## Internet Data Exchange (IDX) Frequently Asked Questions

#### 1. What is Internet Data Exchange?

Internet Data Exchange ("IDX"), also referred to as "Broker Reciprocity," is the next stage in the evolution of MLS as the primary means of enhancing cooperation between REALTORS® to facilitate the purchase and sale of real property. IDX gives MLS Participants the ability to authorize limited electronic display of their listings by other Participants. Under IDX, brokers exchange consent to display each other's listings on participants' websites and using applications for mobile devices that participants control. (Revised 6.1.12)

### 2. How is "control" defined in the IDX policy?

For purposes of the IDX policy "control" means participants must have the ability to add, delete, modify and update information as required by the IDX policy. All displays of IDX listings must also be under the actual and apparent control of the participant, and must be presented to the public as being the participant's display. Actual control requires that the participant has developed the display, or caused the display to be developed for the participant pursuant to an agreement giving the participant authority to determine what listings will be displayed, and how those listings will be displayed. Apparent control requires that a reasonable consumer viewing the participant's display will understand the display is the participant's, and that the display is controlled by the participant. Factors evidencing control include, but are not limited to, clear identification of the name of the brokerage firm under which the participant operates in a readily visible color and typeface, except as otherwise provided for in the IDX policy (e.g. displays of minimal information). (Added 6.1.12)

#### 3. What is NAR's IDX policy?

View NAR's IDX policy statement.

#### 4. How is Internet Data Exchange accomplished?

Other brokers' listings can be displayed either by downloading data from the MLS compilation and displaying it on your website or mobile device application, or by framing the MLS's publicly accessible website (if such a site exists). (Revised 6.1.12)

### 5. Do I have to allow other Participants to include my listings in IDX displays?

No, Participants are free to withhold authority for such display - either on a blanket or on a listing-by-listing basis as instructed by the seller. (*Revised 6.1.12*)

#### 6. What happens if I won't allow other Participants to display my listings?

If you prohibit the display of your listings by other Participants, you may not display their listings pursuant to the IDX program. Other Participants may give you permission to display their listings, but that permission would have to be sought and obtained separately from each Participant, outside the MLS. (Revised 6.1.12)

7. What happens if a Participant doesn't blanketly prohibit other Participants from displaying her listings but instead indicates, each time she submits a new listing to the MLS, that her authorization to display that listing is being withheld. Since she hasn't issued a "blanket" prohibition against display by other Participants (but is constructively doing just that incrementally), is she entitled to display other Participant's listings?

No. A Participant cannot do indirectly what she cannot do directly. Since any Participant can opt out of IDX on a blanket basis, it can be presumed that those Participants who don't opt out are willing to allow other Participants to display their listings - except in those (likely) infrequent instances where a seller specifically prohibits the listing broker from allowing the listing to be displayed by other Participants.

This is analogous to the rules and policies of many MLSs that acknowledge the right of Participants to accept "office exclusive" listings in cases where a seller requests that their listing not be included in the MLS compilation.

8. A Participant in our MLS has not blanketly prohibited display of his listings but over half of his new listings cannot be displayed by other Participants. Can we make a rule that a Participant cannot display other Participants' listings pursuant to the IDX program unless that Participant authorizes display of, say, 80% or 90% of their own listings?

No. But if a Participant doesn't opt out of IDX (by issuing a blanket prohibition of display by other Participants) he is presumed to be authorizing display of his listings by other Participants except in those instances where a seller specifically prohibits IDX display. If an inordinate number of listings cannot be displayed by other Participants, a rule could be established requiring listing brokers to certify that the benefits of having their property displayed by other Participants had been explained to the seller but that the seller had refused to permit such display. (Revised 6.1.12)

9. If a Participant has blanketly prohibited display of her listings, can we require her to certify that she has explained the benefits of display by other Participants and the seller had nonetheless refused to allow such display?

No. If a Participant elects not to take advantage of IDX display, then they cannot be required to explain its advantages to their clients. Such a rule would apply only to Participants who have opted into the IDX program for those listings for which display is not authorized.

10. If I don't participate in IDX but give another Participant permission to display my listings, can the MLS (with my permission) transfer my listings to that Participant?

Yes. MLSs may, but are not required to, transmit your listing information to any destination you authorize. The decisions as to whether an MLS will provide this service, and whether to charge for such a service, are matters of local determination. (*Revised 6.1.12*)

11. If I want to authorize other Participants to display my listings under IDX, how do I do it?

Once your MLS implements the IDX program you don't need to do anything. The way the IDX program is structured, the consent of each Participant to permit display of their listings is assumed. If you choose not to permit display of your listings by other Participants, you simply notify the MLS that your consent is being withheld. It should be stated that some MLSs have chosen to use an "opt-in" approach to IDX

under which Participants must affirmatively signify their intent to participant in IDX. Determining whether to use an "opt-in" or "opt-out" approach is a matter of local option.

# 12. Can the MLS refuse to accept my listings if I do not permit other Participants to display them as part of IDX?

No. Participants cannot be required to consent to display of their listings by other Participants as a condition of participation in the MLS. (Revised 6.1.12)

#### 13. Does IDX conflict with license law or the Code of Ethics?

Implementation of IDX must be consistent with state law. NAR's IDX policy statement is consistent with the Code of Ethics since no display of other Participants' listings can occur without their consent, though, can be assumed unless affirmatively withheld by the listing Participant.

14. Our MLS doesn't have a publicly-accessible website displaying Participants' listings. Does NAR's IDX policy mean we have to establish one so that Participants can frame each others' listings?

No. Framing is an IDX option available to Participants only if an association or MLS maintains a publicly-accessible website. NAR's policy does not require associations or MLSs to create such websites simply to provide this option to its Participants.

15. Our MLS is computerized but not Internet-based. Do we have to establish an Internet-based system to comply with NAR's IDX policy?

No, but under the IDX policy your MLS must permit Participants to extract listing information so it can be displayed on other Participants' websites or displayed using applications for mobile devices. (Revised 6.1.12)

### 16. Can I authorize some, but not all, Participants to display my listings?

If you consent to the display of your listings by other Participants under the IDX program, then any other Participant in the MLS may display your listings. If you prefer to authorize some, but not all, Participants to display your listings, this can be accomplished - though not under the IDX program. Separate consents would have to be granted to each Participant authorized to display your listings. As noted in an earlier question, MLSs may, but are not required, to transmit your listings to any destination you authorize. The decisions as to whether an MLS will provide such a service, and the related charges (if any) are matters to be determined locally. (*Revised 6.1.12*)

#### 17. Can MLSs charge a fee for downloading listing information to Participants?

Yes, NAR's IDX policy does not affect the right of associations and MLSs to assess fees and charges for services provided to Participants. This remains a matter of local determination, subject to the parameters of existing policy (see Multiple Listing Policy Statements 7.9, 7.45, and 7.57 in the NAR <u>Handbook on Multiple Listing Policy</u>).

### 18. Does IDX mean that confidential information will now be available to the public?

No. IDX permits MLSs to prohibit display (by either downloading or by framing) of information intended exclusively for other real estate professionals and not for consumers.

#### 19. Must the listing firm be identified when I display other Participants' listings?

This is a matter left to the discretion of local MLSs. Participants will want to keep the requirements of license law and the Code of Ethics (particularly Article 12 and S.O.P 12-5) in mind when engaging in such displays. (*Revised 1.26.16*)

#### 20. Can listing information be modified when it is displayed by other Participants?

This is a matter of local determination, although any authorized modification must comply with the "true picture" mandate of Article 12 of the Code of Ethics. (Reviewed 6.1.12)

# 21. Won't buyers (or individuals posing as buyers) be able to extract the entire MLS database and do whatever they want with it?

MLSs can, as a matter of local determination, establish reasonable limits on the amount of data and/or the number of listings consumers can retrieve in a particular query, but no fewer than one hundred (100) listings or five (5) % of the listings available for IDX display, whichever is less. (*Revised 6.1.12*)

# 22. Won't IDX enable national and regional firms to aggregate listing information from many MLSs and create "super-MLSs"?

The ability to aggregate listing information from several MLSs remains subject to local MLS rules. Under IDX, MLSs may strictly limit the right to display other Participants' listings to those offices holding participatory rights in that MLS.

### 23. Why should we let our listings be displayed by our 'competitors'?

Letting other Participants display listings is a business decision each Participant must make, taking into account their duty to promote the best interests of their clients; to cooperate with other REALTORS®; and the opportunity to use the Internet to better serve their clients and customers. (Revised 6.1.12)

# 24. Do sellers have the right to "opt out" of display of their address or, alternatively, their listing in IDX displays?

Both the IDX policy and the VOW policy provide for seller "opt outs", but only where the seller has expressly directed that either their property address or all information about the listing cannot appear anywhere on the Internet. (Revised 6.1.12)

25. Can a seller require that any IDX display of their property information not show an automated valuation of the property in connection with the listing? What about blogging, that is, showing third-party comments about the property in connection with an IDX display of the property listing?

Sellers can direct that automated valuation and/or blogging features on all participants' IDX displays be disabled or discontinued with respect to their properties. (*Revised 6.1.12*)

# 26. If a seller wants an IDX display to turn off automated valuation or blogging of their property, how do they do that?

Sellers who wish to have automated valuation and/or blogging features of IDX displays disabled or discontinued with respect to their properties should communicate that request to their listing broker, who will in turn transmit that request to the MLS. (Revised 6.1.12)

27. Can the listing data input process include "yes/no" 'checkboxes' regarding the seller's right to withhold consent for automated valuation or blogging on his listing shown on an IDX display (e.g., "AVM - yes/no", "Blogging - yes/no")?

Yes, but absent a seller's specific direction that AVM and/or blogging functions be disabled or discontinued, these functions are permitted. (Revised 6.1.12)

28. Can MLSs adopt rules to ensure seller requests that automated valuation features or blogging on IDX displays be turned off are met on a timely basis?

Yes. (Revised 6.1.12)

29. The IDX policy requires that the participant's or subscriber's IDX display must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. This disclosure may not be possible in displays of minimal information such as "thumbnails", "text messages", "tweets", etc. Is compliance with these disclosure requirements mandatory?

The IDX policy permits displays when only "minimum information" can be shown, but only if there is a direct link to a display making all required disclosures. (Added 6.1.12)

30. The IDX policy requires that the participant's or subscriber's IDX display must clearly identify the name of the brokerage firm under which they operate in a readily visible color and typeface. This disclosure may not be possible in displays of minimal information when allowed, such as "thumbnails", "text messages", "tweets", etc., of 200 characters or less. Is compliance with these disclosure requirements mandatory?

The policy contemplates that access to the required disclosure information will be available by simply following the link, and there not be any additional steps or requirements involved. (Added 1.26.16)

31. Do the May 2012 amendments to the IDX policy authorize display/distribution of IDX listings using RSS or Social Media?

No. (Added 6.1.12)