

MOUNTAIN LAKES

BOARD OF REALTORS

PO BOX 818 * MURPHY, NC 28906 (828) 837-5297 * (828) 837-1852

RULES AND REGULATIONS

FOR

MOUNTAIN LAKES BOARD OF REALTORS MULTIPLE LISTING SERVICE INTERNET DATA EXCHANGE PROGRAM (IDX)

I. INTRODUCTION

- A.** Associations of REALTORS® and their Multiple Listing Services must enable MLS Participants to display on Participants' public websites aggregated MLS active listing information subject to the requirements of state law and regulation. To comply with this requirement MLSs must, if requested by a Participant, promptly provide basic "downloading" of current listing information. Associations and MLSs can also offer alternative display options including framing of Board, MLS or other publicly accessible sites displaying Participants' listings (with permission of the framed site). For purposes of this policy, "downloading" means electronic transmission of data from MLS servers to Participants' servers on a persistent or transient basis, at the discretion of the MLS excluding the listing or property address, respectively, of any seller who affirmatively directs that the listing or the property address not appear on the Internet or other electronic forms of display or distribution.

MLSs that allow persistent downloading of the MLS database by Participants for display or distribution on the Internet or by other electronic means may require that Participants (1) utilize appropriate security protection, such as firewalls, provided that any security obligations imposed on Participants may not be greater than those employed concurrently by the MLS, and/or (2) maintain an audit trail of consumer activity on the IDX site and make that information available to the MLS if the MLS has reason to believe that a Participant's IDX site has caused or permitted a breach in the security of the data or a violation of MLS rules related to use by consumers. This policy does not require associations or MLSs to establish publicly accessible sites displaying Participants' listings.

Definition of IDX

- B.** IDX is essentially rules and enabling technologies allowing MLS participants to give each other permission to display each other's listings on their web sites; each participant giving this permission also receives reciprocal permission from other participants. Only the listings of participants who have not opted out of IDX can be displayed on their participants' sites. Those who participate in the program are termed "MLSIDX Subscribers"

II. PURPOSE OF INTERNET DATA EXCHANGE

The purpose of Internet Data Exchange (sometimes called Internet data Display or Broker Reciprocity) is to empower MLS member REALTORS® to deal with the real estate consumer of the future. To such end, the Mountain Lakes Multiple Listing Service is committed to:

- Permitting the brokerage community to take full advantage of the data MLS member REALTORS® have contributed to the system;
- Permitting MLS member REALTORS® to obtain and maintain first contact with the consumer in the real estate transaction.
- Permitting REALTORS® to fully market their services on the Internet;

Increasingly, consumers look to the Internet for information about real estate for sale. As REALTORS® become more innovative in offering on-line services to consumers, there is greater potential for success with Internet Data Exchange, in that:

- The sites with the best data, (from the consumer's perspective, that means the MOST data) now may be controlled by REALTORS®, rather than related national (e.g. realtor.com) or local association sites.
- As greater numbers of MLS Participants opt into an Internet data Exchange program, allowing for more extensive listing displays, individual office/agent web sites can become the best source of listing data in a particular area.
- When consumers visit the web sites of participating REALTORS®, they will stay longer because the REALTORS® have more listing data to offer. It is possible that consumers may find individual office/agent sites more user friendly, as they are not as likely to be cluttered with non-listing content, such as advertising and additional links.

III. PROCEDURES, RULES AND REGULATIONS

Participation in the MLS Internet Data Exchange Program

The purpose of our MLS is to share listing information and the Internet Data Exchange program (MLSIDX) is an ongoing program of this organization and we have presumed consent for such display by our Participants. Participants' consent for display of their active listings by other Participants pursuant to these rules and regulations is presumed unless a Participant affirmatively notifies the MLS that the Participant refuses to permit display (either on a blanket or on a listing-by-listing basis). If a Participant refuses on a blanket basis to permit the display of that Participant's listings, that Participant may not download or frame the aggregated MLS data of other Participants. As ongoing administration review of MLS participants' website(s) is required to monitor compliance with established rules, the Mountain Lakes Multiple Listing Service may charge a reasonable annual participation fee, to be determined on an annual basis by the Multiple Listing Committee. Only REALTOR® members of the Mountain Lakes Board MLS shall be eligible to participate in the MLS's IDX Program.

The Internet Data Exchange may be hosted only on the brokerage's web site. Individual agents may participate in the Exchange if these regulations are observed.

- 1) The agent's brokerage firm must be participating in the MLSIDX program.

- 2) The agent's brokerage firm must have its own website with MLSIDX information.
- 3) The agent's web site must frame or "gateway" into the brokerage's web site.
- 4) The agent must have the brokerage's permission to frame/gateway into its web site.
- 5) The agent's web site must retain the brokerage's branding at all times and on all pages.
- 6) The agent and his broker must sign an agreement with the Mountain lakes MLS to observe all rules and regulations.

NC Real Estate Commission Position on MLSIDX

The legal department of NCAR worked with the NC Real Estate Commission to insure compliance for this mandated program. The most recent version of the Listing Agreement contains wording, specifically designed to cover IDX issue, which may be selected by the seller entering the agreement.

In regard to the issue of whether a broker must identify the listing firm when displaying other brokers' listings on a public access web site, there is no Commission rule. However, the NCREC holds that License Law prohibits a licensee from misrepresenting material facts, which would, essentially, make it improper for a licensee to make it appear that another firm's listing is his own.

To such end as to avoid confusion or misunderstanding in this regard, the Mountain Lakes MLS will require that all displayed listings of other brokers must indicate that it is from the MLSIDX and must contain the listing office, with display of listing agent being optional.

MLS listings included in the Internet Data Exchange

All listings, including Residential/Townhouse, Farm/Land, and Commercial/Multi-Family listings, are eligible for exchange. As each seller must decide if this is a marketing tool he wishes to use, IDXMLS Participants (agents) should explain the program, with the client indicating agreement by marking the appropriate box on the listing agreement. When the listing is entered into the MLS database, a "Y" or "N", as indicated by the agreement, should be entered in the mandatory field (IDXMLS) on our MLS input forms (computer entry). **Non-participants must enter "N" in the mandatory for every listing.**

The MLS staff will monitor these items on a daily basis as agreements are received and new entries made into the computer program, to check for non-compliance with rules, which may be subject to fines. Additional controls for this program will be instituted through our MLS provider, Systems Engineering, Inc., which will be informed of MLSIDX participating brokers.

Information Included in the Display

The program allows for limited display, similar to that currently used on REALTOR.COM, and may include:

- | | |
|-----------------------|--|
| 1) Address/area | 5) approximate square footage |
| 2) List price | 6) garage/carport/basement information |
| 3) Style/type | 7) room description |
| 4) Bedrooms/bathrooms | 8) remarks |

Only the photos, supplied by the listing firm for our MLS program, may be used in the Exchange. The following fields are not to be displayed:

- | | |
|-------------------------------|-----------------------------|
| 1) Listing/expiration date(s) | 3) compensation to agent(s) |
| 2) Owner's name | 4) days on market |

Each and every listing included in the Internet Data Exchange program must be identified as an MLSIDX property and must display the listing office name. And MLSIDX participant cannot display his agent information on the listings of other IDX Subscribers.

Procedures for Participation in Internet Data Exchange

Becoming an Internet Data Exchange Subscriber means that you give all other IDX Subscribers (in the Mountain Lakes MLS only) permission to display your active listings on their web sites, according to the MLS Internet Data Exchange Rules and Regulations. In so Doing, you obtain permission from all other IDX Subscribers to display their active listings, following the same guidelines. Participation is confirmed by signing the MLS Internet Data Exchange Agreement and payment of required fees.

Each participant and Systems Engineering Inc. (Mountain Lakes MLS server) will be provided a list of participating IDXMLS brokers (offices), so all parties will be informed as to whose listings are available for exchange. Only those listings, which have seller's consent and are indicated with a "Y" in the Mandatory MLSIDX field, may be downloaded or framed.

Though it is not necessary that a participant have a web page, it is advisable to set one up to enjoy the full benefit of IDXMLS. As our system is already internet-based, implementation of the program is the responsibility of the participating firms, who may work with their own computer personnel or webmaster to download or frame eligible listings on the broker's central website. SEI has developed solutions for Internet Data Exchange and may be contacted directly to obtain assistance in setting up a web page or manipulating the data. (A link to SEI's MLSIDX information can be found on the initial page of our system at www.navicaml.net).

The Mountain Lakes Multiple Listing Service is not responsible for any costs incurred by the individual offices/agents for the implementation or maintenance of the MLSIDX program.

Policing and Monitoring the MLSIDX Program

The MLS will monitor the web sites of member firms, both MLSIDX participants and non-participants to check for compliance with rules. Participants in the program will be requested to monitor the display of their listings, as well, to assure the integrity of this program. Should MLS become aware of a violation of its rules, either the misuse of data by a participant or the display of IDX data by a non-participant, the MLS Committee will review and assess the severity of the violation and may issue warnings or fines, as warranted. Misuse of the Internet Data Exchange Program is grounds for suspension from the MLS.

Explanations and Disclaimers

Participating brokerage web site(s) must display an explanation, indicating the source of the MLSIDX data. The following wording will satisfy this requirement:

The data relating to real estate for sale on this web site comes in part from the Mountain Lakes Multiple Listing Service. Real Estate listings held by brokerage firms other than {insert your firm's name her} are marked with the letters or logo, "MLSIDX and includes the name of the listing office".

The web site must also display a disclosure indicating that MLSIDX data is "deemed reliable but not guaranteed".

Updating Data

Ideally, one should update information on a daily basis to assure that customers receive current information. If you choose not to perform daily updates, it is advisable that the sites include a disclaimer indicating the frequency and days of update. The MLS Rules for Internet Data Exchange require all participants update the MLSIDX information on their website(s) at least every seven days. Display of outdated listings may be subject to fines by the MLS.

Restrictions on Consumer Use of MLSIDX Data

MLSIDX participants are prohibited from sharing of the MLS database with any unauthorized third party and participants are required to indicate on their Web sites that the information being provided is for consumers' personal, noncommercial use and may not be used for any purpose other than to identify properties that consumers may be interested in purchasing.

I HEREBY CERTIFY THAT THESE MLS RULES AND REGULATIONS WERE ADOPTED AND APPROVED BY THE MOUNTAIN LAKES BOARD OF DIRECTORS ON THIS DATE OF April 3, 2006

T/S Randy Dockery
Randy Dockery, President

T/S Carol Coddington
Carol Coddington, Secretary