

**NEW WAYS TO
LEVERAGE MLS DATA**



Table of Contents

Report Overview	3
Summary of Findings	3
MLS Data Use.....	3
Compensation Offered.....	4
Terms and Conditions Highlights (Add Marilyn’s chart).....	5
Short and Long Term Implications.....	5
REALTOR® Property Resource(RPR™)	7
MLS Data Use.....	7
The Compensation	8
Revenue Opportunity	8
First American CoreLogic, Inc	8
Overview	9
MLS Data Use.....	9
The Compensation	9
Revenue Opportunity	10
MOVE (FIND Program)	12
Overview	12
MLS Data Use.....	13
The Compensation	13
Revenue Opportunity	14
IMAPP	14
Overview	14
Product 1 - Advertising Program	14
MLS Data Use.....	15
The Compensation	15
Product 2 - IDX Hybrid Product.....	16
MLS Data Use.....	16
The Compensation	16
Revenue Opportunity	16
Short and Long Term Implications	17
Terms of Use Review	19
Questions to assist your MLS in evaluating these opportunities?	24

Report Overview

The official announcement of REALTOR® Property Resource (RPR) in 2009 by the National Association of REALTORS® (NAR) established a market value for multiple listing service property data to be used outside of the traditional real estate channel. This product announcement created a precedent for companies asking for MLSs to provide MLS data in exchange for products, services and in some cases financial payments to be given to REALTOR® members for the use of their MLS data.

The Council of Multiple Listing Services, in an effort to help every MLS understand the unique values of each of the programs now available, commissioned WAV Group to complete the attached evaluation. Ideally, the paper will assist each MLS and their governing boards in understanding the key facets of each program so that they can make an informed choice based on their unique local circumstances.

This paper does not recommend one program over another, but is intended to:

1. Review the general services being offered
2. Share sample financial projections for different sized MLSs for each option
3. Summarize the terms and conditions of each program
4. Discuss the potential short and long-term implications of each program
5. Provide recommendations on steps to help you identify each program

Four proposed services are reviewed:

- NAR's REALTOR® Property Resource (RPR™)
- Move, Inc's FIND product
- First American CoreLogic Revenue Sharing Program
- IMAPP Product/Program Overview

A Disclaimer

The information shared in this document is based on the information available at the time of publication. The scope and terms of each of these programs are steadily evolving so be sure to contact each of the companies mentioned here directly if you would like more information. This document is not a legal review of the agreements.

Summary of Findings

MLS Data Use

Here is a quick overview of each of the programs being discussed in this paper:

- **RPR™** - RPR™ uses the MLS data to create products for REALTORS® and to create derivative products. This does not include the creation of consumer facing property search products.
- **FIND** - MOVE, Inc.'s FIND program uses the MLS data to fuel the FIND property search tool available only to REALTORS, as well some elements on Realtor.com.
- **First American CoreLogic** - The First American CoreLogic program will use the data to create derivative products for risk management. This does not include the creation of consumer facing property search products.
- **IMAPP** - IMAPP already integrates MLS data into their core IMAPP tax product. This would not change but advertising will be added into this model. In the IDX Hybrid product they would merge IDX data with their tax data to be sold to third parties for display inside of a password protected site only for subscribers.

Compensation Offered

Each of the programs reviewed in this report offer compensation in some form for the use and access to MLS data. Two of the products, RPR™ and the MOVE Find program offer products and/or data for the MLS data. First American CoreLogic offers products and a revenue share for data used for derivative products sold to third parties. IMAPP proposes an advertising-based revenue share model for display within one existing product and a revenue share for a new product, IDX Hybrid, that would add MLS IDX data to their tax data in a product licensed to surveyors, lenders, land developers, etc. The product is not intended or priced for consumer use. (Products are the Data Coop and ValueMap for Exclusive Lic. Agreement)

The IMAPP products offer a straight 30% share of gross revenue while the First American CoreLogic offers revenue share options from 7% to 40%, depending on whether your MLS is an existing client, the size of the total pool of listings and whether you give the data to them exclusively.

Terms and Conditions Highlights

	RPR	First American/Core Logic	FIND	IMAPP Advertising	IMAPP IDX Hybrid
Revenue Share		X		X	X
Technology provided in exchange for data use	X		X		
Available to REALTORS/Non-REALTORS		X	X	X	X
MLS Data used to create derivative works sold to third parties	X	X			X
Individual Brokers can Opt-Out	X		X	n/a	X
No Exclusive Participation Required	X	X	X	X	X
Agreement not to become MLS for term of agreement	X	X	X	X	X

Short and Long Term Implications

A Fundamental Shift in Values Has Occurred

A fundamental value shift has occurred in our industry. The RPR™ model being proposed by NAR has significantly reduced resistance to monetizing MLS data outside of traditional uses.

The Opportunity for Monetizing Data Is Now Accepted

The introduction and rollout of RPR™ opened the door for other third parties interested in gaining access to MLS data for resale or repurposing. It seems likely that additional opportunities to re-market this data will continue to appear over time.

The National MLS Database Question

The RPR™, and MOVE FIND programs create the foundation of a national database. RPR provides assurances they will not compete with local MLSs during the term of the contract, but there is no written assurance they will not compete beyond the term of the agreements. Move is contractually restricted from offering MLS services, however.

While there are strong arguments why the value of local real estate information will overshadow a national database, the viability and value of local MLS services may be significantly affected by a national MLS over time. A national property database, with sufficient participation, may set the stage for the creation of a national MLS in the future.

Increased Data Availability to Consumers

Some of these programs will enable REALTORS® to share richer and deeper real estate information, including both active and off-market data with consumers. While active and off-market data is already being made available in some markets even from MLSs, their use in products like the MOVE Find product would likely accelerate this level of data sharing throughout the industry.

Opportunity for MLS to Create Value to Consumers

If MLSs embrace the opportunity to share data with consumers rather than fight it, there is a real opportunity for the industry to reclaim the spotlight that has been grabbed by third party companies. MLSs have the most accurate and up to date information possible and should embrace the opportunity to engage consumers directly rather than fighting the inevitable sharing of all property data.

Product Overviews

REALTOR® Property Resource (RPR™)

NAR's Second Century Initiatives include the creation of the REALTOR® Property Resource (RPR™); an online real estate library/archive intended to provide real estate professionals with data on every property in the United States.

The REALTOR Property Resource™ (RPR™) is a parcel-centric information database covering more than 147 million property parcels in the country. This database is designed as a resource for NAR members (REALTORS®, REALTOR-ASSOCIATE® members and Institute Affiliate members). The objective is to create a single source access to data, with the intention of adding value to the information available for members to use with their clients and customers.

RPR's goal is to include a national compilation of tax and assessment data, property data, neighborhood, school, demographic and psychographic information, maps, trends, and reports. It is being offered exclusively to members of NAR, who can also share its information with their clients.

The RPR™ system is intended to provide REALTORS® the ability to search properties from any of the participating MLSs and conduct market-to-market comparisons. The system is designed to help REALTORS® create referral communities, as well as the ability to reverse-prospect specialized property types, such as vacation and waterfront to REALTORS® throughout the U.S.

The RPR™ system will include online training and contextual help, along with support through e-mail, online chat, and toll-free telephone.

MLS Data Use

The RPR program calls for an exchange of the information and services noted above for each MLSs property database for all statuses of property. It is important to note that no "exchange" is required for REALTOR® access to the RPR. The "exchange" is however, required, if the MLS wishes to offer the benefit of MLS data integrated into the RPR application and data sets.

These records will be added to the RPR database for access by all RPR participants and used to create products to be licensed to lenders, underwriters and government sponsored enterprises (GSEs).

Each participating MLS has the right to decide what other MLSs can view their active listings. Sharing of MLS data beyond the MLS's members is done solely at the discretion of the MLS, and that can be segmented by data field category, such as off market or confidential, or by cooperating MLSs. RPR says it is finding that most MLSs "want to share actives with everyone." That is the promise of the national

database and a core element of the RPR story. RPR, in effect can become a data-sharing platform for neighboring MLSs without offers of compensation. A broker subscribing to one MLS could use RPR to prepare a CMA using data from their own MLS as well as data from a neighboring MLSs, assuming the neighboring MLS had agreed to provide data access.

The Compensation

To compensate MLSs for their data, RPR will supply the program and data services mentioned above, which include free public record, tax and assessment data, to MLSs that partner with them. At startup they report that RPR™ will provide tax and assessment data coverage for 92% of U.S. properties. They report they have an aggressive plan to provide coverage for as close to 100% of the country as possible within two years.

The free public records product will be provided as a freestanding product, not integrated within the MLS system.

For those MLSs that would like to integrate public records like many offer currently, there will be additional undetermined integration cost, but no fees from RPR.

Revenue Opportunity

The initial terms and conditions did not provide a revenue opportunity for participating MLSs; however, we have been informed recently that RPR™ may be changing their position on this due to pressure from other companies offering revenue share opportunities. RPR has told us however, they have made a commitment to review the concept when the company has reached a stable financial position.

First American CoreLogic, Inc

First American CoreLogic is headquartered in Santa Anna, California. The company was built through organic growth and strategic acquisitions dating back to its inception in 1958. The company started as a regional data collector, operating under the names of DAMAR and TRW Real Estate Information Services, and then moved to national standing under Experian.

In 1997, The First American Corporation (NYSE: FAF) acquired majority ownership of the company in partnership with Experian operating under the name First American Real Estate Solutions. With the acquisition of Transamerica's property information business in 2001, the company became the nation's largest real estate information and analytics provider in North America. Other key acquisitions included Basis100, a leading provider of automated valuations, acquired in 2004 and LoanPerformance, a leading provider of mortgage finance, servicing, and securitization information and analytics, acquired in 2005.

In January 2007, First American Real Estate Solutions, which includes the MarketLinx family of MLS products, merged with CoreLogic Systems, Inc., the leading provider of residential mortgage risk management and fraud protection technology and services to become First American CoreLogic.

Overview

There is a product (Data Coop and ValueMap) being offered to participating MLSs. The First American CoreLogic program is a simple “fee for data” opportunity whereby First American CoreLogic is offering MLSs a royalty fee for the limited use of their MLS data.

MLS Data Use

First American CoreLogic, Inc will use the MLS data, including all property types and statuses, to create derivative products used for risk management. These products include fraud detection and prevention, underwriting, credit and/or prepayment risk management, asset management, portfolio review, quality control, due diligence, servicing surveillance, property valuation estimation and verification. This data can also be used in the creation or enhancement of Automated Valuation Models (AVMs).

The Compensation

First American CoreLogic has a detailed compensation plan for participating MLSs that includes base royalty fee percentages, which vary depending on whether the MLS is under an exclusive or open agreement.

The Base Royalty is:

- 30% for MLSs granting First American CoreLogic exclusive data license
- 7% for MLSs granting First American CoreLogic a non-exclusive data license

They also offer two additional royalties:

1. For MLSs that are considered clients using any of the First American CoreLogic products - First American CoreLogic MLS products including MLXchange, Tempo or Innovia, or clients using Realist or purchasing bulk tax data from First American CoreLogic, an additional royalty of 5% applies.

In the event that the Total Pool* is equal to or exceeds 1,000,000 Active Listings, then the following additional royalties shall apply:

Active Listings in Total Pool	Additional Royalty
If the Total Pool is equal to or exceeds 1,000,000 Active Listings but is less than 1,750,000 Active Listings	1%
If the Total Pool is equal to or exceeds 1,750,000 Active Listings but is less than 2,500,000 Active Listings	3%
If the Total Pool is equal to or exceeds 2,500,000 Active Listings	5%

* Total Pool means the total number of then-current Active Listings contributed to First American CoreLogic by MLSs participating in the Program.

The Revenue Calculation

Each MLS will receive Contribution Revenue monthly based on their pro-rate share of “active listings” provided to CoreLogic. The “Licensor’s Contribution” means the number of Active Listings contributed by an MLS to the total number of Active Listings in the Total Pool. This percentage is then multiplied against the Total Revenue CoreLogic receives for its distribution of any Listing Report, less any taxes, refunds or credits, using the royalty factors already described.

Revenue Opportunity

The following example is pulled directly from the First American CoreLogic, Inc. licensing document.

	Calculation
Total Pool this month (Active Listings)	2,500,000
Number of Active Listings contributed by Licensor	30,000
Licensor’s Contribution (30,000/2,500,000)	1.2%
Total Gross Revenue for the month	\$4,000,000
Variables	\$48,000
Base Royalty (Exclusive)	30%
Total Pool Royalty (Based on 2,500,000 listings in pool this month)	5%
MLS Client Royalty	5%
Total Royalty Percentage applicable to Licensor (30% + 5% + 5%)	40%
Monthly Royalty Fee payable to Licensor (40% * \$48,000)	\$19,200

Example for MLSs of Different Number of Members and Listings, exclusive and non-exclusive

The following charts show the potential revenue share for small, medium, and large MLSs using a lower total pool of listings 1,250,000 vs. 2,500,000 listings shown in the chart above.

This chart also outlines royalties for current FirstAmericanCoreLogic (FACL) customers who choose to sign an exclusive agreement as well as a scenario demonstrating the revenue potential for a participant who is not currently a customer for FACL and does not want to participate on an exclusive basis.

Assumptions (used for both examples)

- Total Pool of Active Listings: 1,250,000
- Total Gross Revenue for the Month: \$2,000,000

Additional royalty assumptions for Chart 1

- Each MLS has signed an “exclusive” agreement with CoreLogic that results in a royalty rate of 30%.

Each MLS is a CoreLogic customer that provides an additional royalty rate of 5%.

Chart 1 - Exclusive/Customer Calculation	Small MLS	Medium MLS	Large MLS
Total Pool this month (Active Listings)	1,250,000	1,250,000	1,250,000
Number of Active Listings contributed by Licensor	1000	5000	30000
% of Licensor’s Listing Contribution (e.g. 30,000/2,500,000)	0.08%	0.40%	2.40%
Total Gross Revenue for the month	\$2,000,000	\$2,000,000	\$2,000,000
Contribution Revenue (1.2% * \$4,000,000)	\$1,600.00	\$8,000.00	\$48,000.00
Base Royalty (Exclusive)	30%	30%	30%
Total Pool Royalty	1%	1%	1%
(Based on 1,250,000 listings in pool this month)			
First American/CoreLogic Client Royalty	5%	5%	5%
Total Royalty Percentage applicable to Licensor (30% + 1% + 5%)	36%	36%	36%
Monthly Royalty Fee payable to Licensor (36% * Contribution Revenue)	\$576.00	\$2,880.00	\$17,280.00

Additional royalty assumptions for Chart 2

- Each MLS has signed an “non-exclusive” agreement with First American CoreLogic which results in a royalty rate of 7%;
- Each MLS is a not a First American CoreLogic customer.

Chart 2- Non-exclusive/Non customer Calculation	Small MLS	Medium MLS	Large MLS
Total Pool this month (Active Listings)	1,250,000	1,250,000	1,250,000
Number of Active Listings contributed by Licensor	1000	5000	30000
% of Licensor’s Listing Contribution (e.g. 30,000/2,500,000)	0.08%	0.40%	2.40%
Total Gross Revenue for the month	\$2,000,000	\$2,000,000	\$2,000,000
Contribution Revenue (1.2% * \$4,000,000)	\$1,600.00	\$8,000.00	\$48,000.00
Base Royalty (Exclusive)	7%	7%	7%
Total Pool Royalty	1%	1%	1%

(Based on 1,250,000 listings in pool this month)			
First American CoreLogic Client Royalty	N/A	N/A	N/A
Total Royalty Percentage applicable to Licensor (30% + 1% + 5%)	8%	8%	8%
Monthly Royalty Fee payable to Licensor (36% * Contribution Revenue)	\$128.00	\$640.00	\$3840.00

MOVE (FIND Program)

Move, Inc. powers multiple online real estate sites, capturing an average of more than 9 million visitors each month in 2009.

The headquarters for Move, Inc. is in Campbell, CA and the company maintains offices in Scottsdale, AZ, Vancouver, Canada and Westlake Village, CA. The company is listed on The NASDAQ Stock Market under the ticker symbol MOVE.

The Move network of Web sites, include REALTOR.com®, Move.com®, Moving.com™ and SeniorHousingNet.com™.

Through Top Producer, Move is also a leading supplier of media and technology solutions for real estate professionals, local and national advertisers, and providers of home and real estate-related products and services. The Top Producer flagship product is 8i™, a leading contact management software for real estate professionals.

Overview

The Move “FIND” product is a REALTOR® application that allows MLS members to access a wide ranging, robust data set including:

- Nearly 4 million active listings;
- 5-6 million sold records per year, with over 1.25 million sold records from MLS sources;
- 90 million+ property records from various public record vendors;
- Nationwide school information, including boundaries, demographics and psychographics;
- Multiple AVMs on non-listed properties;
- Local amenity locations and information;
- Overlay of nationwide data, such as flight paths and airport noise, hurricane path and tornado records, seismic activity, and flood plan data.

The FIND product is made available to MLS members, via their MLS system authentication process, and is offered at no additional fee in exchange for access to the MLS information, including all off-market property information. It can also be branded to the individual MLS.

Many of the MLSs in the United States provide service to both REALTOR® members and non-REALTOR® members. The full functionality of the FIND product is available to all members of the MLS that they wish to make it available to.

The power behind the FIND application is an extremely fast search engine that uses a natural language processor that can search across every data set simply by typing in a request, such as “3 bedroom homes for sale in Houston school district with a pool between 550k and 600k”.

Every field on every record that is found is also searchable, which is very unique. As an example, when a listing is found, if there is a “zip code” field the user can simply click on that field and it will be added to the search and filter the data based on the other search fields and this new search field.

Because there are multiple data sets from public records, MLS information and school information, any of these data sets can be used to search. For example, a search could be based on school boundaries, which would then pull in the corresponding property records from public records and MLS information.

In addition to providing natural language search capabilities FIND also provides for unique information displays and control using elements from the various data sets on area maps including features like school boundaries, airport noise patterns and the ability to create “on the fly” heat maps of search results.

For Participating MLS members, FIND will display both the listing and selling agent on all off-market information including contact links, name and photo. This provides more exposure than average for selling agents who are sometimes underserved by listing centric platforms.

MLS Data Use

MOVE will use the data within their FIND product for MLS members and also for their consumer facing products on Realtor.com.

The Compensation

There is no charge for the FIND product. It is offered to any MLS that is willing to let MOVE use their MLS data, including all property types and statuses, on both FIND and Realtor.com. They are requesting that the term of use for the data extend for three years. They are also asking that partner websites like MSN are not required to use the realtor.com in their sub-domain when displaying properties on the internet (i.e. <http://realestate.msn.realtor.com>). The latter will help Realtor.com with search engine optimization, helping to further its search engine leadership position.

Revenue Opportunity

MOVE does not provide a revenue opportunity for participating MLSs. Compensation is provided through the offer of the MOVE FIND product to MLS members at no fee.

IMAPP

IMAPP, Inc. is a Tampa, Florida based company that supplies on line geographic information systems. They integrate a variety of real property information including property lines, tax roll data, area demographics, aerials, mortgage and deed recordings and foreclosure information with a specific focus on the Real Estate Industry.

IMAPP has, since 1997, been serving REALTOR® Associations and Regional MLSs nationwide ranging in size from 200 – 55,000 members. They currently operate in seven states and are open to new customers anywhere in the U.S.

Core IMAPP products include IMAPP, their GIS Tax Mapping system and ICHECK, their automated MLS Compliance system.

Overview

IMAPP is currently offering two new products that offer revenue potential for MLSs. These products take a different approach from the products already mentioned. Rather than looking to use MLS data to monetize a new product offered outside of the real estate industry, IMAPP is proposing a different way for MLSs to derive value from their tax/public records provider. They have outlined a program they contend will generate significant new revenue for their company and their MLS/association partners.

Product 1 - Advertising Program

The first product provides a revenue share on advertising served up on pages inside their current IMAPP Tax Mapping Suite. This product, and thus the advertising, will be viewed exclusively by their MLS clients.

The IMAPP system is basically an enhanced tax and public suite of products offered to real estate professionals that offer:

- GIS interactive parcel mapping (where available);
- Aerial photos;
- Street mapping;
- Core tax data;
- Updated deeds;
- Integrated MLS data and demographic data.

The system directly links from any web based MLS system and they currently serve clients in seven states.

The product proposed to MLSs today is created by including specific, targeted advertising directly onto the tax website. The products and services advertised are aimed at the real estate professionals who may then choose to make them available to their buyer/seller clients.

Advertiser's messages, via banner ads, are delivered throughout the site based on specific factors including:

- Property Value
- Property Location
- Property Type
- Property Size
- Property Features

Users only see ads that match up with their specific search requirements and as a result advertisers are willing to pay a premium for this focused approach.

The timing of the transaction closing is another draw as the products and services required for the transaction have not yet been determined and IMAPP is able to present relevant ads for service providers to the specific point of a given transaction providing the advertisers with an opportunity to secure new business. The types of service providers that may be featured are:

- Title work and insurance
- Loan fees
- Attorney
- Movers
- Insurance
- Storage
- Home Improvement
- Staging
- Phone
- Alarm
- Internet
- Home Warranty

The display advertising consists of a single leader-board banner on each page. The ad served will be relevant to the property using the search/filter elements noted above.

MLS Data Use

IMAPP already integrates MLS data into their core IMAPP tax product. This would not change. In the IDX Hybrid product they would merge IDX data with their tax data.

The Compensation

The revenue opportunity is 30% of gross revenues from any advertiser campaign

including but not limited to CPM (cost per 1000), CPC (cost per click), CPA (cost per action), affiliate, commission, flat rate, or sponsorship.

Product 2 - IDX Hybrid Product

The second IMAPP product incorporates the IMAPP base tax and public records data and combines it with an IDX data feed. This bundled package can be licensed to non-REALTORS®. Parties interested in this type of access include insurance agents, surveyors, lenders, etc.

IDX data is currently available for viewing by anyone with a computer and an Internet connection, however, public record information is not so readily available. IMAPP contends that coupling the IDX data with the public record information provides a timesaving service to those non- REALTOR® professionals looking for both tax and MLS property information.

MLS Data Use

IMAPP is proposing to show IDX data in conjunction with tax data inside of a password-protected site only for subscribers.

The Compensation

- 30% of gross revenue will be shared with their clients

Revenue Opportunity

Advertising Program

- 30% of gross revenues from any advertiser campaign
- IMAPP recommends that their larger clients will benefit from a CPM/CPA type system while our smaller clients will use a sponsorship model.

Revenues anticipated by IMAPP are as follows:

Number of Members	Projected Revenue
>30,000	\$30,000 - \$60,000 per month
< 1000	\$2,500 - \$4,000 per month

IDX Hybrid Product

- 30% of gross revenue will be shared with clients;
- IMAPP projects, based on their market research, that a market with 7500 agents could deliver over \$100,000 per year to a participating association. They note that a subscription base of only 250 users would generate revenue to the association of \$50,000 per year.

Short and Long Term Implications

The Door to Selling Data Is Now Open

The introduction and rollout of RPR™ has already created a number of short-term results as detailed in this paper. By re-introducing the concept of compensating MLSs for the use of their MLS data, an idea originally rolled out by REBIG (Real Estate Business Investment Group) several years ago, NAR has opened the door for other 3rd parties interested in this same information. It would seem likely, that additional opportunities to re-market this data will continue to appear over time.

A Fundamental Shift in Values Has Occurred

This is really a very significant shift in the industry. When REBIG originally proposed this concept several years ago, it had fairly broad support by a number of large MLSs. When that specific business model did not pan out, the industry pulled back from the notion of re-marketing MLS data. Until RPR™ there has not been any significant movement in this area. With the RPR™ model being proposed by NAR any resistance to monetizing MLS data outside of traditional uses seems to have fallen away. While this does not change the value that RPR™ may offer to the industry it should force the industry to take a clear look at all of these alternative products to evaluate which, if any, offer the most long term value.

The National MLS Database Question

It should be noted that the RPR™ and MOVE FIND products differ from the other two products and services being discussed in this paper in a number of ways.

1. The products and systems being proposed by RPR™ and MOVE FIND have, at their core, the creation of a national database. In the case of the MOVE FIND product, this is really a broadening of the current Realtor.com database through the addition of off market data. MOVE, however, is explicitly prohibited from the development of an MLS system in their data license agreement with NAR and participating AORs and MLSs.
2. The functionality being included in the RPR™ system replicates much of what is currently supplied by local MLSs, though today these services may be supplied via multiple products.

Since RPR™ was first discussed under its earlier names everybody asked whether this was NAR's attempt to create a national MLS. Certainly this is a valid question. RPR™ and MOVE have addressed this question and have put language into their agreements that they will not compete with the local MLSs for the term of their contracts; however, the contracts are not long term. There is no guarantee either system will not become a national MLS in the future, though data agreements would need to be modified to allow this. Whether this is a good or bad thing and what it would look like if it actually comes about is open for discussion; but once all of the data is in one centralized location, it is certainly not a big leap to think this is a possibility.

The First American CoreLogic program and the IMAPP products are simply business propositions and do not create products with the potential of turning into a national MLS.

Increased Data Availability to Consumers

One of the products being discussed in this paper, the MOVE Find product, proposes the use of MLS off market data in consumer facing products. This is not a “first time” event. Many MLSs allow sold data to be used in consumer facing applications, however, doing it on a national or expanded scale as would occur with the MOVE products, would certainly have an impact on the use of off-market data throughout our industry. It would help make it an accepted practice as showing active listings through IDX feeds is today. We would expect it would be only a matter of time for this data to be made available on all MLS and broker/agent websites. MOVE says they are committed to clearly displaying the Listing and Selling Broker on off market listings and not display competing agent or broker advertising on these pages.

Opportunity for MLS to Create Value to Consumers

If you look back at the emergence of third party companies like Zillow and Cyberhomes and what made them successful, you can see how MLSs could reclaim their rightful place as the only source to go to for accurate property data, including online valuations. If MLSs, rather than shun the consumer connection, embrace it, they could create products and services for consumers that would be far superior to third party products simply because they have the most accurate data.

Today, consumers do not really understand how inaccurate the property data and valuations are on many third party products. If MLSs would embrace the notion of sharing their data with consumers, but doing it under their control, rather than through 3rd party vendors, they could re-establish the MLS and their members as the “go-to-source” for reliable property information.

Terms of Use Review

	What MLS content is being requested?
RPR	Active Listings, Pending Sales, Off-Market Listings and Participant/Subscriber Roster Information
First American CoreLogic	Active listings and listings in all other statuses, and including all corrections, revisions and ongoing updates
IMAPP	Advertising program – no additional data required IDX Hybrid – IDX data
MOVE	Active listings and listings in all other statuses, and including all corrections, revisions and ongoing updates

	How can the data be used?
RPR	RPR may use the Licensed Content to create the RPR Offerings. Provider acknowledges that RPR may add or combine other data with the Licensed Content for purposes of creating the RPR Offerings. Provider acknowledges that RPR may add or combine other data with the Licensed Content for purposes of creating the RPR Offerings. RPR Offerings are very strictly defined as RVM and Match and Append.
First American CoreLogic	First American CoreLogic may (a) create derivative products from the MLS Data, including Listing Reports, (collectively “FACL Derivatives”) and may license and redistribute the MLS Data and FACL Derivatives for purposes of risk management, which includes fraud detection and prevention, underwriting, credit and/or prepayment risk management, asset management, portfolio review, quality control, due diligence, servicing surveillance, property valuation estimation and verification, and (b) First American CoreLogic may license and redistribute automated valuation models (“AVMs”) that incorporate the MLS Data (collectively, the “Permitted Use”). For the avoidance of doubt, First American CoreLogic shall only distribute the MLS Data and FACL Derivatives for risk management purposes.
IMAPP	Advertising Program – MLS data in this product already for the sole use of MLS members IDX Hybrid – IDX data, along with tax and public record information would be used exclusively in this product.
MOVE	Can be used with their FIND product as well as with their consumer products on Realtor.com and partner websites.

	Limitations and Other Restrictions
RPR	<p>RPR acknowledge they do not own the data and they have only limited right to use the Licensed Content in connection with the creation of RPR Offerings.</p> <p>RPR stipulates they will not sublicense, sell, transfer, distribute, publish, loan, lease, exchange, or give, or provide access to, the Licensed Content or the Database to anyone, including, without limitation, any parent, subsidiaries, affiliated entities or contractors of RPR.</p> <p>RPR also stipulates they will not allow access, use or display of any Licensed Content or any part of the Database on any third party Internet websites, or profit by or accept any consideration for enabling any third party to access the content through links to or by framing such Content.</p> <p>RPR does allow users to create consumer reports with the data that can be distributed in print or electronically</p> <p>RPR stipulates they will not use or permit use of the Licensed Content or the database for the purpose of establishing an individual’s eligibility for credit or insurance; evaluating an individual for employment purposes, determining an individual’s eligibility for a government license or permit; or in any other manner that would cause such use of the Licensed Content to be construed as a report by any authority having jurisdiction over either of the Parties</p>
First American CoreLogic	<p>First American CoreLogic stipulates they will not:</p> <ul style="list-style-type: none"> (a) redistribute the MLS Data or FACL Derivatives in consumer-direct applications that permit consumers to use such MLS Data for personal, non-business purposes, (b) use or redistribute the MLS Data or FACL Derivatives for marketing purposes, (c) provide the MLS Data or FACL Derivatives to clients in an unrestricted manner. Licensor may flag listings of those brokers who elect to withhold their listings from the Permitted Use, and First American CoreLogic shall not use such flagged listings (unless otherwise authorized to do so by Licensor).
IMAPP	<p>Advertising Program – N/A</p> <p>IDX Hybrid Program – IMAPP will only use IDX data within this product and will no rights to use the data in any other capacity.</p>
MOVE	<p>No derivative products can be created from the data. The data is being requested for display at REALTOR.com and Authorized Partner websites only.</p>

	Will data be used to create products to sell back to Realtors®?
RPR	No, the agreement states all services to REALTORS® are free
First American CoreLogic	No
IMAPP	No The Advertising Program will have ads for services on the current tax record product that are targeted to Realtors® and their customers but the Realtors® already have the product.
MOVE	No The FIND product is not sold to Realtors®. It is offered free in exchange for MLS data, however, Realtor.com does sell other products to Realtors® in their Realtor.com business model.

	Is a guarantee not to compete with the local MLS included?
RPR	RPR stipulates that during the term of this Agreement, RPR shall not, directly or indirectly, carry on or engage in the business of providing a Multiple Listing Service to licensed real estate brokers or salespersons in Provider’s market area in competition with Provider’s MLS business. The non-compete extends for 3 years beyond the contract term if RPR terminates the agreement.
First American CoreLogic	First American CoreLogic is an MLS system provider that signs exclusive service agreements with their customers. They do not currently have a provision in their agreement but say they are willing to if requested.
IMAPP	IMAPP is not an MLS system provider.
MOVE	Yes, their agreement with NAR strictly prohibits the creation of a MLS offering

	How will the data be protected from unauthorized use and access?
RPR	<p>RPR stipulates they will comply with all applicable privacy and information security laws including, but not limited to, security breach and notification laws.</p> <p>RPR stipulates they will take reasonable steps to protect the security and privacy of the Licensed Content from unauthorized access, use or disclosure.</p> <p>RPR stipulates they will provide authorized user access via a password protected database.</p>
First American	Confidentiality of information in place following industry accepted

CoreLogic	security standards.
IMAPP	MLS data is only used in their internal system used only by MLS members. IDX data is N/A
MOVE	MOVE FIND access is limited to MLS members and access is controlled through the same authentication process the MLS uses for their MLS system. Data on Realtor.com is accessible to all consumers.

	How is the data transfer managed?
RPR	The provider provides RPR access via a RETS server or other authorized access. Updates need to be as frequent as allowed to other licensees.
First American CoreLogic	Licensor shall provide, at no additional charge, First American CoreLogic with the necessary credentials to access its RETS server and retrieve the MLS Data and Licensor will permit First American CoreLogic to obtain new and updated MLS Data at least once each day.
IMAPP	Standard IDX data feed, as frequent as available.
MOVE	In the same way they currently receive data for Realtor.com

	Term of the Agreement
RPR	1 year
First American CoreLogic	3 years (But is willing to look at shorter or longer term agreements.
IMAPP	Concurrent with existing contracts
MOVE	3 years

	Is exclusive participation required?
RPR	No
First American CoreLogic	No, however, the amount of compensation varies depending on whether there is an exclusive or non-exclusive agreement. Exclusive use by CoreLogic provides a revenue share of 30% while a non-exclusive revenue share provides a revenue share of 7%.
IMAPP	No
MOVE	No

	Who will have access to the MLS data?
RPR	Brokers and agents will have access to data through the RPR system. RPR Customers do not have access to the RPR Website or the Licensed Content. RPR Customers are allowed to purchase the RPR Offerings, defined as the RVM calculation and the Match & Append Product. No access to any data is permitted by RPR Customers “RPR Customers” are defined as those Persons who are not NAR Members and with whom RPR has contracted to provide the RPR Offerings.”
First American CoreLogic	First American CoreLogic will have the right to create derivative products for purposes of risk management, and distributing the MLS Data or derivative products to mortgage lenders, mortgage servicers or investors for purposes of risk management.
IMAPP	Advertising Program will only be accessible by their current MLS customers. The IDX Hybrid product would make IDX data available to the general public.
MOVE	FIND is restricted to use by MLS members only. Other Move products are available to the general public

	What are the termination conditions?
NAR to be consistent or show product names in all cases RPR	The initial term of this Agreement is one (1) year from the Effective Date with automatic renewal for additional one (1) year terms, unless either Party gives the other Party notice of its intent not to renew at least ninety (90) days in advance of the expiration of the term.
First American CoreLogic	The term is 36 months with automatic renewals for additional successive 12 months terms.
IMAPP	Both the Advertising Product and the IDC Hybrid product cease with the termination of their master agreement.
MOVE	Standard notification at the end of the contract.

	What happens to the data when the agreement ends?
RPR	Upon termination, RPR stipulates that they will immediately return to the Provider, not later than thirty (30) days thereafter, or destroy, if and as directed by Provider, all Confidential Information, including all copies, excerpts, extracts, data and records of the Licensed Content and Database in its possession or under its control and shall delete the Licensed Content from all future RPR Offerings. RPR shall not be required to return or destroy any RPR Offerings created during the term of this Agreement that contain the Licensed Content.

First American CoreLogic	First American CoreLogic receives a license that is either exclusive or non-exclusive to use the MLS Data for the Permitted Use during the term , which is 3 years, and to use the previously-delivered MLS Data for the Permitted Use for a period of 12 months after termination of this Agreement.
IMAPP	IMAPP does not keep any data
MOVE	MOVE keeps some off market data, no active listings.

	Do brokers have the right to opt out if they wish?
RPR	Yes
First American CoreLogic	Yes
IMAPP	IMAPP does not keep any data
MOVE	Yes, they can opt-out by listing as they would normally do within their MLS system for any Internet listing or realtor.com feed. For a full broker opt out – MOVE will work with the MLS to identify which listings would be included in the opt out. Brokers that opt-out in total will not have access to the FIND product.

Questions to assist your MLS in evaluating these opportunities?

Start by looking at each proposal as an opportunity

At the start of the process, it is important to begin with the needs of your subscribers. Are they asking for the type of information access some of the products are delivering?

Does your board of directors believe the trade-off of providing MLS data in exchange for technology or revenues is worth it?

If the answer to these questions is a clear no then your decision will be simple. In most cases, however, it will likely not be that clear cut so you may want to consider following the process outlined here to guide you in your decision-making.

Each product discussed in this paper should be looked at with due process like any other vendor or product you may be considering for your membership. What is the upside to the products and services being offered and how do these potential benefits add to your current products and services? Are the products and services being offered key items that your members have been asking for? Or, are they more like the hot sales item that got your attention at the store but had not been on your

original shopping list? Whichever the case may be, start by listing out all of the key benefits you believe each product or model offers and the value it will bring to your MLS members. Here are some questions to begin the review:

Questions on using RPR tax data

1. How does the actual data that you will receive from RPR compare to the data you receive today through your MLS or tax vendor, field by field?
2. How does the historic information (property history) compare?
3. What are the frequency of updates for tax information and sales records? How does that compare to your current products?
4. If your current tax data is integrated into your MLS system what impact will there be if you switch to data from RPR? Will there be a cost? What is that cost? Will there be a loss of functionality? What types?
5. If you are using a third party tax product in addition to your MLS system, will there be a loss of functionality? Usability? What specifically? How big a problem is it for your subscribers?
6. How satisfied are you members with your current tax solution? How much disruption/dissatisfaction would be created by switching to the RPR solution?
7. If you join RPR and then decide to return to your current vendor/process what will the impact and cost be?

Questions on revenue-generating products and services?

1. How much money can be generated by each of the programs in your MLS?
2. How comfortable are you with providing the data to the party that is requesting it?
3. How will the revenues generated be used? e.g. reduce fees, distribute to brokers, buy additional services etc.?
4. What does an exclusive agreement buy you vs. a non-exclusive? What are the financial and business risks associated with an exclusive agreement?

Questions on existing products and services?

1. What additional (new) products and/or data will you receive for your "local" market if you use any of these proposed products?
2. How will the addition of any of these products and services affect existing products and services?
3. What features will you gain through that have already been identified as important in your strategic plan?

Questions on the value of each product?

1. Are the products offered as "free" really sustainable over time without broad participation? What happens if these products do not get accepted nationwide? Could there be fees for these products in the future? Would you provide a product to your members, that is free today, if there is no guarantee that it will be free after the initial term of the agreement? Each of these questions can be posed to the vendor(s) you may be considering.

2. What is the risk to your MLS and your members if a product's revenue or listing projections aren't met? Is there a guaranteed income minimum? Is it worth signing an agreement of this type without some minimum guarantee?

What impact could these products have on the industry and your MLS?

1. Do any of these products "level the playing field? Is that good or bad for the industry and your local market?
2. Will any or all of these products help increase the value of the services being delivered by your subscribers?
3. What will be the impact, in terms of user satisfaction, with your current MLS and/or tax/public records system? Can you live with these implications?

Questions on National Data Access

1. How important is national property information to your MLS and subscribers? How much demand do you have for this type of information today? How much do you anticipate you may have in the future?
2. Is this something your members would pay for today?
3. If your MLS board of directors mandated national data access today, what process would you use to identify the right service provider? Are you using that process in your review today?
4. Does your board of directors understand the number of options available today for broad MLS data access including RPR, LPS, Carets, First American Data Coop, etc.? If not what do you need to do to properly educate them so they can make an informed decision?

About CMLS

For North American MLS Professionals, CMLS is the only information-sharing organization that is solely dedicated to strengthening the MLS industry. The organization is the premier forum and resource for Multiple Listing Service associations. Its primary focus is to facilitate the sharing of practical information and cutting edge management ideas to empower members and their constituents to meet the challenges of changing technology, policy and legal issues and organizational structures.

If you would like to join CMLS to enjoy all of its member benefits, click [here](#).

About WAV Group

WAV Group is a leader in providing technology consulting services and research to the real estate industry. The company provides strategic direction and thought leadership to some of the industry's leading Multiple Listing Services, Associations, Technology companies and real estate organizations globally. The company regularly publishes studies and white papers on a variety of technology topics.

WAV Group has expertise in the areas of content development, market research, strategic planning, product development, distribution, marketing, and technology evaluation, selection and implementation.

For more information, contact them at info@wavgroup.com.

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