

Omaha and Lincoln: One Region, One MLS?

OABR REview, May 2018

Real estate agents often face geographic limitations with their MLS. When consumers have the need, they can expand their boundaries online, but all too often agents are trapped inside the local boundary of their MLS.

Within a 50-mile radius of Omaha's city center, 1.3 million people reside and the distance between them becomes shorter with today's enhanced roadways and Internet service. Many now subscribe to more than one MLS as a solution; however, over time, the overlapping market develops and creates challenges for the MLS organizations, not to mention the financial burden of brokers and agents paying for two or more MLS systems that are only minutes from each other on the highway. Such is the case with Lincoln, Omaha, and Council Bluffs.

Last July, a group of interested REALTOR® members with the Omaha and Lincoln MLS systems began meeting with visions of a regional system between the two cities. Recently, the joint task force announced their intentions to move forward with recommendations for a single, regional MLS system to serve both markets. If all goes well, the Lincoln-Omaha regional MLS system would launch in the next six to twelve months, pending approval by the two MLS boards. Believe it or not, it is not a simple task to merge two unique databases together and standardize the rules and policies entrenched in each local market. Several hurdles remain. However, the outlook is positive!

Together, Midlands MLS in Lincoln and Great Plains REALTORS® MLS in Omaha, serve 4,000 subscribers in Eastern Nebraska. That number comprises nearly 80 percent of all REALTORS® in the state of Nebraska.

MLS consolidation is not unique to Nebraska, in fact, it is a trending solution across the country that is expected to continue. According to Kevin McQueen an MLS industry consultant affiliated with the T3 Sixty Group, there are 677 MLS operations in the U.S., down from around 900 a few years ago. Interestingly, 88 MLS operations serve 80 percent of the 1.3 million REALTORS® in the U.S. The country's largest MLS serves 85,000 agents.

Paragon MLS software currently used by GPRMLS, is consistently rated high among users for its ease of use, speed, and multitasking options, it will become the face of the new expanded Regional MLS serving the Lincoln-Omaha areas. Paragon users will experience some changes as data fields are converted into industry-standard MLS data formats. The Paragon configuration has already had a number of tweaks looking ahead toward regionalization. For example, the CRS Data module has been integrated into the system and now includes public-record and demographic information for 12 surrounding counties; the Homesnap Pro mobile app is now included with your MLS subscription. There have also been minor changes to local MLS rules.

The expanded regional system will provide benefits for brokers, agents, and consumers alike. For brokers, it means maintaining control over day-to-day MLS operations, allowing brokers to ensure that

critical data security and data standardization requirements are met. Large brokers and small brokers, from all areas, will be represented on the new Board.

The larger regional system benefits agents by assisting with collaboration and cooperation across the region. Today, MLS information is readily available to consumers across artificial MLS lines. The regional MLS makes access and search as seamless for REALTORS® as well.

Larger MLS operations also tend to have more robust MLS systems benefiting all users, as well as providing certain efficiencies leading to cost savings for brokers and vendors. Those operating in multiple markets enjoy savings on public-display websites and back-office broker operations.

Agents belonging to a consolidated MLS saves time and money by reducing the need to subscribe to and learn multiple MLS platforms with different local rules and fees. By consolidating, brokerage firms are provided with what they need to succeed in today's industry. With fewer MLSs to join, the internal technology requirements are reduced.

Most importantly, consolidating MLSs keep brokerages a step ahead of consumers and position REALTORS® to compete more effectively. The ultimate goal is to create the next era of MLS that preserves compensation and cooperation, promotes the expansion of an efficient marketplace and provides participating brokerage firms greater control of and access to their listing content.

More updates will follow as the joint task force is now finalizing its recommendations, subject to the approval of both organizations, for the shared ownership of the MLS system. Once approved, a Board of Directors will be established, a common set of MLS Rules and Policies will be adopted, and a more-detailed timeline will be determined.