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What is the MLS?

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Realtors compete with each other for your business, but at the same time cooperate to help you buy or sell property. That unique concept of cooperating while competing led to creation of the Multiple Listing Service (MLS) in 1950 by the Real Estate Board of Greater Vancouver.

The MLS is fundamentally a cooperative marketing system that helps the public buy and sell real estate. It's a system for sharing information between realtors on homes for sale.

Through the MLS system, the realtor who represents a seller is inviting all other realtors to offer that home for sale to their buyers. Sellers therefore have all the realtors in their community seeking buyers for their homes.

"For buyers, it's a one-stop shopping experience," says Jake Moldowan, president of the Real Estate Board of Greater Vancouver.

"By having realtors agree to share their inventory with one another, a more efficient marketplace is created," Moldowan says. "That benefits buyers and sellers."

It's also a system that ensures reliable information about properties for sale and professional accountability.

The MLS system is not a public website. It's owned and operated by local real estate boards, for use by realtors. Consumers have direct access to information about MLS listings through the public website www.realtor.ca (formerly known as mls.ca). This website is an advertising vehicle provided by realtors across Canada to help market properties. Realtor.ca is not the MLS system.

MLS data is widely recognized by government, the financial community and private sector analysts as the most comprehensive and accurate real estate information in the country. This is because realtors who submit the listing information, and MLS staff at real estate boards who conduct quality control, are trained and educated in the complexities of real estate.

Realtors know how to describe a property accurately and what information must be disclosed in an MLS listing. For instance, if there is a restriction on the use of a property, something called an easement, this information must appear in the MLS listing.

Realtors are regulated under provincial laws and governed by a code of ethics and rules of the MLS system. They are professionally accountable for the listings they place on the MLS and the public has recourse if there is a problem.

The role of MLS in a competitive marketplace

Real estate is an extremely competitive profession. Buyers and sellers choosing to work with a professional can select from a wide choice of realtors, service options and pricing models.

Using the MLS gives excellent exposure to properties for sale, thus attracting offers. Many alternate systems and services exist to buy and sell homes and they all compete for customers. For instance, a person can choose to sell a home themselves or with the assistance of a marketing company.

Consumers can choose from numerous Internet websites like eBay and craigslist, as well as other ways to advertise or buy a home.

"Sellers and buyers often decide to work with a realtor because they want expert guidance through a complex process. For this important transaction, people want to select someone they are comfortable working with and who offers the services they are looking for at a price they can agree on. The MLS system allows consumers to do just that," Moldowan says.

"Realtors are there to represent you in the transaction. Its not just about selling a house," he says.

If the MLS system did not exist, sellers would have to choose an individual real estate brokerage to list their home and only that brokerage would have the information about it and the ability to show and sell it. If the MLS system did not exist, buyers would have to go from realtor to realtor to view the listings of each individual brokerage. The Multiple Listing Service gives consumers a choice of which realtor to work with, at the service and price range appropriate for them. And that realtor is obligated by law to look after the best interests of his or her client.

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