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2009 Multiple Listing Issues and Policies Committee
National Association of REALTORS®
430 North Michigan Avenue
Chicago, IL 60611

Attention: Mr. Cliff Niersbach

Dear Mr. Niersbach:

I am writing as President of the Council of Multiple Listing Services (CMLS) to express the support of our Board for re-examination by the Committee of changes to Section 5.0.1 of the model MLS rules adopted at the 2008 Mid-year meetings.

Specifically, we are concerned that the modifications regarding offers of compensation relative to Short Sales have the effect of undermining the principle of a blanket, unilateral offer of compensation which we believe to be the essence of MLS.

We believe that the following language in either of the “may disclose” or “must disclose” options for Section 5.0.1 leaves a cooperating seller broker at risk of having his/her commission reduced as a result of an agreement between the listing broker and a third party lender, not a party to the contract between cooperating brokers IE. MLS Participation. More concerning is the idea that the listing broker is under no requirement to advise, “... other participants whether and how any reduction in the gross commission established in the listing agreement, required by the lender as a condition of approving the sale, will be apportioned between listing and cooperating participants.” This can result in a circumstance in which a cooperating broker discovers, after the fact, that the value of their work effort in producing an offer has been “discounted” or determined to be of no value at all.

The Arizona Regional MLS (ARMLS) and its CEO, Mr. Bob Bemis, have provided an exemplary case for reconsideration of the Rule changes and it is our understanding that their request for review of the 2008 Committee’s changes will be on the agenda at the Committee’s meeting at Mid-year. Please consider this correspondence to be in support of the ARMLS position. Also, please consider this correspondence as a record of the support of the Regional MLS of Minnesota Inc., for the changes recommended by ARMLS.

Thank you,

John Mosey, President – Council of Multiple Listing Services
President – Regional MLS of Minnesota, Inc.

cc. Mr. Henry Brandis, Edina Realty
Mr. Mark Allen, Minneapolis Area Association of REALTORS
Mr. Ron Covert, Southern Twin Cities Association of REALTORS
Ms. Tracey Douglas, North Metro REALTORS Association
Mr. Keith Holm, Saint Paul Area Association of REALTORS
Ms. Linda Modlinski, Minnesota Association of REALTORS