, Midwest Real Estate Data (MRED) [launched](#) artificial intelligence-based tools from tech startup Restb.ai, as well as a Google- and Amazon-enabled [voice assistant](#). The Greater Las Vegas Association of Realtors [debuted a new customer relationship manager \(CRM\)](#) for its members. And [My Florida Regional MLS](#) (now Stellar MLS), [MRED](#), [Bright MLS](#) and [North Texas Real Estate Information Systems](#) (NTREIS) all gave their members access to tools from real estate data firm Remine.

The list of stories showing the convergence of tech and MLSs could go on.

On their own, these various developments are probably mostly of interest to the respective members of each MLS. But together, they make clear that MLSs are proactively stepping up to the forefront of the intersection between real estate and technology.

Data dominated the discussion

Data — how to use it, where it comes from, who owns it, etc. — has been a major theme in real estate for years, so it's no surprise that data-rich MLSs were a part of this conversation in 2019. Much as is the case with technology generally, this year saw a constellation of data-and-MLS stories that together suggest a trend.

Among the more significant events, in May, the Austin Board of Realtors (ABoR) — which owns a Texas multiple listing service — [accused](#) financial services and analytics firm CoreLogic of inappropriately selling its data to a local appraisal organization.

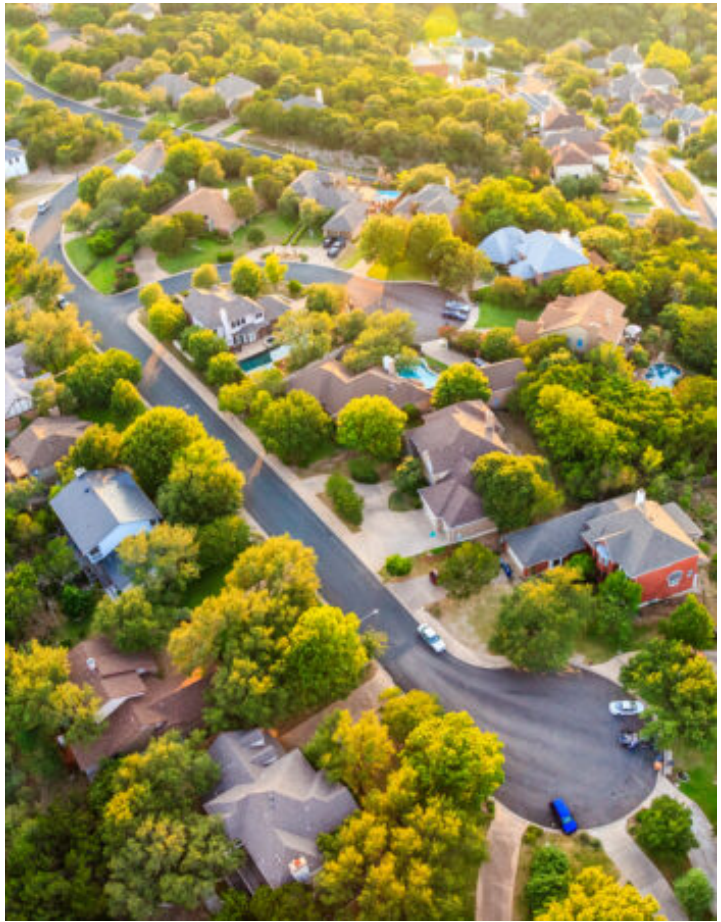
Later that same month, [reports surfaced](#) that the U.S. Department of Justice (DOJ) had asked CoreLogic and other vendors for MLS information related to commissions.

The episodes ultimately highlighted the value data has for real estate organizations, as well as the urgency those organizations feel to defend their information.

Meanwhile, there was increased interest in data standardization this year; in February, NAR [revealed that it would require MLSs to provide](#) standardized data feeds — a move that suggested the digital Wild West continues to grow up.

Cooperation (if not consolidation) ruled the day

This year [began with a discussion](#) about ongoing consolidation, probably because past years have seen a [number](#) of standout [instances](#) in which MLSs [joined forces](#). In the end though, 2019 didn't ultimately see the formation of another Voltron-esque multiple listing service a la Bright MLS.



Homes in Austin, Texas | Credit: dszc and Getty Images

But the [conversation](#) about consolidation remains alive and well. And in the meantime, many MLSs have shown a growing interest in working together. In the Bay Area, for example, three different MLSs recently [joined forces to create RE California](#), a tool that synchronizes their data. And in Southern California, the Ventura County Coastal Association of Realtors [contracted with CRMLS](#) to handle support and tech tasks.

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